2-13-53

DMEA-2824
Mica
Region VII

HAWKINS MINING COMPANY, BAKERSVILLE, NORTH CAROLINA. Hawkins Mine, Stokes County, North Carolina.

Letter to the Field requesting an examination and report, and enclosing copies of memoranda from the Bureau of Mines and Geological Survey. Letter to the applicant.

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Field Reports (continued)

DMEA-2824
Mica
Region VII

HAWKINS MINING COMPANY, BAKERSVILLE, NORTH CAROLINA. Hawkins Mine, Stokes County, North Carolina. 189 3-13-53

Field Report recommending approval. The report was referred to the Commodity Group.

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4-22-53 No. 206 DMEA-2824
Mica
Region VII

HAWKINS MINING COMPANY, BAKERSVILLE, NORTH CAROLINA. Hawkins Mine, Stokes County, North Carolina.

Letter to the Field enclosing a contract, signed by the Administrator, for execution. Approved for referral.

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DMEA-2824
Idm-E511
Mica
Region VII
(Terminated)

HAWKINS MINING COMPANY, BAKERSVILLE, NORTH CAROLINA. Hawkins Mine, Stokes County, North Carolina. 273 9/28/53

Final Field Report recommending that no certification be made on the project. The report was referred to the Commodity Group.

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DMEA-2824
Idm-E511
Mica
Region VII

HAWKINS MINING COMPANY, BAKERSVILLE, NORTH CAROLINA. Hawkins Mine, Stokes County, North Carolina.

Letter to the Field with reference to its letter of July 21, 1953, and forwarding Termination Agreement forms for the signatures of the Executive Officer and the Operator. 7-29-53 #248

☑ Audited

☐ Certified

WORK ANALYSIS SHEET - DMEA PROJECT

Analysis as of 12-9-54
Incl. Voucher for June-July 1953

☐ Actual Cost

☑ Agreed Unit Costs

Name Hankins Mining Co

Docket No. 2824

State North Carolina

Commodity Mica

Idm-E No. 571

| OPERATION | AUTHORIZED Units | AUTHORIZED Cost | COMPLETED Units | COMPLETED Cost | NET COST |
|---|---|---|---|---|---|
| Drifting & Crosscutting | 60 | 1950 | | | |
| Raising | | | | | |
| Shafts | 90 | 4050.00 | 45 | 2025 | 2025.00 |
| Winzes | | | | | |
| Drilling (Specify) | | | | | |
| Surface Excavation | | 800.00 | | 720.00 | 720.00 |
| Underground Excavation | | | | | |
| Roads and Trails | | | | | |
| Operating Equipment Purchased | | | | | |
| Surface Rehabilitation & Repairs | | | | | |
| Underground Rehabilitation | | | | | |
| New Building, Improvements, etc. | | | | | |
| Other (Specify) | | | | | |
| Totals | | 6800.00 | | 2745.00 | 2745.00 |

Prepared by [signature]

71626

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 13 1953

Division copy
Hawk
Chambers
Alkire
Hoffman

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

It is agreed this July day of 21, 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [redacted], hereinafter called the "Operator," parties to that certain Exploration Project Contract I-dm-E[redacted], Docket No. DMEA-[redacted], dated [redacted], that the said contract shall be and is hereby terminated as of the first date above written.

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

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

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

UNITED STATES OF AMERICA

By Robert A. Laurence
Executive Officer, DMEA Field Team, Reg. VII

Hawkins Mining Company
(Operator)

By J. R. McKinney (Partner)

By Jack McKinney (Partner)

By Lee McKinney (Partner)

By D. S. Buchanan (Partner)

18262-1

Extra copy

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

It is agreed this _____ day of _____, 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and _____, hereinafter called the "Operator," parties to that certain Exploration Project Contract I-dm-E[redacted], Docket No. DMEA-[redacted], dated _____ [redacted], that the said contract shall be and is hereby terminated as of the first date above written.

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

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

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

UNITED STATES OF AMERICA

By _____
Executive Officer, DMEA Field Team, Reg. VII

Hawkins Mining Company
(Operator)

By _____ (Partner)

By _____ (Partner)

By _____ (Partner)

By _____ (Partner)

Mr. Feitler

DOCKET NO. DMEA 2324

MF-200 (A)
(February 1952)

COMMODITY Mica

Division Copy

Idm-E-511

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 11 1953

# EXPLORATION PROJECT CONTRACT[1]

(Short Form)

IT IS AGREED this 23rd day of April, 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] J. R. McKinney, Jack McKinney, Lee McKinney, and D. S. Buchanan, all of Bakersville, North Carolina, partners, doing business as Hawkins Mining Company, Bakersville, 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 Avery, described as follows:[3] in Annex I, attached hereto and made a part hereof

the Operator represents and undertakes:[4]

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

None

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

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

ARTICLE 3. *Exploration project.*—The Operator, within 30 days from the date of this contract shall commence work on a project of exploration for[5] Mica

in or upon the described land; and shall bring the project to completion within a period of 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 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 $5,120.00, which is 90 percent of $6,000.00, the agreed, estimated total cost of the project in which the Government will participate: *Provided,* That until the Operator's final report and final accounting have been rendered to the Government and any final 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.

HAWKINS MINING COMPANY

By J. R. McKinney
President

By Lee McKinney

By Jack McKinney

By D. L. Beckenbach

THE UNITED STATES OF AMERICA

By O. Meltzedorf
Administrator, Defense Minerals Exploration Administration

Robin
Alfred
Hank
Crawford

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

HAWKINS MINING COMPANY
EXPLORATION PROJECT CONTRACT
DOCKET NO. DMEA-2824

ANNEX I

The land consists of approximately 13 acres in two tracts, known as the Old Hawkins Mine, located approximately 2.5 miles west of Sandy Ridge, Stokes County, North Carolina. The tracts are described as follows:

Tract 1 - Being 5.8 acres, more or less, described in deeds from Sandy Ridge Mica and Mining Co., and from Commercial Consulting Corporation to J. R. McKinney, Lee McKinney, Jack McKinney, and D. S. Buchanan, dated March 27, 1946, and recorded in Deeds Book 104 at pages 248 and 291, in the office of the Register of Deeds, Stokes County, North Carolina.

Tract 2 - Being 7.25 acres more or less, in Stokes County, North Carolina, contiguous to Tract 1, above, and described as follows:

Beginning at a point, common to the center of Raccoon Creek, the line of the Thomas Spencer farm, and the northwest corner of Tract 1, above; thence, with the center line of Raccoon Creek, 9 courses as follows: (1) S.66°E. 122 ft. (2) N.40°E. 82 ft. (3) N.10°E. 61 ft. (4) N.49°E. 127 ft. (5) N. 71°E. 65 ft. (6) N.37°E. 48 ft. (7) N.78°E. 85 ft. (8) S.85°E. 50 ft. (9) N.54½°E. 64 ft. to the point where Spring Branch enters Raccoon Creek; thence, with the line of Everett M. Hawkins, N.26½°W. 967 ft. to an iron in the road in Spencer's line; thence, S.6°W, with Spencer's line, 784 ft. to an iron, a corner in Spencer's line; thence, following Spencer's line four courses as follows: (1) N.84°W. 210 ft. to an iron (2) S.6°W. 210 ft. to an iron (3) S.84°E. 210 ft. to an iron (4) S.6°W. 148 ft. to the point of beginning.

