OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Office of Minerals Exploration, Washington, D. C., pertaining to Contract No. Idm-8523, Docket No. DMEA-2841 (Columbium-tantalum and tin), dated May 18, 1953, with

Foote Mineral Company
18 W. Chelten Avenue
Philadelphia, Pennsylvania

for the purpose of determining the amount of royalty due the U. S. Government on sales of minerals from property referred to as Williams Tracts 3 and 4 located in Cleveland County, North Carolina, during the period May 18, 1953, through June 30, 1960.

A certification of discovery or development was issued on November 19, 1954, and, in accordance with Annex I attached to Amendment No. 3 of the contract, royalty is payable on all minerals mined or produced from the land described in Article 2 of the contract for a period of 10 years from the date of the contract or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first. An Audit Certificate dated July 20, 1954, indicated accepted costs under the exploration contract amounting to $23,735.10 with the Government's contribution, on a 90 percent basis, being $21,361.59.

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

(1) Inspection reports by field representatives of the Government and other correspondence in the Washington office files indicate that there has not been any production of minerals from the property since the date of the exploration contract;

(2) The operator has surrendered the leasehold and has abandoned all interest in the land; therefore, under the "abandonment" clause in Article 10 of the contract, the Government has no lien for royalty on production unless the operator should regain an interest in the land during the 10 year period provided in Article 2; and

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

C. E. Fisher

C. E. Fisher, OME Auditor

July 6, 1960

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

AUDIT CERTIFICATE

I have examined the records and transactions of:

Foote Mineral Company
18 West Chelten Avenue
Philadelphia 44, Pennsylvania

pertaining to Exploration Project Contract No. Idm-E523, Docket No. DMEA-2841, including Amendments Nos. 1, 2, 3, 4, 5 and 6, covering a project of exploration for Columbium, Tantalum, Beryl and Tin on the L. M. Williams lease approximately three miles southwest of Kings Mountain, in Cleveland County, North Carolina, for the period July 28, 1953 to July 14, 1954.

My examination was made in accordance with generally accepted standards applicable to the circumstances.

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

Total cost as billed by Contractor		$23,782.62
Exceptions (see Audit Report for details):		
Prior to this audit	$ -0-	
During this audit	47.52	47.52
Total Accepted Cost		$23,735.10

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 Twenty-one thousand three hundred sixty-one and 59/100 dollars,

$21,361.59

is valid and proper.

This certificate is issued on the provision that the Regional Executive Officer, the Administrator, or other competent official has accepted or will accept the project as having otherwise met the terms of the contract.

B. J. BREKHUS
Auditor

July 20, 1954

AUDIT REPORT

I INTRODUCTION

On June 8 and July 14, 1954, a final audit (covering the period July 28, 1953 to July 14, 1954) was made of the records and accounts of operations pertaining to Contract No. Idm-8523, Docket No. DMEA-2841 (as amended by Amendments 1, 2, 3, 4, 5 and 6), with the:

Foote Mineral Company
18 West Chelten Avenue
Philadelphia 44, Pennsylvania

covering a project of exploration for Columbium, Tantalum, Beryl and Tin in the pegmatite dikes of Tracts 3 and 4 on the L. M. Williams lease about three miles southwest of Kings Mountain, North Carolina.

The accounting records under this contract are located in the Company's office at the site of the mill about two miles south of Kings Mountain, North Carolina. Mr. D. R. Smith the plant accountant made the books and source documents available for audit, and made explanations as required. Mr. Thomas L. Kesler, chief geologist, was also present for consultation relative to physical accomplishment and technical phases of the operations. Their cooperation and assistance greatly facilitated the audit. Mr. Wm. A. Beck, Mining Engineer, Region VII, collaborated in the audit.

II GENERAL INFORMATION ON RECORDS

The accounting records for the exploration project are completely integrated, through an apparently modern and comprehensive system, with the general branch accounts covering the Company's exploration, development quarrying, mill and other operations. A separate cost account covering DMEA exploration is maintained, which reflects all project costs to the Company. Billings have been made to the Government covering actual costs incurred without regard to whether they were within the terms of the contract. The amounts disallowed were minor and are covered in detail under appropriate subsections of this report.

Monthly work sheets covering billings under the exploration contract were not maintained. This resulted in developing minor discrepancies when analysis was made of the items of cost for (3) Operating Materials and Supplies. The audit involved an analysis of all costs as shown and a general check of source documents against the monthly billings.

III SCOPE OF AUDIT AND FINDINGS

The audit was limited to ascertaining the accuracy, propriety and validity of the costs as shown in the "Totals to date" column on Form MF-104, Operator's Monthly Report and Voucher, for the month of July, 1954. The extent of the audit and findings under each of the "Items of Cost" follow:

(1) Agreed Estimated Unit Costs $14,094.38

Diamond core drilling was performed by the Operator at an agreed unit price. The contract as originally drawn stipulated an NX hole yielding cores not less than 2-1/8 inch diameter, at a price of $7.80 per foot. Amendment No. 3 dated October 30, 1953, modified this requirement and provided for the drilling of NX holes yielding cores 1-5/8 inches in diameter at a price of $7.00 per foot, the smaller size to be used whenever the larger size is not practical for efficient operation.

Non-coring roller bit drilling as covered by Amendment No. 4 was performed at an agreed unit price of $2.35 per foot. Channeling provided for in the contract was performed at an agreed unit price of $.90 per foot. The contract provided for not in excess of 2,140 feet of 6x6 channels. However, after completing 422 feet, channeling was discontinued by mutual agreement between the representatives of the Operator and DMEA Field Team.

Performance of work called for under this subsection was verified by inspection of Operator's monthly progress reports, and DMEA field representatives periodic inspection reports. The drill logs were checked in detail and found to agree with the above mentioned reports, and billings on the MF-104's. The charges in this category, all allowable under the terms of the contract, consisted of the following:

Diamond Drilling NX Core	902'	@	$7.80	$ 7,035.60
" " BX Core	831.1'	@	7.00	5,817.70
Non-Core Drilling	366.5'	@	2.35	861.28
Channeling	422'	@	.90	379.80
Total				$14,094.38

(1) Independent Contract $100.00

The contract provided for bulldozing to be performed by independent contract, a maximum of five days at $100.00 per day for a D-8 bulldozer. The work was performed by requisitioning a TD-18 International Caterpillar with driver from the mill division of the Company for one day at a charge of $100.00 therefor. The work performed and the amount charged has been accepted by the representatives of the DMEA Field Team as being fair and reasonable. As the contract contemplated this work was to be performed by an independent subcontract, the Operator at time of audit

presented proof of reasonableness of rate charged as evidenced by billings for other bulldozer rentals paid at that time. In view of the foregoing the amount is considered acceptable as costs within the terms of this contract.

(2) Labor and Supervision $4,248.00

Under this category were furnished Technical Services of a Chief Geologist at $500.00 per month and an assistant at $400.00 per month. The Chief Geologist, was Mr. T. L. Kesler, whose salary was not paid at the office performing the accounting under this contract. It is understood Mr. Kesler's salary is considerably more than $500.00 per month, and it is not considered practicable or necessary to make positive verification. Mr. W. E. Dill, the assistant geologist, performed the on-site work incidental to handling of cores and samples and shipping to the laboratory. The Operator billed for the salary of the assistant geologist at the rate specified in the contract; however this billing included the applicable taxes and insurance, which have been transferred by this audit to (7) Miscellaneous.

Payments of salary of Mr. W. E. Dill were verified by examination of payrolls for entire period and inspection of salary checks for August, October, December, 1953 and January, 1954. The DMEA Field Team have accepted the costs in this category as being fair and reasonable and necessary to attain the objectives of the contract. The costs claimed, auditor's disallowances, and accepted costs are as follows:

Chief Geologist Engineer	4 mo. @	$500.00	$2,000.00
Assistant Geologist Engineer	6 mo. @	400.00	2,400.00
Total costs claimed			$4,400.00
Less: Transfer to (7) Miscellaneous 1/			152.00
Total Accepted Cost			$4,248.00

1/ Total salary and bonus paid assistant geologist engineer from August 1, 1953 to January 31, 1954 was $2,248.00. Balance of $152.00 has been transferred to Payroll Taxes, and Insurance and Fringe Benefits.

(3) Operating Materials and Supplies $272.23

Under this classification in the contract is an estimated amount of $350.00 for core boxes and small tools. The Operator did not prepare accurate detailed schedules of the costs chargeable. At time of audit the various items of costs shown were reviewed in detail and acceptable costs traced through from documents to the cancelled checks issued in payment. The acceptable items classified as "Small Tools" consisted of two magnifiers, wrenches, tubs, grinding plates, ax, brushes, pans, etc. "Core Boxes" consisted of lumber or completed core boxes as billed by the Elmer Lumber Company. The costs charged by months, auditors disallowances (detailed), and accepted costs are as follows:

	Costs Claimed	Audit Disallowance	Accepted Costs
Small Tools			
July 1953	$ 46.00	1/ $ 7.90	$ 38.10
August 1953	36.40	2/ (4.79)	41.19
September 1953	17.60	3/ 10.91	6.69
	$100.00	$14.02	$ 85.98
Add: Ice Box transferred from "Core Boxes"	10.50	____	10.50
Totals	$110.50	$14.02	$ 96.48
Core Boxes			
August 1953	$ 20.46	$	$ 20.46
September 1953	155.29		155.29
October 1953	44.00	4/ 33.50	10.50
	$219.75	$33.50	$186.25
Less: Ice Box transferred to Small Tools	(10.50)	____	(10.50)
Totals	$209.25	$33.50	$175.75
Total Operating Materials & Supplies	$319.75	$47.52	$272.23

1/ Pegmatite Reports disallowed.

2/ Undercharge. Allowable items exceeded billings.

3/ One Timkin Bearing $2.42; 1 Bag Cement $1.30; Aeroseal breakers and other auto repair $1.62; 30 Blueprints $4.50; unaccounted for $1.07.

4/ Three pieces 2½" black pipe $33.66, less undercharge of $.16

(4) Operating Equipment $540.00

Operating Equipment charged against this contract consisted of depreciation allowance for a 1½ ton truck furnished through use of a Chevrolet truck rented by the Operator from the Victory Chevrolet Company from August 10 to October 23, 1953 for $416.12. Thereafter the Operator furnished a 1953 Ford 1½ ton truck purchased on October 23, 1953 from the Plonk Motor Company, for $2,653.53. The Operator charged against this contract the $30.00 per week allowable maximum provided in the contract from August 10, 1953 to December 31, 1953. The total of $540.00 charged

IV CONCLUSION

This audit has disclosed that all costs, as charged to this project, with the exception of the disallowances made under (3) Operating Materials and Supplies of the preceding section of this report, are reasonable and proper under the terms of the contract, including the Exhibit "A" as amended. The findings have been discussed with Mr. D. R. Smith, plant accountant and Mr. Thomas L. Kesler, chief geologist, who was in actual charge of the exploration.

The adjustments between Items of Costs, as shown on the July 1954 MF-104, the recommended disallowances, and approved amounts, are summarized as follows:

Items of Cost	Totals July 1954 MF-104	Distribution Corrected	Disallowed by Audit	Accepted Costs
(1) Agreed Unit Costs:				
Diamond Drilling NX Core @ $7.80 ft.	$ 7,035.60	$ 7,035.60	$	$ 7,035.60
Diamond Drilling BX Core @ $7.00 ft.	5,817.70	5,817.70		5,817.70
Non-Core Drilling @ $2.35 ft.	861.28	861.28		861.28
Channeling @ $.90 ft.	379.80	379.80		379.80
(1) Independent Contracts				
Bulldozing @ $100/day	100.00	100.00		100.00
(2) Labor and Supervision				
Technical Services	4,400.00	4,248.00		4,248.00
(3) Operating Materials and Supplies				
Small Tools	100.00	110.50	14.02	96.48
Core Boxes	219.75	209.25	33.50	175.75
(4) Operating Equipment				
Depreciation	540.00	540.00		540.00
(7) Miscellaneous				
Accounting	320.00	320.00		320.00
Sampling & Analysis	4,008.49	4,008.49		4,008.49
Payroll Taxes		53.35		53.35
Insurance and Fringe Benefits		98.65		98.65
Totals	$23,782.62	$23,782.62	$47.52	$23,735.10

July 20, 1954

B. J. Brekhus, Auditor

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

August 3, 1954

Memorandum

To: J. L. Chambers, Chief, Contract Administration & Audit Div.

