DMEA Form 9
Rev. 6/57

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE

Idm-E NO. 560

DMEA NO. 3008

Application
- [ ] Denied
- [ ] Withdrawn

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

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

Folder No. 1:

Left Side

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

Right Side

- [x] Project summary (final)
- [x] Work Comoleted analysis (final)

All other material filed in chronological order including the following reports if checked:

- [x] Field Team Semi-Annual Report for Certified Project
- [x] Final Field Team Report (Tab)
- [ ] Operator's Final Report (Tab)
- [x] Interim Field Team Reports
- [x] Operator's monthly reports and all attachments
- [x] On-site Exam Report (Tab)
- [x] Settlement Sheets
- [ ] Drill Logs

Additional Folders:

Left Side

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

Right Side

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

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

Folders No._____: Settlement Sheets

Folders No._____: Drill Logs

Folders No._____: Royalty material

17963

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Washington office pertaining to Contract Idm-E560, Docket DMRA-3008 (mica), dated July 2, 1953, with

Ben L. Ray and C. E. Hyde
d/b/a Murphy Mining Company
Box 1047
Murphy, North Carolina

for the purpose of determining the amount of royalty payable to the U. S. Government on sales of minerals from property referred to as the Red (Bennett) and Bennett Red Mine located in Yancey County, North Carolina, during the period May 8, 1959, through January 23, 1963.

A certification of discovery or development was issued on June 21, 1954, and, in accordance with Annex I of the contract, royalty is payable on all minerals produced from the land described in Article 2 of the contract for a period of 10 years from the date of the contract or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first. A Report of Review dated April 7, 1954, indicated accepted costs under the exploration contract amounting to $4,400.00 with the Government's contribution on a 90 percent basis being $3,960.00.

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

This review found no sales subject to the Government's royalty subsequent to the period covered by a prior Report of Royalty Review which found the sales subject to the Government's royalty through May 7, 1959, to be $310.25. The royalty account as of May 7, 1959, was:

Total Royalty Payable	$25.51
Total Royalty Paid	25.51
Balance of Royalty Due	$ -0-

As of January 23, 1963, the royalty account of this project was found to be:

Total Royalty Payable	$25.51
Total Royalty Paid	25.51
Balance of Royalty Due	$ -0-

E. D. Talbert

E. D. Talbert, OME Auditor

January 25, 1963

Idm-8560 Murphy Mining Company DMRA-3008

STATUS OF PROJECT, SCOPE OF REVIEW
AND REASONS THEREFOR

This contract provides that the Operator or his successor in interest shall pay to the Government a percentage royalty on all minerals produced from the land thereunder. The land consists of a tract of 25 acres, more or less, on the east bank of the South Toe River about 1 mile north of Celo and 2½ miles southeast of Micaville. At the time the contract was executed the Operator was in possession by virtue of a January 1, 1953, lease granted by W. Frank and Lillie Bennett, Celo, N. C. In consideration of the contract the Bennetts executed an Owner's Consent to Lien on April 22, 1953. The contract contains the so-called "abandonment" provision.

Exploration work under the contract was completed on February 28, 1954. Production during the exploration period resulted in sales in the names of partners of 32.84 lbs. of sheet mica to the G.S.A. Mica Purchase Depot at Spruce Pine and 22.40 lbs. of electric and 979 lbs. of punch mica to commercial buyers. These sales, which were disclosed by audit of the Operator's records on July 12, 1954, are covered by a prior Royalty Audit Certificate and a Report of Royalty Review. Royalty of $25.51 on the $510.23 aggregate proceeds was paid by the Operator during July 1954.

Examinations of the property, inquiries, and checks of the Mica Purchase Depot's records by DMRA and OME regional representatives disclosed no further production through June 15, 1960. The inquiries found, however, that the property was purchased on August 6, 1956, by John C. McBee, Sr., Bakersville, N. C., who in turn on August 22, 1956, sold a one-half interest to Sam and John Phillips, Spruce Pine, N. C. The deed did not mention the Government's lien.

An examination of the Mica Purchase Depot's records by a representative of this Division during June 1962 found no further sales of strategic mica. In a January 23, 1963, reply to a MME Form 63 inquiry the bookkeeper for Sam Phillips indicated that neither production nor change in property status had occurred since November 23, 1959. MME Forms 63 inquiries addressed to Ben L. Ray, Andrews, N. C., and C. E. Hyde, Murphy, N. C., on August 9, 1962, and October 19, 1962, respectively, elicited no replies.