HAWKINS MINING COMPANY
EXPLORATION PROJECT CONTRACT
DOCKET NO. DMEA-2824

EXHIBIT "A"

Description of the Work

Exploration for mica concentrations shall be accomplished by work in two stages, at sites east and west of the old workings near the south end of the mine, approximately as shown on the map entitled "Hawkins Mine, Stokes County, N.C., DMEA-2824 (Mica)," attached hereto.

The location, direction, and extent of all work shall be specified in advance by the Government. The work is described as follows:

Stage I

East of the old workings, excavate a trench approximately 100 feet long, 25 feet wide, and 20 feet deep.

West of the old workings, sink a shaft, not more than 45 feet deep, on the pegmatite dike exposed in the west wall of the "New Cut."

From the bottom of the shaft, drift not more than 30 feet along the pegmatite.

Stage II

If, in the opinion of the Government, the results of the trenching in Stage I warrant further work, and the Government approves it in writing, in advance, sink a shaft, not more than 45 feet deep.

From the bottom of the shaft, drift not more than 30 feet along the pegmatite.

All shafts and drifts shall be not less than 5 feet by 7 feet in cross section, and shall be timbered as necessary.

## Agreed Unit Costs

### Stage I

| | | | |
|---|---|---|---|
| 80 hours of Trenching with bulldozer @ $10.00/hr. | $ 800.00 | | |
| 45 feet of shaft sinking @ $45.00/ft. | 2,025.00 | | |
| 30 feet of drifting @ $32.50/ft. | 975.00 | | |
| **Total Stage I** | | $3,800.00 | |

### Stage II

| | | | |
|---|---|---|---|
| 45 feet of shaft sinking @ $45.00/ft. | 2,025.00 | | |
| 30 feet of drifting @ $32.50/ft. | 975.00 | | |
| **Total Stage II** | | $3,000.00 | |
| **Estimated Total Cost of Project** | | | $6,800.00 |
| **Government Participation @ 90%** | | | $6,120.00 |

Mr. J. R. McKinney
Hawkins Mining Company
Bakersville, North Carolina

Re: Docket No. DMEA-2824 - Mica
Hawkins Mining Company
Hawkins Mine
Stokes County, North Carolina
Contract No. Idm-E511

Dear Mr. McKinney:

This is with reference to the subject Exploration Contract between your company and the Government.

The final audit of the contract expenditures and the final reports of the Operator and the Field Team have been received and accepted by this Administration. A contract for the total amount of $6,800.00 was approved and the sum of $2,745.00 was expended, 90 percent of which, or $2,470.50, represented the Government's share. There were no unused materials, supplies or equipment to be disposed of for the joint account of the Operator and the Government.

Because the results of the exploration were unfavorable, it is not out intention to make a certification of discovery or development which would create a lien against the subject property. We are, therefore, closing our books and records with respect to this project. Your attention is called, however, to Article 5 (d) of the Contract which requires the Operator to "keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract".

Your interest in the Exploration Program of the Defense Minerals Exploration Administration and your willingness to participate therein are appreciated.

Sincerely yours,

C. O. Mittendorf

Administrator

WCAnderson:ag 12/4/53
Copy to: Admr. R. File
Docket File
Field Team, Region VII
Mr. Dietrich, 3526
Mr. Larrabee, G-232, GSA Bldg.
Mr. Houk

# Project Summary Report

By: Walter C. Anderson December 7, 1953

1. DMEA Docket No. 2824 - Mica
Contract No. Idm-8511
Hawkins Mine
Stokes County, North Carolina

Operator: J. R. McKinney, Jack McKinney,
Lee McKinney, and D. S. Buchanan
d.b.a. Hawkins Mining Company
Bakersville, North Carolina

Operator's Property Rights:
No claims, liens or encumbrances

2. Contract - dated april 23, 1953

Work authorized:

| | |
|---|---|
| Stage I - 80 hours of trenching | |
| with bulldozer @ $10/hr. | $800.00 |
| 45 ft. of shaft sinking @ $45/ft. | 2,025.00 |
| 30 ft. of drifting @ 32.50 /ft. | 975.00 |
| Total | $3,800.00 |
| Stage II - | |
| 45 ft. shaft sinking @ $45/ft. | $2,025.00 |
| 30 ft. of drifting @ $32.50.ft. | 975.00 |
| | $3,000.00 |
| Estimated total cost of project | $6,800.00 |
| Government's participation @ 90% | $6,120.00 |

Amendments: None

Work completed:

| | |
|---|---|
| 72 hours of trenching @ $10/hr. | $720.00 |
| 45 ft. of shaft sinking @ 45/ft. | 2,025.00 |
| Total cost of work completed | $2,745.00 |
| Government's participation @ 90% | $2,470.50 |

The project was started on May 5, 1953, and was terminated July 21, 1953, by mutual agreement because the possibilities for discovery of a worthwhile deposit of strategic mica were not promising.

3. Audit Certificate issued September 11, 1953 (no exceptions)

4. Certification of Discovery - None issued.

5. Comments:

This operation was conducted competently and efficiently. Operator furnished good engineering and geological reports. In accordance with the contract, 100 feet of trenching was cut and 45 feet of shaft sinking was completed. At this point it was evident that no worthwhile deposit of mica would be found, therefore, it was decided not to do the drifting contracted for. The contract was terminated by mutual agreement on July 21, 1953, and no certification of discovery was issued, in which the Nonmetallic Minerals Division concurred.

WCAnderson:ag 12/7/53
Copy to : Admr. R. File
Docket File
Mr. Houk

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

DEPARTMENT OF THE INTERIOR
DEC 7 1953

December 7, 1953

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-2824, Mica

Contract Number: Idm-E 511

Applicant: Hawkins Mining Company

Name and Location of Property: Hawkins Mine, Stokes County
North Carolina

Date of Field Team Final Report: September 17, 1953

Field Team Recommendation:

1. Denial of certification of discovery or development.

Comments:

1. No strategic mica was encountered through the exploration.
2. Total approved costs - $6,800.00
   Total project costs - 2,745.00
   Government's share of cost- 2,470.50

Recommendation:

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

Signed

W. F. Dietrich

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

COPY

~~WASHINGTON 25, D.C.~~
Room 13, Post Office Bldg.
Knoxville 2, Tenn.

September 17, 1953

Memorandum

To: Chairman, Operating Committee

Reviewed by
DMEA OPERATING COMMITTEE
_____
(date)

From: DMEA Field Team, Region 7

Subject: Final Reports.