From: Executive Officer, DMEA - Region VII

Subject: DMEA-2841, Idm-E 523, Foote Mineral Company-Cleveland County North Carolina
(Columbium-Tantalum & Tin)

This will acknowledge receipt of an original and two copies of the Audit Report, and an original and three copies of the Audit Certificate covering the site audit of the subject contract.

The report of the Auditor meets with our approval and the reports and Certificates have been distributed according to Section 3 to Supplement 4 of DMEA Circular 19.

We also wish to acknowledge receipt of our copies of the Operator's Monthly Report and Voucher for the months of May and July 1954.

Robert A. Laurence

Robert A. Laurence

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

August 3, 1954

Memorandum

To: Cora Piper, Chief, Finance Division - Region VII

From: Executive Officer, DMEA - Region VII

Subject: Final Vouchers, Audit Certificate and Audit Report, DMEA-2841, Idm-E 523, Foote Mineral Co. Cleveland County, N. C.

Transmitted herewith are the original and one copy of the Audit Certificate and the original of the Audit Report covering the site audit of the subject contract.

Also transmitted are the original and two copies of the Operator's May and July vouchers which we had been holding for the final audit. The July voucher can now be paid as adjusted.

We approve of the audit and we have also received the Operator's final Geological and Engineering Report.

Robert A. Lawrence

RAB/mm

cc:
Beck
Duie

Lawrence

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

JUL 29 1954

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

Re: DMEA-2841, Idm-E523
Foote Mineral Company
Cleveland County, N. C.

Dear Mr. Laurence:

Enclosed are an original and two copies of the Audit Report and an original and three copies of the Audit Certificate covering the site audit of the above-cited contract.

Distribution of these reports and certificates should be made in accordance with the provisions of Sec. 3 to Supl. 4 of DMEA Circular 19.

There are also enclosed your copies of the Operator's Monthly Report and Voucher for the months of May and July, 1954.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

Enclosure

WBorovies/wb
July 29, 1954

Copy to: Docket
Admr. Reading File
Mrs. Cora Piper
Mr. Chambers

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of July 1954 Docket No. DMEA 2841 Contract No. IDM-E 523

Operator's Name Foote Mineral Company Minerals Columbium-Tantulum Beryl and Tin

Address 18 W. Chelten Ave., Philadelphia, Pa.

Contract Amount, $ 30,500.00 Government Participation: 90 % Amount, $ 27,450.00

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
					April 1954 voucher	As per Audit Report 7/20/54
(1) Independent Short Form Contracts:						
Drilling		13,714.58	13,714.58		13,714.58	13,714.58
Bulldozing		100.00	100.00		100.00	100.00
Crosscutting						
Drifting						
Trenching		379.80	379.80		379.80	379.80
(2) Labor and Supervision:						
Labor						
Supervision		4,400.00	4,400.00		4,400.00	4,248.00
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Small Tools		100.00	100.00		100.00	96.48
Core Boxes		219.75	219.75		219.75	175.75
(4) Operating Equipment:						
Rental (Truck)		540.00	540.00		540.00	540.00
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment	(1491.51)	5,500.00	4,008.49		2,777.50	4,008.49
Sampling and Analysis						53.35
Payroll Taxes						98.65
Liability Insurance						
Accountant		320.00	320.00		160.00	320.00
(8) Contingencies (specify):						
TOTALS	(1491.51)	25,274.13	23,782.62	1,343.47	22,391.63	23,735.10

Audit Report dated 7/20/54 attached

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-5

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

Date July 14, 1954 *Payee Foote Mineral Company
Kings Mountain Division

Per [signature] Title Plant Accountant

*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:

$ 1,209.12

Signature Cora A. Piper
(Authorized Certifying Officer)

Date AUG 5 1954 Vou. No. 22
(See other side)

10 & 7.

13435

(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. Am-E523 in accordance with the terms of the contract.

Signature W. A. Beck Title Supervising Mining Engr Date 8-3-54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION VII Date AUG 3 1954

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of July 1954 Docket No. DMEA 2841 Contract No. IDME 523

Operator's Name Foote Mineral Company Minerals Columbium-Tantulum n Beryl and Tin

Address 18 W. Chelten Avenue, Philadelphia, Pa.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
~~Drifting~~ Bulldozing	Day			100.00	1 day		5 days	100.00
~~Crosscutting~~ Geologist	Mo.			2,000.00	4 Mo.		4 Mo.	500.00
~~Raising~~ Truck Rental	Wk.			540.00	18 Wk.		18 Wk.	30.00
Shafts								
Winzes								
Drilling: Core NX	Ft.							
~~Core~~ BX	Ft.							
~~Auger~~ Non Core	Ft.			13,714.58	2099.6'		2100'	7.80,7.00&2.35
~~Stopping~~ Accountant	Mo.			320.00	4 Mo.		4 Mo.	40.00
Trenching	Ft.			379.80	422'		2140'	.90
~~Dam~~ Mat. and Sup.				319.75				350.00
Roads and Trails Assays	Ea.	(1491.51)		4,008.49				5,500.00
Geologist-Halper	Mo.			2,400.00	6 Mo.		6 Mo.	400.00
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		(1491.51)		25,782.62				

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 14, 1954 Operator Foote Mineral Company
Kings Mountain Division

Per [signature] Title Plant Accountant

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

Peele Mineral Company
Exploration Department

Subject: Actual Cost of Assays under the D.M. E. A. Contract
Including sample preparation and Lab. Costs

Sample Preparation Costs

Core 121 samples

sampling - 20 hours @ 1.00/hr	$ 20.00	
crushing and splitting - 322 2/3 hrs. @ 1.05/hr.	338.10	
Shipping	18.15	
		$376.25

Sludge-40 samples

sampling - 10 hours @ 1.00/hr.	$ 10.00	
crushing and splitting 43 1/3 hrs. @ 1.05/hr	45.50	
shipping	6.00	
		$ 61.50

Trench-39 samples

sampling - 72 hours @ 1.10/hr	$ 79.20	
crushing and splitting - 178 3/4 hours @ 1.05/hr	187.69	
shipping	5.85	
		$272.74
Total Preparation Cost		$710.49

Laboratory Cost on Assays

January, 1954	22	samples	assayed	$324.00	
February, 1954	35	"	"	479.00	
March, 1954	44	"	"	604.00	
April, 1954	82	"	"	1,316.00	
May, 1954	17	"	"	323.00	
Total Laboratory Cost					$3,046.00

Additional time of Mr Bill spent in sample preparation after January 31, 1954 - 4 days @ 16.50 $ 66.00

Charge for preliminary assay work done by Erten Laboratory not included in above Lab. Costs. Work was done with ore samples in order to establish standard of procedure $186.00

Total assaying cost	$4,008.49
Amount previously billed	5,500.00
Credit Due D. M. E. A.	$1,491.51

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

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

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

Month of May, 1954 Docket No. DMEA 2841 Contract No. IDM-E 523
Operator's Name Foote Mineral Company Minerals Columbium-Tantalum
Address 18 W. Chelten Avenue, Philadelphia, Pa. Beryl and Tin
Contract Amount, $ 30,500.00 Government Participation: 90% Amount, $ 27,450.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling		13,714.58	13,714.58			
Bulldozing		100.00	100.00			
Crosscutting						
Drifting						
Trenching		379.80	379.80			
(2) Labor and Supervision:						
Labor						
Supervision		4,400.00	4,400.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Small Tools		100.00?	100.00			
Core Boxes		219.75	219.75			
(4) Operating Equipment:						
Rental (Truck)		540.00	540.00			
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	2,722.50	2,777.50	5,500.00			
Payroll Taxes						
Liability Insurance						
Accountant	160.00	160.00	320.00			
(8) Contingencies (specify):						
TOTALS	2,882.50	22,391.63	25,274.13			

See Audit Report dated 7/20/54

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

Date June 7, 1954 *Payee Foote Mineral Company
Kings Mountain Division
Per [signature] Title Plant Accountant

*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:

$ 0.00

Signature
(Authorized Certifying Officer)

Date AUG 5 1954 Vou. No. 22

(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-E 523 in accordance with the terms of the contract.

Signature B. F. Buie Title Geologist, U.S.G.S. Date July 8, 1954

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Laurence Title EXECUTIVE OFFICER DMEA REGION VII Date AUG 3 1954

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of May 1954 Docket No. DMEA 2041 Contract No. DMEA 523

Operator's Name Foote Mineral Company Minerals Columbium-Tantalum, Beryl and Tin

Address 18 W. Chelten Ave., Philadelphia 44, Pa.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Road Bulldozing	Day			100.00	1 Day		5 Days	100.00
Consulting Geologist	Mo.			2,000.00	4 Mo.		4 Mo.	500.00
Rental Truck Rental	Mk			540.00	18 Mk.		18 Mk.	30.00
Geologist-Helper	Mo.			2,400.00	6 Mo.		6 Mo.	400.00
Winzes								
Drilling: Core NX	Ft.)							
Core Bx	Ft.)							
Rotary Non Core	Ft.)			13,714.58	2099.6'		2100'	7.80, 7.00, 6
Stripping Accountant	Mo.	160.00		320.00	4 Mo.		4 Mo.	40.00
Trenching	Ft.			379.80	422'		2140'	.90
Current Material & Supplies				319.75				350.00
Assays	Ea.	2,722.50		5,500.00				5,500.00
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		2,882.50		25,274.13				

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 7, 1954 Operator FOOTE MINERAL COMPANY
Kings Mountain Division

Per [signature] Title Plant Accountant

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

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of April, 1954 Docket No. DMEA 2841 Contract No. IDM-E 523

Operator's Name Foote Mineral Company Minerals Columbium-Tantulum

Address 18 W. Chelten Avenue, Philadelphia, Pa. Beryl and Tin

Contract Amount, $ 30,500.00 Government Participation: 90 % Amount, $ 27,450.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling		13,714.58	13,714.58			
Bulldozing		100.00	100.00			
Crosscutting						
Drifting						
Trenching		379.80	379.80			
(2) Labor and Supervision:						
Labor						
Supervision		4,400.00	4,400.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Small Tools		100.00	100.00			
Core Boxes		219.75	219.75			
(4) Operating Equipment:						
Rental (Truck)		540.00	540.00			
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	1210.00	1,567.50	2,777.50			
Payroll Taxes						
Liability Insurance						
Accountant		160.00	160.00			
(8) Contingencies (specify):						
TOTALS	1210.00	21,181.63	22,391.63	1,210.00	21,181.63	22,391.63

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-67

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

Date May 4, 1954 *Payee Foote Mineral Company
Kings Mountain Division

Per [signature] Title Plant Accountant

*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:

$1,089.00

Signature Cora L. Piper
(Authorized Certifying Officer)

Date JUN 1 1954 Vou. No. 296
(See other side)

121.00

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. IDM-E523 in accordance with the terms of the contract.

Signature B. J. Bane Title Geologist Date May 12, 1954

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Laurence Title EXECUTIVE OFFICER DMEA REGION VII Date MAY 27 1954

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-1[illegible]A
(April 1952)

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

JUN 10 1954

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of April 1954 Docket No. DMEA 2841 Contract No. IDM-E 523

Operator's Name Foote Mineral Company Minerals Columbium, Tantulum, Beryl and Tin

Address 18 W. Chelten Ave., Philadelphia, Pa.

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
Bulldozing	Day			100.00	1 day		5 days	100.00
Geologist	Mo.			2,000.00	4 Mo.		4 Mo.	500.00
Truck Rental	Wk.			540.00	18 wk.		18 wk.	30.00
Shafts								
Winzes								
Drilling: Core NX	Ft.)							
BX	Ft.)							
Non Core	Ft.)			13,714.58	2099.6		2100'	7.80, 7.00 & 2
Accountant	Mol			160.00	4 Mo.		4 Mo.	40.00
Trenching	Ft.			379.80	422 Ft.		2140'	.35 .90
Test Pits Mat. & Supplies				319.75				350.00
Assay	Ea.	1210.00		2,777.50				5,500.00
Geologist-Helper	Mo.			2,400.00	6 Mo.		6 Mo.	400.00
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		1210.00		22,391.63				

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 May 4, 1954 Operator Foote Mineral Company
Kings Mountain Division

Per W. R. Smith Title Plant Accountant

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

Assays

March	- Columbium and Tantalum	44	@ $15.00	$660.00
	- Beryl	44	@ $ 5.00	220.00
	- Tin	44	@ $ 7.50	330.00
	Total Assays			$1210.00

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

Defense Minerals
JUN 18 1954

June 16, 1954

Memorandum

To: B. J. Brekhus, Auditor, Contract Administration & Audit Div.