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

(1) The files indicate that all sales of production from the property since the date of the contract have been reported and proper royalty thereon paid; and

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

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Division of Nonmetallic Minerals, Office of Minerals Exploration, Washington, D. C., pertaining to Contract No. Idm-E560, Docket No. DMEA-3008 (Mica), dated July 2, 1953, with

Ben L. Ray and C. E. Hyde
d/b/a Murphy Mining Company
Murphy, North Carolina

for the purpose of determining the amount of royalty due the U. S. Government on sales of minerals from property referred to as Red (Bennett) Mine located in Yancey County, North Carolina, during the period March 10, 1955, through May 7, 1959.

A certification of discovery or development was issued on June 21, 1954, and accordingly royalty is payable on all production from the land described in Article 2 of the contract for a maximum period of 10 years from the date of the contract. A Report of Review in lieu of final cost audit dated April 7, 1954, indicated accepted costs under the exploration contract amounting to $4,400.00 with the Government's contribution, on a 90 percent basis, being $3,960.00.

A prior report of royalty review dated March 21, 1955, indicated total sales subject to Government royalty amounting to $510.25 for the period July 2, 1953, through March 9, 1955, and that the royalty due the Government amounting to $25.51 had been paid. No royalty has been received by the Government applicable to this project since the latter date.

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

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

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

C. E. Fisher
C. E. Fisher, OME Auditor

May 14, 1959

MME Form 22
April 59

DEPARTMENT OF THE INTERIOR
Office of Minerals Exploration

CHECK SHEET OF EXAMINING ENGINEER

Operator's Name Murphy Mining Company

Address c/o C. E. Hyde

Murphy, N.C.

Exploration Contract No. Idm-E560 Docket No. 3008

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

5/7/59
Date

W. J. Lynch
Mining Engineer

53362

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
	[illegible]	500
8/19	[illegible]	800
"	[illegible]	120
5/19	[illegible]	110
"	[illegible]	100
		220

AUG 19 1963

Mr. Sam L. Phillips
Mr. John Phillips
Spruce Pine, North Carolina

Re: DMEA-3008 (Mica)
Ben L. Ray & C. E. Hyde
Bennett Mine
Yancey County, N. C.
Contract Idm-E560

Gentlemen:

Thank you for returning the completed MME Form 63's.

By the terms of the subject Exploration Project Contract and the certification of discovery or development dated June 21, 1954, all minerals mined or produced from July 2, 1953, to July 2, 1963, were subject to the Government's royalty as set forth in said contract.

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

Sincerely yours,

George Fumich, Jr. (gla)

Director

MMerrithew/mm
8/16/63
cc: Director's Reading File
R. A. Laurence, Knoxville, Tenn. w/cy of Form 63
RA&A Division
Docket
Code 500

8623

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed all copies of settlement sheets on file with the Executive Officer, DMEA Field Team, Region V, applicable to royalties collected on the sales of mica for the period July 2, 1953, to March 9, 1955, by:

Ben L. Ray and C. E. Hyde, partners
d/b/a Murphy Mining Company
Murphy, North Carolina

produced from property referred to as the Red (Bennett) Mine located in Yancey County, North Carolina, under terms of Contract Idm-E560, Docket No. DMEA-3008.

My review included a conference with Mr. William A. Beck, Mining Engineer, U. S. Bureau of Mines, Knoxville, Tennessee, who is thoroughly familiar with the project.

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

(1) This account was previously audited by Mr. B. J. Brekhus as indicated by his audit report dated July 27, 1954.

(2) A check of the records of the General Services Administration Mica Purchase Depot, Spruce Pine, North Carolina, did not disclose any sales of mica produced from that mine subsequent to the date of the prior audit.

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

The audit established the total sales of mica for this period to be $510.25. Royalty due the U. S. Government at the contract rate of 5 percent is $25.51. The royalty paid and balance due are as follows:

Total Royalties Due	$25.51
Total Royalties Paid	25.51
Balance of Royalties Due	$ -0-

C. E. Fisher
C. E. Fisher, Auditor

March 21, 1955

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

ROYALTY AUDIT CERTIFICATE

I have examined the records and sales documents pertaining to the sale of mica for the period July 2, 1953 to June 30, 1954, by:

Ben L. Ray and C. E. Hyde, partners
d/b/a Murphy Mining Company
Murphy, North Carolina

produced from the Red (Bennett) Mine in Yancey County, North Carolina, under the terms of Contract IDm-E560, Docket No. DMEA-3008.