Transmitted herewith are the field examiners final reports on the following projects:

DMEA-2416, Idm-E328, J. W. Autrey Mine (mica)

DMEA-2824, Idm-E511, Hawkins Mine (mica)

DMEA-2832, Idm-E503, Bear Pen Mine (mica)

DMEA-2561, Idm-E420, Poston Prospects (mica)

DMEA-2375, Idm-E349, Swannanoa Mine (mica)

DMEA-2524, Idm-E430, Joe Stevenson Mine (mica)

Attached to the appropriate reports are also the Operator's final reports on the following:

DMEA-2832, Idm-E503, Bear Pen
DMEA-2824, Idm-E511, Hawkins Mine
DMEA-2416, Idm-E328, J. W. Autrey

The operators final report on Poston Prospects, DMEA-2561, Idm-E420 has previously been forwarded.

Final reports have not been received from the operator on the following:

Swannanoa, DMEA-2375, Idm-E349 and J. W. Stevenson Mine, DMEA-2524, Idm-E430. As soon as these reports are received they will be forwarded.

The Field Team is in agreement that none of the projects herein described warrant certification.

/s/ Wm. A. Beck
U. S. Bureau of Mines

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

# FINAL REPORT
# ON

## DMEA-2824, Idm-E511, HAWKINS MINE (mica)
## Stokes County, North Carolina

BY

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

and

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

September 16, 1953

Reviewed by
DMEA OPERATING COMMITTEE

9-28-53
(date)

DEFENSE MINERALS EXPLORATION ADMINISTRATION
FINAL REPORT
ON

DMEA-2824, Idd-N 511, HAWKINS MINE
(Mica)

Operator: Hawkins Mining Company, c/o J. R. McKinney, Bakersville, N. C.

The Hawkins mine is approximately 2.5 miles west of Sandy Ridge Stokes County, North Carolina.

Work performed under this contract failed to discover a worthwhile deposit of mica, thus no certification of discovery should be issued.

Accomplishments under this contract consisted of cutting a trench 100 feet long, 25 feet wide, and 20 feet deep, trench is located in area shown on map attached to contract and examination report. This cut exposes a steeply dipping pegmatite which strikes east-west. The pegmatite is exposed on its strike for a distance of 30 feet and maximum thickness is 3.5 feet. Several bags of surface and mineral stained mica were recovered from this pegmatite, but it is all of very poor quality. The liklihood of uncovering a worthwhile deposit of strategic mica at this place appears poor; therefore, work was discontinued at the completion of the trenching.

The existing 26-foot incline from the cut was deepened to 71 ft. (45 feet of incline as provided in the contract). This incline was driven in a N. 43° W. direction on a -35° slope. Two small mica-bearing pegmatite pods were encountered at points 26 and 42 feet from the portal and all of the pegmatite was removed. Approximately 250 pounds of mine-run book mica was recovered from these two pods.

The project began on May 5, 1953, and was terminated July 21,1953 because the possibilities for discovery of a worthwhile deposit for strategic mica were not promising.

Expenditures:

| | | |
|---|---|---|
| (a) | Total approved | $6,800.00 |
| (b) | Total cost of project | 2,745.00 |
| (c) | Government's share of cost | 2,470.50 |
| (d) | Government's share unexpended | 3,649.50 |
| (e) | Value of production during operation (see operator's final report) | 685.83 |

This operation was conducted competently and efficiently. The contract was on a unit basis, thus no salvage value.

Sept. 16, 1953

Kefton H. Teague, USGS

L. E. Shirley, USBM

Reviewed by
DMEA OPERATING COMMITTEE
9-29-53
(date)

SM

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

Defense Minerals Administration
DEC 8 - 1953

December 7, 1953

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-2824, Mica

Contract Number: Idm-E 511

Applicant: Hawkins Mining Company

Name and Location of Property: Hawkins Mine, Stokes County
North Carolina

Date of Field Team Final Report: September 17, 1953

Field Team Recommendation:

1. Denial of certification of discovery or development.

Comments:

1. No strategic mica was encountered through the exploration.
2. Total approved costs - $6,800.00
   Total project costs - 2,745.00
   Government's share of cost- 2,470.50

Recommendation:

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

Signed

W. F. Dietrich

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

DEC 9 1953

December 7, 1953

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   Total project costs - 2,745.00
   Government's share of cost- 2,470.50

Recommendation:

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

W. F. Dietrich

Original Received

IN REPLY REF

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

September 28, 1953

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-2824 (Mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant: J. R. McKinney
Name of property: Hawkins Mine
Location of property: Stokes County, N. C.
Date of field team report: September 16, 1953.
Authorship of field team report: K. H. Teague and L. E. Shirley
Field team's recommendation: Termination of contract with no certification of discovery.

ACTION SUGGESTED: "Follow field team's recommendation."

D. M. Larrabee

Copy to: DMEA (3) ✓

IN REPLY

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

September 28, 1953

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-2824 (Mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant: J. R. McKinney
Name of property: Hawkins Mine
Location of property: Stokes County, N. C.
Date of field team report: September 16, 1953.
Authorship of field team report: K. H. Teague and L. E. Shirley
Field team's recommendation: Termination of contract with no certification of discovery.

ACTION SUGGESTED: Follow field team's recommendation.

D. M. Larrabee

Copy to: DMEA (3)

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

J. R. McKinney, Jack McKinney,
Lee McKinney and D. S. Buchanan
d/b/a Hawkins Mining Company
Bakersville, North Carolina

pertaining to Exploration Project Contract No. Idm-K511, Docket No. DMEA-2824, for the months of May, 1953 to July, 1953, inclusive, covering a project for the exploration of mica.

My review included an examination of the Monthly Reports (Forms MF-104) and supporting documents attached thereto, comparison of the costs claimed with the contract and pertinent schedules, consultation with the Executive Officer of the Regional Field Team, and a determination of the reasonableness and propriety of the costs.

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

the contract provides 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 | | $2,745.00 |
| Exceptions: | | |
| By DMEA Finance Officer | $ - 0 - | |
| Herewith | - 0 - | - 0 - |
| Total Accepted Cost | | $2,745.00 |

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 Two thousand four hundred seventy and 50/100 Dollars,

**$2,470.50**

is considered valid and proper.

E. D. Talbert, Auditor

September 11, 1953

Mr Anderson

Bakersville, North Carolina
September 14, 1953.

Defense Minerals Exploration Administration
United States Department of the Interior
Knoxville, Tennessee

Re: Final Geological and Engineering Report on Project DMEA-2824, Idm-E 511(mica), Hawkins Mine

Gentlemen:

In accordance with the requirements of Article 5(b) of my contract on the above matter, I submit herewith final geological and engineering report:

In accordance with contract agreements we cut a trench 100 feet long, 25 feet wide and 20 feet deep. Also we completed 45 feet of shaft sinking (incline drift). At this point it did not appear to be worthwhile to go any further and that was the reason to cease working in the mine. No mica vein was struck by the time the 45 feet of shafting was completed. We were able, however, to get enough mica for one sale in the amount of $685.83 which was sold to General Services Administration at the Mica Purchase Depot in Spruce Pine, North Carolina. This sale was made on June 2, 1953.

It is our considered opinion that there is nothing here at this mine to warrant further work at this mine and there is no reserve that we could ascertain.

Very truly yours,

HAWKINS MINING COMPANY

By J R McKinney
Partner

IN REPLY REFER TO:

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

September 28, 1953

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-2824 (Mica)

To: L. G. Hook, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant: J. R. McKinney
Name of property: Hawkins Mine
Location of property: Stokes County, N. C.
Date of field team report: September 16, 1953.
Authorship of field team report: K. M. Teague and L. E. Shirley
Field team's recommendation: Termination of contract with no certification of discovery.

ACTION SUGGESTED: Follow field team's recommendation.

D. M. Larrabee

Copy to: DMEA (3) ✓

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

Subject: Docket No. DMEA-2824 - Mica
Hawkins Mining Company
Hawkins Mine
Stokes County, North Carolina
Contract No. Idm-4511

Dear Mr. Lawrence:

Reference is made to your memorandum of July 21, 1953, addressed to the Operating Committee, on the proposed termination by mutual consent, DMEA-2824, Idm-4511 (Mica), Hawkins Mine.

You will find enclosed seven copies of "Termination of Exploration Project Contract by Agreement after Commencement but before Completion of the Work" for execution.

The Washington Office concurs that this project should be terminated.

Sincerely yours,

Chairman, Operating Committee

Approved:

Member, Bureau of Mines

Member, Geological Survey

Enclosures 7

JHopkins:gad 7/24/53
Copy to: Admr. H. File
Docket File
Operating Committee
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

JUL 30 1953 600

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

Subject: Docket No. DMEA-2824 - Mica
Hawkins Mining Company
Hawkins Mine
Stokes County, North Carolina
Contract No. Idm-2511

Dear Mr. Laurence:

Reference is made to your memorandum of July 21, 1953, addressed to the Operating Committee, on the proposed termination by mutual consent, DMEA-2824, Idm-2511 (Mica), Hawkins Mine.

You will find enclosed seven copies of "Termination of Exploration Project Contract by Agreement after Commencement but before Completion of the Work" for execution.

The Washington Office concurs that this project should be terminated.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

J. H. Hedges

Member, Bureau of Mines

A. R. Kinkel, Jr.

Member, Geological Survey

Enclosures 7

JHopkins:gad 7/24/53

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 23 1953

July 21, 1953

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Hawkins Mine, DMEA-Docket No. 2824, Idm-E511 (mica) Stokes County, North Carolina. Operator: Hawkins Mining Co.

Work on subject project began May 5, 1953. To date the trenching outlined in contract east of cut has been completed, and the existing short incline west of cut has been extended in an N. 43° W. direction to an inclined depth of 71 feet (incline on - 35° angle). A depth of 45 feet was completed under the contract as starting point was 26 feet from portal. Two small mica bearing pegmatite pods were encountered at points 42 and 27 feet from portal and all pegmatite was removed. Approximately 250 pounds of mine-run book mica was recovered from these two pods. No worthwhile pegmatite was located by the bulldozer trenching east of the existing cut.

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

Acting, Executive Officer
DMEA Field Team, Region VII

Benjamin Gildersleeve
U. S. Geological Survey

KHT/am
cc:
Beck
Lynch
Files

Tobacco

[illegible]

[illegible] REPORT

[illegible]-2824 [illegible]-5811 ([illegible]) [illegible]

[illegible] [illegible] Mining Company, [illegible], North Carolina

LOCATION: About 60 miles northwest of [illegible] and 2.5 miles west of [illegible], [illegible] County, North Carolina in a hilly district.

/Inclined shaft sinking continues on their contract and is now [illegible] feet. [illegible] has been in country rock, with the exception of two narrow pegmatite [illegible] at the 15 foot and 21 foot [illegible] dip. Approximately a cap of [illegible] was recovered from these veins, [illegible] and laterally. Only [illegible] feet of [illegible] to be driven under contract. It was suggested that a pegmatite is located in the roof at 7 feet of shaft, that three short exploratory laterals be driven from the most desirable points in the incline in an effort to pick up a pegmatite body.

/A lifting jack recently been erected over the collar for safety reasons./

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

[illegible], Geologist
U. S. Geological Survey

June 30, 1953

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

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

PAID ON VOUCHER AND SCHEDULE OF PAYMENTS ~~NOR~~ K-3

16

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

Month of June-July 1953 Docket No. DMEA 2334 Contract No. Idm-E 511
Operator's Name Perkins Mining Company Minerals Mica
Address Hickorsville, North Carolina
Contract Amount, $ 6200.00 Government Participation: 90 % Amount, $ 6120.00

| 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 | | 720.00 | 720.00 | | | |
| Bulldozing | | | | | | |
| Crosscutting | | | | | | |
| Drifting | 1125 | 900.00 | 2025.00 | | | |
| (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 | [illegible] | [illegible] | [illegible] | 1,125.00 | 1,620.00 | 2,745.00 |

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

Date July 6, 1953 *Payee Perkins Mining Company

Per Lee McKinney 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:

$1,012.50

Signature Cora A. Piper
(Authorized Certifying Officer)

Date JUL 15 1953 Vou. No. 16
**(See other side)**

112.50

2

(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-E511 in accordance with the terms of the contract.

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

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Laurence Title EXECUTIVE OFFICER DMEA REGION VII Date JUL 10 1953

# MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

# OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of June & July 1953 Docket No. DMEA 2824 Contract No. Idm-E 511

Operator's Name Hawkins Mining Company Minerals Mica

Address Bakersville, North Carolina

| OPERATION | UNIT | COSTS THIS MONTH | UNITS THIS MONTH | COSTS TO DATE | UNITS TO DATE | UNIT COSTS TO DATE | AUTHORIZED BY CONTRACT Units | AUTHORIZED BY CONTRACT Unit Costs |
|---|---|---|---|---|---|---|---|---|
| Drifting | | | | | | | | |
| Crosscutting | | | | | | | | |
| Raising | | | | | | | | |
| Shafts | Ft. | 1125.00 | 25 | 2025.00 | 45 | 45.00 | | |
| Winzes | | | | | | | | |
| Drilling: Core | | | | | | | | |
| Churn | | | | | | | | |
| Auger | | | | | | | | |
| Stripping | | | | | | | | |
| Trenching Bulldozing | Hr. | None | None | 720.00 | 72 | 10.00 | | |
| Test Pits | | | | | | | | |
| Roads and Trails | | | | | | | | |
| TOTAL DISTRIBUTED COSTS | | 1125.00 | | 2745.00 | | | | TOTAL COSTS AUTHORIZED BY CONTRACT |
| Operating Equipment Purchased | | | | | | | | |
| Initial Rehabilitation and Repairs | | | | | | | | |
| New Buildings, Improvements, etc. | | | | | | | | |
| TOTAL COSTS | | 1125.00 | | 2745.00 | | | | |

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

Date July 6, 1953 Operator Hawkins Mining Co.

Per Lee McKinney Title Partner

REMARKS:

~~THIS IS A FINAL REPORT~~

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

(Instructions on reverse)

(For Government use only)

## INSTRUCTIONS

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

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

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

GPO 83-38475

HAWKINS MINING COMPANY
EXPLORATION PROJECT CONTRACT
DOCKET NO. DMEA-2824

DESCRIPTION OF WORK DONE
June 1-July 2, 1953.

June 1, 1953- Mucked. Drilled 36 feet. Blasted.
June 2, 1953- Mucked Out.
June 3, 1953- Drilled 48 feet. Blasted, Put in track-Mucked.
June 4, 1953- Mucked. Drilled 12 feet, Blasted.
June 8, 1953- Pumped water. Worked on Hoist, worked on track-mucked.
June 9, 1953- Drilled 40 feet. Blasted, Mucked.
June 10, 1953- Mucked. Drilled 36 feet, blasted.
June 11, 1953- Mucked.
June 15, 1953- Pumped water. Drilled 48 feet, Blasted.
June 16, 1953- Mucked.
June 17, 1953- Put on discharge line and air line. Put in track, drilled 48 feet and blasted
June 18, 1953- Mucked.
June 22, 1953- Pumped water. Cleaned track where rain had washed mud in mine. Drilled 60 feet, Blasted.
June 23, 1953- Mucked. Put in track, Drilled 60 feet, Blasted.
June 24, 1953- Drilled 40 feet. Blasted.
June 25, 1953- Mucked.
June 29, 1953- Pumped water. Cleaned out mud.
June 30, 1953- Mucked. Drilled 48 feet, Blasted.
July 1, 1953- Worked on Hoist. Mucked. Drilled 48 feet, Blasted.
July 2, 1953- Mucked.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
SOUTHEASTERN REGION
REGION VII
HAMILTON BANK BUILDING

OFFICE OF
REGIONAL DIRECTOR

POST OFFICE BOX 1909
KNOXVILLE, TENNESSEE

Department of the Interior
Defense Minerals Administration
RECEIVED
JUL 6 1953

July 6, 1953

Memorandum

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

From: Administrative Officer, Region VII, Knoxville, Tennessee

Subject: Monthly reports and vouchers

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

Idm-E-511 Hawkins Mining Company
DMEA-2624
1st payment - month of May
Amount $1458.00
Starting Date: 5/5/53

Helen R. Miller

Enclosure
HRM:Pthbm
C: W. A. Beck
R. A. Lawrence
Region Files
Day Files

Form DMEA-104 (Rev. April 1952)

Defense Minerals Administration
RECEIVED
JUL 8 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

PAID ON VOUCHER AND SCHEDULE OF PAYMENTS NOR - 68

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# OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of May 1953 Docket No. DMEA 2824 Contract No. E511

Operator's Name Hawkins Mining Company

Address Bakersville, North Carolina Minerals Mica

Contract Amount, $ 6,120.00 Government Participation: 90% Amount, $

| 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 Trenching | 720.00 | None | 720.00 | | | |
| Bulldozing | | | | | | |
| Crosscutting | | | | | | |
| Drifting Shafting | 900.00 | None | 900.00 | | | |
| (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 | $1620.00 | None | $1620.00 | 1,620.00 | | 1,620.00 |

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

Date June 6, 1953 Payee Hawkins Mining Co.

Per Lee McKinney 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.

S 5/5/53 (Instructions on reverse)

162.00

1st

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

$ 1,458.00

Signature Cora A. Pipes
(Authorized Certifying Officer)

Date JUN 24 1953 Vou. No. 182
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-5511 in accordance with the terms of the contract.

Signature Kepton H. Teague Title Geologist USGS Date 6-22-53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Laurence Title EXECUTIVE OFFICER DMEA REGION VII Date JUN 22 1953

# MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

# UNITED STATES
# DEPARTMENT OF THE INTERIOR

## DEFENSE MINERALS EXPLORATION ADMINISTRATION

## OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of May 3 195 Docket No. DMEA 2824

Operator's Name Hawkins Mining Company

Address Bakersville, North Carolina

Contract No. E 511

Minerals

| 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 | Ft. | 900.00 | 20 | | | | | |
| Shafts | | | | 900.00 | ~~45~~ 20 | 45.00 | 45 | 45.00 |
| Winzes | | | | | | | | |
| Drilling: Core | | | | | | | | |
| Churn | | | | | | | | |
| Auger | | | | | | | | |
| Stripping Bulldozing | Hr. | 720.00 | 72 | 720.00 | 72 | 10.00 | 80 | 10.00 |
| Trenching | | | | | | | | |
| Test Pits | | | | | | | | |
| Roads and Trails | | | | | | | | |
| | | $1620.00 | | | | | | |
| TOTAL DISTRIBUTED COSTS | | | | | | | | 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 June 6, 1953 Operator Hawkins Mining Co.

Per Lee McKinney Title Partner

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

REMARKS:

(Instructions on reverse)

(For Government use only)

## INSTRUCTIONS

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

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

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

GPO 83-38475

OPERATOR'S MONTHLY
PROGRESS REPORT
May 5-28, 1953.

DMEA-2824, IOm-E511(mica)

Daily Notes

May 5-Hired two men, foreman and muck hand. Started work on track.
May 6-Worked on car track.
May 7-Worked on track and graded for track.
May 8-Worked on muck at entrance.
May 11-Worked on track. Hired Muck Hand.
May 12-Contracted bulldozer for work. Tuned up motors and pumped water out.
May 13-Removed muck from incline.
May 14-Bulldozer started on trenching job. Worked 10 hours. Set up hoist.
May 18-Pumped water out, laid track. Hoisted out muck. Bulldozer worked 10 hours.
May 19-Drilled 40 feet. Shot out. Bulldozer worked 7½ hours. Mucked out.
May 20-Drilled 36 feet. Shot out. Bulldozer worked 10½ hours.
May 21-Worked on hoist, sealing back. Cutting timber. Bulldozer worked 10 hours.
May 22-Bulldozer worked 9 hours. Work on muck.
May 25-Bulldozer worked 5 hours. Timbering work.
May 26-Bulldozer worked 10 hours. Work on timber and muck.
May 27-Hauled muck out. Worked on car and hoist.
May 28-Drilled. Shot out. Mucked in afternoon.

INTERIM REPORT

**RMEA-2824 Idm-2511 (mica) HAWKINS MINE**

OPERATOR: Hawkins Mining Company, Bakersville, North Carolina

LOCATION: About 40 miles northeast of Winston-Salem and 2.5 miles west of Sandy Ridge, Stokes County, North Carolina in a hilly district.

This project began work on or about May 5, 1953 and progress has been made at both the east and west locations. The proposed trenching, east of the main works, required about 72 hours of machine work and has been completed. This work exposed a steeply dipping pegmatite dike about 3½ ft. in thickness, striking east-west. The dike material was badly weathered and consisted principally of kaolinized feldspar and clay stained mica. Several bags of mica were recovered while trenching was in progress, but only a small amount was processable. Additional exploration at this location is not warranted and it is recommended that further work, as outlined in Stage II of the contract, not be attempted.

Shaft sinking has begun at the proposed location west of the main workings and on the dike exposed in the west wall of the new cut. This incline has been sunk 21 feet, at which point a pegmatite lens about 12" thick was encountered. One block of strategic grade mica, 6" x 8" was recovered. At the 16' point a narrow pegmatite lense was picked up and followed for 5' to the southwest at which point it pinched out. Both lenses appear limited in their lateral extent.