From: Acting Executive Officer, DMEA - Region VII

Subject: Idm-E 523, Docket No. DMEA-2841 (Columbium, Tantalum-Beryl -Tin) Foote Minerals Company.

Reference is made to your letter of June 14 on the subject contract. I tried to telephone Mr. Kesler as you suggested in your letter and was advised that he is on vacation for the next two weeks so I have written him. Copy of letter attached.

The final voucher has not been received in this office. When it comes in we will send a copy to you so that you may complete your audit.

Wm. A. Beck

June 16, 1954

Mr. T. L. Kesler, Chief Geologist
Foote Mineral Company
P.O. Box 31
Kings Mountain, North Carolina

Re: DMEA-2841, Idm-E 523
Columbium-tantalum-beryl-tin.

Dear Tom:

Today we received a letter from Mr. B. J. Brekhus, the DMEA Auditor who visited your plant last week. He stated that he discussed the matter of the charges for assays with Mr. Michael Ching who now handles your contract. He could not bring out any new light on the subject. The engineer who originally handled preparation of the contract is no longer there and in view of the above he found it necessary to disallow approximately $2,454.00, if the final voucher comes in at the same rate as the previous ones.

The final voucher should cover all assaying that has not already been vouchered and the additional amount for accounting that the auditor allowed. When that is received in this office we will send it on to Washington and the auditor can make his report. It is more than likely that a refund will be requested.

Hope you had a nice vacation.

Yours very truly,

Wm. A. Beck, Acting
Executive Officer, DMEA
Region VII

WAB/sm
cc:
Beck
Lawrence
Opr. Com.
Brekhus

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

JUN 14 1954

AIR MAIL

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

Re: Idm-E523, Docket DMEA-2841
Foote Minerals Company

Dear Mr. Laurence:

As the final MF-104 to be issued by the subject operator was not received at time of my recent visit, it would be appreciated if you will advise us the amounts and detail of the monthly charges when the voucher does arrive. These charges should be for assaying and accounting.

I discussed the matter of the charges for assays with Mr. Michael Ching, who now handles this contract in Mr. Ellis' office. He could not bring out any new light on the subject. The engineer who originally handled preparation of the contract was Mr. F. Sumner Schmidt. He is now no longer with us. In view of the above we will find it necessary to disallow approximately $2,454.00, if this last billing comes in at the same rate as the previous ones. I believe you should telephone Mr. Kesler and informally advise him of our stand, which is, we will pay only costs as audited. The exact amount of the disallowance will depend on what is in the last billing, about to be received.

Sincerely yours,

B. J. Brekhus

B. J. Brekhus
DMEA Auditor

BJBrekhus/wb
June 14, 1954

Copy to: Docket
Admr. Reading File
Mr. Chambers
Mr. Brekhus

Department of the Interior

Defense Minerals Exploration Admin.

14X4401(01) Revolving Fund, Defense Production Act, Interior (Allocated Working Fund to the Office of the Secretary)

JUN - 2 1954

MR. ROBERT A. LAURENCE
EXECUTIVE OFFICER
DMEA FIELD TEAM, REGION VII
ROOM 13, P. O. BUILDING
KNOXVILLE 2, TENNESSEE

RE DMEA-2841, IDM-E523, FOOTE MINERAL COMPANY. PLEASE ADVISE IF ACCOUNTING RECORDS ARE AT KINGS MOUNTAIN, NORTH CAROLINA, AND WHETHER FINAL AUDIT MAY BE MADE ON JUNE 7, 1954. PRESENCE OF REPRESENTATIVE FROM YOUR OFFICE NOT DEEMED NECESSARY; HOWEVER AUDITOR WILL RETURN VIA KNOXVILLE FOR CONSULTATION.

(Signed) E. D. Talbert

E. D. TALBERT, ACTING CHIEF
CONTRACT ADMINISTRATION
AND AUDIT DIVISION

EDTalbert/wb
June 2, 1954

Copy to: Docket
Admr. Reading File
Mr. Chambers

Mr. Beck replied by telephone that audit may be made on June 8, 1954 when D.R. Smith, Plant Acct., will be available. I informed him that Mr. Brechus would be at Kings Mtn. on June 8, 1954.

EDT 6/8/54

MF-104 (Rev.)
(April 1952)

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

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

Month of March, 1954 Docket No. DMEA 2841 Contract No. IDM-E 523
Operator's Name Foote Mineral Company Minerals Columbium-Tantulum
Address 18 W. Chelten Ave., Philadelphia, Pa. Berllium and Tin
Contract Amount, $ 30,500.00 Government Participation: 90% Amount, $ 27,450.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling	3,942.90	9,771.68	13,714.58			
Bulldozing		100.00	100.00			
Crosscutting						
Drifting						
Trenching	144.00	235.80	379.80			
(2) Labor and Supervision:						
Labor						
Supervision		4,400.00	4,400.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Small Tools		100.00	100.00			
Core Boxes		219.75	219.75			
(4) Operating Equipment:						
Rental (Truck)		540.00	540.00			
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	1,526.50	41.00	1,567.50			
Payroll Taxes						
Liability Insurance						
Accountant		160.00	k 160.00			
(8) Contingencies (specify):						
TOTALS	5,613.40	15,568.23	21,181.63	5613.40	15,568.23	21,181.63

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-63

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

Date April 7, 1954 *Payee Foote Mineral Company
Kings Mountain Division
Per [signature] Title Plant Accountant

*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:

$ 5,052.06

Signature Cora A. Piper
(Authorized Certifying Officer)

Date MAY 6 1954 Vou. No. 275
(See other side)

561.34

(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-E 323 in accordance with the terms of the contract.

Signature B. F. Bice Title Geologist Date 28 April 1954

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. A. Beck Acting Title Executive Officer DMEA RegionVII Date May 3, 1954

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
APR 10 1954

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of March 1954 Docket No. DMEA 2841 Contract No. [illegible] 523

Operator's Name Foote Mineral Company Minerals Columbium,

Address 18 W. Chelten Ave., Philadelphia, Pa. Tantalum, Beryl, & Tin

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Dozing: Bulldozing	Day			100.00	1 Day		5 Days	100.00
Geology: Geologist	Mo.			2,000.00	4 Mo.		4 Mo.	500.00
Rental: Truck Rental	Mk.			540.00	18 Mk.		18 Mks.	30.00
Shafts								
Winzes								
Drilling: Core	Ft.	705.12	90.4'					
Drill: D2	Ft.	2376.90	339.5'					
Auger Measure	Ft.	861.28	366.5'	13,714.58	2099.6		2100'	7.80, 7.00, 2.35
Stripping: Accountant	Mo.			160.00	4 Mo.		4 Mo.	40.00
Trenching	Ft.	144.00	160.0'	379.80	422'		2040'	.90
Test Pits: Mat. & Supplies				319.75				350.00
Roads and Plans: Assays		1526.50		1,567.50				5,500.00
Geologist-Helper	Mo.			2,400.00	6 Mo.		6 Mo.	400.00
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		5612.40		21,181.63				

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 April 7, 1954 Operator Foote Mineral Company
Kings Mountain Division

Per [signature] Title Plant Accountant

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

Basis for Billing

Drilling

Previous Non-Coring (Never Billed)	364.5'	@ 2.35	$ 861.[illegible]
Footage Drilled in March			
Non-Coring	-	2.35	-
HX Core	339.5'	7.00	2376.50
Trenching	160.0'	.90	144.00
HX Core - 95.7' Less 5.3' Overcharge In August '53	90.4'	7.00	705.12

ASSAYS

January - Columbium and Tantalum	22	@ $15.00	330.00
- Beryllium	22	5.00	110.00
- Tin	22	7.50	165.00
February - Columbium and Tantalum	35	15.00	525.00
- Beryllium	35	5.00	175.00
- Tin	35	7.50	262.50
Total Assays			$1567.50
Less; $41.00 Billed in error Oct. and Nov.			41.00
			$1526.50

OPERATOR'S MONTHLY REPORT FOR THE
MONTH OF MARCH, 1954
DMEA Contract IDM-E 523, Docket 2841

Core Drilling

Completed core-drill hole 3-7-1 inclined 50 degrees S.50E. in vertical plane with 3-3-1. Footage drilled was from 17.8, at end of February, to 453.0 at which depth the hole was completed. Period covered March 1 - 30.

Total footage drilled in March was 435.2 feet divided as follows: reamering 0.0 feet, NX diamond bits 95.7 feet, and BX diamond bits 339.5 feet.

Trenching

Three cross-cut trenches in outcrop of pegmatite 3-1 drilled, blasted, and sampled in 10-ft. intervals, beginning at eastern contact. Aggregate number of samples obtained is 12, and aggregate length of the three trenches is 120 ft., each being 40 feet long.

One cross-cut trench 40 feet long in outcrop of pegmatite 3-2 drilled, blasted, and sampled in 10-ft. intervals, beginning at eastern contact.

Period covered in trenching was March 1-10, and total footage was 160 feet.

Status of the Program

By agreement between the field representative of D.M.E.A. and Foote's Chief Geologist, the prospecting work under contract IDM-E 523 is considered as having been carried to its practical limit. Core drilling was completed on March 30, and trenching on March 10.

The attached voucher is believed to contain the correctly adjusted balance of all charges allowable, with the exception of charges on samples that remain to be assayed and reported. It is anticipated that the remaining assay charges will be ready to report by May 15.

IN REPLY REFER TO:

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

R.F.D. 5
Columbia, S. C.
April 29, 1954

Mr. Robert A. Laurence, Executive Officer
D. M. E. A. Region VII
Room 13, Post Office Building
Knoxville, Tenn.

DMEA-2841, Idm-E 523
Foote Mineral Co.

Dear Mr. Laurence:

Enclosed is Operator's Monthly Report and Voucher, with related papers, for subject contract for the month of March 1954. This report was received on April 8; pressure of other work, and illness, have prevented my forwarding it previously.

The 5.3 feet of NX coring mentioned in the report as having been an overcharge in August 1953 was drilled in cement in Hole 4-2-1. After that hole had been drilled to 8.0 feet it was cemented and redrilled with NX diamond bit from 2.7 to 8.0 feet. In the monthly report for March this 5.3 feet is transferred from "NX" to "non-coring".

Amendment No. 3 of the Contract authorizes $744. for contingencies, none of which has been used. Would it not be proper for the Operator to draw upon the contingencies allocation to cover expenses such as truck rental and salary of the geologist-engineer helper, where: (1)the amount allocated for these expenses has proved insufficient, and (2)the estimated cost was not designated as being the maximum allowable?

In the voucher for September $60 for truck rental was charged against Contingencies, the amount originally alloted for truck rental having been exhausted. When the October voucher was made out, the amount allocated for truck rental had been increased to $540 by amendment No. 3, and the $60 charged to Contingencies in the September voucher was transferred in the October voucher to Truck Rental. If the Operator was right in drawing upon the contingencies allotment in September it seems that he would be right in drawing upon it now. Perhaps you or Mr. Beck will wish to call this to Mr. Kesler's attention. Or shall I?

Sincerely,

Frank

B. F. Buie
Geologist (WAE), U. S. Geol. Survey

RECEIVED
MAY 3 - 1954
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

May 3, 1954

Dr. B. F. Buie
R. F. D. # 5
Columbia, South Carolina

Re: DMEA-2841, Idm-E 529-Foote Minerals
columbium-tantalum-beryl-tin.

Dear Frank:

Reference is made to your letter of April 29, 1954, in which you asked if it would not be proper to draw upon the contingencies allocated to cover expenses such as truck rental and salary of the geologist-engineer helper. Although exhibit "A" or Amendment No. 3 does not designate these items as allowable maximums, Article 6 (1) and (4) of the contract does state that these items are allowable maximums and the use of monies set up under contingencies could not be used for these purposes.

Very truly yours,

Wm. A. Beck, Acting
Executive Officer, DMEA-Reg. VII

WAB/mm
cc:
Beck
Lynch
Lawrence
Opr. Com.