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

The audit established the total sales of mica for this period to be $510.25. Royalty due the U. S. Government at the contract rate of 5 percent is $25.51. The royalty paid and balance due are as follows:

Total Royalties Due	$25.51
Total Royalties Paid	-0-
Balance of Royalties Due	$25.51

B. J. BREKHUS
Auditor

July 27, 1954

ROYALTY AUDIT REPORT

I INTRODUCTION

On July 12, 1954, an audit was made of the sales and royalty accounts and records of:

Ben L. Ray and C. E. Hyde, partners
d/b/a Murphy Mining Company
Murphy, North Carolina

pertaining to the sale of mica during the period July 2, 1953 to June 30, 1954, from the Red (Bennett) Mine, located approximately three miles south of Micaville, Yancey County, North Carolina, in accordance with Contract Idm-E560, Docket No. DMEA-3008.

The sales records are in the possession of Mrs. Ben L. Ray, in Andrews, North Carolina, who is the bookkeeper for the partnership. Mr. Ray was also present and furnished explanations as required.

Mr. William Beck, Mining Engineer, Bureau of Mines, Knoxville, Tennessee, representing the DMEA Field Team, collaborated in the examination.

II GENERAL INFORMATION

The exploration contract was entered into on July 2, 1953. The project was started on July 28, 1953, and completed on February 28, 1954. The total accepted cost of exploration is $4,400.00. The approved Government participation in the cost of exploration is $3,960.00. A lien against the property for 10 years after date of contract, is held by the Government as a guarantee of repayment of the amount of money advanced to the company. The amount of the Government's lien is repayable at a rate of 5 percent on all sales of mica produced in the area covered by the contract.

The company does not maintain production records. Mica as it comes from the mine requires considerable handling, and hand processing by washing, splitting, cutting and grading. Only the best grades are sold as strategic mica. The poorer grades are sold as punch and washer mica, and the lowest grades are sold by the ton as scrap mica.

III SCOPE OF AUDIT AND FINDINGS

The audit consisted of a review of the sales of strategic mica, made by examination of the sales documents, and comparing them with the lists previously prepared from the records of the General Services Administration Mica Depot in Spruce Pine, North Carolina. Miscellaneous non-strategic mica sales were scheduled from copies of sales invoices and other memoranda on hand in the Operator's files. The total sales were determined and agreed upon, and the Operator was requested to obtain duplicate copies, or prepare certified copies of the transactions and forward to DMEA with a check for the 5 percent royalty due.

The sales, when summarized, were found to consist of the following:

Strategic Mica	$275.07
Punch and Scrap	235.18
	$510.25
Total Royalty due (@ 5%)	$ 25.51

B. J. BREKHUS
Auditor

July 27, 1954

DOCKET FILE COPY
Surname:
Anderson
Hank
Talbut
Pirkin
Hedges
McLaughlin for Thayer
Selbrede
F Johnson

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

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

To: Dan L. Ray and C. L. Hyde, Partners d/b/a
Murphy Mining Company
Murphy, North Carolina

Pursuant to the provisions of Exploration Project Contract No. Dm-3560, dated July 2, 1953 (Docket No. DMEA-3008), hereinafter called the "contract" between you and the United States of America, hereinafter called the "Government"; to establish and fix the Government's percentage royalty on production and its lien thereon and on the land described in the contract, the Government considers and therefore certifies that discovery or development from which production may be made has resulted from the exploration work.

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

The exploration work encountered a conformable pegmatite in a biotite schist from which strategic mica was produced.

THE UNITED STATES OF AMERICA

By [signature]
Administrator, Defense Minerals
Exploration Administration

Dated: JUN 2 1 1954

WCAnderson:gad 6/15/54
Copy to: Mr. Irving Gambel, EPS, GSA
Docket File
Mr. Hedges, 4604
Mr. Thayer, 5216 GSA Bldg.
Mr. Chambers
Mr. Houk
Field Team, Region VII
Admr. R. File
Operating Committee
Finance Office
Mr. Johnson

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Ben L. Ray and C. E. Ryde
d/b/a Murphy Mining Company
Murphy, North Carolina

pertaining to Exploration Project Contract No. Idm-2560, Docket No. DMEA-3008, for the months of July, 1953 to February, 1954, inclusive, covering a project for the exploration of mica on property known as the Red (Bennett) Mine, located in Yancey 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, verification of the work performed by reference to reports of field team representatives, and a determination of the reasonableness and propriety of the costs.

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

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

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

Total cost as billed by Contractor		$4,400.00
Exceptions:		
By DMEA Finance Officer	$ - 0 -	
Herewith	- 0 -	-0-
Total Accepted Cost		$4,400.00

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 Three thousand nine hundred sixty and no/100 Dollars,

$3,960.00

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

E. D. Talbert, Auditor

April 7, 1954

MF-200 (A)
(February 1952)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
FILED
JULY 1953

DOCKET NO. BMEA 3008

COMMODITY Mica

Docket Copy

UNITED STATES OF AMERICA IDM-E 560
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

EXPLORATION PROJECT CONTRACT[1]

(Short Form)

IT IS AGREED this 2nd day of July, 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] Ben L. Ray, Andrews, N. C. and C. E. Hyde, Murphy, N. C., partners d/b/a Murphy Mining Company, Murphy, N. C.

hereinafter called the "Operator," as follows: 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 the State of North Carolina, County of Yancey, described as set forth in Annex II

the Operator represents and undertakes:[4]

(a) That the Operator is the owner, in possession, and entitled to possession, and that the property is subject only to the following encumbrances, which are not to be subject to the Government's percentage royalty: [illegible]

(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 $4,095.00, which is 90 percent of $4,550.00, 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 6(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.

THE UNITED STATES OF AMERICA

MURPHY MINING COMPANY
(Operator)

By C. E. Hyde
Ben L. Ray

By C. Mittendorf
Administrator, Defense Minerals Exploration Administration
W. R. Rose
Robert Stark
Chambers

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

DEPARTMENT OF THE INTERIOR
Release Under E.O. 14176
Released
JUN 2 5 2025

COPPER MINING COMPANY
EXPLORATION PROJECT CONTRACT
DOCKET NO. DIA-300

ANNEX 1

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:

MURPHY MINING COMPANY
EXPLORATION PROJECT CONTRACT
DOCKET NO. DMEA-3008

Annex II

The mineral rights in the land referred to in Article 2 of the contract form were leased to the Operator by W. F. Bennett and Lillie Bennett by an instrument dated January 1, 1953, and recorded in Book 111, Page 74, in the Office of the Register of Deeds for Yancey County, N. C.

The land is more particularly described as follows:

BEGINNING where the Red Mine Road crosses the line between the land of W. F. Bennett and Lillie Bennett and Walter Young; thence with the Red Mine Road and a fence to Earl McNeill line; thence with Earl McNeill line to the Green Falls of South Toe River; thence up the meanders of the river to Walter Young line; thence with Walter Young line to the beginning, containing 25 acres, more or less, and being a part of lands described in deed from Jas. M. Robertson, et als, to W. F. Bennett and Lillie Bennett herein dated May 30, 1917, and recorded in Book 64, at Page 344, Registers Office, Yancey County, North Carolina.

MURPHY MINING COMPANY
EXPLORATION PROJECT CONTRACT
DOCKET NO. DMEA-3008

EXHIBIT "A"

Description of the Work

Exploration for concentrations of strategic mica near the west wall of the Red (Bennett) pegmatite will be accomplished at the northeast and southwest localities indicated on the attached map entitled "Sketch of Red (Bennett) Mine, Yancey Co., N. C., DMEA-3008" in the manner below described:

At Northeast Locality:

1. Sink not more than 30 feet of shaft, including sump, in the open cut, and timber as necessary.

2. Drift not more than 40 feet from the bottom of the shaft, above the sump, and timber as necessary.

At Southwest Locality:

3. Deepen the open cut by excavating a trench 30 feet long, 6 feet wide, and 15 feet high at the end, and timber as necessary.

4. Drift not more than 30 feet, timbering as necessary from the end of the trench.

The shaft and drifts shall be 5 feet by 7 feet in cross section. The shaft shall be divided into two compartments by a partition and approved ladders shall be installed in the manway compartment.

The location, direction, and extent of all work shall have prior approval of the Government.

Agreed Unit Costs

1. Sinking shaft (including cost of partition and ladders) 30 feet @ $40.00/ft.	$1,200.00
Timbering shaft 30 feet @ $5.00/ft.	150.00

2. Drifting from shaft 40 feet @ $35.00/ft. 1/	$1,400.00	
3. Excavating trench 30 feet @ $30.00/ft. 1/	900.00	
4. Drifting from open cut 1/ 30 feet @ $30.00/ft.	900.00	
Total Agreed Unit Costs		$4,550.00
Government Participation @ 90%		$4,095.00

1/ This includes cost of timbering.

MF-203

OWNER'S CONSENT TO LIEN

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

Being the same property described in a lease from W. F. Bennett and wife, Lillie Bennett to Ben L. Ray and C. E. Hyde, dated January 1st, 1953, and recorded in the office of the Register of Deeds for Yancey County, in Book 111, at page 74, reference to which is made for more particular description; copy of this lease is appended hereto for additional reference.

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

2/ Ben L. Ray and C. E. Hyde, d/b/a Murphy Mining Company, of Murphy North Carolina

hereinafter called the "Operator"; and

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

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

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

2. To secure the payment to the Government of the percentage royalty on production3/ provided for under the terms of said exploration project contract, or any amendment thereof which does not increase the maximum amount of the Government's claim here stated or alter the provisions for repayment, there is hereby granted to the Government a lien upon the land herein described and upon any production of minerals therefrom, until the royalty claim is fully paid in the amount of the Government's contribution, not in excess of 4/$ 4,095.00, or ten years have elapsed from the date of the contract.

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

Dated this 22nd day of April, 1953.

W. F. Bennett [Seal]

Lillie Bennett [Seal]

[Seal]

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

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

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

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

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

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

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

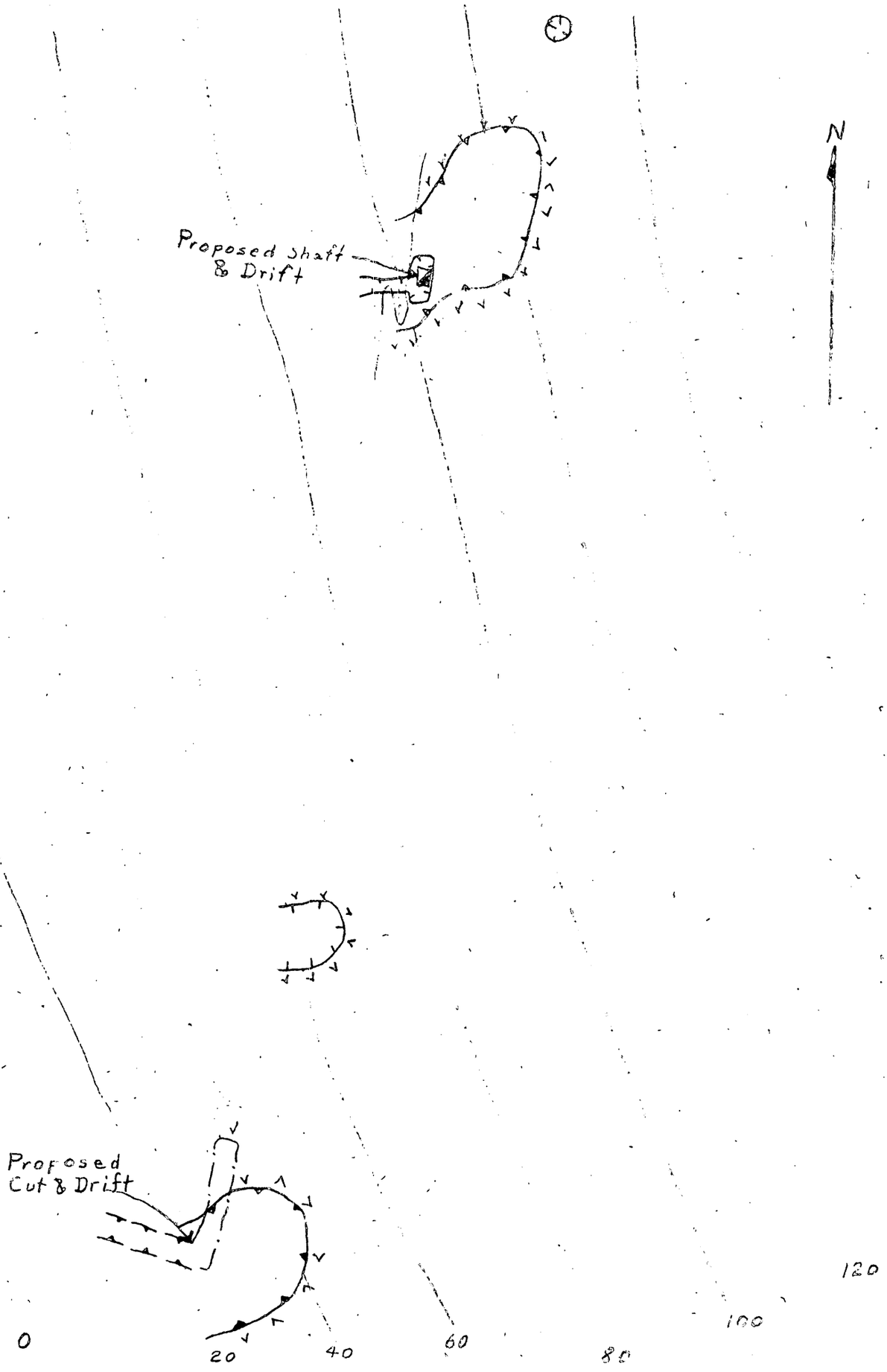
(For instance: the percentage royalty on a net amount of five dollars ($5.00) per ton, would be one and one-half (1½) per cent; on a net amount of ten dollars ($10.00) per ton, three and one-half (3½) per cent.)

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

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

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

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



Sketch of
Red (Bennett) Mine
Yancey Co., N.C.

0 40 80
Scale

DMEA-3008(mica)

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 30 1953

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

Not to be filled in by applicant

Docket No. DMEA - 3008
Metal or Mineral
Date Received 4/30/53
Estimated Cost
Participation (Government %)

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address: Ben L. Ray and C. E. Hyde, partners, d/b/a Murphy Mining Company, Murphy, N.C.
(*b*) Partnership organized in Cherokee County, North Carolina
(*d*) ##########################C. E. Hyde, Murphy, North Carolina
Ben L. Ray, Andrews, North Carolina

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

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

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

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

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract
Twenty Five acres, surrounding the Bennett Red Mine on East side of South Toe River, about one mile north of Celo, in Yancey County, North Carolina.
(For particular description see lease copy attached.)

(*b*) State any mine name by which the property is known. Bennett Red Mine

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

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

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

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

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

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

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

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

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

5. *The exploration project.*—(*a*) [redacted]e the mineral or minerals for which you wi[redacted] explore Ruby mica

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

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

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

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

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

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

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

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

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

(*f*) *New buildings, improvements, installations.*—Furnish a detailed list showing the cost of any necessary buildings, fixed improvements, or installations to be purchased, installed or constructed for the benefit of the exploration project.

(*g*) *Miscellaneous.*—Furnish a detailed list showing the cost of repairs to and maintenance of operating equipment (not including initial rehabilitation or repairs of the Operator's equipment), analytical work, accounting, workmen's compensation and employers' liability insurance, and payroll taxes.

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

NOTE.—No items of general overhead, corporate management, interest, taxes (other than payroll and sales taxes), or any other indirect costs, or work performed or costs incurred before the date of the contract, should be included in the estimate of costs.

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

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

☐ Money ☒ Use of equipment owned by you ☒ Other

Explain in detail on acompanying paper.

CERTIFICATION

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

Dated April 20, 1953

Murphy Mining Company
(Applicant)

By Ben E. Ray
Ben E. Ray

C. E. Hyde
C. E. Hyde

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

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

SUPPLEMENT TO APPLICATION OF BEN L. RAY AND C. E. HYDE, d/b/a MURPHY MINING COMPANY FOR AID IN EXPLORATION PROJECT PURSUANT TO DMEA ORDER 1.

PHYSICAL DESCRIPTION:

4. (a) This prospect is situated on a steep West slope with the Toe River at the foot of slope. The Mica shows up in the West wall of a Feldspar Pegmatite striking approximately North and South and some twenty feet wide. The Mica is ruby, flat, splits well and is generally free from spots and stains. The buyers at Spruce Pine have pronounced it as good as the average brought to the buying station during this program. At one point on the strike the property has been extensively worked for Feldspar and the mica was encountered in this work. A previous miner has made a cut at this point which has entered the vein at right angles then turned along the strike for some twenty or more feet to a depth of some six feet. The applicants are presently engaged in clearing this old cut and have uncovered the mica vein but know nothing of its depth or extent at this writing. The vein appears to extend some five hundred feet. The prospect is readily available to inspection, being only about a mile from Celo, North Carolina, but requires a quarter mile walk on account of the fact that road which goes into the mine is only suitable for truck.

(b) It is understood that previous miners mined and sold several hundred pounds of excellent mica. The applicants have some ten or fifteen pounds of mica ready for market which they have taken from the old cut.

(c) As stated above the mica shows up in the West wall of a Feldspar and quartz pegmatite. It lies between the Feldspar and a greasy mica schist. It appears to dip only slightly to west or southwest.

(d) Project has hard surface road to within one fourth mile, dirt road remainder of way, is only some fifteen miles from Spruce Pine.

(e) Manpower is available and so is supplies and equipment. Electricity is perhaps a quarter of a mile away. River water is close by.

5. (b) It is proposed to use a bull dozer to remove overburden along the vein for some two hundred feet then to put down one or more shafts into the undercovered vein at promising locations.

5. (d) It is intended that Ben L. Ray, one of the partners, will supervise the work. Mr. Ray is familiar with mica mining, having been born and raised in Yancey County. He worked for his father, R. M. Ray, who found and successfully operated the Blue Rock Mine at Blue Rock in Mitchell County for three or four years. Mr. Ray has operated arock quarry for the past six years and is thoroughly familiar with the shooting and drilling of rock. Both partners have also been engaged for approximately three years in the drilling and prospecting for talc in Cherokee County. Lately applicants have carried out some Four preliminary explorations at various places in the Spruce Pine District.

The mine foreman, John Gouge, has had many years experience in the mining of mica in the area in question.

6. Estimate of Costs:

Independent contracts - Bulldozer

70 hours at $10.00 per hour	$ 700.00
Two 40-foot shafts at $50.00 per foot	4000.00
100 foot of drifting at $35.00 per foot	3500.00
Total estimated cost - - - - - - - -	$8200.00
Government participation 90%	7380.00

STATE OF NORTH CAROLINA, Yancy County.

This indenture made this 1st day of January, 1953, between W. F. Bennett and wife, Lillie Bennett of Yancy County and State of North Carolina, as parties of the first part, and known as lessors, and Ben L. Ray and C. E. Hyde, of Cherokee County and State of North Carolina, of the second part and known as lessees:

WITNESSETH, That the parties of the first part, in consideration of the agreements hereinafter contained, on the part of the parties of the second part to be performed, hereby bargains, leases and grants to the parties of the second part, and their heirs and assigns, for the period of five years from the date of this agreement, the following described real property, for mining purposes, in the County of Yancy State of North Carolina, to wit:

BEGINNING where the Red Mine Road crosses the line between First parties and Walter Young; thence with the Red Mine Road and a fence to Earl McNeill line; thence with Earl McNeill line to the Green Falls of South Toe River; thence up the meanders of the river to Walter Young line; thence with Walter Young line to the beginning, containing 25 acres, more or less, and being a part of lands described in deed from Jas. M. Robertson, et als, to first parties herein dated May 30, 1917, and recorded in Book 64, at Page 344, Registers Office, Yancy County, North Carolina.

TO HAVE AND TO HOLD the said lands to them, for mining purposes, the said Ben L. Ray and C. E. Hyde, and their heirs and assigns for the aforesaid period of Five Years upon a full compliance with the conditions of this instrument, for the purpose and with the right to dig, quarry, search for and obtain any kind of minerals, metals or fossils, and particulary Mica and Spar and to conduct the same to any extent the said parties of the second part may desire. And it is hereby agreed between the parties to this agreement that the parties of the second part are to have the right to erect buildings during the continuance of this lease, and remove the same at the expiration of the lease. And it is also agreed by parties of the second part that no unnecessary damage is to be done to the lands herein leased during the continuance of said lease, but the said parties of the second part shall have right to take from said lands of party of the first part any wood or timber to carry on said mining operations or to erect buildings on said lands. (Timber of high or special market value excepted.) And the parties of the second part are to have right-of-way of ingress and egressto said mines. The said parties of the second part hereby agree to pay to the said parties of the first part, or their heirs or assigns, a rental or royalty of One-eighth on Mica and Fifty Cents per ton on Spar taken and sold from said mines for the use of the said lands for the aforesaid period of Five years only; payable on computation of selling bills on the tenth of each month covering sales during the previous month.

THIS lease may be extended from year to year at option of Lessees for a period of Five additional years from expiration hereof. And in case of renewal, this instrument shall stand. The lessors reserve the right to use the land, or convey the same not conflicting with this lease, but under any conveyance the terms of this lease must be recognized by the assigns thereof.

THIS lease may be canceled by Lessees by giving 30 days notice to Lessors. Any notice required to be given Lessors under this lease may be given by first class mail addressed to Lessors at Celo, North Carolina. Any notice to Lessees in the same manner addressed to Murphy, North Carolina.

WITNESS our hands and seals the day and year first above written.

S/ W. F. Bennett (SEAL)

S/ Lillie Bennett (SEAL)

(SEAL)

(SEAL)

Witness:

S/ Edward E. Whetstine

NORTH CAROLINA, YANCY COUNTY:

The execution of the foregoing Lease was this day proven before me by the oath and examination of Edw. E. Whetstine, subscribing witness. Let the same, together with this certificate, be registered.

S/ J Profett
CLERK SUPERIOR COURT

NORTH CAROLINA, YANCY COUNTY:

Filed for Registration on the 14th day of April, 1953 at 1:45 O'clock P. M., and registered in the Office Register Deeds, and verified this 21 day of April, 1953 at 9:00 o'clock A. M. in Book 111 of Deeds on page 74 etc.

S/ Evelyn H. Pate
Register of Deeds

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

June 17, 1954

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: Project Summary Report - Docket No. DMEA-3008 - Mica
Ben L. Ray and C. E. Hyde, partners d/b/a
Murphy Mining Company
Bennett Mine
Yancey County, North Carolina
Contract No. Idm-E560

Reference is made to project summary report on the subject property, dated April 15, 1954.

By memorandum, dated May 14, 1954, the Field Team recommends certification based on work under the contract which lead directly to production.

The Nonmetallic Minerals Division concurs with the Field Team in this decision and adds the following information to the project summary report:

1. Field Team's Final Report received March 18, 1954. Operator's Final Report received March 11, 1954.

2. There is insufficient information to make estimates of ore reserves developed.

W. C. Anderson

W. C. Anderson
Nonmetallic Minerals Division

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

Project Summary Report

By: Walter C. Anderson April 15, 1954

1. DMEA Docket No. 3008 - Mica
Contract No. Idm-E560
Bennett Mine
Yancey County, North Carolina

Operator: Ben L. Ray, and C. E. Hyde, partners d/b/a
Murphy Mining Company
Murphy, North Carolina

Operator's property rights:
Lease and option, dated January 1, 1953
Owner's Consent to Lien, dated April 22, 1953

2. Contract - dated July 2, 1953

Work authorized:

30 feet of shaft @ $40.00/ft.	$1,200.00
Timbering shaft, 30 ft. @ $5.00/ft.	150.00
Drifting from shaft, 40 ft. @ $35.00/ft.	1,400.00
Excavating trench, 30 ft. @ $30.00/ft.	900.00
Drifting from open cut, 30 ft. @ $30.00/ft.	900.00
Total authorized cost	$4,550.00
Government participation @ 90%	$4,095.00

Amendments - none

Work completed:

30 feet of shaft @ $40.00/ft.	$1,200.00
Drifting from shaft, 40 ft. @ $35.00/ft.	1,400.00
Trenching, 30 feet @ $30.00/ft.	900.00
Drfiting from open cut, 30 ft. @ $30.00/ft.	900.00
Total accepted cost	$4,400.00
Government participation @ 90%	$3,960.00

Work began July 28, 1953 and was completed February 28, 1954.

3. Audit - Report of Review dated April 7, 1954.

Total accepted cost	$4,400.00
Government participation 90%	$3,960.00

4. Certification of Discovery - _____

5. Comments:

How conducted - In a workmanlike manner and progress was satisfactory at all times. Work completed on schedule.

Operation - good. Operator carried out suggested operational methods satisfactorily.

Engineering - Interim and final reporting was well done.

Geological premises - Two locations: Southwest and Northeast.

Southwest location: Crosscut from 15 ft. deep trench intersected footwall. Country rock sooner than expected.

Northeast location: Premise of continuing pegmatite correct, but mica found is poor quality.

Geological criteria upon which work was based:

1. Pegmatite 25 to 40 ft. thick.
2. Strategic mica zones, 1 to 4 feet thick, along hanging wall and footwall.
3. Past production - