DMEA-2861
Mica
Region VII

[illegible], WISE AND WISE, SPRUCE PINE, NORTH CAROLINA. White Oak Creek Mine, Mitchell County, North Carolina.

Letter to the Field forwarding a contract, signed by the Administrator, for execution, subject to completing Article 3 of the contract and verifying the property described in the "Supplemental Consent to Mine." Also forwarded to the Field are copies of [illegible] by the Bureau of Mines and the Geological Survey.

6-3-53
No. 224

5-15-53
No. 216

DMEA-2861
Mica
Region VII

PHILLIPS, WISE AND WISE, SPRUCE PINE, NORTH CAROLINA. White Oak Creek Mine, Mitchell County, North Carolina.

Letter to the Field returning three copies of the lease amendment submitted by E. L. Briggs, lessor, and asking that a new lease amendment be obtained showing the correct property description and necessary signatures. The Field was asked to indicate the proposed work on a set of corrected sketch maps for use with a contract.

DMEA-2861
Mica
Region VII

PHILLIPS AND WISE, SPRUCE PINE, NORTH CAROLINA. White Oak Creek Mine, Mitchell County, North Carolina.

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

186
3-6-53

[illegible]
Region VII

[illegible] CAROLINA. White [illegible] North Carolina. [illegible] report was [illegible]

195
3-27-53

☑ Audited R.R. 11-16-53

WORK ANALYSIS SHEET - DMEA PROJECT

☐ Actual Cost

☐ Certified

Analysis as of 12-7-54

Incl. Voucher for Oct. 1953

☑ Agreed Unit Costs

Name Dave Wise, Ray Wise and Sam L. Phillips

Docket No. 2861

State N. C.

Commodity mica

Idm-E No. 542

OPERATION	AUTHORIZED Units	AUTHORIZED Cost	COMPLETED Units	COMPLETED Cost	NET COST
Drifting & Crosscutting	100 Ft	$3,500.00	100 Ft.	$3,500.00	$3,500.00
Raising					
Shafts	76 Ft	$3,800.00	76 Ft.	$3,800.00	$3,800.00
Winzes					
Drilling (Specify)					
Surface Excavation					
Underground Excavation					
Roads and Trails					
Operating Equipment Purchased					
Surface Rehabilitation & Repairs					
Underground Rehabilitation					
New Building, Improvements, etc.					
Other (Specify)					
Totals		$7,300.00		$7,300.00	$7,300.00

Prepared by Walter C. Anderson

71626

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Dave Wise, Ray Wise and Sam L. Phillips

Spruce Pine, North Carolina

pertaining to Exploration Project Contract No. DMx-E542, Docket No. DMEA-2861, for the months of June, 1953 to October, 1953, inclusive, covering a project for the exploration of mica on property, known as the White Oak Creek Mine, located in Mitchell County, North Carolina.

My review included an examination of the Monthly Reports (Forms MF-104) and supporting documents attached thereto, comparison of the costs claimed with the contract and pertinent schedules, reference to Field Team reports for confirmation of work performed, and a determination of the reasonableness and propriety of the costs.

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

the contract provides for payment by the Government on the basis of agreed estimated costs of units of work actually performed.

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

Total cost as billed by Contractor		$7,300.00
Exceptions:		
By DMEA Finance Officer	$ -0-	
Herewith	-0-	-0-
Total Accepted Cost		$7,300.00

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

$6,570.00

is considered valid and proper.

E. D. Talbert, Auditor

November 16, 1953

MF-200 (A)
(February 1952)

DOCKET NO. DMEA 2861

COMMODITY Mica

Division Copy

IDM-E 542

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

EXPLORATION PROJECT CONTRACT[1]

(Short Form)

IT IS AGREED this 4th day of June, 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] Dave Wise, Ray Wise, and Sam L. Phillips, Partners - all of Spruce Pine North Carolina

hereinafter called the "Operator," as follows: and as set forth in Annexes I and II, attached hereto and made a part hereof

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

ARTICLE 2. *Operator's property rights.*—With respect to the mineral rights in that certain land situated in the State of North Carolina County of Mitchell, described as ~~follows~~ set forth[3]: in Annex II, and as indicated on the map attached hereto, made a part hereof, and entitled "Map of S. L. Phillips Lease, Ernest Briggs Property on White Oak Creek, DMEA-2861,"

the Operator represents and undertakes:[4]

[redacted] following claims, liens, or encumbrances as to each of which the subordination agreement [redacted]:

(*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] Mica

in or upon the described land; and shall bring the project to completion within a period of eight (8) months from the date of this contract. The work to be performed is more fully described in Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, are made a part of this contract. The Government will contribute to the cost of this work as hereafter provided. The work shall be performed by the Operator or by independent contractor or contractors efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for workmen's compensation and employers' liability insurance, with suitable and adequate equipment, materials, and labor, to bring the project to completion within the time fixed. The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

ARTICLE 4. *Costs of the project.*—The agreed, estimated costs of performing the work, expressed in terms of units of work to be performed (per foot of drifting, per foot of drilling, per cubic yard of material to be moved, etc.) are set forth in Exhibit "A," attached hereto. The Government will pay 90 percent of these agreed, estimated costs, as they accrue, for units of work actually performed that conform with the description or specifications for the work set forth in this contract, in an aggregate total amount not in excess of $6,570.00, which is 90 percent of $7,300.00, the agreed, estimated total cost of the project in which the Government will participate: *Provided,* That until the Operator's final report and final accounting have been rendered to the Government and any final check or auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of ten (10) percent of the maximum total which the Government might have been called upon to pay under the terms of the contract. The Government may, as it sees fit, make payments direct to the Operator's independent contractors, if any, for the account of the Operator, rather than to the Operator.

ARTICLE 5. *Reports, accounts, audits.*—(*a*) *Progress reports.* The Operator shall provide the Government with monthly reports of units of work performed under the contract, in quintuplicate (five copies), upon forms provided by the Government. These progress reports shall be certified by the Operator, and shall constitute both the Operator's invoice of units of work performed on the project during the period covered by the report and his voucher for repayment by the Government, unless the Government requires the use of a standard voucher form with invoice attached. Progress reports shall include surface and/or underground engineering-geological maps or sketches showing the progress of the exploration, with assay-reports on samples taken concurrently with the advance in mineralized ground.

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

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

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

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

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

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

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

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

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

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

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

ARTICLE 7. *Assignment, transfer, or loss of Operator's interest.*—Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder. The Operator shall not make any voluntary nor permit any involuntary transfer or conveyance of the Operator's rights in the land described in Article 2, without making suitable provision for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof; *Provided,* that mere failure by the Operator to maintain the Operator's rights in the land, without any consideration running to the Operator other than relief from the cost of maintaining such rights (as by surrender of a leasehold, failure to perform assessment work, or failure to exercise an option), coupled with complete abandonment by the Operator of all interest in or operations on the land for a period of 10 years from the date of this contract, shall not constitute such a transfer or conveyance. Should the Operator make or permit any transfer or conveyance in violation of this provision, the Operator shall be and remain liable for payment to the Government of the same amounts, at the same times, as would have been paid under the terms of the percentage royalty on production. If for any reason the net smelter returns, net concentrator returns, or other net amounts realized from the sale or other disposition of such production are not available as a means of measuring the amount of the Operator's liability, the amount thereof shall be estimated as well as may be, and in the event of dispute as to such estimates, the determination thereof by the Administrator of Defense Minerals Exploration Administration or by his successor shall be final and binding upon the Operator.

ARTICLE 8. *Termination and completion.*—The Government may, at any time, by written notice to the Operator, terminate this contract: (*a*) If the Operator fails to provide his share of the money necessary to prosecute operations pursuant to the terms of the contract; (*b*) if the Operator, in the opinion of the Government, fails to prosecute operations pursuant to the terms of the contract; or (*c*) if, in the opinion of the Government, operations up to the time of the notice have not indicated the probability of making any worth while discovery and in the opinion of the Government further operations are not justified.

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

Executed in sextuplicate the day and year first above written.

DAVE WISE, RAY WISE, and SAM L. PHILLIPS

By Sam L. Phillips **Partner**

By Dave Wise **Partner**

By Ray Wise **Partner**

THE UNITED STATES OF AMERICA

By O. Whitesides **Administrator, Defense Minerals Exploration Administration**

Atkins
Boston
Chandler

I, , certify that I am the secretary of the corporation named as Operator herein; that , who signed this contract on behalf of the Operator, was then of said corporation; that said contract was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

---------- [CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE 16—66329-1

ANNEX I

The following provisions are in lieu of all of paragraph (a) of Article 6 which precedes the colon:

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 required by the exploration project contract, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development. The Operator, or his successor in interest, shall pay to the Government a royalty on all minerals mined or produced from the land which is the subject of the exploration project contract, as follows: (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 the 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, in whatever form disposed of, including ore, concentrates, or metal, as follows:

DAVE WISE, RAY WISE, and SAM L. PHILLIPS
EXPLORATION PROJECT CONTRACT
DOCKET NO. DMEA-2861

ANNEX II

The land referred to in Article 2 is in Mitchell County, North Carolina, and is described as follows:

BEGINNING on a maple Nimpson Bailey and McNeils corner on top of a ridge and runs with McNeils and Bailey's line along the top of the ridge West 161 feet to a White Oak; thence North 74 deg. 30 Min. West 91 feet to a Spanish Oak; thence North 35 deg. 30 Min. East about 415 feet to a large apple tree North of Nimpson Bailey's barn; thence South 78 deg. East 791 feet to a large hickory Nimpson Bailey's and Terry McKinney's corner, thence South 63 deg. West 599 feet to a dogwood at an oak stump, Scott McNeil's and Nimpson Bailey's corner; thence with the Bud McNeil heirs line North 73 deg. West 261 feet to the BEGINNING.

DAVE WISE, RAY WISE, and SAM L. PHILLIPS
EXPLORATION PROJECT CONTRACT
DOCKET NO. DMEA-2861

EXHIBIT "A"

Description of the Work

Exploration for concentrations of strategic mica is to be accomplished by the work described below and indicated on the attached map entitled "Sketch of White Oak Creek Mine, Mitchell Co., N. C. - DMEA-2861".

Sink not more than 76 feet of a two-compartment shaft on the pegmatite.

From the bottom of the shaft, allowing for a sump, drift not more than 100 feet.

The shaft shall have a timber partition between compartments and ladders in the manway.

Both shaft and drift shall be 5 feet by 7 feet in cross section and timbered as necessary.

The location, direction and extent of all work shall be subject to the prior approval of the Government.

Agreed Unit Costs

Sinking shaft (including partition and ladders) 76 ft. @ $42.00/ft.	$3,192.00	
Timbering shaft - 76 ft. @ $8.00/ft.	608.00	
Drifting - 100 ft. @ $35.00/ft.	3,500.00	
Agreed Unit Costs of Project		$7,300.00
Government Participation @ 90%		$6,570.00

This is to certify that the property described in ANNEX II of Contract No. 1[illegible]-E542, Docket No. DM A-2861, dated June 4, 1953 between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Dave Wise, Ray Wisem and Sam L. Phillips, is the same property that is owned by E. L. Briggs and Kliose Briggs, and that is recorded in the Mitchell County, North Carolina Court House at Bakerville, North Carolina in Book 99, Page 551, and also referred to on Line 2 of Owner's Consent to Lien attached to the above contract.

Dave Wise

Dave Wise

Ray Wise

Ray Wise

Sam L. Phillips

Sam L. Phillips

COPY

2861

COPY

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 N. C. See Book 99, page 55, County of Mitchell, 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 1/ Dave Wise, Ray Wise and Sam L. Phillips

hereinafter called the "Operator"; and

WHEREAS, under certain provisions of said Contract which are set forth on the reverse side hereof, the Government will acquire certain 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 and Operator to enter into same, undertakes and agrees as follows:

1. The Government's equity in and right to remove facilities, buildings, fixtures, and equipment, as provided in the Contract, shall prevail over and be prior and superior to any conflicting or adverse rights of the undersigned.

2. The Government's percentage royalty on net smelter returns or other net proceeds realized from ore, concentrates, or metal produced within ten (10) years from the date of the Contract, and the Government's lien for the payment of said percentage royalty shall attach to the mineral deposit and the production thereform in the amount of the Government's contribution, not in excess of 2/ $6,570.00, all upon the terms and conditions set forth in said 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 the said Contract. This agreement shall be binding upon the heirs, executors, administrators, successors, and assigns of the undersigned.

Dated this 23rd day of Jan., 1953.

/s/ E L Briggs

/s/ Eloise Briggs

1/ Insert the name of the Operator as it will appear in the Exploration Project Contract.

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

RELEVANT CONTRACT PROVISIONS

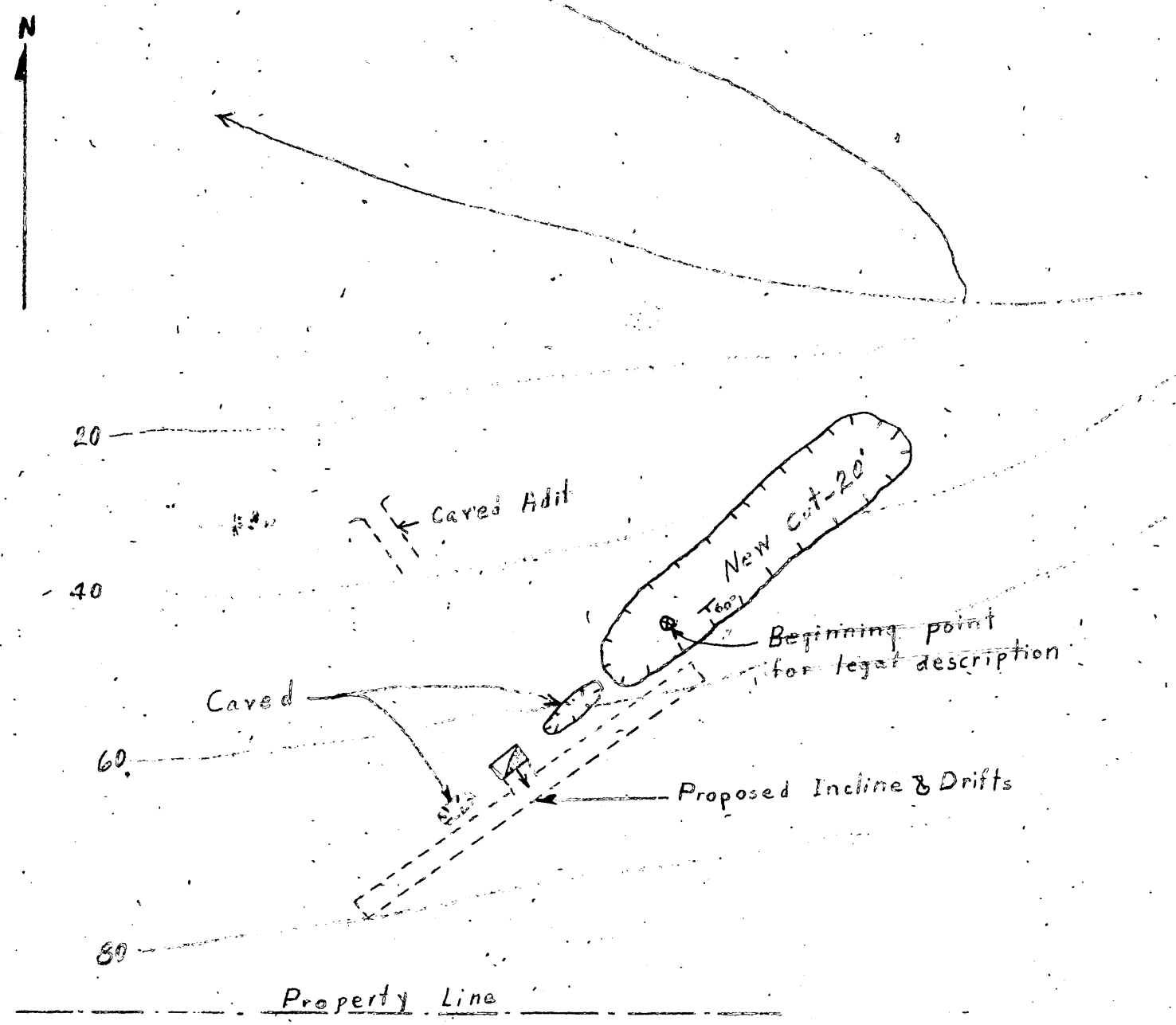
Title to and disposition of property. All facilities, buildings, fixtures, equipment, or other items costing more than $50 each, paid for or purchased with funds contributed jointly by the Operator and the Government, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the termination of the contract, if they have any salvage value, shall be disposed of for their joint account unless they Government, in writing, waives its interest in any such items. The Government may require the dismantling, severance from land, and removal of any such items in order to realize its interest in the salvage value thereof, and the cost of any such removal and of the disposal of the items shall be for the joint account of the parties in proportion to their respective interests.

Repayment by Operator. If, upon the completion of the exploration project or termination of the contract, the Government considers that a discovery or development has resulted from the work from which commerical production of ore may be made, the Government, within 6 months thereafter, shall so certify to the Operator, particularly describing and delimiting its estimate of the discovery or the development. Thereafter, if and as ore is produced as a result of such discovery or development, the Operator and his successor in ~~result of such discovery or development, the Operator and his successor in~~ interest shall be and become obligated to apy to the Government a percentage royalty on the net smelter returns or other net proceeds realized from such ore, concentrates, or metal produced within ten (10) years from the date of this contract, until the total amount contributed by the Government, without interest, is fully repaid or said 10 years have elapsed, whichever occurs first, as follows:

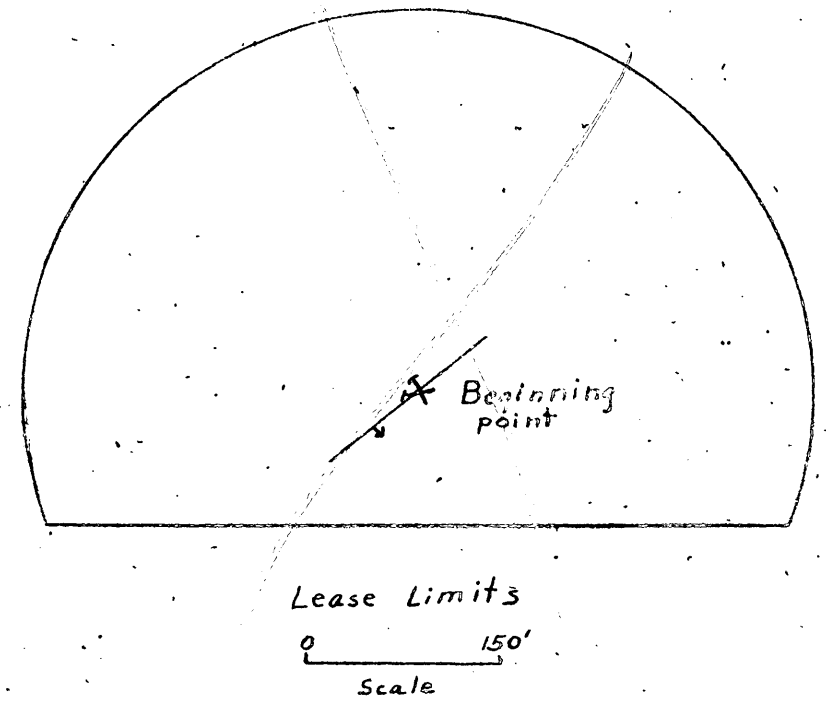
Of net smelter returns or other net proceeds not in excess of eight dollars ($8.00) per ton of ore: One and one-half ($1\frac{1}{2}$) percent.

Of net smelter returns or other net proceeds in exeess of eight dollars ($8.00) per ton of ore: One and one-half ($1\frac{1}{2}$) percent, plus one-half ($\frac{1}{2}$) percent for each additional full fifty cents ($0.50) in execss of eight dollars ($8.00) per ton of ore, but not in excess of a maximum of five (5) percent.

This obligation to repay from net returns or proceeds shall be and remain a claim and lien upon the mineral deposit which is the subject of the exploration project and upon any production resulting from such discovery or development, in favor of the Government, until fully paid, or until siad 10-year period has elapsed; and this claim and lien and the Government's right to repayment shall survive any termination of the contract, whether by completion of the exploration project or otherwise. This article is not to be construed as imposing any obligations on the Operator or his sucessor in interest to produce ore from any such discovery or development.



Sketch of
White Oak Creek Mine
Mitchell Co., N.C.
0 40' 80'
Scale



DMEA-2861(mica)

MAP OF S.L. PHILLIPS LEASE ERNEST BRIGGS PROPERTY ON WHITE OAK CREEK. 1" = 100'

DMEA-1861 (mine)

Project Summary Report

By: Walter C. Anderson February 3, 1954

1. DMEA Docket No. 2861 - Mica
Contract No. Idm-M542
White Oak Creek Mine
Mitchell County, North Carolina

Operator: Dave Wise, Ray Wise and Sam L. Phillips, Partners
Spruce Pine, North Carolina

Operator's Property Rights:
Lease and Option - dated October 14, 1952.
Owner's Consent to Lien - dated June 22, 1953.

2. Contract - dated June 4, 1953
Work authorized:

76 feet of shaft @ $42/ft.	$3,192.00
Timbering shaft - 76 feet at $8/ft.	608.00
100 feet of drift @ $35/ft.	3,500.00
Total estimated cost	$7,300.00
Government participation @ 90%	$6,570.00

Amendments: None

Work completed: same as authorized.
Work began on June 8, 1953 and was completed on October 19, 1953.
Mica produced during the operation sold for $905.85.
Government received 5% royalty $45.29.

3. Audit - certificate issued on November 16, 1953.

4. Certification of Discovery - none issued.

5. Comments: In its final report the Field Team says "This project was conducted in a very satisfactory manner....The workers deserve commendation for completing this project in view of the obstacles with which they were confronted." Operators furnished acceptable engineering and geological reports. There were geological indications that the deposit had possibilities for producing strategic mica. Old workings and a later bulldozer cut had exposed a well zoned pegmatite, ranging in thickness from a few inches to 4 feet, and containing a quartz rib in the center. Mica had been found adjacent to the quartz rib. History of past mining activity is not known. The exploration work consisted of sinking a 76 foot shaft and driving 100 feet of crosscut and drift in the pegmatite.