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

VOUCHER & SCHEDULE
245
56

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 24 1954

Month of February, 1954 Docket No. DMEA 2841 Contract No. IDM-E 523
Operator's Name Foote Mineral Company Minerals Columbium-Tantulum
Address 18 W. Chelten Avenue, Philadelphia 44, Pa. Beryl and Tin
Contract Amount, $ 30,500.00 Government Participation: 90 % Amount, $ 27,450.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling	2132.00	7639.68	9,771.68			
Bulldozing		100.00	100.00			
Crosscutting						
Drifting						
Trenching	235.80	-0-	235.80			
(2) Labor and Supervision:						
Labor						
Supervision		4400.00	4400.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Small Tools		100.00	100.00			
Core Boxes		219.75	219.75			
(4) Operating Equipment:						
Rental (Truck)		540.00	540.00			
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis		41.00	41.00			
Payroll Taxes						
Liability Insurance						
Accountant		160.00	160.00			
(8) Contingencies (specify):						
TOTALS	2367.80	13,200.43	15,568.23	2367.80	13,200.43	15,568.23

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

Date 3/3/54 *Payee Foote Mineral Company
Kings Mountain Division
Per [signature] Title Plant Accountant

*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:

$ 2,131.02

Signature Cora A. Piper
(Authorized Certifying Officer)

Date MAR 19 1954 Vou. No. 245
(See other side)

8 236.78

(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-F 523 in accordance with the terms of the contract.

Signature B. T. Bure Title Geologist Date March 9, 1954

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. M. Beck ACTING EXECUTIVE OFFICER Title DMEA REGION VII Date MAR 15 1954

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 24 1954

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of February 195 4 Docket No. DMEA 2841 Contract No. IDME-523
Operator's Name Foote Mineral Company Minerals Columbium
Address 18 W. Chelten Ave., Philadelphia 44, Pa. Tantulum-Beryl & Tin

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
~~Bulldozing~~ Bulldozing	Day			100.00	1 Day		5 Days	100.00
~~Consulting~~ Geologist	Mo.			2,000.00	4 Mo.		4 Mo.	500.00
~~Rental~~ Truck Rental	Wk.			540.00	18 Wk.		18 Wk.	30.00
Shafts								
Winzes								
Drilling: Core NX	Ft.	612.30	78.5'		1303.2			
~~Core~~ BX	Ft.	1519.70	217.1'	9,771.68	~~1242'~~		2100'	7.80 & 7.00
Auger								
~~Stripping~~ Accountant	Mo.			160.00	4 Mo.		4 Mo.	40.00
Trenching	Ft.	235.80	262'	235.80	262'		2140'	.90
~~Tank Pit~~ Mat. & Supplies				319.75				350.00
~~Engineering~~ Assays				41.00				
Geologist-Helper	Mo.			2,400.00	6 Mo.		6 Mo.	400.00
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		2,367.80		15,568.23				

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

Date 3/3/54 Operator Foote Mineral Company
Kings Mountain Division
Per [signature] Title Plant Accountant

REMARKS:

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

(Instructions on reverse)

(For Government use only)

Units drilled to date should be 1303.2' instead of 1242'
WAB

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 REPORT FOR THE MONTH OF FEBRUARY, 1954

DMEA Contract IDM-E 523,
Docket 2841

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 24 1954

Core Drilling

Moved to and completed core-drill hole 3-2-2 inclined 60 degrees S.50E. Total depth 121.0. Six core samples and one sludge sample. Period covered February 5-10.

Moved to and completed core-drill hole 3-3-1 inclined 50 degrees S.50E. Total depth 222.0. Sixteen core samples planned, and seven sludge samples recovered. Period covered February 14-25.

Moved to core-drill hole 3-7-1 inclined 50 degrees S.50E in vertical plane with 3-3-1. Inclined depth of 17.8 reached by end of month. Period covered February26-28.

Total footage drilled in February was 360.8 feet divided as follows: scouring (surface zone) 65.2, NX diamond bits 78.5, and BX diamond bits 217.1

Trenching

Three cross-cut trenches in outcrop of pegmatite 3-5 drilled, blasted, and sampled in 10-ft. intervals, beginning at eastern contact. Aggregate number of samples obtained is 18, and aggregate length of the three trenches is 173 ft., divided as follows: 3-5-T1 is 40 ft., 3-5-T2 is 85 ft., and 3-5-T3 is 48 ft. Odd interval is in westernmost sample in each trench. Period covered February 16-24.

One cross-cut trench 89 feet long dug by hand, showing pegmatite 3-3 to occur in 5 thin layers rather than one massive body. These layers are concordant in weathered mica schist, and were blasted and sledged individually for sampling. Period covered February 1-4.

Total footage trenched in February was 262 feet.

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

DEPARTMENT OF THE INTERIOR Defense Minerals Administration MAR 2 - 1954 VOUCHER & SCHEDULE 57

Month of January, 1954 Docket No. DMEA 2841 Contract No. IDM-E 523

Operator's Name Foote Mineral Company Minerals Columbium-Tantulum

Address 18 W. Chelten Ave., Philadelphia, Pa. Beryl and Tin

Contract Amount, $ 30,500.00 Government Participation: 90 % Amount, $ 27,450.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling	2453.68	5186.00	7639.68			
Bulldozing		100.00	100.00			
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision	400.00	4000.00	4,400.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Small Tools		100.00	100.00			
Core Boxes		219.75	219.75			
(4) Operating Equipment:						
Rental (Truck)		540.00	540.00			
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis		41.00	41.00			
Payroll Taxes						
Liability Insurance						
Accountant		160.00	160.00			
(8) Contingencies (specify):						
TOTALS	2853.68	10,346.75	13,200.43	2,853.68	10,346.75	13,200.43

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

Date 2/11/54 *Payee Foote Mineral Company
Kings Mountain Division

Per [signature] Title Plant Accountant

*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:

$ 2,568.31

Signature Cora A. Piper
(Authorized Certifying Officer)

Date FEB 24 1954 Vou. No. 223

(See other side)

285.37

(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. 1DM-E523 in accordance with the terms of the contract.

Signature B. F. Bure Title Geologist Date Feb. 17, 1954

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. A. Beck Title ACTING EXECUTIVE OFFICER DMEA REGION VII Date FEB 19 1954

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 2 - 1954

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of January 1954 Docket No. DMEA 2841 Contract No. IDME-523

Operator's Name Foote Mineral Company Minerals Columbium

Address 18 W. Chelten Avenue Philadelphia, Pa. Tantulum-Beryl & Tin

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Bulldozing	Day			100.00	1 Day		5 Days	100.00
Geologist	Mo.			2,000.00	4 Mo.		4 Mo.	500.00
Truck Rental	Wk.			540.00	18 Wk.		18 Wk.	30.00
Shafts								
Winzes								
Drilling: Core NX 7/8"	Ft.	1510.08	193.6'					
BX 7/8"	Ft.	943.60	134.8'	7,639.68	946.4'		2100'	7.80 & 7.00
Auger								
Accountant	No.			160.00	4 Mo.		4 Mo.	40.00
Operating								
Mat. & Sup.				319.75				350.00
Assays				41.00				
Geologist - Helper	Mo.	400.00	1 Mo.	2,400.00	6 Mo.		6 Mo.	400.00
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		2,853.68		13,200.43				

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 2/11/52 Operator Foote Mineral Company
Kings Mountain Division

Per [signature] Title Plant Accountant

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
MAR 2 - 1954

OPERATOR'S MONTHLY REPORT FOR THE MONTH
OF JANUARY, 1954

DMEA Contract IBM-2523, Docket 2841

Completed vertical core-drill hole 3-6-1, from 115.6 to 125.6. The entire log was submitted with the December report, together with location of the hole.

Moved to location 3-2-1 for hole inclined 45 degrees, bearing S.50E. Completed this hole at length of 225.0, with 9 core samples and 8 sludge samples. Period covered January 1-19.

Moved to location 3-1-1 for hole inclined 45 degrees, bearing S.50E. Completed this hole at length of 137.4, with 1 core sample representing a single pegmatite 1.6 feet thick. Period covered January 20-31.

Total footage drilled in January was 372.4 feet, divided as follows: non-coring (surface zone) 44.0, NX diamond bits 193.6, and BX diamond bits 134.8.

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of December, 1953 Docket No. DMEA 2841 Contract No. IDM-E 523
Operator's Name Foote Mineral Company Minerals Columbium-Tantulum
Address 18 W. Chelten Ave., Philadelphia, Pa. Beryl and Tin
Contract Amount, $ 30,500.00 Government Participation: 90 % Amount, $ 27,450.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling	1970.84	3215.16	5186.00			
Bulldozing		100.00	100.00			
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision	400.00	3600.00	4000.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Small Tools		100.00	100.00			
Core Boxes		219.75	219.75			
(4) Operating Equipment:						
Rental (Truck)	60.00	480.00	540.00			
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis		41.00	41.00			
Payroll Taxes						
Liability Insurance						
Accountant		160.00	160.00			
(8) Contingencies (specify):						
TOTALS	2430.84	7915.91	10,346.75	2430.84	7915.91	10,346.75

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

Date 1/14/54 *Payee Foote Mineral Company
Kings Mountain Division

Per [signature] Title Plant Accountant

*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:

$ 2,187.76

Signature Cora A. Piper
(Authorized Certifying Officer)

Date JAN 26 1954 Vou. No. 199
(See other side)

6

243.08

(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-E523 in accordance with the terms of the contract.

Signature B. F. Bure Title Geologist (W.A.E.) Date Jan 17 1954

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION VII Date JAN 21 1954

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of December 1953 Docket No. DMEA 2841 Contract No. IDM-E 523

Operator's Name Foote Mineral Company Minerals Columbium-Tantulum-Beryl and Tin

Address 18 W. Chelten Ave., Philadelphia, Pa.

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting Bulldozing	Day			100.00	1 Day		5 Days	100.00
~~Crosscutting~~ Geologist	Mo.			2,000.00	4 Mo.		4 Mo.	500.00
~~Raising~~ Truck Rental	Wk.	60.00	2 wk.	540.00	18 wk.		18 Wk.	30.00
Shafts								
Winzes								
Drilling: Core NX	Ft.	992.94	127.3'					
Churn BX	Ft.	977.90	139.7'	5,186.00	618.0'		2100Ft.	7.80 & 7.00
Auger								
~~Stripping~~ Accountant	Mo.			160.00	4 Mo.		4 Mo.	40.00
~~Leaching~~ Operating								
~~Equipt.~~ Mat. & Sup.				319.75				350.00
~~Reconnaissance~~ Assays				41.00				
Geologist-Helper	Mo.	400.00	1 Mo.	2,000.00	5 Mo.		6 Mo.	400.00
Total Distributed Costs								Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		2430.84		10,346.75				

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 1/14/53 Operator Foote Mineral Company
Kings Mtn. Division

Per [signature] Title Plant Accountant

Remarks:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

OPERATOR'S MONTHLY REPORT FOR THE MONTH OF
DECEMBER, 1953

DMEA Contract IDM-E523, Docket 2841

Completed vertical core-drill hole 3-5-1, which had been drilled to 36.9 in November. Ten core samples and seven sludge samples of pegmatite obtained from this hole, as shown on attached log. Hole abandoned when core spring broke, dropping 4.3 feet of fresh rock in the hold. Periods covered Dec. 1-10 and 21-24.

Drilled inclined core-drill hole 3-5-2, which was abandoned after passing through the same pegmatite penetrated by 3-5-1. Eight core samples and one sludge sample of pegmatite obtained, as shown on attached log. Period covered Dec. 10-21.

Moved to location 3-6-1 on Dec. 26 and drilled through Dec. 31 reaching vertical depth of 115.6. Six core samples of pegmatite as shown. No pegmatite thick enough for sludge sampling was found below 61.0 feet, at which fair water return was obtained with BX casing.

Total footage drilled in December was 285.9 feet divided as follows: non-coring (surface zone) bits 18.9, NX diamond bits 127.3, BX diamond bits 139.7.

January 21, 1954

Mr. Thomas L. Kesler, Chief Geologist
Exploration Division
Foote Minerals Company
P.O. Box 31
Kings Mountain, N. C.

Re: DMEA-2841, Idm-K 523
(Columbium-Tantalum-Beryl & tin)
Foote Minerals Co. Cleveland Co.,
North Carolina

Dear Tom:

Reference is made to your Operator's Monthly Report and Voucher for the month of December 1953.

In the third paragraph of your narrative and at the bottom of the drill log, you state that hole 3-6-1 reached a depth of 115.6 feet, yet the last item on this drill log shows that you drilled from 92.8' to 125.6' ; penetrated 32.8' and recovered 32.8' of core.

Please advise this office which figure is correct. We are approving your voucher as you have presented it. It the 125.6' figure is correct you may claim the additional 10 feet of NX drilling on your next voucher.