Equipment on the job consists of a 105 c.f.m. air compressor with drilling accessories, a 235 air sump pump, a gasoline power hoist, a mine car and hand tools. A track has been lain for a distance of 75

feet and extends to the incline bottom. Operator had previously constructed a storage house, powder and detonator magazines, and a bunk house. The mine employs 3 men who work 40 hours per week.

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

June 9, 1953

Noted 6/18/53 BF

600

APR 23 1953

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

Subject: Docket No. DMEA-2824 - Mica
Hawkins Mining Company
Hawkins Mine
Stokes County, North Carolina

Dear Mr. Laurance:

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

If the contract meets with your approval, insert the starting time and time for completion in Article 3 and present it to the Operator for his approval and signature. Please explain to the Operator that the contract when executed is a firm commitment under the terms of which he is obligated to complete the work outlined at the agreed unit cost. If any part of this contract does not have either your approval or that of the Operator and cannot be amended within your delegated authority, then the original and all copies of the contract are to be returned to this office, together with the proposed changes for consideration.

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

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

J. H. Hedges

Member, Bureau of Mines

A. B. Kinzel, Jr.

Member, Geological Survey

Enclosures 6

SAFeitler:gad 4/17/53
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

MAR 23 1953

Mr. J. R. McKinney
Hawkins Mining Company
Bakersville, North Carolina

Re: Docket No. DMSA-2824 - Mica
Hawkins Mine
Stokes County, North Carolina

Dear Mr. McKinney:

The property description in the subject application is too indefinite for our purpose. Please submit a metes and bounds description of your property and the book and page of record.

Rec'd. 3/30/53

The processing of your application will be delayed pending receipt of the above information.

Sincerely yours,

SIGNED
Lawrence G. Houk, Chief
Nonmetallic Minerals Division

SAFeitler:gad 3/23/53

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

IN REPLY REFER TO:
G-MD-CNM

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

March 19, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 19 1953

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-2824 (mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant: J. R. McKinney and D. S. Buchanan.
Name of property: Hawkins mine.
Location of property: 2.5 miles W. of Sandy Ridge, Stokes County, N.C.
Date of field team report: March 4, 1953.
Authorship of field team report: K. H. Teague, USGS, and L. E. Shirley, USBM.
Field team's recommendation:

Stage 1:
1. Trench 100' x 25' x 20'.
2. 45° incline 5' x 7'.
3. 30' drifts.

Stage 2: If trenching in Stage 1 shows favorable results, sink a 40' incline 5' x 7', and drift 30'.

Comments: None.
ACTION SUGGESTED: Follow field team's recommendation.

D. M. Larrabee

Larrabee:jeh
G-3/19/53
cc: Director's reading 4212
Branch 4202 "
DMEA
files G-228

IN REPLY REFER TO:
G-MD-CM

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

March 19, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 19 1953

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-2824 (mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant: J. R. McKinney and D. S. Buchanan.
Name of property: Hawkins mine.
Location of property: 2.5 miles W. of Sandy Ridge, Stokes County, N.C.
Date of field team report: March 4, 1953.
Authorship of field team report: K. H. Teague, USGS, and L. E. Shirley, USBM.
Field team's recommendation:

Stage 1:
1. Trench 100' x 25' x 20'.
2. 45° incline 5' x 7'.
3. 30' drifts.

Stage 2: If trenching in Stage 1 shows favorable results, sink a 40' incline 5' x 7', and drift 30'.

Comments: None.
ACTION SUGGESTED: Follow field team's recommendation.

D. M. Larrabee

Larrabee:jeh
G-3/19/53
cc: Director's reading 4212
Branch 4202 "
DMEA
files G-228

IN REPLY REFER TO:
G-MD-CNM

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

March 19, 1953

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-2824 (mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant: J. R. Mckinney and D. S. Buchanan.
Name of property: Hawkins mine.
Location of property: 2.5 miles W. of Sandy Ridge, Stokes County, N.C.
Date of field team report: March 4, 1953.
Authorship of field team report: K. H. Teague, USGS, and L. A. Shirley, USBM.
Field team's recommendation:

Stage 1: 1. Trench 100' x 25' x 20'.
2. 45° incline 5' x 7'.
3. 30' drifts.

Stage 2: If trenching in Stage 1 shows favorable results, sink a 40' incline 5' x 7', and drift 30'.

Comments: None.
ACTION SUGGESTED: Follow field team's recommendation.

D. M. Larrabee

Larrabee:jeh
G-3/19/53
cc: Director's reading 4212
Branch 4202 "
DMEA ✓
files G-228

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 19 1953

March 18, 1953

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-2824, Mica, Hawkins Mine, Stokes County, North Carolina

I concur in the field team's recommendation for an exploration program in the amount of $6,575.00.

Signed

W. F. Dietrich

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 19 1953

March 18, 1953

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

March 18, 1953

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To: Nonmetallic Minerals Division
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Subject: DMEA-2824, Mica, Hawkins Mine, Stokes County, North Carolina

I concur in the field team's recommendation for an exploration program in the amount of $6,575.00.

Signed

W. F. Dietrich

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

# REPORT OF EXAMINATION BY FIELD TEAM, REGION VII

## DMEA-2824, HAWKINS MINE (mica)
## Stokes County, N. C.

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

-

-

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

March 4, 1953

Reviewed by
DMEA OPERATING COMMITTEE
3-13-53
(date)

Field Examination Report
on
HAWKINS MINE
DMEA-2824 (Mica)
Applicant: Hawkins Mining Company, c/o J. R. McKinney
Bakersville, North Carolina

The applicants proposal for exploration on this deposit is in reality development; however, certain unexplored features justify exploration. Little work has been conducted northeast or southwest of the long shoot which has been previously mined. The field examiners are of the opinion that these possible extensions warrant exploration.

This deposit was examined on February 26, 1953. Messrs J. R. McKinney and D. S. Buchanan, two of the applicants, accompanied the field examiners on the examination which required three hours.

The Hawkins Mica Mine is located approximately 2.5 miles west of Sandy Ridge, Stokes County, North Carolina, in a hilly district. It is about 40 miles northeast of Winston Salem, N. C. Access to the mine is good.

The following description of the mine is taken from a report prepared by D. M. Larrabee of the U.S.G.S., Nov. 1943.

"This mine was opened by Joe Hawkins in 1890, it was again worked in 1903 by the Empire Mica Co., New York, N.Y., according to Sterrett. Little is known of subsequent operations until August 1942, when the Sandy Ridge Mica and Mining Co., 927 St., N. W. Washington, D. C., purchased the property and mining rights outright. Since that time the property has been under constant operation."

"Old developments consisted of several underground workings and an open cut. Present work is chiefly underground although some prospecting has been done in the open cut and small holes to the south. The deposit was studied and mapped in November 1943, with the assistance of J. C. Olson.

"Wallrock of the deposit is biotite-chlorite gneiss with occasional thin layers of greenish hornblende gneiss, striking a few degrees north of east and dipping from 18° to 25° northwest."

"A pegmatite mass, generally concordant with but locally transecting the wallrock structure has been injected along the foliation. It appears to be in lens-shaped in transverse section, although only the eastern half of the pegmatite has been opened for observation. It pinches out up dip and down dip, as well as to the east."

" The pegmatite is comprised chiefly of both white and green plagioclase (oligoclase ?), quartz, muscovite, with subordinate quantities of microcline and red garnets. The microcline is limited to the thicker portions

of the pegmatite, and the garnets are close to the walls. The muscovite is concentrated chiefly along the gently-dipping hanging wall in a zone ranging from 6" to 4' thick, averaging about 3', according to Scott Thomas, foreman at the mine. This mica is generally of ruby to rum color, although some greenish mica was noted. It is generally flat, hard, and free from inclusions. Very little is reported to be stained. The amount of "A" and ruled mica produced is reported to be very small."

" As the best mica zone or shoot appeared to be along the thinning east side of the pegmatite, this side only has been developed. Even where the thickness of pegmatite is but 6", good mica occurs, and a few books were noted in the wallrock nearby. The greatest thickness now exposed is 9', a short distance within the portal. Here the pegmatite is chiefly of an intergrowth of medium-grained aggregate of plagioclase, microcline, quartz, small muscovite books, and large irregular lenses or veins of quartz. A narrow hanging wall mica zone is present in this portion of the dike, but the mica is more warped than that found elsewhere in the deposit. This is not at all an unusual feature, however, for mica found at the very contact."

"Associated with the pegmatite, and elsewhere in the workings, are irregular layers and lenses of fine to medium-grained pegmatite containing long, extremely thin bands of quartz, garnets, sericite, and biotite, each mineral forming a separate layer or band. Small curved books of muscovite are found occasionally, but it is rarely of commercial grade. This banded rock has been classed as migmatite, formed by replacement of the gneiss. The migmatite pinches and swells, and exhibits lit-par-lit structure in the recognizable gneiss. In some instances this rock forms a band between the pegmatite and the gneiss, at the hanging wall contact, and it is reported to form the mine floor throughout the main workings. Small masses of pyrrhotite were noted at the margins of the migmatite in a few places. Locally known as "granite," the migmatite exceeds 11' in thickness at the winze, and where exposed in the open cut is approximately 33' thick."

"The pegmatite has definitely pinched out down the dip, up the dip, and laterally to eastward. Numerous prospect pits dot the surface south of the underground workings, and these encountered nothing but gneiss and migmatite. It is possible that an east heading from the underground workings would encounter another pegmatite at essentially the same horizon, that is, between the migmatite and the gneiss, but the distance to productive rock is unpredictable. It is thought that the thickest part of the pegmatite is at or near the west wall of the workings, and that this pegmatite is lens-shaped. As the mica shoot on the east side of this thick portion followed the position of rapid thinning of the pegmatite, it is reasonable to believe that a similar mica shoot may occur on the opposite or west side where a similar change in shape is anticipated."

RECOMMENDATIONS

" 1. Continue the northeast heading from near the bottom of the workings several feet to determine the nature of change in the thin pegmatite exposed in the wall."

" 2. Cross-cut the pegmatite from the southwest wall of the uppermost northwest stope, to determine the composition and shape of the pegmatite in that direction. If it thins, and no mica occurrence is found, drift a short distance in each direction, that is, up and down dip. If results are still not satisfactory, make an additional crosscut between this one and the portal for the same reasons."

" 3. If (2) be successful, the mica could be removed via present workings or an inclined shaft could be driven from some point a short distance west of the present portal to intersect the mica shoot and develop same."

"4. If moves (1) and (2) are unsuccessful, the walls and pillars of present workings can be robbed of 5 to 10 tons of mica before abandoning the workings."

" During the period from August 1942 to April 1943, a six-man crew is reported by W. H. Swanson, President of the Company, to have produced 110 tons of mica valued at $76,000 gross. This indicates an average of 12 tons monthly or 3 tons weekly. Production peaks of 6 to 7 tons per week are reported over a three-week period a year ago. From the above figures, the average value of the mica can be estimated at approximately $700 gross per ton. Mining costs are said to have averaged approximately $200 per ton of mine-run mica, to which should be added $75 (according to Swanson) rifting charges, for a total cost of production of $275 per ton. This does not include office expenses, salaries, or write off an investment. The ratio of mica to rock moved is reported by the foreman to have averaged 1:25, indicating a cost of $8 per ton of rock moved. It is thought the average ratio must have been nearer 1:50 for the workings as a whole. There has been very little production since April 1943."

About the conclusion of Colonial Mica Corporation's mica buying program in 1945, Johns prepared another report which differes somewhat from Larrabee's conclusions. The following partial report is by Johns:

"The main pegmatite is essentially a large sill that lies along the hanging wall contact of the lower thick granite sill in the upper half of the incline. It lies within the sill in the lower half of the incline and in the westward crosscut. The hanging wall of the pegmatite dips steeply in the southwall of the crosscut, transecting the foliation of the granite at an angle of 30°. The pegmatite pinches and swells abruptly along the strike in many places, but in general tapers gradually down dip."

"The streakiness of the wall zone, the bent and broken perthite crystals of the inner unit, and the bending and warping of many mica books suggest that the pegmatite was subjected to shearing stresses and flowage during the later stages of its crystallization. Moreover, many of the mica books of the wall zone are parallel with the adjacent wall-rock contact, rather than being randonly orientated or lying normal to the contact."

" The pegmatite mined in both branches of the incline at its north or lower end was found to thin progressively northward. Operations were stopped when the mica content of the rock broken at the face became too low for satisfactory returns. Substained production of mica can be restored only through the discovery and mining another shoot, which if present may lie either east or west of the present workings."

Both of these reports are in general agreement in that both suggest additional mica shoots must be found to support sustained production.

This mine was worked about two years from June 1948 to July 1950 by the applicants. They report that they produced $32,000.00 worth of mica at a cost of $26,000.00. This production resulted from extending the main incline an additional 90 feet, robbing the walls of the incline, and from a bulldozer cut at the southeast end of the open cut ("new cut" on map).

It would appear that the "new cut" has exposed a mica zone lower than the one worked in the long incline, as a mica-bearing pegmatite 18 inches thick is exposed in the southwest side of the cut.

The applicants' proposed exploration was to be conducted from the main incline. This would involve dewatering and cleaning out the incline before exploration could begin; therefore, the field examiners do not believe that exploration from the incline can be justified. However, as suggested in both Larrabee's and Jahns' reports there is a possibility of finding other mica concentrations northeast and southwest of the main incline.

The Hawkins Mine is on a tract of approximately 13 acres of land, the mineral and mining rights of which are owned by J. R. McKinney and D. S. Buchanan. Adequate area is covered for the proposed exploration program.

The field examiners recommend the following exploration program for this deposit:

Stage I ....

Cut a trench east of the old workings(see attached map) to explore the possibility of another rich mica zone. This trench should be about 100' long, 25' wide, and 20' deep.

Sink a 45-foot incline on the mica pegmatite showing in the west wall of the cut and drive 30 feet of laterals from the bottom of the incline. This incline and laterals should indicate the possible extent of this pegmatite.

Stage 2...

If favorable conditions are found east of the main cut by the trenching in Stage 1, a 40-foot incline should be sunk at the most favorable spot, and if justified 30 feet of laterals driven from the incline.

Estimated Cost:

| | | |
|---|---|---|
| **Stage I** | | |
| 80 hrs. of bulldozing @ $10/hr. | $800.00 | |
| 45-foot 5' x7' incline @ $45/ft. | $2025.00 | |
| 30 feet of drift @ $32.50/ft. | 975.00 | |
| Sub-Total | | $3,800.00 |
| **Stage 2** | | |
| 40-foot 5' x 7' incline @ $45/ft. | $1800.00 | |
| 30 feet of drifts @ $32.50/ft. | 975.00 | |
| Sub total | | $2,775.00 |
| Estimated total of Stage 1 and 2.... | | $6,575.000 |

Estimated time 100 shifts.

March 4, 1953

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

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



zm

630

FEB 13 1953

Mr. J. R. McKinney
Hawkins Mining Company
Bakersville, North Carolina

Subject: Docket No. DMEA-2324 - Mica
Hawkins Mine
Stokes County, North Carolina

Dear Mr. McKinney:

Your application for assistance in exploring the Hawkins Mine on Raccoon Creek, Snow Creek Township, Stokes County, North Carolina, has been reviewed by the Nonmetallic Minerals Division of the Defense Minerals Exploration Administration and has been referred to Mr. Robert A. Lawrence, Executive Officer, DMEA Field Team, Region VII, Room 13, Post Office Building, Knoxville 2, Tennessee, for a field examination.

The Regional Office will contact you at an early date in regard to the examination of your property. Any assistance that you can give the members of the field team in the examination will be appreciated.

Sincerely yours,

C. O. Mittendorf

Administrator

OAFeitler:gad 2/11/53

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

600

FEB 1 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-2524 - Mica
Hawkins Mining Company
Hawkins Mine
Stokes County, North Carolina

Dear Mr. Laurence:

Reference is made to the subject application.

Please arrange for a field examination and submit the usual report on this mine. If exploration is recommended, the property description and ownership should be clarified.

Enclosed are copies of pertinent memoranda from the Geological Survey and the Bureau of Mines. Previous work by Johns and Larrabee may be of value to the Field Team.

A sample of mica submitted by the applicant has been approved by Mr. W. S. Flynt.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

J. H. Hedges

Member, Bureau of Mines

D. M. Lemmon

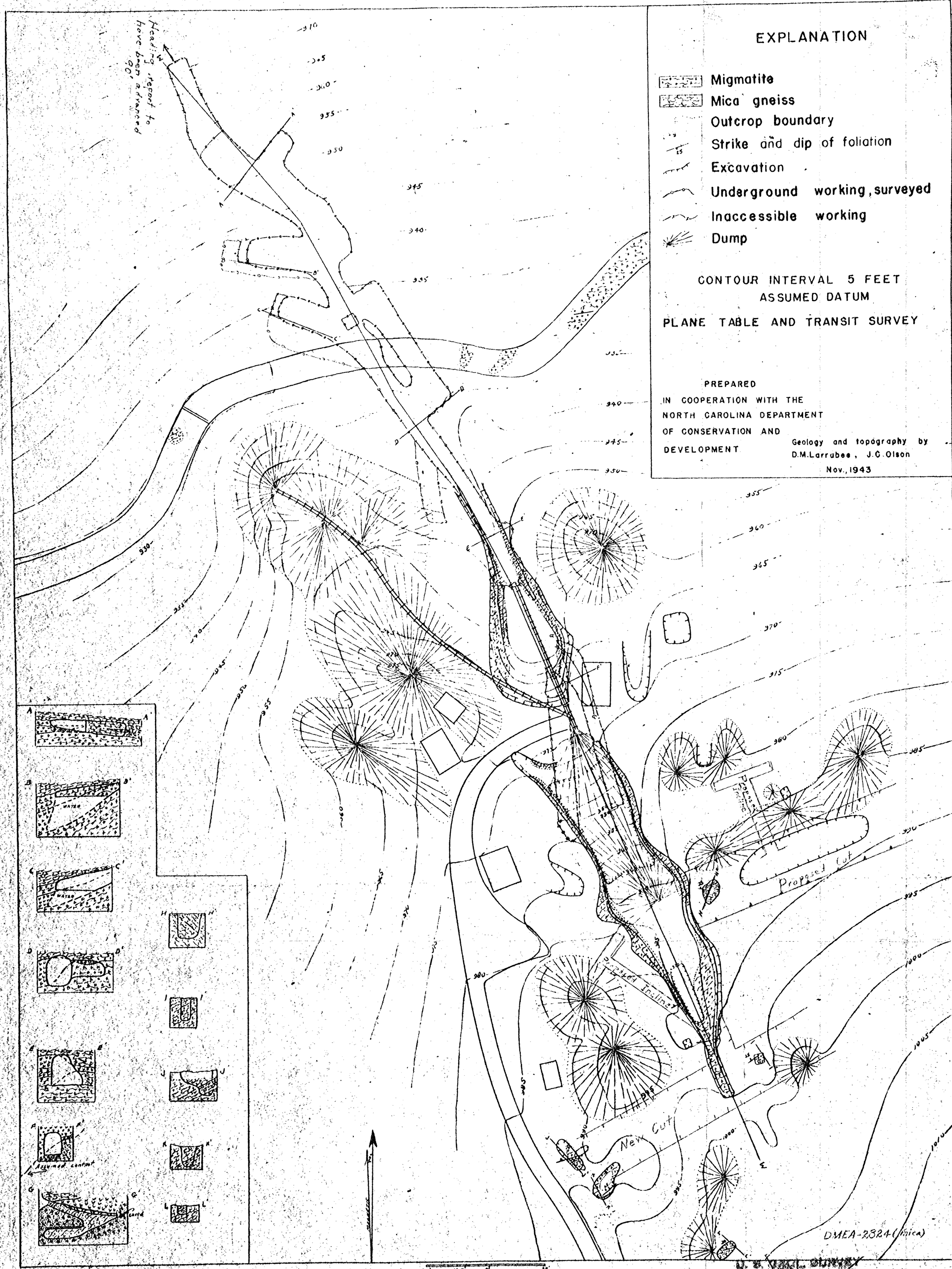
Member, Geological Survey

Enclosures 2

SAFeitler:gad 2/11/53
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3526
Mr. Norton, G-232 GSA Bldg.
Mr. Houk

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

STRATEGIC MINERALS INVESTIGATIONS
PRELIMINARY MAP




## EXPLANATION

- Migmatite
- Mica gneiss
- Outcrop boundary
- Strike and dip of foliation
- Excavation
- Underground working, surveyed
- Inaccessible working
- Dump

CONTOUR INTERVAL 5 FEET
ASSUMED DATUM

PLANE TABLE AND TRANSIT SURVEY

PREPARED
IN COOPERATION WITH THE
NORTH CAROLINA DEPARTMENT
OF CONSERVATION AND
DEVELOPMENT

Geology and topography by
D.M.Larrabee, J.C.Olson
Nov., 1943

# HAWKINS MINE
## STOKES COUNTY, N.C.