In general the pegmatite is well zoned, containing a medial quartz rib flanked on both sides by mica-bearing kaolinized feldspar. It ranges in thickness from 1 to 3 feet and is conformable to the foliation of the weathered mica schist. The pegmatite is weathered to semi-weathered, and harder than the enclosing rock. The Field Team reported that not enough mica was found to support a commercial operation and recommended that no certification of discovery be issued.

The Nonmetallic Minerals Division concurs with the Field Team's recommendation and after careful study of all the data at hand, believes that the area explored holds no prospects for commercial production.

WCAnderson:ag 2/3/54

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

600

FEB - 5 1954

Mr. S. L. Phillips

Spruce Pine, North Carolina

Re: Docket No. DMEA-2361 - Mica
Shive Oak Creek Mine
Mitchell County, North Carolina
Contract No. DMa-1542

Dear Mr. Phillips:

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

The final audit of the contract expenditures and the final reports of the Operator and the Field Team have been received and accepted by this Administration. A contract for the total amount of $7,300.00 was approved and this sum was expended, 90 percent of which, or $6,570, represented the Government's share. There were no unused materials, supplies or equipment to be disposed of for the joint account of the Operator and the Government.

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

Please note in Annex 1 of the Contract that regardless of any certification of discovery or development, the Operator, for a period of six months after rendering his final report, shall pay to the Government a royalty on all minerals mined or produced from the land which is the subject of the exploration contract.

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

Sincerely yours,

G. O. Mittendorf

Administrator

WCAnderson:gad 1/21/54

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

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

Defense Minerals Administration
RECEIVED
FEB 15 1954

February 4, 1954

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-2861

Contract Number: Idm-E542

Applicant: Wise and Phillips

Name and Location of Property: White Oak Creek Mine
Mitchell County, North Carolina

Date of Field Team Final Report: January 12, 1954

Date Rec'd by Ceramic & Fertilizer Mats. Branch: February 4, 1954

Field Team Recommendation:

1. No certification of discovery or development.

Comments:

1. Estimated value of mica recovered amounted to about 1/3 of the mining cost.
2. Mica recovered was wavy, ruby colored, and hard.
3. Expenditures:

Total approved	$7,300
Total cost	7,300
Government's share	6,570
Value	905

Recommendation:

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

Signed

W. F. Dietrich

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 5 1954

February 4, 1954

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-2861

Contract Number: Idm-E542

Applicant: Wise and Phillips

Name and Location of Property: White Oak Creek Mine
Mitchell County, North Carolina

Date of Field Team Final Report: January 12, 1954

Date Rec'd by Ceramic & Fertilizer Mats. Branch: February 4, 1954

Field Team Recommendation:

1. No certification of discovery or development.

Comments:

1. Estimated value of mica recovered amounted to about 1/3 of the mining cost.
2. Mica recovered was wavy, ruby colored, and hard.
3. Expenditures:

Total approved	$7,300
Total cost	7,300
Government's share	6,570
Value	905

Recommendation:

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

Signed

W. F. Dietrich

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

Defense Minerals Administration
RECEIVED

February 4, 1954

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertiliser Materials Branch

Subject: DMEA-2861

Contract Number: Idm-E542

Applicant: Wise and Phillips

Name and Location of Property: White Oak Creek Mine
Mitchell County, North Carolina

Date of Field Team Final Report: January 12, 1954

Date Rec'd by Ceramic & Fertiliser Mats. Branch: February 4, 1954

Field Team Recommendation:

1. No certification of discovery or development.

Comments:

1. Estimated value of mica recovered amounted to about 1/3 of the mining cost.
2. Mica recovered was wavy, ruby colored, and hard.
3. Expenditures:

Total approved	$7,300
Total cost	7,300
Government's share	6,570
Value	905

Recommendation:

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

Signed

W. F. Dietrich

IN REPLY REFER TO:

G-M1-CNM

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

January 19, 1954

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-2861 (Mica)

To: L. G. Hous, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant: Dave and Ray Wise and S. L. Phillips
Name of property: White Oak Creek Mine.
Location of property: 1.8 airline miles and 2.1 miles by road S. 50° E. of Bakersville, Mitchell County, North Carolina.
Date of field team report: January 6, 1954.
Authorship of field team report: K. H. Teague and L. S. Shirley
Field team's recommendation:

No certification of discovery ~~and commercial operation of this deposit~~ should be issued.

Comments:

Because no significant quantity of commercial mica was discovered, no further work is recommended.

ACTION RECOMMENDED:

Follow field team's recommendation.

D. M. Larrabee

Larrabee:jeh
1/19/54
cc: Director's reading 4212
Branch reading 4212
DMEA 3
Larrabee G-230

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

January 12, 1954

Memorandum

To: Operating Committee, D M E A - Washington

From: Executive Officer, D M E A - Region 7

Subject: DMEA-2361 (mica) Final Report of Field Team. White Oak Creek Mine, Mitchell County, N. C. Dave and Ray Rice, and S. L. Phillips, Operators. Contract Itm-D 542.

Enclosed herewith are 4 copies of the Field Team final report on the subject exploration contract. Operator's final report was sent to you on November 10, 1953. Operator's check for 5 per cent of sale value of mica recovered during exploration was received on November 10 and sent to the Finance Office on that date.

The Field team agrees with the examiners' recommendation that certification of discovery is not justified.

It will be noted that a short cross cut was required in order to reach the pegmatite from the bottom of the shaft, as the pegmatite was not precisely at its predicted position at the 71-foot level. This work was authorized by the Field Team, without amendment, because of the wording of paragraph 6 of exhibit "A" "The location, direction, and extent of all work shall be subject to the prior approval of the Government."

Robert A. Lawrence

RAL/zm

Reviewed by
DMEA OPERATING COMMITTEE
1-18-54
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT
By FIELD TEAM, REGION VII

ON

DMEA-2861, WHITE OAK BREEK MINE
(mica)
Mitchell County, N. C.

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

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

January 6, 1954

Reviewed by
DMEA OPERATING COMMITTEE
1-18-54
(date)

FINAL REPORT
ON
DMEA-2861, WHITE OAK CREEK MINE (mica)
Contract Idm-E 542

Operators: Dave and Ray Wise, and S. L. Phillips, Spruce Pine, N. C.

The White Oak Creek Mine is 1.8 airline miles and 2.1 miles by road S. 50° E., of Bakersville, Mitchell County, North Carolina.

Production resulting from this project amounted to 87.41 pounds of strategic mica with an average price of $10.37 per pound. The mica recovered is clear, hard and ruby colored, but almost all is wavy. Additional work at the deposit is not warranted as the pegmatite explored contains non-commercial mica. The Field examiners recommend that no certification of discovery be issued.

The project began on June 8, 1953 and was completed on October 19, 1953. A shaft was sunk to a depth of 76 feet and cribbed solidly with 2 x 6 inch timber. Crosscutting to the southeast began from the 71-foot level. This crosscut intersected an 8-foot pegmatite which contained no mica. At a point 22 feet from the shaft, a mica bearing pegmatite was cut. This pegmatite was followed to the northeast for 24 feet, with the pegmatite at this point trending N. 5° E, and dipping about 50° SE. In this heading, the pegmatite was lean in mica and the ground very heavy, thus no further advance in this direction was attempted.

Drifting was resumed on the pegmatite to the southwest from a point in the crosscut 15 feet from the shaft. This drift followed the pegmatite for 54 feet. The heading of this drift is in a S. 55° W. direction.

At this place the pegmatite is conformably enclosed in weathered mica schist. In the crosscut an 8-foot pegmatite composed of kaolinized feldspar and small quartz occurs in the footwall 4 feet below the mica-bearing pegmatite. Except for the crosscut, no work was done on this pegmatite.

The mica-bearing pegmatite ranges in thickness from 1 to 3 feet and varies in strike from N 5° to 55° E. and dips 50° - 60° SE. Everywhere observed it is conformable to the foliation of the weathered mica schist. The pegmatite is weathered to semi-weathered; however, it is harder than the enclosing rock. In general the pegmatite is well zoned, consisting of a medial quartz rib flanked on both sides by mica-bearing kaolinized feldspar. Mica occurs adjacent to the quartz and throughout the zone on both sides of the core. In the southwest drift, mica occurred throughout its entire length.

The mica is hard, clear, ruby colored, and splits well. Most of the books recovered are wavy and bent. Sizes of books range up to about 8 inches in diameter. Two sales of mica from the project to the Spruce Pine Mica Depot show that 30 percent was "good stained or better," 55 percent " stained," and 15 per cent "heavy stained". Sizes were No. 4 and smaller.

As previously states, the field examiners do not believe that this deposit will suppert a commercial operation. In that part of the project devoted entirely to drifting on the pegmatite, the value of the mica recovered amounted to about one-third of the mining cost. This does not include the cost of preparation. Total amount of "mine-run book mica" produced during the project is ~~xxx~~ not known, but it is estimated at about two tons. We do not recommend certification.

Expenditures:

(a)	Total approved	$7,300.00
(b)	Total cost of project	7,300.00
(d)	Government's share of cost	6,570.00
(d)	Government's share unexpended --none	
(e)	Value of production during project	905.85

A check for the 5 percent royalty on the above amount has been received from the Operator --$45.29.

This project was conducted in a very satisfactory manner. The shaft, crosscut, and drifts required solid timbering throughout and heavy ground was a menace at all times. The workers deserve commendation for completing this project in view of the obstacles with which they were confronted.