Very truly yours,

Robert A. Laurence
Executive Officer, DMEA
Region VII

WAB/sm
cc:
Beck
Lynch
Buie
Finance Office
Files

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 21 1953

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of November, 1953 Docket No. DMEA 2841 Contract No. IOM-B 523
Operator's Name Foote Mineral Company Minerals Columbium-Tantulum
Address 18 W. Chelten Avenue, Philadelphia 44, Pa. Beryl and Tin
Contract Amount, $ 30,500.00 Government Participation: 90 % Amount, $ 27,450.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent / Short Form } Contracts:						
Drilling	671.58	2,543.58	$3,215.16			
Bulldozing		100.00	100.00			
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision	900.00	2,700.00	3,600.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Small Tools		100.00	100.00			
Core Boxes		219.75	219.75			
(4) Operating Equipment:						
Rental (Truck)	120.00	360.00	480.00			
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	32.00	9.00	41.00			
Payroll Taxes						
Liability Insurance						
Accountant	40.00	120.00	160.00			
(8) Contingencies (specify):						
TOTALS	$1763.58	$6,152.33	$7,915.91	1,763.58	6,152.33	7,915.91

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-36

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

Date 12/11/53 *Payee Foote Mineral Company
Kings Mtn. Division
Per [signature] Title Plant Accountant

*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:

$1,587.22

Signature Lillian H. Blair
(Authorized Certifying Officer)

Date 12/17/53 Vou. No. 167
(See other side)

5

176.36

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. DM-E523 in accordance with the terms of the contract.

Signature B. F. Bure Title Geologist Date Dec 13, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION VII Date DEC 15 1953

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

DEPT. OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 21 1953

Month of November 1953 Docket No. DMEA 2841 Contract No. 10[illegible]-B 523

Operator's Name Foote Mineral Company Minerals Columbium-Tantulum-Beryl & Tin

Address 18 W. Chelten Avenue, Philadelphia 44, Pa.

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
~~Drifting~~ Bulldozing				100.00	1 Day	100.00	5 days	100.00
~~Crosscutting~~ Supervision	1 Mo	900.00		3,600.00	4 Mo.	900.00	4 Mo.	900.00
~~Raising~~ Truck Rental	4 wk.	120.00		480.00	16 Wk.	30.00		30.00
Shafts								
Winzes								
Drilling: Core	86.1ft.	671.58		3,215.16	351.0ft.	7.80	2100 ft.	7.80
Churn								
Auger								
~~Stripping~~ Accountant	1 Mo.	40.00		160.00	4 Mo.	40.00	4 Mo.	40.00
~~Trenching~~ Operating								
~~Test Pits~~ Mat. & Sup.				319.75				350.00
Roads and Trails								
Assays		32.00		41.00				5,500.00
Total Distributed Costs								Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		1,763.58		7,915.91				

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

Date 12/11/53 Operator Foote Mineral Company
Kings Mtn. Division

Per [signature] Title Plant Accountant

Remarks:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

OPERATOR'S MONTHLY REPORT FOR THE
MONTH OF NOVEMBER, 1953

DMEA Contract IDM-E523, Docket 2841

Completed core-drill hole 3-4-2, which had been drilled to 58.2 in October. Nine core samples and four sludge samples obtained from the entire hole, as indicated in the attached log. Hole abandoned owing to thinness of pegmatites with increasing depth. Period covered, November 2-18.

Moved to location 3-5-1 on November 19, where a wrench was dropped in the hole on the 20th., causing abandonment. New hole at this site started on the 23rd, and continued until the end of the month.

Total footage drilled in November was 117.6 feet, the NX footage was 86.1 feet, and the core recovered was 86.0 feet. BX equipment was ordered and on hand, as now permitted by the contract, but was not used until after November 30.

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

ATTACHED ON VOUCHER & SCHEDULE OF PAYMENTS

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of October 1953 Docket No. DMEA 2841 Contract No. IDM-E 523

Operator's Name Foote Mineral Company Minerals Columbium-Tantulum-Beryl and Tin

Address 18 W. Chelten Ave., Philadelphia, Pa.

Contract Amount, $ 30,500.00 Government Participation: 90 % Amount, $ 27,450.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling	787.80	1,755.78	2,543.58			
Bulldozing		100.00	100.00			
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision	900.00	1,800.00	2,700.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Small Tools		100.00	100.00			
Core Boxes	44.00	175.75	219.75			
(4) Operating Equipment:						
Rental (Truck)	180.00	180.00	360.00			
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	9.00		9.00			
Payroll Taxes						
Liability Insurance						
Accountant	40.00	80.00	120.00			
(8) Contingencies (specify):						
Truck Rental	(60.00)	60.00	.00			
TOTALS	1,900.80	4,251.53	6,152.33	1,900.80	4,251.53	6,152.33

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

Date 11/11/53 *Payee Foote Mineral Company

Per [signature] Title Kings Mountain Div. Plant Accountant

*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:

$ 1,710.72

Signature Cora A. Piper
(Authorized Certifying Officer)

Date NOV 24 1953 Vou. No. 137
(See other side)

* Note: Amount of $60.00 charged to contingencies for the month of September transferred to operating equipment-Truck Rental.

4

190.08

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE: (Rec'd Nov 18, 1953)

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. DM-E 523 in accordance with the terms of the contract.

Signature B.F. Bure Title Geologist Date Nov 14, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION VII Date NOV 23 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).

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 27 1953

Month of October 195 3 Docket No. DMEA 2841 Contract No. IDMAE 523

Operator's Name Foote Mineral Company Minerals Columbium-Tantulum-Beryl and Tin

Address 18 W. Chelten Ave., Philadelphia, Pa.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Bulldozing				100.00	1 Day	100.00	5 Days	100.00
Supervision	1 Mo.	900.00		2,700.00	3 Mo.	900.00	4 Mo.	900.00
Truck Rental	4 wk.	120.00		360.00	12 wk.	30.00		30.00
Shafts								
Winzes								
Drilling: Core	101.0FT.	787.80		2,543.58	264.9Ft.	7.80	2100FT.	7.80
Churn								
Auger								
Accountant	1 Mo.	40.00		120.00	3 Mo.	40.00	4 Mo.	40.00
Operating Mat. and Sup.		44.00		319.75				350.00
Roads and Trails								
Assays		9.00		9.00				5,500.00
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		1,900.80		6,152.33				

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

Date 11/11/53 Operator Foote Mineral Company
Kings Mtn. Division

Per [signature] Title Plant Accountant

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 REPORT FOR THE MONTH OF OCTOBER, 1953

DMEA Contract IDM-E523, Docket 2841

RECEIVED 1953

Work Accomplished

Moved to and completed core-drill hole 4-1-3, which was abandoned at 33.1 where cuttings of rotten pegmatite choked the hole. Period covered, October 1-14.

Moved to and completed core-drill hole 3-4-2, which was abandoned at 58.2 where cuttings of weathered pegmatite and mica schist from the upper walls choked the hole. Period covered, October 15-27.

Moved on October 28 to hole site 3-4-2, which reached a depth of 58.2 at the close of work October 30. This hole is being continued, and is the first hole to give satisfactory water circulation since the beginning of the program.

Total footage drilled in October was 149.5 feet, the NX footage was 101.0 feet, and the core recovered was 79.0 feet.

33.1
58.2
58.2
149.5

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

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

116

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPORTS ADMINISTRATION

PAID BY VOUCHER & SCHEDULE

OPERATOR'S MONTHLY REPORT AND VOUCHER

DEPARTMENT OF THE INTERIOR Defense Minerals Administration RECEIVED OCT 29 1953

Month of September 1953 Docket No. DMEA 284 Contract No. ID-E 523

Operator's Name Foote Mineral Company Minerals Columbium-Tantulum-Beryl and Tin

Address 18 W. Chelten Avenue, Philadelphia, Pa.

Contract Amount, $ 30,500.00 Government Participation: 90 % Amount, $ 27,450.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling	1278.42	477.36	1755.78			
Bulldozing		100.00	100.00			
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision	900.00	900.00	1800.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Small Tools	17.60	82.40	100.00			
Core Boxes	155.29	20.46	175.75			
(4) Operating Equipment:						
Rental (Truck)	60.00	120.00	180.00			
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
~~Liability Insurance~~ Accountant	40.00	40.00	80.00			
(8) Contingencies (specify):						
Truck Rental	60.00	-	60.00			
TOTALS	2511.31	1740.22	4251.53			

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

Date 10/23/53 *Payee Foote Mineral Company

Per [signature] Title Kings Mtn. Division Plant Accountant

*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:

$ 2,260.18

Signature Cora A. Piper
(Authorized Certifying Officer)

Date OCT 28 1953 Vou. No. 116

(See other side)

3

251.13

(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. 10M-E523 in accordance with the terms of the contract.

Signature B. F. Bure Title Geologist Date Oct 23, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lemmen Title EXECUTIVE OFFICER DMEA REGION VII Date OCT 26 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-194A
(April 1952)

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 29 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Sept. 1953 Docket No. DMEA 2841 Contract No. IDM-E 523
Operator's Name Foote Mineral Company Minerals Columbium-Tantulum-Beryl and Tin
Address 18 W. Chelten Ave., Philadelphia, Pa.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
~~Drilling~~ Bulldozing				100.00	1 Day	100.00	5 Days	100.00
~~Crosscutting~~ Supervision	1 Mo.	900.00		1800.00	2 Mo.	900.00	4 Mo.	900.00
~~Raising~~ Truck Rental	2 Wk.	60.00		180.00	6 Wk.	30.00	6 Wk.	30.00
Shafts								
Winzes								
Drilling: Core	163.9Ft.	1278.42		1755.78	225.1Ft.	7.80	2100 Ft.	7.80
Churn								
Auger								
~~Stripping~~ Accountant	1 Mo.	40.00		80.00	2 Mo.	40.00	4 Mo.	40.00
~~Trenching~~ Operating								
~~Test Pits~~ Mat. & Sup.		172.89		275.75				350.00
~~Roads and Trails~~								
Contingency- (Truck Rental)	2 wk.	60.00		60.00	2 Wk.	30.00		1904.00
TOTAL DISTRIBUTED COSTS		2511.31		4251.53				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		2511.31		4251.53				

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

Date 10/23/53 Operator Foote Mineral Company

Per [signature] Title Plant Accountant Kings Mtn. Division

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

Department of the Interior
Bureau of Mines Administration
RECEIVED
OCT 20 1953

OPERATOR'S MONTHLY REPORT FOR THE MONTH OF SEPTEMBER, 1953

DMEA Contract IDM-E523, Docket 2841

Work Accomplished

Completed core-drill hole 4-2-1, which had been started in August. Moved to and completed core-drill-holes 4-3-1 and 4-3-2. Logs of this work are attached hereto. Unusual difficulties continued, due to open seams and zones of rotten pegmatite and country rocks taking part or all of the water. This prevented the flushing out of cuttings for most of the footage, and caused $410.50 worth of tools to become stuck in hole 4-3-2. As a result, the hole had to be abandoned at insufficient depth.

Hole 4-2-1 was completed in the period Sept. 1-4, moving and mechanical preparations occupied Sept. 8 and 9. Hole 4-3-1 was drilled between Sept. 10 and 23. The drill was moved to site 4-3-2 on Sept. 24, and the hole was started the same day and was abandoned Sept. 30.

The total footage drilled was 213.0 feet, the NX footage was 163.9 feet, and the core recovered was 107.9 feet.

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT - 9 1953

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of Aug., 195 3 Docket No. DMEA 2841 Contract No. IDM-E 523
Operator's Name Foote Mineral Company Minerals Columbium-Tantulum-Beryl and Tin
Address 18 W. Chelten Avenue, Philadelphia, Pa.
Contract Amount, $ 30,500.00 Government Participation: 90 % Amount, $ 27,450.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling	477.36		477.36			
Bulldozing		100.00	100.00			
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision	900.00		900.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Small Tools	36.40	46.00	82.40			
Core Boxes	20.46		20.46			
(4) Operating Equipment:						
Rental (Trucks)	120.00		120.00			
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Accountant	40.00		40.00			
(8) Contingencies (specify):						
TOTALS	1594.22	146.00	1740.22	1,594.22	146.00	1,740.22

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-18

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 9/25/53 *Payee Foote Mineral Co. Kings Mtn. Div.
Per [signature] Title Plant Accountant

*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:

$ 1,434.80

Signature Cora A. Piper
(Authorized Certifying Officer)

Date OCT 5 1953 Vou. No. 91
(See other side)

2

1594.2

(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-E523 in accordance with the terms of the contract.

Signature B. F. Baie Title Geologist Date September 29, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION VII Date OCT 1 1953

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT - 6 1953

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Aug. 1953 Docket No. DMEA 2841 Contract No. IDM-E 523
Operator's Name Foote Mineral Company Minerals Columbium-Tantulum-Beryl and Tin
Address 18 W. Chelten Ave. Philadelphia, Pa.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting								
~~Raising~~ Bulldozing	1 Day			100.00	1 Day	100.00	5 Days	100.00
~~Shafts~~ Supervision	1 Mo.	900.00		900.00	1 Mo.	900.00	4 Mo.	900.00
~~Winzes~~ Truck Rental	4 wk.	120.00		120.00	4 wk.	30.00	6 wk.	30.00
Drilling: Core	61.2 ft.	477.36		477.36	61.2 ft.	7.80	2100 ft.	7.80
Churn								
Auger								
~~Stripping~~ Operating								
~~Trenching~~ Materials and								
~~Test Pits~~ Supplies		56.86		102.86				350.00
Roads and Trails								
Accountant	1 Mo.	40.00		40.00	1 Mo.	40.00	4 Mo.	40.00
TOTAL DISTRIBUTED COSTS		1594.22		1740.22				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		1594.22		1740.22				

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

Date 9/25/53 Operator Foote Mineral Company

Per [signature] Title ~~Pl~~ Plant Accountant Kings Mountain Div.

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

OPERATOR'S MONTHLY REPORT FOR THE MONTH OF AUGUST, 1953

D.M.E.A. Contract IDM-E523, Docket 2841

Work Accomplished

Planned initial work for core drill in Tract 4. Assembled and moved new drill and accessory equipment to the tract: Trained inexperienced drill crew, and completed 165.2 feet of drilling of which 61.2 feet was with NX core barrel recovering only 29.9 feet of core due to extreme weathering.

Daily notes

Aug. 3-5. Planned core drilling in Tract 4.

Aug. 6-7. Moved drill and accessory equipment to Tract 4, and set up on hole 4-1-1.

Aug. 10-19. Hole 4-1-1 drilled to 49.9 feet as training period for inexperienced crew. Lost drive shoe in hole-abandoned.

Aug. 20. Moved drill to hole location 4-1-2.

Aug. 21-26. Hole 4-1-2 drilled to 97.7, and abandoned due to blocking of weathered and fractured rock in core barrel.

Aug. 27. Moved drill to hole location 4-2-1.

Aug. 28. Bottomed on sloping pegmatite surface at 8 feet. Cemented hole to provide flat seat for casing.

Aug. 31. Resumed drilling. Encountered thoroughly weathered pegmatite at 8.5 feet. Hole 4-2-1 uncompleted at end of month.

Logs of holes 4-1-1, 4-1-2, and 4-2-1 (through Aug. 31) are attached hereto.

Slowness of the work to date is due to new equipment and inexperienced help, but the poor core recovery is due solely to the strong effects of weathering near the surface. Less than 0.5 feet total of pegmatite core recovered--insufficient for assay.

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-10 53

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of July, 195 3 Docket No. DMEA 2841 Contract No. IDM-~~E~~ 523

Operator's Name Foote Mineral Company Minerals Columbium-Tantalum Beryl and Tin

Address 18 W. Chelton Ave., Philadelphia, Pa.

Contract Amount, $ 30,500.00 Government Participation: 90 % Amount, $ 27,450.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent ~~Short Form~~ Contracts:						
Drilling						
Bulldozing	100.00	--	100.00			
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Small Tools	46.00	--	46.00			
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	146.00		146.00	146.00	—	146.00

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

Date 8/10/53 *Payee Foote Mineral Company

Per Wellere L. Lewis Title Plant Accountant Kings Mountain Plant

*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:

$ 131.40

Signature Cora A. Piper (Authorized Certifying Officer)

Date AUG 20 1953 Vou. No. 53

(See other side)

14.60

1st S 7/28/53

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm.E.523 in accordance with the terms of the contract.

Signature [illegible] Title Mining Engr. USBM Date AUG 17 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION VII Date AUG 17 1953

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of July 195 Docket No. DMEA 2841 Contract No. IDM-# 523

Operator's Name Foote Mineral Company Minerals Columbium-Tantulum-Beryl and Tin

Address 18 W. Chelton Ave., Philadelphia, Pa.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
~~XXXXXX~~ Small tools		46.00		46.00				100.00
Roads and Trails								
Bulldozing	1 day	100.00	1 day	100.00	1 day	100.00	5 days	100.00
TOTAL DISTRIBUTED COSTS		146.00		146.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		146.00		146.00				

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

Date 8/10/53 Operator Foote Mineral Company

Per [signature] Title Plant Accountant Kings Mountain Plant

REMARKS:

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

(Instructions on reverse)

(For Government use only)

1st

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 REPORT FOR THE MONTH OF JULY, 1953

DMEA No. 2841
IDM-E-523

Work Accomplished

Bulldozed access road approximately 2,400 feet in length along the trend of the pegmatites in Tract No. 3. Work performed on July 28, and included laying two culverts.

Obtained miscellaneous small tools for exploratory work.

JUN 21 1963

Vanta Mineral Company
15 East Chelten Avenue
Philadelphia 44, Pennsylvania

Re: [illegible] (Columbite-Tantalite, Beryl, Tin)
Vanta Mineral Company
Williams Tracts 3 and 4
Cleveland County, North Carolina
Contract 14s-4[illegible]

Gentlemen:

Thank you for returning the completed NRS Form 69's mailed to you on June 12, 1963.

By the terms of the subject Exploration Project Contract, as amended, and the certification of discovery or development dated November 19, 1954, all minerals mined or produced from May 15, 1953 to May 15, 1958, were subject to the Government's royalty as set forth in said contract.

As the period during which production was subject to royalty has now expired, the Government accepting to its present records relinquishes no claim or lien against the property subject to the contract or any future production therefrom. We, therefore, are closing our books and records on this contract. Your connection, however, is called to the provisions of the contract which require the Operator to keep and preserve certain records for the periods indicated.

Sincerely yours,

George Fumich, Jr.

Director

Fitterling/ms
6/21/63

cc: Mr. & Mrs. L. M. Williams, Blowing Rock, N.C.
Mr. and Mrs. Rube Hatcher, Charlotte, N.C.
Mr. and Mrs. Robert A. Davis, Charlotte, N.C.
Mr. and Mrs. B. B. Culp, Gastonia, N.C.
Director's ReadingFile
Region IV (X) w/cy of Form 63 dated 6/12/63
GMM Division
Docket
Code 300

that term in the contract.

Your understanding of the matter, as stated in the last paragraph of your memorandum, is entirely correct.

Charles M. Soller
Associate Solicitor

[illegible]/jfg 9/29/59

cc: Solicitor's Docket
Mr. Soller
Mr. Hofflund
Mr. Lynch

SEC

APR 1 - 1957

Mr. Robert A. Lawrence
Executive Officer
DMA Field Team, Region V
Room 14, Post Office Building
Knoxville 2, Tennessee

Re: Docket No. [illegible]
(Cobalt-fluorspar, beryl, and tin)
Contract No. [illegible]
Fuche Mineral Company
Williams Tracts 3 and 4
Cleveland County, North Carolina

Dear Mr. Lawrence:

In connection with the letter to you, dated March 5, 1957, from the subject Operator, we requested the Associate Solicitor, Division of Mineral Resources to review the letter and determine the status of the Government's lien on the land following cancellation of the lease.

We were advised as follows: The contract was written on the February 1952 Form 9V-200 containing the "abandonment provision" in Article 24. In brief, this provision states that surrender of the homestead coupled with abandonment of all interest in the land for a period of ten years from the date of the contract, is not a transfer or assignment of the Operator's interest in the land requiring recognition of the Government's royalty rights. Rather, this provision allows an operator, to whom it is applicable, from the payment of royalty and also assures the landlord who has executed an Owner's Consent to lease. However, should the Operator regain any interest in the land during the ten year period, liability for royalty would revert.

The foregoing interpretation is applicable only where the February 1952 Form 9V-200 and Form 9V-200A were used without deletion of the "abandonment provision" by amendment or otherwise. The early forms used prior to the February 1952 form had no such provision nor do the forms revised in June 1954 and subsequently. To avoid possible misapplication of "abandonment provisions," it is suggested that each case of this sort be referred to the Washington Office for interpretation.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Thor H. Kiilsgaard

/s/ O. M. Bishop

Mining/gla (3-25-57)
3-27-57
cc to: Admr.'s Reading File
Operating Committee
APPROVED: Kiilsgaard, SOL
Code 700
Mr. Ching

Contract Adm. & Audit Div.

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

MAR 22 1957

Memorandum

To: The Administrator, BMEA

From: Associate Solicitor, Division of Mineral Resources

Subject: Docket No. BMEA-2241, Foote Mineral Company (Columbium-Tantalum, Beryl, and Tin), Contract No. Ida-[illegible]

Your memorandum dated March 15, 1957, transmitted a letter dated March 5, 1957, from the subject Operator to the Executive Officer, and requested that we review it and the subject contract to determine whether the Government is entitled to royalty on any future production. The Operator's letter stated there has been no production and that it has "cancelled" its lease (apparently pursuant to paragraph numbered 18 of the lease which granted Operator the right to "terminate").

The contract was written on the February 1952 Form BF-[illegible] containing the "abandonment provision." In brief, this provision states that surrender of the leasehold coupled with abandonment of all interest in the land for a period of ten years from the date of the contract, is not a transfer or assignment of the Operator's interest in land requiring preservation of the Government's royalty rights. Rather, this provision releases an operator, to whom it is applicable, from the payment of royalty and also vacates the lienhold who has executed an Owner's Consent to Lien (see our memorandum to you dated July 27, 1954, on the subject "Liability of Landlord for Royalties after Abandonment by Lessee-Operator").

On the other hand, should the Operator regain any interest in the land during the ten-year period, liability for royalty would resume.

Robert P. Boyer

RPBoyer/cmd
Copy to: Solicitor's Docket (2)
BMEA Docket
✓J. L. Chambers
G. C. Selfridge
E. W. Ellis
R. P. Boyer
H. C. Rubin
chron.

Contract Adm. & Audit Div.

NOV 22 1954

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

To: Foote Mineral Company
18 W. Chelten Avenue
Philadelphia, Pennsylvania

Pursuant to the provisions of Exploration Project Contract No. Idm-E523, dated May 18, 1953, (Docket No. DMEA-2841), hereinafter called the "contract" between you and the United States of America, hereinafter called the "Government"; to establish and fix the Government's percentage royalty on production and its lien thereon and on the land described in the contract, the Government considers and therefore certifies that discovery or development from which production may be made has resulted from the exploration work.

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

Trenching and diamond drilling on the land described in Article 2 of the contract proved the existence of five pegmatite bodies containing significant reserves of columbium-tantalum, beryl, tin, and spodumene. The work also indicated potential ore reserves in five other pegmatite bodies.

Dated: NOV 19 1954

THE UNITED STATES OF AMERICA

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

NChing/gla
11/8/54
cc to: Operator (original)
Admr. Reading File
Operating Committee
Mr. J. D. Hedges, Rm. 4604
Mr. T. H. Kiilsgaard, Rm. 5224
Contract Adm. and Audit Div.
Field Team, Region VII (2)
Finance Office
Rare & Misc. Metals Division
Docket
Mr. Irving Gumbel, Acting Dir.,
Materials Division, EPS
Mr. F. E. Johnson
Mr. Ching

G[illegible]rnment Copy

EXPLORATION PROJECT CONTRACT

Docket No. DMEA-2841

FOOTE MINERALS COMPANY

Amendment No. 6

Contract Idm-E 523, DMEA-2841, dated 18th day of May 1953, as amended, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Foote Mineral Company, 18 W. Chelton Avenue, Philadelphia, Penna., hereinafter called the "Operator", is further amended:

Article 3, is amended to provide "that the Operator bring the project to completion within a period of thirteen (13) months from the date of this contract." Instead of eleven (11) months as written in amendment No. 5, dated March 3, 1954.

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

April 13, 1954.

FOOTE MINERAL COMPANY

By _____

THE UNITED STATES OF AMERICA

By _____
Acting, Executive Officer
DMEA Field Team, Region VII

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Government Copy

Defense Minerals Administration
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MAR 12 1954

EXPLORATION PROJECT CONTRACT

Docket No. DMEA-2841

FOOTE MINERALS COMPANY

AMENDMENT No. 5

Contract Idm-E 523, DMEA-2841, dated the 18th day of May 1953 between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter call the "Government," and Foote Minerals Company, 18 W. Chelten Avenue, Philadelphia, Pennsylvania, hereinagter called the "Operator" is amended as follows:

Article 3, is amended to provide that "The Operator bring the project to completion within a period of eleven (11) months from the date of this contract." Instead of ten (10) months as written in Amendment No. 3, dated October 30, 1953.

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

Executed in sextuplicate this 3rd day of March 1954.

FOOTE MINERAL COMPANY

By [signature]

THE UNITED STATES OF AMERICA

By Robert A. Lawrence

EXECUTIVE OFFICER
DMEA REGION VII

MAR 1 8 1954

February 19, 1954

Dr. B. F. Burie,
Geologist, D.M.E.A.
Field Team, Region VII
R. F. D. #5
Columbia, South Carolina

Dear Frank:

Through your visits to inspect our work on contract No. IDM - E 523, Docket No. 2841, you are aware that we are running very close to our present deadline in completing the core drilling and trenching.

The purpose of this letter is to request a months extension of the contract as a safety feature in case bad weather and break-downs should delay completion of the work. If this extension is granted, it is my understanding that the expiration date would then be April 18. It is also my understanding that our final report on this work to D.M.E.A. will not be required within the deadline date, this being due largely to the necessity of assaying samples that may be taken up to that date.

Yours very truly,

FOOTE MINERAL CO:

Thomas L. Kesler

Thomas L. Kesler,
Chief Geologist

TLK/br

CC: F. B. Shay
L. G. Bliss

Government's copy

Defense Minerals Administration
RECEIVED
MAR 12 1954

EXPLORATION PROJECT CONTRACT
FOOTE MINERAL COMPANY
DOCKET NO. DMEA-2841

AMENDMENT NO. 4

It is agreed this 1st day of March, 1954, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Foote Mineral Company, that Exploration Project Contract Idm-E523, Docket No. DMEA-2841, dated May 18, 1953, as amended, be further amended, effective May 18, 1953, as follows:

In Amendment No. 3:

1. At the end of paragraph numbered 3(A), add the following sentence:

"Noncoring, roller-bit drilling may be used to start diamond drill holes."

2. Under the heading "Agreed Estimated Unit Costs," under paragraph 3(B), add at the end of the parenthesis following the first item, the following sentence:

"Where noncoring, roller-bit drilling is used, the unit cost shall be $2.35/ft."

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

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By C. Mitchell Dodge
Administrator, Defense Minerals Exploration Administration

FOOTE MINERAL COMPANY

By R. J. Blair

Government's Copy

Defense Minerals Administration
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NOV 23 1953

EXPLORATION PROJECT CONTRACT
FOOTE MINERAL COMPANY
DOCKET NO. DMEA-2841

AMENDMENT NO. 3

It is agreed this 30th day of October, 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and the Foote Mineral Company, each acting in consideration of the agreement of the other to the terms hereinafter set forth, that Exploration Project Contract Idm-E523, Docket No. DMEA-2841, dated May 18, 1953, as amended, between the parties hereto, be further modified and amended as of the date of the said contract, as follows:

1. Under Article 3, the words "six (6) months" are deleted and the words "ten (10) months" are substituted therefor.

2. In lieu of Article 9 of the contract form, the provisions of Annex I, attached hereto and made a part hereof, are substituted. However, the provisions of Article 13 remain a part of the contract.

3. In Exhibit "A"--

(A) Under the heading "Description of the Work," the third paragraph, as amended by Amendment No. 1 dated June 19, 1953, is deleted, and the following substituted therefor:

"The dikes in Tracts 3 and 4 will be explored by seven or more diamond drill holes having a total length not in excess of 2100 feet, yielding cores having 2-1/8 inch diameter where practical and 1-5/8 inch diameter where a more efficient operation and better recovery of sludge samples are indicated."

(B) Under the heading "Estimated Costs of the Project," everything is deleted and the following is substituted therefor:

Agreed Estimated Unit Costs

Diamond Drilling 2,100 feet @ $7.80/ft. (This unit cost is based on a 2-1/8" core. Where 1-5/8" core is substituted, the unit cost shall be $7.00/ft.)	$16,380.00	
Channeling 2,140 feet @ $0.90/ft.	1,926.00	$18,306.00

The Government will contribute to the costs of the diamond drilling and channeling on the basis of these agreed unit costs per foot, as they accrue for units of work actually performed in lieu of actual costs. The agreed unit costs include all costs of the work, except those items listed below, to the cost of which the Government will contribute on the basis of the actual costs as specified in Article 6(a) of the contract form. This work may be performed by independent contractor without reference to the provisions relating to independent contracts and contractors in Articles 4(a) and (b), and 6(a)(1) of the contract form.

Estimated Actual Costs

(*Indicates allowable maximum)

(1)	Independent Contracts		
	1 D8 - Bulldozer - 5 days @ $100/day* (This includes all costs of operations, supplies, maintenance, and transportation to and from site.)		$ 500.00*
(2)	Labor, Supervision, Consultants		
	1 Geologist-Engineer 4 mos.* @ $500/mo.*	$2,000.00*	
	1 Geologist-Engineer helper 6 mos. @ $400/mo.	2,400.00	4,400.00
(3)	Operating materials and supplies		
	Core boxes	250.00	
	Small tools	100.00	350.00

Department of the Interior
Defense Minerals Administration
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NOV 23 1953

(4) Operating equipment

To be furnished by Operator:

1 pickup truck for 10 hrs. per week 18 weeks @ $30.00/wk. (This includes all costs of operation, supplies, and maintenance)		$ 540.00

(5) Rehabilitation and repairs

None

(6) New buildings, improvements, installations

None

(7) Miscellaneous

1 Accountant @ $40/mo. for 4 mos.	$160.00	160.00
200 assays for Columbium and tantalum @ $15.00*/assay	3,000.00*	
200 assays for beryllium @ $5.00*/assay	1,000.00*	
200 assays for tin @ $7.50*/assay	1,500.00*	5,500.00*

(8) Contingencies 744.00

Estimated Total Cost of the Project	$30,500.00*
Government Participation @ 90%	$27,450.00*

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

Executed in sextuplicate the day and year first above written.

FOOTE MINERAL COMPANY

By Louis G. Bliss
Louis G. Bliss, Vice-President-Sales

THE UNITED STATES OF AMERICA

By C. Mitchell
Administrator, Defense Minerals Exploration Administration

EXPLORATION PROJECT CONTRACT
FOOTE MINERAL COMPANY
DOCKET NO. DMEA-2841

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
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NOV 23 1953

ANNEX I

The following provisions are in lieu of Article 9 :

Repayment by Operator.--a. Certification.--If at any time the Government considers that a discovery or development from which production may be made has resulted from the exploration work, the Government, at any time not later than six months after the Operator has rendered the final report and final account, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

b. Percentage royalty.--The Operator, or his successor in interest, shall pay to the Government a royalty on all minerals mined or produced from the land described in Article 2,--(1) regardless of any certification of discovery or development, from the date of the contract until the lapse of the time within which the Government may make such certification of discovery or development, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first, unless the Government waives its right to a royalty; or (2) if the Government makes a certification of discovery or development, for a period of ten years (or other period fixed by this contract) from the date of the contract, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first. Said royalty shall be a percentage of the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production (including any bonuses), in whatever form disposed of, including ore, concentrates, or metal, as follows:

(a) One and one-half ($1\frac{1}{2}$) per cent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(b) One and one-half ($1\frac{1}{2}$) per cent of any such net amounts, plus one-half ($\frac{1}{2}$) per cent 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) per cent of such net amounts.

(For instance: the percentage royalty on a net amount of five dollars ($5.00) per ton, would be one and one-half ($1\frac{1}{2}$) per cent; on a net amount of ten dollars ($10.00) per ton, three and one-half ($3\frac{1}{2}$) per cent.)

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

d. Lien for Payment.--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.

e. Notice to Purchasers.--The Operator shall notify any purchaser of the production of the Government's royalty interest, and shall authorize and direct the purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets; but failure or refusal by the purchaser to comply shall not relieve the Operator of liability to pay any royalty falling due.

f. No Obligation to Produce.--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.

Government Copy

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 20 1953

EXPLORATION PROJECT CONTRACT
FOOTE MINERAL COMPANY
Docket No. DMEA-2841

AMENDMENT No. 2

Contract Idm-E523, DMEA-2841, dated the 18th day of May 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Foote Mineral Company, 18 W. Chelten Avenue, Philadelphia, Pennsylvania, hereinafter call the "Operator" is amended as follows:

Article 3, is amended to provide that the Operator, within 90 days from the date of this contract shall commence work on a project..... instead of 60 days as provided in the original contract.

This amendment is necessary due to unforeseen delays in getting equipment for the project.

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

July 13, 1953.

THE UNITED STATES OF AMERICA

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

FOOTE MINERAL COMPANY

By Louis G. Bliss
Louis G. Bliss, Vice President-Sales

zm

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED

EXPLORATION PROJECT CONTRACT
FOOTE MINERAL COMPANY
DOCKET No. DMEA-2841

AMENDMENT NO. I

It is agreed this 19th day of June 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Foote Mineral Company, a corporation duly organized and existing under and by virture of the laws of the State of Pennsylvania, each acting in consideration of the other to the terms hereinafter set forth, that Exploration Project Contract Idm-E523, Docket No. DMEA-2841, dated May 18, 1953, be modified and amended as of the date of the contract, May 18, 1953 as follows:

In Exhibit "A":

(A) Under "Description of the Work": delete the third paragraph and substitute the following:

The dikes in Tract 3 and 4 will be explored by seven or more diamond drill holes having a total length not in excess of 2,100 feet, yielding cores having at least 2 1/8 inch diameter.

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

THE UNITED STATES OF AMERICA

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

FOOTE MINERAL COMPANY

By L. G. Bliss
L. G. Bliss, Vice President

June 19, 1953

zm

Docket No. 2841

Commodity Columbium-Tantalum beryl and tin

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

[redacted]

STRATEGIC AND CRITICAL MINERALS EXPLORATION PROGRAM

TO: Chief, Finance Section, Budget and Finance Branch, Bureau of Mines

Please enter on the records of the Defense Minerals Exploration Administration under the Strategic and Critical Minerals Exploration Program, the following contract, or amendment to contract.

Contract No. Idm-E 923

Date of Contract ~~or Amendment:~~ May 12, 1953

Name and Address of Operator:

Foote Mineral Company
18 W Chelten Avenue
Philadelphia, Pa.

Amount of Government participation _____ $ 27,450.00

Percent of Government participation 90 %

Region: VII State: N. C.

NOTE: Please release $6,000.41; advise Contract Administration and Audit Division

E. N. Talbert
(Name)
for L. L. Chambers,
Chief, Contract Administration and Audit Division
(Title)

Date Delivered to Bureau of Mines, Washington. J 7/30/54

54458

Docket No. ~~DMEA 2841~~

Commodity Columbium-Tantalum-beryl, tin

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

STRATEGIC AND CRITICAL MINERALS EXPLORATION PROGRAM

TO: Chief, Finance Section, Budget and Finance Branch, Bureau of Mines

Please enter on the records of the Defense Minerals Exploration Administration, under the Strategic and Critical Minerals Exploration Program, the following contract, or amendment to contract.

Contract No. Idm-E ~~525~~

Date of Contract or Amendment: May 18, 1953

Name and Address of Operator:

Foote Mineral Company
18 W. Chelten Avenue,
Philadelphia, Pa.

Amount of Government participation $ 27,450.00

Percent of Government participation 90 %

Region: VII State: N. C.

(Name)

J. L. Chambers,
Chief, Contract Administration and Audit Division

(Title)

Date Delivered to Bureau of Mines, Washington. May 18, 1953 13908

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 20 1953

DOCKET NO. D[redacted]A 2841

COMMODITY Columbium-tantalum-beryl and tin

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

Government's Copy
IDM-E 523

EXPLORATION PROJECT CONTRACT [1]

IT IS AGREED this 18th day of May, 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2] Foote Mineral Company, a corporation duly organized and existing under and by virtue of the laws of the State of Pennsylvania
18 W. Chelten Avenue
Philadelphia, Pa.

hereinafter called the "Operator," as follows:

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

ARTICLE 2. *Operator's property rights.*—With respect to that certain land situated in the State of North Carolina, County of Cleveland, described as ~~xxxx~~ [3] the mineral rights in Tracts 3 and 4, shown on the map attached hereto and made a part hereof and entitled "Exhibit B - Foote Mineral Co. Exton, Pa." These two tracts are more particularly described in a lease dated December 10, 1949, from L. M. Williams, et al, to the Operator. Tract 3 contains 99.8 acres and tract 4 contains 249.54 as indicated on plats thereof recorded in Plat Book 5, pages 77 and 78 respectively in the office of the Register of Deeds of Cleveland County, N. C.

the Operator represents and undertakes:

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

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

ARTICLE 3. *Exploration project.*—The Operator, within 60 days from the date of this contract shall commence work on a project of exploration for [5] Columbium-tantalum-beryl, and tin 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.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(*d*) *Accounts and audits.*—The Operator shall keep suitable records and accounts of operations, which the Government may inspect and audit at any time. The Government may at any time require an audit of the Operator's records and accounts by a certified public accountant, the cost thereof to be treated as a cost of the project. The Operator shall keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract. Upon the completion of the project or termination of the contract the Operator shall render a final account as provided in Article 12.

ARTICLE 8. *Payments by the Government.*—(*a*) The Government will pay 90 percent of the allowable costs incurred, as they accrue, in an aggregate total amount not in excess of $27,450.00, which is 90 percent of $30,500.00, the agreed, estimated total cost of the project in which the Government will participate; *Provided,* that until the Operator's final report and final accounting have been rendered to the Government, and any final auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of ten (10) percent of the maximum total which the Government might have been called upon to pay under the terms of the contract.

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

ARTICLE 9. *Repayment by Operator.*—(*a*) If, at any time, the Government considers that a discovery or a development from which production may be made has resulted from the exploration work, the Government, at any time not later than 6 months after the Operator has rendered the required final report and final account, may so certify in writing to the Operator. The certification shall describe broadly or indicate the nature of the discovery or development. In the event of such certification, any minerals mined or produced from the land described in Article 2 within 10 years from the date of this contract, including any mined or produced before the certification, shall be subject to a percentage royalty which the Operator or his successor in interest shall pay to the Government, upon the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, until the total amount contributed by the Government, without interest, is fully repaid, or said 10 years have elapsed, whichever occurs first, as follows: See also Article 13

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

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

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

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

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

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

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

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

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

ARTICLE 13. *Changes and added provisions.* The cost of determining the lithium content of the samples required in Exhibit "A" is to be borne solely by the Operator and the evaluation of the lithium minerals produced by the concentrating mill at the mine will be the current market quotation for the lithium content.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By O. Mitchell Dorf
Administrator, Defense Minerals Exploration Administration

FOOTE MINERAL COMPANY
(Operator)

By L. G. Bliss
Louis G. Bliss - Vice President - ~~Sales~~

I, Carolyn M. Crichton, certify that I am the Assistant secretary of the corporation named as Operator herein; that Louis G. Bliss, who signed this contract on behalf of the Operator, was then Vice President - Sales 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.

Carolyn M. Crichton

[CORPORATE SEAL]

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

EXPLORATION PROJECT CONTRACT
FOOTE MINERAL COMPANY
DOCKET NO. DMEA-2841

EXHIBIT "A"

Description of the Work

The object of the work is to explore for columbium, tantalum, beryl and tin in pegmatite dikes in the North Carolina spodumene belt.

The location of the work is approximately shown on the map attached hereto and entitled "Exhibit B - Foote Mineral Co. Exton, Pa."

The dikes in Tracts 3 and 4 will be explored by seven diamond drill holes having a total length not in excess of 2,100 feet, yielding cores having at least 2 1/8 inch diameter.

The cores will be stored in standard core boxes properly labeled, and studied, sampled and assayed, and copies of all assay returns obtained by the Operator will be provided to the Government including those of lithium. The sludge will be sampled in accordance with standard practice. All cores will be available to the Government for inspection.

The outcrops of the dikes will be exposed and cleared by bulldozer and hand work.

The outcrop of the dikes will be sampled by cutting channels at least 6 inches wide by 6 inches deep for a total length not in excess of 2,140 feet. The channel work will include cleaning the surface of the dikes, gathering and preparing the samples.

The contents of columbium, tantalum, beryl and tin will be determined by the spectroscope or wet method. Samples may be taken of the ore or of concentrates produced from the ore.

The location, direction, and extent of all work under this contract, including sampling and assaying, is subject to the approval of the Government.

Estimated Costs of the Project
(*Indicates allowable maximum)

Agreed Estimated Unit Costs

Diamond Drilling 2,100 feet @ $7.80/foot	$16,380.00	
Channeling - 2,140 feet @ $0.90/foot	1,926.00	
		$18,306.00

The Government will contribute to the costs of the diamond drilling and channeling on the basis of these agreed unit costs per foot, as they accrue for units of work actually performed in lieu of actual costs. The agreed unit costs include all costs of the work, except those items listed below, to the cost of which the Government will contribute on the basis of the actual costs as specified in Article 6(a) of the contract form. This work may be performed by independent contractor without reference to the provisions relating to independent contracts and contractors in Articles 4(a) and (b), and 6(a)(1) of the contract form.

Estimated Actual Costs

(1) Independent contracts		
1 D8 - Bulldozer - 5 days @ $100/day* (This includes all costs of operations, supplies, maintenance, and transportation to and from site.)		$ 500.00*
(2) Labor, supervision, consultants		
1 Geologist-Engineer - 4 mos. @ $500/mo.*	$2,000.00*	
1 Geologist-Engineer helper - 4 mos. @ $400/mo.	1,600.00	3,600.00
(3) Operating materials and supplies		
Core boxes	250.00	
Small tools	100.00	350.00

(4) Operating equipment

To be furnished by Operator

1 pickup truck - 2 hrs. per day - 5 day week for 6 weeks @ $3.00/hr. (This includes all costs of operations, supplies, maintenance, and transportation to and from site.)		$ 180.00

(5) Rehabilitation and repairs

None

(6) New buildings, improvements, installations

None

(7) Miscellaneous

1 Accountant @ $40/mo. for 4 mos.	$160.00	160.00
200 assays for Columbium and tantalum @ $15.00*/assay	3,000.00*	
200 assays for beryllium @ $5.00*/assay	1,000.00*	
200 assays for tin @ $7.50/* assay	1,500.00*	5,500.00*

(8) Contingencies 1,904.00

Estimated Total Cost of the Project	$30,500.00*
Government Participation 90%	$27,450.00*

DMEA-2841

MF-203

OWNER'S CONSENT TO LIEN

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

in a Lease dated the 10th day of December, 1949, and recorded in Book 6-B, Page 606, official records of said County,

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

2/ FOOTE MINERAL COMPANY

hereinafter called the "Operator"; and

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

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

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

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

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

Dated this 16 day of January, 1953.

L. M. Williams [Seal]
L. M. Williams

Lena B. Williams [Seal]
Lena B. Williams

Jean Cole Hatcher [Seal]
Jean Cole Hatcher

Rube Hatcher (SEAL)
Rube Hatcher

Emily Cole Hovis (SEAL)
Emily Cole Hovis

John A. Hovis (SEAL)
Robert A. Hovis

Frances Cole Culp (SEAL)
Frances Cole Culp

B. B. Culp (SEAL)
B. B. Culp

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

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

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

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

RELEVANT CONTRACT PROVISIONS

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

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

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

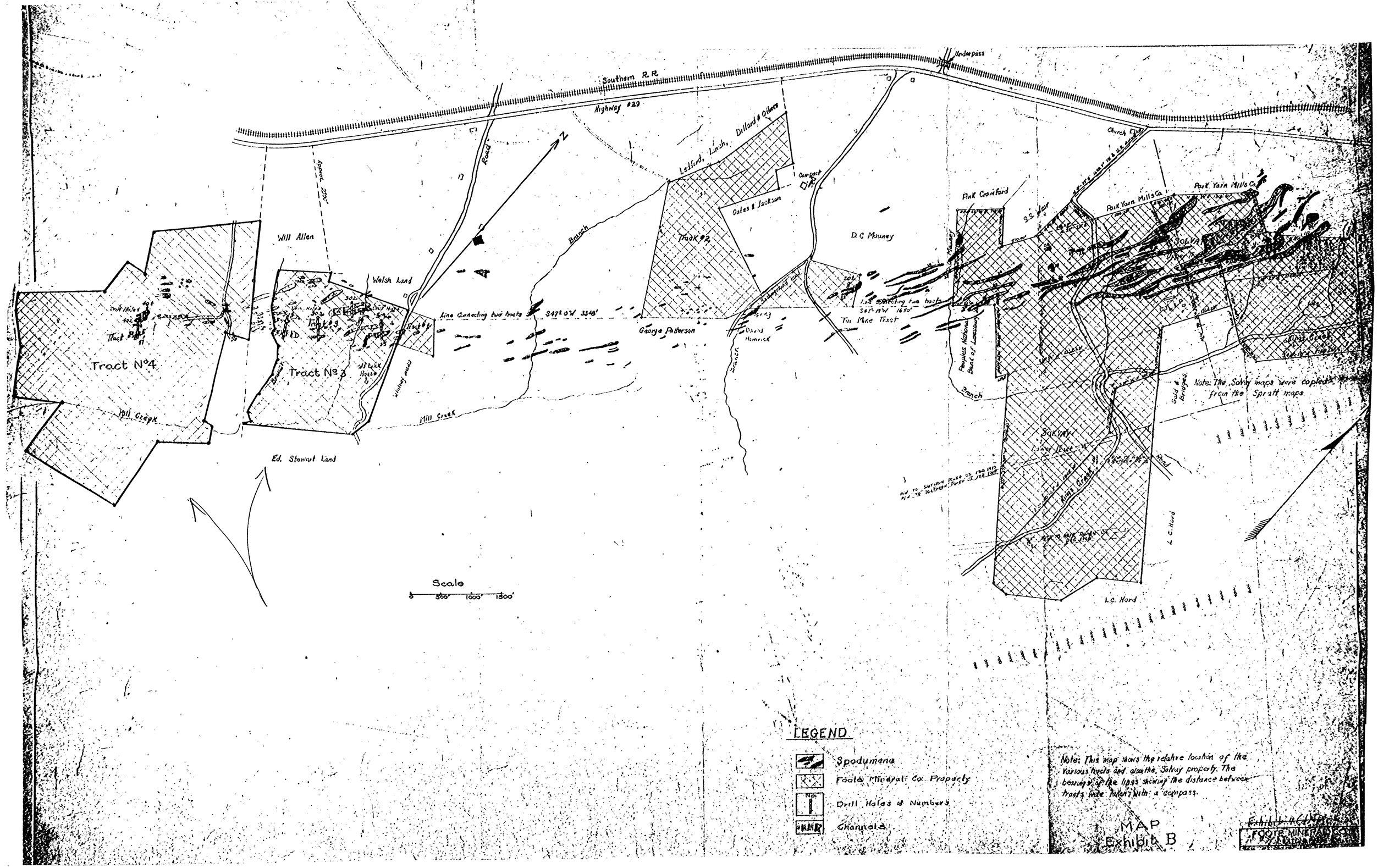
(For instance: the percentage royalty on a net amount of five dollars ($5.00) per ton, would be one and one-half (1½) per cent; on a net amount of ten dollars ($10.00) per ton, three and one-half (3½) per cent.)

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

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

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

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


Southern R.R.
Highway #29
Underpass
Church
Road
Branch
Will Allen
Welsh Land
Tract No 4
Tract No 3
Tract #2
Tract #1
Mill Creek
Ed. Stewart Land
Line Connecting two tracts S 47° 0' W 3343'
Lelford, Linds, Dillard & Others
Oates & Jackson
Concrete
George Patterson
David Hamrick
D.C. Mauney
Tin Mine Tract
Line Connecting two tracts S 61° N W 1650'
Frank Crawford
Peoples National Bank of Lexington
S.S. Hall
Park Yarn Mills Co
SOLWAY
Gold & Bridges
Note: The Solway maps were copied from the Spratt maps
L.C. Hord
Scale
0 500' 1000' 1500'
LEGEND
Spodumene
Foote Mineral Co. Property
Drill Holes & Numbers
Channels
Note: This map shows the relative location of the various tracts and also the Solway property. The bearings of the lines showing the distance between tracts were taken with a compass.
MAP
Exhibit B
FOOTE MINERAL CO.