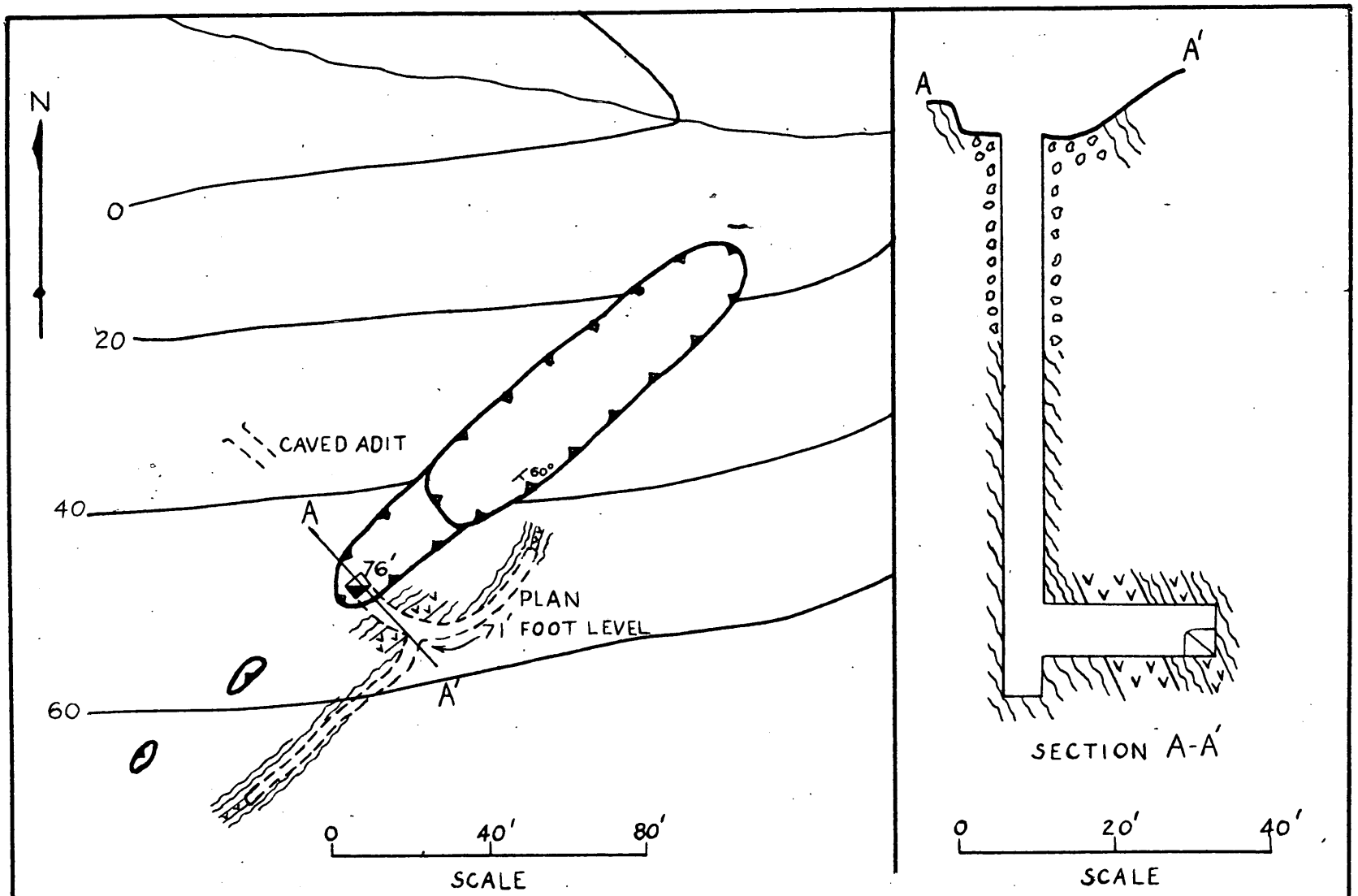
No equipment was purchased under the contract, thus there is no salvage value.

January 6, 1954

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

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

xx



SKETCH OF
WHITE OAK CREEK MINE
MITCHELL CO., N.C.

DMEA-2861 (mica)

COPY

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

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

Dear Mr. Laurence:

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

The recent receipt of the Final Field Team report on DMEA 2861, Idm-E542, Wise, Wise and Phillips, has made it possible for a Report of Review to be prepared. Accordingly, the original and two copies of this Report of Review are enclosed for normal distribution in your Region.

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

DMEA-2677, Idm-E435 Crigg & West
DMEA-2859, Idm-E525 Bennett & Johnson
DMEA-2882, Idm-E535 Bowman Bros.

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

One other contract, i. e., DMEA-2785, Idm-E518, B&R Mica Company, appears to have been completed in October, although the last MF-104 we have received covers the month of September. An interim report (prepared by Messrs. Shirley and Teague), dated October 19, 1953, indicated 80 feet of shaft sinking and 147 feet

Interim Rept 10-19-53
accepted by Auditor as
Final Field Rept.

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

Your advise on the above questions will be appreciated.

Sincerely yours,

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

EDTalbert/wb
November 16, 1953

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

ROOM 13 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

EXECUTIVE OFFICER
REGION VII

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 12 1953

November 10, 1953

Mr. Sam L. Phillips

Spruce Pine, North Carolina

Subject: DMEA-2861 (mica)
Contract Idm-E542
White Oak Creek Mine
Mitchell County, N. C.

Dear Mr. Phillips:

This will acknowledge with thanks your check in the amount of $45.29 as the Government's 5 percent of the sale of $905.85 worth of sheet mica from the subject mine.

Please refer to the last sentence of Annex I to your contract and note that the Government is entitled to its percentage from the sale or other disposition of <u>any production; in whatever form disposed of</u>. This includes scrap, punch, washer or any other production. In the case of a mica mine feldspar may even be sold, and it would be subject to payment.

We would appreciate your checking on this and let us have your check for the Government's percentage on any scrap, punch, etc. that you have sold. This applies also in the case of the Iotla-Bowers mine.

Very truly yours,

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

RAL/mg
cc - Mr. Mittendorf
Acting Finance Officer
Beck
Lynch
Operating Committee
Files

COPY mg 11/10/53 DMEA-2861, Idm-E 542

GENERAL SERVICES ADMINISTRATION
Mica Purchase Depot - Spruce Pine, N.C.

DATE 10-7-53

ACCEPTANCE NUMBER 4-394

WARRANTY, ACCEPTANCE AND INVOICE

ISSUED UNDER CERTIFICATE OF AUTHORIZATION NUMBER	LOT NUMBER	RECEIPT AND WEIGHT TICKET NUMBER
EPS-4-258A	SP-394	

WARRANTY

The undersigned, a participant in the Mica Program, warrants that the mica included in this lot of mica is of domestic origin, is not material owned previously by the Government, was not purchased from others prior to December 14, 1951, and is owned by the person or firm whose name appears below (herein referred to as "Seller").

NAME AND ADDRESS OF SELLER *(Type or print)*	SELLER OR PERSON AUTHORIZED TO SIGN THIS WARRANTY FOR SELLER
NAME J. B. McKinney	SIGNATURE /s/ J. B. McKinney
STREET ADDRESS	NAME *(Type or print)* J. B. McKinney
CITY, ZONE AND STATE Kalmia, N. C.	TITLE *(Type or print)* Owner

EVALUATION AND SETTLEMENT DATA

PROGRAM A - BLOCK OR FILM MICA

QUALITY	HALF TRIM POUNDS	HALF TRIM PRICE PER LB.	HALF TRIM AMOUNT	FULL TRIM POUNDS	FULL TRIM PRICE PER LB.	FULL TRIM AMOUNT
GOOD STAINED AND BETTER GRADES NO. 3 AND LARGER					$70.00	
GRADES NO. 4 AND 5				2.57	$40.00	102.80
GRADES NO. 5½ AND 6				11.36	$15.00	170.40
STAINED GRADES NO. 3 AND LARGER		$12.00		.62	$18.00	11.16
GRADES NO. 4 AND 5		$ 5.00		8.23	$ 8.00	65.84
GRADES NO. 5½ AND 6		$ 3.00		15.15	$ 5.00	75.75
HEAVY STAINED GRADES NO. 3 AND LARGER		$ 8.00		.62	$13.00	8.06
GRADES NO. 4 AND 5		$ 4.00		2.05	$ 6.00	12.30
GRADES NO. 5½ AND 6		$ 2.00		5.05	$ 3.00	15.15
TOTALS						
LOT TOTALS				45.65		461.46

PROGRAM B - HAND-COBBED MICA

TOTALS					$ 0.30	

ACCEPTANCE

Subject to the terms and conditions of the Mica Regulation dated March 12, 1952 (17 F.R. 2279), establishing the Government's Purchase Programs for Domestic Mica, the Government accepts the number of pounds of mica (as hereinabove identified), delivered by the Seller to the Government for which payment in the total amount set forth hereinabove will be made by the Government.

GENERAL SERVICES ADMINISTRATION

BY *(Type name)*	SIGNATURE	TITLE
Carl Buchanan	/s/ Carl Buchanan	Head Buyer

INVOICE

TO General Services Administration, Region IV

FOR Mica delivered as indicated above $ 461.46

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

SELLER *(Type name)*	DATE
J. B. McKinney (White Oak Creek Mine)	10-7-53
BY *(Signature)* /s/ J. B. McKinney	NAME AND TITLE *(Type)* J. B. McKinney, Owner

GSA-WASH DC 53-3094

GSA FORM 1013
September 1952

COPY mg 11/10/53 DMEA-2861 Idm-E-542

GENERAL SERVICES ADMINISTRATION
Mica Purchase Depot - Spruce Pine, N.C.

DATE 10-28-53

ACCEPTANCE NUMBER 4-463

WARRANTY, ACCEPTANCE AND INVOICE

ISSUED UNDER CERTIFICATE OF AUTHORIZATION NUMBER	LOT NUMBER	RECEIPT AND WEIGHT TICKET NUMBER
EPS-4-258A	SP-463	

WARRANTY

The undersigned, a participant in the Mica Program, warrants that the mica included in this lot of mica is of domestic origin, is not material owned previously by the Government, was not purchased from others prior to December 14, 1951, and is owned by the person or firm whose name appears below (herein referred to as "Seller").

NAME AND ADDRESS OF SELLER *(Type or print)*	SELLER OR PERSON AUTHORIZED TO SIGN THIS WARRANTY FOR SELLER
NAME: J. B. McKinney	SIGNATURE:
STREET ADDRESS: Box 13	NAME *(Type or print)*: J. B. McKinney
CITY, ZONE AND STATE: Kalmia, N. C.	TITLE *(Type or print)*: Owner

EVALUATION AND SETTLEMENT DATA

PROGRAM A - BLOCK OR FILM MICA

QUALITY	HALF TRIM			FULL TRIM		
	POUNDS	PRICE PER LB.	AMOUNT	POUNDS	PRICE PER LB.	AMOUNT
GOOD STAINED AND BETTER						
GRADES NO. 3 AND LARGER				.56	$70.00	39.20
GRADES NO. 4 AND 5				1.66	$40.00	66.40
GRADES NO. 5½ AND 6				9.53	$15.00	142.95
STAINED						
GRADES NO. 3 AND LARGER		$12.00		2.62	$18.00	47.16
GRADES NO. 4 AND 5		$ 5.00		5.31	$ 8.00	42.48
GRADES NO. 5½ AND 6		$ 3.00		15.50	$ 5.00	77.50
HEAVY STAINED						
GRADES NO. 3 AND LARGER		$ 8.00		.50	$13.00	6.50
GRADES NO. 4 AND 5		$ 4.00		1.32	$ 6.00	7.92
GRADES NO. 5½ AND 6		$ 2.00		4.76	$ 3.00	14.28
TOTALS						
LOT TOTALS				41.76		444.39

PROGRAM B - HAND-COBBED MICA

TOTALS					$ 0.30	

ACCEPTANCE

Subject to the terms and conditions of the Mica Regulation dated March 12, 1952 (17 F.R. 2279), establishing the Government's Purchase Programs for Domestic Mica, the Government accepts the number of pounds of mica (as hereinabove identified), delivered by the Seller to the Government for which payment in the total amount set forth hereinabove will be made by the Government.

GENERAL SERVICES ADMINISTRATION

BY *(Type name)*	SIGNATURE	TITLE
Carl Buchanan		Head Buyer

INVOICE

TO: General Services Administration, Region IV

FOR: Mica delivered as indicated above — $ 444.39

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

SELLER *(Type name)*	DATE
J. B. McKinney (White Oak Creek Mine)	10-28-53
BY *(Signature)*	NAME AND TITLE *(Type)*: J. B. McKinney, Owner

GSA-WASH DC 53-3094

GSA FORM 1013
September 1952

Mr. Anderson

C
O
P
Y

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

November 10, 1953

Memorandum

To: Operating Committee, DMEA, Washington, D. C.

From: Executive Officer, Region VII

Subject: DMEA-2687, Idm-E425, (mica), Iotla-Bowers Mine
DMEA-2861, Idm-E542, (mica), White Oak Creek Mine

Enclosed are four copies of the Operator's final report on each of the subject exploration projects.

In both cases, these reports can hardly be classed as "engineering and geologic reports", but they probably represent the best that can be expected from 99 percent of the mica operators.

The field examiners' final report on the Iotla-Bowers mine has already been sent to you. The report on White Oak Creek will be forwarded soon. We do not plan to recommend certification of discovery at the White Oak Creek project.

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

Enclosures 8

Final Report

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
Nov 12 1953

Spruce Pine, N. C.
November 6, 1953

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

Re: DMEA-2861, Idm-E 542 (mica)
White Oak Creek Mine, Mitchell Co., N. C.

Dear Mr. Laurence:

The total amount of mica sold from the White Oak Creek Mine was $905.85. Enclosed is a chedk to cover the government's per cent. It is our opinion that to work the White Oak Creek Mine would be unprofitable, because the quality of the mica is not good. It is a wavey mica.

We want to express our appreciation for the cooperation the government has given us, wish it could have been good mica. Since it wasn't we thought we had better stop.

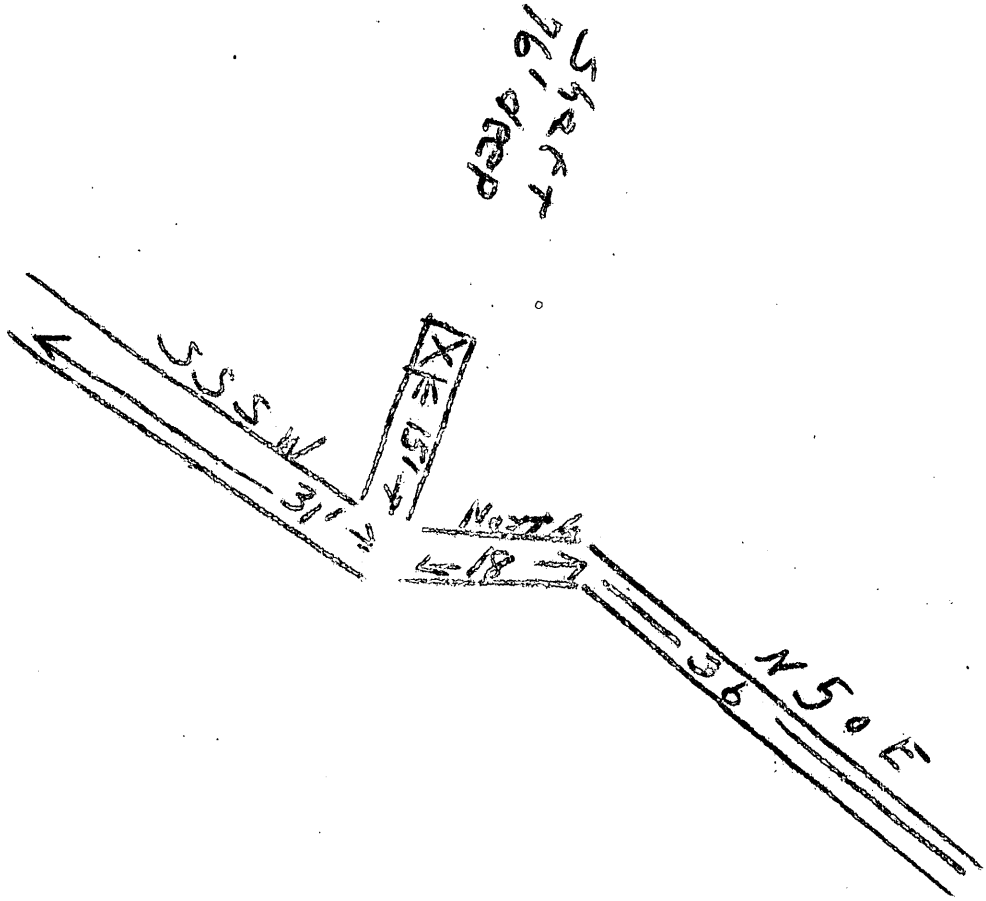
Sincerely yours,

Sam L. Phillips

Sam L. Phillips

SLP/lc

DMEA-2861 (Mica)
White Oak Creek Mine



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

SOUTHEASTERN REGION
REGION VII
HAMILTON BANK BUILDING

OFFICE OF
REGIONAL DIRECTOR

POST OFFICE BOX 1909
KNOXVILLE, TENNESSEE

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 5 1953

November 3, 1953

Memorandum

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

From: Administrative Officer, Region VII, Knoxville, Tennessee

Subject: Monthly reports and vouchers

We are enclosing two copies each of the following monthly reports and vouchers:

Idm-E-542 Dave Wise, Ray Wise and Sam Phillips
DMEA Docket No. 2861
5th and Final Payment - month of October
Amount $630.00

Idm-E-563 American Mica Corporation
DMEA Docket No. 2961
4th payment - month of October
Amount $1899.00

Helen Miller
Helen R. Miller

Enclosures 4

/hbm
Copies to W. A. Beck
R. A. Laurence
Region Files
Day Files

F-104 (Rev.)
ril 1952)

PAID ON VOUCHER & SCHEDULE OF PAYMENTS

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

117
FINAL

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

h of October, 1953 Docket No. DMEA 2361 Contract No. IGA-I 542
ator's Name Dave Wise, Ray Wise & Sam L. Phillips Minerals Mica
Address Spruce Pine, N. C.
tract Amount, $7,300.00 Government Participation: 90 % Amount, $ 6,570.00

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
Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting	700.00	2800.00	3500.00			
Shafting		3192.00	3192.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber in		608.00	608.00			
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	700.00	6600.00	7300.00	700.00	6,600.00	7,300.00

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

Date 10-23-53 *Payee Dave Wise, Ray Wise & Sam L. Phillips

Per Sam L. Phillips Title Partner

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

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

(Instructions on reverse)

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

$630.00

Signature Conan A. Piper
(Authorized Certifying Officer)

Date NOV 2 1953 Vou. No. 117

(See other side)

5 Ut + 4

70.00

(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-E542 in accordance with the terms of the contract.

Signature Lawrence E. Shurley Title Mining Engr. U.S.B.M. Date Oct. 26, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Laurence Title EXECUTIVE OFFICER DMEA REGION VII Date OCT 29 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

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 October 1953 Docket No. DMEA 2861 Contract No. Ior-F 542
Operator's Name Dave Wise, Ray Wise & Sam L. Phillips Minerals Mica
Address Spruce Pine, N. C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	Ft.	700.00	20	3500.00	100	35.00	100	35.00
Crosscutting								
Raising								
Shafts	Ft.			3192.00	76	42.00	76	42.00
~~Winzes~~ Timbering	Ft.			608.00	76	8.00	76	8.00
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		700.00		7300.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$700.00		$7300.00				

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 10-22-53 Operator Dave Wise, Ray Wise, & Sam L. Phillips

Per Sam L. Phillips Title Partner

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

OPERATORS
MONTHLY PROGRESS REPORT
For the
Month of October, 1953

DMEA No. 2861

Work Accomplished

We have drifted 20 feet for this month. We haven't worked all this month the mica is no good so therefore we are quitting the mine.

Daily Notes

October	1 - 7	Mucked, Pumped out water and drilled.
October	8 - 13	Mucked, pumped out water and drilled.
October	14 - 16	Mucked, pumped out water and drilled.

EXECUTIVE OFFICER
DMEA REGION VII

October 29, 1953

Mr. Sam L. Phillips

Spruce Pine, N. C.

Re: DMEA-2861, Idm-X 542 (mica)
White Oak Creek Mine, Mitchell Co., N.C.

Dear Mr. Phillips:

Your final voucher on the subject contract has been received in this office and is being sent to the Finance Officer today for processing.

Please note item (b) Article 5 of your contract in regard to your final report. Please furnish this office with this report in quintuplicate (5-copies) at your earliest convenience. You sent us onecopy of a map of the mine which we will hold until receipt of your report with four additional copies of the map.

Please also be advised that Annex I of your contract stipulates that the Government is entitled to its royalty 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.

At your earliest convenience kindly send a check made out to the Treasurer of the United States, along with sales slips on the mica produced during exploration.

Very truly yours,

Wm. A. Beck, for R. A. Laurence

WAB/mm
cc:
Beck
Lynch
Laurence
Finance Office

INTERIM REPORT

IMEA-2861 Idm-E542 (mica) WHITE OAK CREEK MINE

OPERATOR: Dave and Ray Wise, and S. L. Phillips, Spruce Pine, N. C.

LOCATION: 1.8 airline miles and 2.1 miles by road S 50° E of Bakersville, Mitchell County, North Carolina.

This contract has been completed. A shaft was sunk for a total depth of 76 ft. and was cribbed solid to the bottom. Crosscut and drifting from this level totaled 100 feet, most of which was driven in pegmatite material enclosed by weathered mica schist. Crosscutting began from the shaft bottom to the southwest, making a gradual turn after intercepting the pegmatite which placed the last heading at N 5° E. This crosscut and drift combined was 40 feet. Heavy ground was encountered at this point and a new drift was begun at 15 feet from the turnoff and was driven to the south. A gradual turn placed the last heading at S 55° W, and drift distance totaled 54 feet. Sparse mica was recovered from all drifting and although the color and hardness was excellent, most of the block recovered was wavey or bent. The operator estimated that mica sold to date brought a very low average and that total sales, including those made and one lot to be sold in the near future, would not exceed $600.00.

This project was conducted in a very satisfactory manner. Both the shaft and drifts required solid timbering throughout and heavy ground was a menace at all times. The workers deserve commendation for completing this project in view of the obstacles with which they were confronted.

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

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

October 19, 1953

Mr. Anderson

[illegible]

[illegible]

[illegible]

[illegible]-2381 Idn.-1542 (mica) [illegible]

[illegible]: Dave and Ray [illegible]ise, and S. L. Phillips, Spruce Pine, N. C.

[illegible]: 1.8 airline miles and 2.1 miles by road N 60° E of Bakersville, Mitchell County, North Carolina.

Drifting to the south continues on this contract and is now at 36 feet. Both drifting operations total 82 feet, and most of the work has been along the pegmatite body. The enclosing mica schist remains highly weathered and difficult to timber. The character of the pegmatite has not changed appreciably and kaolinized feldspar is the predominant mineral. Mica recovery is sparse and most of the blocks are wavey or bent. 18 feet of drifting remains to be driven under contract.

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

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

October 5, 1953

Mr. Anderson

104 (Rev.)
(1952)

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

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-20

97

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

DEPARTMENT OF THE INTERIOR Defense Minerals Administration RECEIVED OCT 16 1953

Month of September, 1953 Docket No. DMEA 2031 Contract No. Idr-h 542
Operator's Name Dave Wise, Ray Wise & Sam L. Phillips Minerals Mica
Address Spruce Pine, N. C.
Contract Amount, $7,300.00 Government Participation: 50 % Amount, $3,570.00

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						
Crosscutting						
Drifting	1680.00	1120.00	2800.00			
Shafting		3192.00	3192.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timbering		608.00	608.00			
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	1680.00	4920.00	6600.00	1,680.00	4,920.00	6,600.00

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

Date 10-2-53 *Payee Dave Wise, Ray Wise & Sam L. Phillips

Per Sam L. Phillips Title Partner

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

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

(Instructions on reverse)

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

$1,512.00

Signature Cora A. Piper
(Authorized Certifying Officer)

Date OCT 14 1953 Vou. No. 97
(See other side)

4

168.00

(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 5543 in accordance with the terms of the contract.

Signature Lawrence E. Shirley Title U.S.B.M. Mining Engr. Date Oct. 7, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

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

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 16 1953

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Sept. 1953 Docket No. DMEA 2261 Contract No. Idm-M 542
Operator's Name Dave Wise, Ray Wise, & Sam L. Phillips Minerals Mica
Address Spruce Pine, N. C.

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting	Ft.	1680.00	48	2800.00	80	35.00	100	35.00
Crosscutting								
Raising								
Shafts	Ft.			3192.00	76	42.00	76	42.00
~~Winzes~~ Timbering	Ft.			608.00	76	8.00	76	8.00
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Total Distributed Costs		1680.00		6600.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		$ 1680.00		$ 6600.00				

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 10-2-53 Operator Dave Wise, Ray Wise & Sam L. Phillips

Per Sam L. Phillips Title Partner

Remarks:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

Liberia Minerals Administration
RECEIVED
OCT 16 1953

OPERATORS
MONTHLY PROGRESS REPORT
for the
Month of September, 1953

DMEA No. 2861

Work Accomplished

We have drifted 48 feet for this month. We are still getting some mica.

Daily Notes

September 1 - 11	Mucked, pumped out water and drilled with satisfactory progress.
September 14 - 18	Mucked, pumped out water and drilled with satisfactory progress.
September 21 - 30	Mucked, pumped out water and drilled without any difficulty.

MEMORANDUM REPORT

MRA-2561 Idm-2542 (mica) [illegible]

[illegible]: Dave and May Rise, and [illegible] Phillips, Spruce Pine, N. C.

[illegible]: 1.8 airline miles and 2.1 miles by road [illegible] 50° [illegible] of Bakersville, Mitchell County, North Carolina.

Drifting continues on this contract and combined crosscutting and drifting in two directions totals 62 feet. The "northeast" drift, which included some crosscutting from the turnoff, has been driven for 46 feet. Heavy ground at this point became so hard to control that this drift was abandoned and a new drift to the southwest begun. This "southwest" drift has been driven for 16 feet on a narrow body dipping 57° SE. Some large blocks of mica have been recovered from both drifts, but it is all slightly wavy. Color and hardness are the outstanding features of mica recovered to date. No estimate has been given on total mica recovery.

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

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

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

September 24, 1953

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

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

Mr. Anderson

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of August 1953 Docket No. DMEA 2861 Contract No. Idm-E 542
Operator's Name Dave Wise, Ray Wise & Sam L. Phillips Minerals Mica
Address Spruce Pine, N. C.
Contract Amount, $7,300.00 Government Participation: 90 % Amount, $6,570.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting	1120.00	None	1120.00			
Shafting	~~216.00~~ 126.00	3066.00	~~3282.00~~ 3192.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timbering	24.00	584.00	608.00			
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	~~$1,360.00~~ 1270.00	3,650.00	~~$5,010.00~~ 4920.00			

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-14

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 9-2-53 *Payee Dave Wise, Ray Wise & Sam L. Phillips
Per Sam L. Phillips Title Partner

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

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

(Instructions on reverse)

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

$1143.00

Signature Cora A. Piper
(Authorized Certifying Officer)

Date SEP 11 1953 Vou. No. 71

(See other side)

3

127.00

(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-E542 in accordance with the terms of the contract.

Signature Laurence E. Shurley Title Mining Engr. U.S.B.M. Date Sept. 4, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE

Signature Robert A. Laurence Title EXECUTIVE OFFICER DMEA REGION VII Date SEP 9 1953

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of August 1953 Docket No. DMEA 2861 Contract No. Idm-E 542
Operator's Name Dave Wise, Ray Wise & Sam L. Phillips Minerals Mica
Address Spruce Pine, N. C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	Ft.	1120.00	32	1120.00	32	35.00	100	35.00
Crosscutting								
Raising								
Shafts	Ft.	126.00 ~~315.00~~	3	3192.00 ~~3282.00~~	76	42.00	76	42.00
~~Winzes~~ Timbering	Ft.	24.00	3	608.00	76	8.00	76	8.00
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		1270.00		4920.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		~~$1,390.00~~ 1270.00		~~$5,010.00~~ 4920.00				

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 9-2-53 Operator Dave Wise, Ray Wise & Sam L. Phillips

Per Sam L. Phillips Title Partners

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

rm 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 August, 195 3 Docket No. DMEA 2861 Contract No. Idm-E 542
Operator's Name Dave Wise, Ray Wise, & Sam L. Phillips Minerals Mica
Address Spruce Pine, N. C.
Contract Amount, $ 7,300.00 Government Participation: 90 % Amount, $ 6,570.00

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						
Crosscutting						
Drifting	1120.00	None	1120.00			
Shafting	~~216.00~~ 126.00	3066.00	~~3282.00~~ 3192.00 LES			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timbering	24.00	584.00	608.00			
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	~~$1,360.00~~ 1270.00	3,650.00	~~$5,010.00~~ 4920.00			

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

Date 9-2-53 *Payee Dave Wise, Ray Wise & Sam L. Phillips

Per Sam L. Phillips Title Partner

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

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

(Instructions on reverse)

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

$ 1143 00

Signature
(Authorized Certifying Officer)

Date Vou. No.
(See other side)

127 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-E542 in accordance with the terms of the contract.

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

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

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

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

OPERATORS
MONTHLY PROGRESS REPORT
for the
Month of August, 1953

DMEA No. 2861

Work Accomplished

We have completed the shafting and timbering . We began drifting and advanced 32 feet for the month. After drifting 10 feet we contacted the vein and went through 10 feet of the vein. Then we drifted about 9 more feet and contacted mica and got 30 lbs. of very good mica.

Daily Notes

August 3 - 5 Sinking shaft and timbering.

August 6 - 11 Mucked, pumped out water and drilled with satisfactory progress.

August 12 - 17 Mucked, pumped out water and drilled with satisfactory progress.

August 19 - 31 Mucked, pumped out water and drilled with satisfactory progress.

MONTHLY REPORT

MEA-2861 Idn-1542 (mica) [illegible]

[illegible]: Dave and Ray [illegible]ise, and [illegible] Phillips, Spruce Pine, N. C.

LOCATION: 1.8 airline miles and 2.1 miles by road S 50° E of Bakersville, Mitchell County, N. C.

Drifting continues on this contract and total crosscut and drift footage is 46 feet. The shaft was sunk for a total depth of 76 feet; turnoff for the crosscut and drift was at the 71 ft. level, which allowed a 5 ft. sump. Turnoff was to the southeast and a gradual turn to the left places the present heading at N 55° E. Material removed consists of pegmatite, composed of kaolinized feldspar, quartz, biotite and muscovite mica, and a completely weathered mica schist. Mica observed was both green and ruby, the latter quite wavy.

The control of heavy ground has been quite a problem since drifting began. The work has been slow, but comparable to other projects experiencing similar conditions, progress has been very good.

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

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

September 10, 1953
mdl

[illegible]

-2681 [illegible] (Mica) [illegible]

[illegible]: [illegible] Inc., and [illegible] Phillips, [illegible]

[illegible]: 1.5 airline miles and 2.1 miles by road N 50° [illegible] of Bakers-ville, Mitchell County, North Carolina.

[illegible] sinking has been completed [illegible] this contract. The shaft was sunk for a total distance of 76 feet and required cribbing to [illegible]. A [illegible] was installed and ladders and landings staggered at about 10 feet intervals. [illegible] point for the drift [illegible] at a point 10 feet [illegible] 6 ft. [illegible] feldspar and [illegible] encountered. [illegible] [illegible] was [illegible] from the [illegible] has [illegible] of good quality. This [illegible] is composed of a central [illegible] kaolinized feldspar containing [illegible] of mica [illegible]

The country rock, a mica schist, is [illegible] red and [illegible] ground [illegible] recent progress. The drift has been adequately timbered [illegible] with sawed oak. Top and side lagging has been necessary for a [illegible] distance. [illegible] but it is being [illegible] has been [illegible]. [illegible] on this contract has been [illegible].

[illegible] Hurley, Mining Engineer
[illegible] Bureau of Mines

[illegible] 27, 1953

(Rev.)
(2)

Budget Bureau No. 42-R1003.3.
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

AUDITION VOUCHERS-SCHEDULE OF PAYMENTS

OPERATOR'S MONTHLY REPORT AND VOUCHER

of July 1953 Docket No. DMEA 2861 Contract No. IDM-E 542 600

Operator's Name Dave Wise, Ray Wise, & Sam L. Phillips Minerals Mica

Address Spruce Pine, N. C.

Contract Amount, $ 7,300.00 Government Participation: 90 % Amount, $ 6,570.00

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
Independent / Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
Shafting	1386.00	1680.00	3066.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timbering	264.00	320.00	584.00			
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Contingencies (specify):						
TOTALS	1650.00	2000.00	3650.00	1,650.00	2,000.00	3,650.00

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

Date AUG 13 1953

*Payee Dave Wise, Ray Wise & Sam L. Phillips

Per Sam L. Phillips Title Partner

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, 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) 165.00

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

$ 1,485.00

Signature Cora A. Piper
(Authorized Certifying Officer)

Date AUG 13 1953 Vou. No. 39
(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-E542 in accordance with the terms of the contract.

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

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Laurence Title EXECUTIVE OFFICER DMEA REGION VII Date AUG 6 1953

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

[illegible]04A
[illegible]il 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
AUG 13 1953

Month of July 195 3 Docket No. DMEA 2861 Contract No. DM-E 542
Operator's Name Dave Wise, Ray Wise, & Sam L. Phillips Minerals Mica
Address Spruce Pine, N. C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts	Ft.	1386.00	33	3066.00	73	42.00	76	42.00
Winzes Timbering	Ft.	264.00	33	584.00	73	8.00	76	8.00
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		1650.00		3650.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		1650.00		3650.00				7,300.00

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 8-3-53 Operator Dave Wise, Ray Wise & Sam L. Phillips

Per Sam L. Phillips Title Partner

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

OPERATORS
MONTHLY PROGRESS REPORT
for the
Month of July, 1953

DMEA No. 2861

Idm-E 542

Work Accomplished

We are still sinking a shaft advancing 33 feet for the month. Timbering all the way making a total of 33 feet for the month.

Daily Notes

July 1 - 3	Sinking shaft and timbering.
July 6 - 7	Mucked and pumped out water.
July 8 -10	Sinking shaft and timbering.
July 13 - 14	Mucked and pumped out water.
July 15 - 17	Sinking shaft and timbering.
July 20	Mucked and Pumped out water.
July 21 - 22	Sinking shaft and timbering.
July 23	Mucked and pumped out water.
July 24 - 27	Sinking shaft and timbering.
July 28	Mucked and pumped out water.
July 29 - 31	Sinking shaft and timbering.

[illegible]
[illegible]
[illegible]
[illegible] 1953

[illegible]

[illegible]-Small [illegible] [illegible] [illegible] [illegible] ine

[illegible]: [illegible]ave and [illegible]ise, and [illegible]. [illegible] Phillips, Spruce Pine, N. C.

[illegible]: 1.5 airline miles and 2.1 miles by road [illegible] 80° [illegible] of Bakersville, Mitchell County, North Carolina.

Shaft sinking continues on this contract and is now at 7[illegible].5'. The mine is making considerable water, which is being bailed by the bucket. Attempts to set pumps provided have not been satisfactory and the foreman reports that bailing is faster. The shaft has been cribbed solid to about 50 feet with separation [illegible], and ladders extended to the bottom.

Material observed was principally schist with stringers containing quartz, feldspar and pyrite. 6 feet of shafting remains on this contract at which point drifting will begin. Progress on this project has been good.

L. [illegible] Shirley, Mining Engineer
[illegible] Bureau of Mines

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

July 30, 1953

[illegible]

[illegible]

[illegible]-2001 [illegible]-042 (mica) [illegible]

Owner: [illegible] Cave and [illegible] Rise, and [illegible] L. Phillips, Spruce Pine, N. C.

LOCATION: 1.5 miles [illegible] 2.1 miles by road [illegible] of Bakersville, Mitchell County, North Carolina.

Shaft sinking continues on this contract and is now at 53.5'. The shaft has been timbered solid to this depth and a 2 ft. separated compartment with staggered ladders and landing at required intervals has been installed. The mine is making water, but this is being handled satisfactorily. The operator stated that an electric pump is on order and will be put in use on arrival. The shaft bottom was not examined on this visit. Progress on this project is satisfactory.

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

[illegible], Geologist
U. S. Geological Survey

July 16, 1953

[illegible]

[illegible]-2361 [illegible]-2542 (2102) [illegible]

Operator: [illegible] Mining Co., and [illegible] Billings, Spruce Pine, N. C.

Location: 1.8 airline miles and 2.1 miles by road S 60° E of Laterneville, Mitchell County, North Carolina.

Shaft sinking continues on this property and is now down to 50 feet, having been crribed solid to this depth with 2" x 6" sawed timbers. Old workings were encountered between 35 and 40 feet and the mine began to make water. Removal of this water has been by bailing with the muck bucket. A power line has been run to the mine recently and it has suggested that some provisions be made immediately for procurement of a pump to keep the mine dry. Material encountered has been a highly weathered schist and much from old workings. Several pieces of flat, dark ruby mica were recovered from this muck.

A new boom pole replacement has been made for safety reasons. Progress on this job is satisfactory.

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

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

June 29, 1953

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

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

10

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

ID ON VOUCHER AND SCHEDULE PAYMENTS

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of June, 195 3 Docket No. DMEA 2861 Contract No. IDM-E 542
Operator's Name Dave Wise, Ray Wise & Sam L. Phillips Minerals Mica
Address Spruce Pine, N. C.
Contract Amount, $7,300.00 Government Participation: 90 % Amount, $ 6,570.00

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						
Crosscutting						
Drifting						
Shafting	1680.00	None	1680.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timbering	320.00	None	320.00			
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$2000.00		$2000.00	2,000.00		2,000.00

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

Date 7-3-53 *Payee Dave Wise, Ray Wise and Sam L. Phillips

Per Sam L. Phillips Title Partner

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

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

(Instructions on reverse)

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

$ 1,800.00

Signature Ora A. Piper
(Authorized Certifying Officer)

Date JUL 10 1953 Vou. No. 10

(See other side)

200.00

(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-E542 in accordance with the terms of the contract.

Signature Lawrence E. Shirley Title Mining Engr. U.S.B.M. Date July 7, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE ACTING EXECUTIVE OFFICER

Signature W. A. Berk Title DMEA REGION VII Date JUL 9 1953

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of June 1953 Docket No. DMEA 2861 Contract No. [illegible]-0 842
Operator's Name Dave Wise, Ray Wise, & Sam L. Phillips Minerals Mica
Address Spruce Pine, N. C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts	Ft.	1680.00	40	1680.00	40	42.00	76	42.00
~~Winze~~ Timbering	Ft.	320.00	40	320.00	40	8.00	76	8.00
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$2000.00		$2000.00				7,300.00

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

Date 7-3-53 Operator Dave Wise, Ray Wise and Sam L. Phillips

Per Sam L. Phillips Title Partner

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

OPERATORS
MONTHLY PROGRESS REPORT
for the
Month of June 1953

DMEA No. 2861

ldm-E 542

Work Accomplished

Set up machinery, removed muck and pumped out water, set up hoist and started shaft sinking advancing 40 feet for the month. Timbering all the way making a total of ± 40 feet of timbering for the month.

Daily Notes

June 8	Set up hoist and began sinking shaft.
June 9 - 10	Put up boom poles and timbered.
June 11 - 15	Cleared aroung mine site.
June 16 - 18	Timbered and mucked.
June 19 - 23	Sinking shaft and timbering.
June 24	Mucked and pumped out water.
June 25 - 26	Sinking shaft and timbering.
June 29	Sinking shaft and timbering making a total of 40 feet shafting and 40 feet timbering.
June 30	Mucked and pumped out water.

[illegible]

[illegible]-2861 Idm-4642 (mica) [illegible]

Operator: Dave and May Mica, and S. [illegible] Phillips, Spruce Pine, N. C.

Location: 1.5 airline miles and 2.1 miles by road S 30° E of Bakersville, Mitchell County, North Carolina.

This project began on June 3, 1953. Shaft sinking is in progress and is now down to 21.5 feet. Material encountered has been a highly weathered mica schist and has not necessitated drilling and shooting. The cross sectional shaft opening is 5' x 7' and has been cribbed solid to about 20 feet, with separated roadway and staggered ladders with 12 foot landings.

Suggestions were made concerning the hoisting crane setup. Progress made in getting this job started and subsequent sinking has been good.

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

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

June 10, 1953

600

JUN 4 1953

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

Subject: Docket No. DMEA-2861 - Mica
L. A. Phillips, Dave Wise and
Ray Wise
White Oak Creek Mine
Mitchell County, North Carolina

Dear Mr. Laurence:

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

Before the contract is executed, verify that the Owner's Consent to Lien refers to the property described in the contract. The Owner's Consent to Lien refers to a book-and-page number, whereas the description of the property in the contract is by metes and bounds.

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

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

Copies of memoranda from the Geological Survey and the Bureau of Mines on the field team's work proposal are enclosed.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

J. H. Hedges

Member, Bureau of Mines

A. R. Kinkel, Jr.

Member, Geological Survey

Enclosures 10

SAFeitler:gad 6/1/53

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

MAY 18 1953

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

Subject: Docket No. [illegible]-2861 - Mica
T. L. Phillips, Dave Wise and
Ray Ibe
White Oak Creek Mine
Mitchell County, North Carolina

Dear Mr. Laurence:

The subject applicant was asked to provide a description of the property using bearings and distances.

Three copies of the lease amendment submitted by Mr. L. L. Briggs of Burnsville, North Carolina, the lessor, are enclosed. The boundary cited in this amendment does not describe a closed area and the lessee has not signed.

Please arrange to have one of your staff obtain a new amendment with a correct property description, and the necessary signatures.

The location of the proposed work should be indicated on a set of corrected sketch maps for use with a contract.

Sincerely yours,

W. S. Martin
ACTING Chairman, Operating Committee

Approved:

J. H. Hedges
Member, Bureau of Mines

T. P. Thayer
Member, Geological Survey

SAFeitler:gad 5/14/53
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

Enclosures 3

60C

APR 2 3 1953

Mr. S. L. Milligan

Spruce Pine, North Carolina

Subject: Docket No. [illegible]-1861 - Mica
White Oak Creek Mine
Mitchell County, North Carolina

Dear Mr. Milligan:

Reference is made to the circular legal description of the leased area in the subject application.

Circular legal descriptions are to be avoided. Please provide a legal description for the property involved using bearings and distances. The plot may be oriented so that only the four cardinal points of the compass and four distances are needed. The point of beginning of the legal description would be tied to a property corner or to a point along the property line which could be relocated at some future date.

Sincerely yours

SIGNED

Lawrence G. Cook, Chief
Small Mine Minerals Division

LGCook:fls 4/23/53

Copy to: Admr. L. File
Docket File
Operating Committee
Mr. Dietrich, [illegible]
Mr. Larrabee, G-[illegible], G.A. Bldg.
Field Team, Region VII
Mr. Cook

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

April 7, 1953

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-2861, Mica, White Oak Creek Mine
Mitchell County, North Carolina

I concur in the field team's recommendation for an exploration program in the amount of $7,250.

Signed

W. F. Dietrich

IN REPLY REFER TO:
G-MD-CNM

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

March 31, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 1 1953

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-2861 (mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant: S. L. Phillips, Dave Wise, and Ray Wise.
Name of property: White Oak Creek mine.
Location of property: 1.8 miles S. 50° E. of Bakersville, Mitchell County, North Carolina.
Date of field team report: March 18, 1953.
Authorship of field team report: Teague and Shirley.
Field team's recommendation:
75' x 5' x 7' (2-compartment) shaft
100' x 6' x 7' drift.
Comments: No pegmatite is exposed, but extent of old workings indicate that the deposit is worth reopening in order to find out what it contains.
ACTION SUGGESTED:
Follow field team's recommendation.

D. M. Larrabee

Larrabee:jeh
G-3/31/53
cc: Director's reading 4212
Branch reading 4212
DMEA 3 ✓
Larrabee G-230

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

COPY

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

March 20, 1953

Memorandum

To: Operating Committee, D M E A - Washington

From: Field Team, DMEA-Region 7

Subject: Field Examination Reports.

Transmitted herewith are four copies each and six extra copies of the maps for the following recommended projects:

DMEA-2873, Short-Mitchell Mine (mica)
DMEA-2872, Harrison & Harp Mine (mica)
DMEA-2886, Connally Mine (mica)
✓DMEA-2861, White Oak Creek Mine (mica)
DMEA-2875, Cox Mine (mica)
DMEA-2914, Rev. Thaddeus Parsons Mine (mica)
DMEA-2870, Grant Lane Mine (mica)

The Field Team is in agreement with the recommendations set forth in the above applications.

/s/ Wm. A. Beck, Acting
Executive Officer, DMEA
Region 7

/s/ Benjamin Gildersleeve
U. S. Geological Survey

Reviewed by
DMEA OPERATING COMMITTEE
3-29-53
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM, REGION VII

ON

DMEA-2861, WHITE OAK CREEK MINE (mica)
Mitchell County, N. C.

BY

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

-

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

Reviewed by
DMEA OPERATING COMMITTEE
3-27-53
(Date)

March 18, 1953

Field Examination Report on

DMEA-2861, WHITE OAK CREEK MINE (mica)

Applicants: S. L. Phillips, Dave Wise and Ray Wise
c/o S. L. Phillips, Spruce Pine, North Carolina

Some mica of strategic grade has been recovered at this mine by recent bulldozing. There is evidence that the deposit has never been worked below ground water level or to about 35 feet. It appears that the deposit has possibilities for producing strategic mica; therefore, we recommend that exploration assistance be granted.

The mine was examined on March 10, 1953, Messers S. L. Phillips and Dave Wise, two of the applicants accompanied the examiners and the examination required two hours.

The White Oak Creek mica mine is 1.8 airline miles and 2.1 miles by road S. 50° E., of Bakersville, Mitchell County, N. C. Access is via the White Oak Creek road from Bakersville. This road is accessible at all seasons of the year.

The applicants have had mica mining experience and appear to be competent to conduct the proposed exploration.

The applicants hold the property under a 5-year lease, dated October 1952. The description of the area under lease is thus: "Beginning at the center of the old White Oak Creek Mine and extending 300 yards in all directions from said center of mine." This area covers land on which the lessor does not own the mineral rights. The relation of the leased area is shown on the attached sketch. The location of the proposed shaft is approximately 100 feet from the property line as measured along the apparent strike of the pegmatite. It appears to the examiners, that, even though less area is covered by the lease than the description implies, sufficient area is covered by the lease to provide adequate working space for the proposed project.

Workings at this place consist of a series of old caved pits, trenches, and crosscutting adits, none of which are probably more than 30-35 feet deep. Recently a bulldozer cut 100 feet long, 20 feet wide, and 20 feet deep has been dug at the northeast end of the workings. This cut exposed pegmatite, but it is now slumped and contains six feet of water. The pegmatite has been worked approximately 200 feet along the strike.

No pegmatite is presently exposed. Old workings trend in an N. 50° E. direction, apparently the strike of the pegmatite. The dip appears to be about 60° SE. It is reported that the pegmatite ranges in thickness

from a few inches to 4 feet, and contains a quartz rib in the center. Mica is reported to occur adjacent to the quartz rib. Both the pegmatite and conformable biotite gneiss wall rock are thoroughly weathered to the depth that past mining has reached.

History of past mining activity is not known. All of the activity except the recent bulldozing is very old. A small production of strategic mica resulted from the recent bulldozer work which was conducted in old workings.

The applicants' exploration proposal is similar to that as recommended by the field examiners, except there appears no justification for the proposed bulldozer work. Also more drifting appears to be justified than requested in the application.

The examiners recommend that a 75-foot shaft be sunk at the point shown on the attached map. The shaft should follow the pegmatite. From the 70-foot level approximately 100 feet of drifts should be driven on the pegmatite.

Estimated Cost:

75-foot, 5' x 7' (2 compartment shaft) @ $40/ft.	$3,000.00	
Shaft timber, 75 ft. @ $10/ft.	750.00	
100 ft. of 6' x 7' drift @ $35/ft.	3,500.00	
Estimated Total Cost.....		$7,250.00

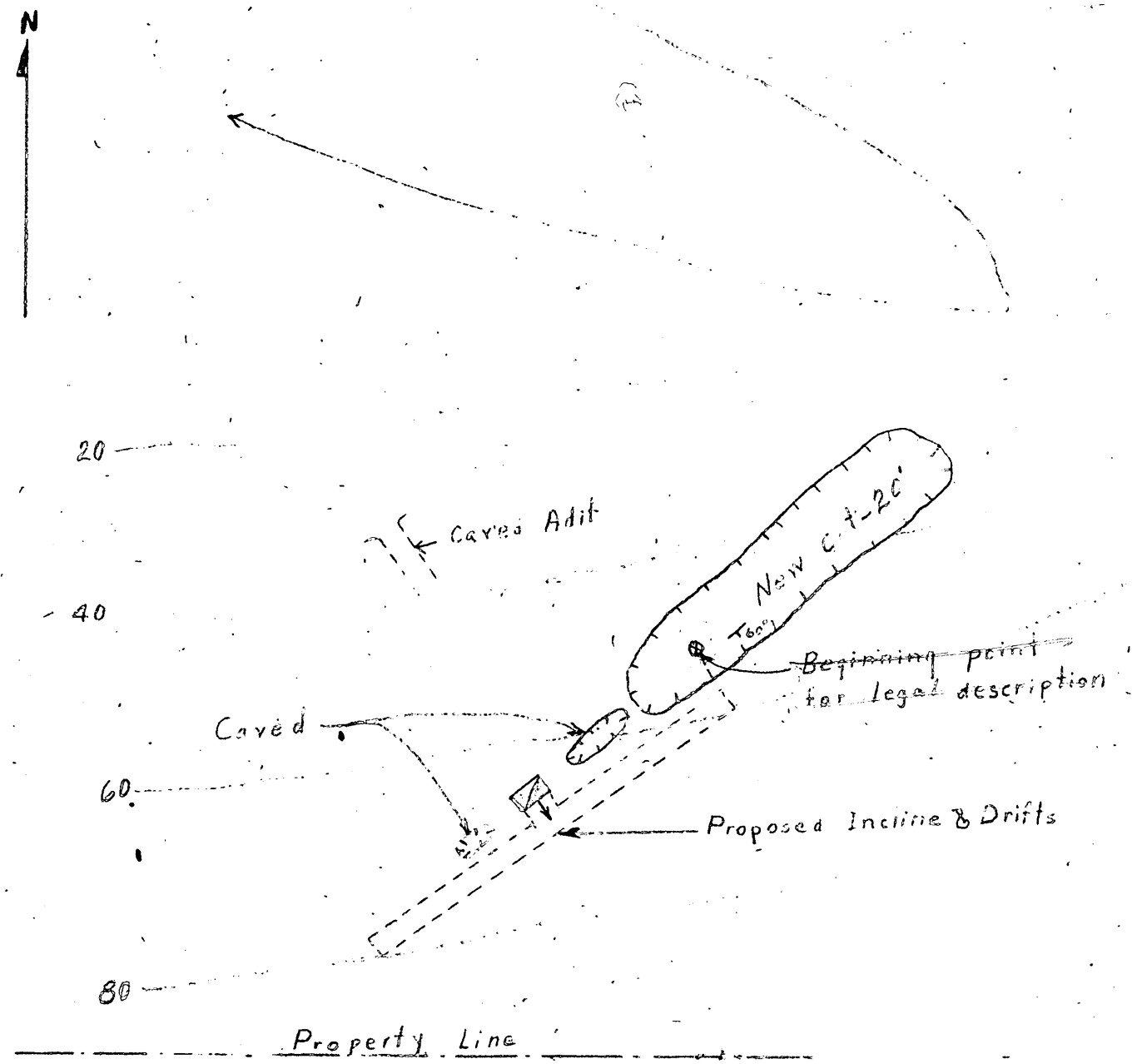
Estimated time required - 4 months.

March 18, 1953

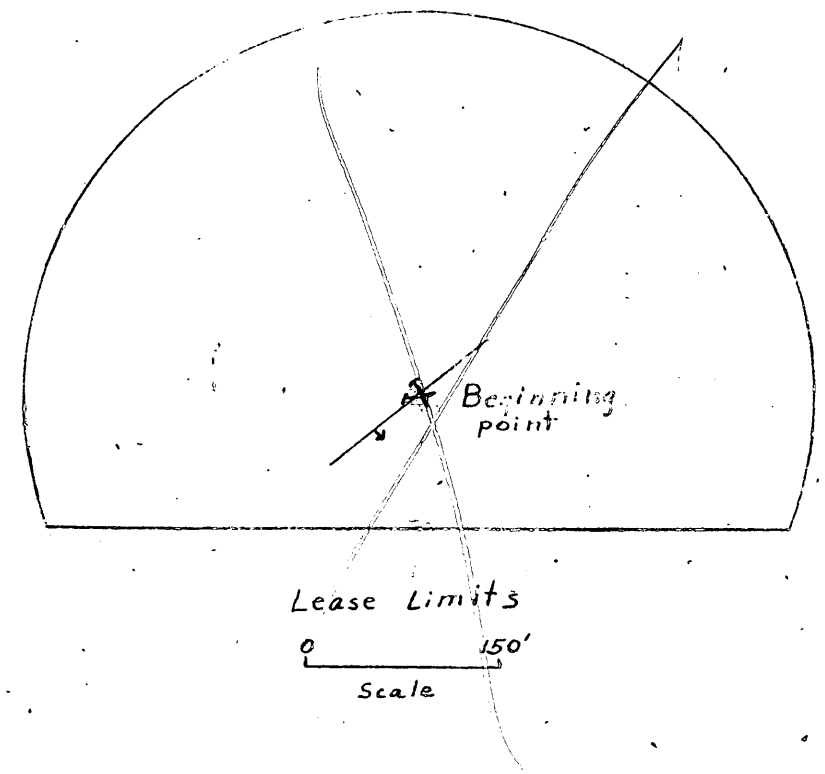
K. H. Teague, USGS

xx

L. E. Shirley, USBM



Sketch of
White Oak Creek Mine
Mitchell Co., N.C.
0 40' 80'
Scale



DMEA-2861(mica)

600

MAR 6 1953

[illegible]

Spruce Pine, North Carolina

Re: Docket No. [illegible] - Tenn
White Oak Creek Mine
Mitchell County, North Carolina

Dear [illegible]

Your application for assistance in exploring the subject mine has been reviewed by the Uranium Branch Division of the [illegible] and has been referred to the [illegible] Operations Officer, [illegible] Operations Office, [illegible] for field examination.

[illegible] will contact you at an early date in regard to the examination of your property. Any assistance that you may give the members of the field team in the examination will be appreciated.

Sincerely yours,

C. O. Mittendorf

Manager

[illegible]/5/53

Copy to: Mgr. [illegible] File
Docket File
Field Team, Region VII
Operating Committee
Mr. Dietrick, 3526
Mr. Horton, G-232 GAA Bldg.
Mr. Houk

6[illegible]

MAR 6 1953

Mr. Robert [illegible]. Laurence
Executive Officer, [illegible]
Field Team, Region V I
Room 13, Post Office Building
Knoxville 2, Tennessee

Subject: Docket No. [illegible] - [illegible]
[illegible] Phillips, Dave [illegible] and
Ray [illegible]
White Oak Creek Mine
Mitchell County, North Carolina

Dear Mr. Laurence:

Please arrange for a field examination of the subject mine and submit a report containing your recommendation for the disposition of this application.

[illegible] copies of memoranda from the Geological Survey and the Bureau of Mines are enclosed for your information and convenience.

[illegible] Flynt considers sites from this mine to be acceptable for stockpiling.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

C. N. Johnson

Member, Bureau of Mines

D. M. Lemmon

Member, Geological Survey

Enclosures 4

SAFeitler:gad 3/5/53
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Docket File
Operating Committee
Mr. Dietrich, 3526
Mr. Norton, G-232 GSA Bldg.
Mr. Houk

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 2 1953

February 27, 1953

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-2861, Mica, White Oak Creek Mine,
Mitchell County, North Carolina

No data are available in this office on subject property. It is located in a general area in which ruby mica is known to be the characteristic variety. On the basis of the applicant's description of present exposures, a field team investigation is recommended.

W. F. Dietrich

G-[illegible]

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 9 1953

February 6, 1953

Memorandum

REVIEW OF APPLICATION DMEA-2861 (Mica)

To: L. G. Fouk, Defense Minerals Exploration Administration
From: J. J. Norton, U. S. Geological Survey
Applicant: Sam L. Phillips and others, Spruce Pine, North Carolina.
Location of property: 2 miles from Bakersville in Mitchell County, North Carolina.
Estimated cost of project: $9,900.
Summary of applicant's proposal:
Shaft and drift.
Sources of information on applicant's property: None.
RECOMMENDATION:
Field examination.

J. J. Norton

Norton:jeh
G-2/6/53
cc: Director's Reading 4212
Branch "
DMEA ✓
Norton G-230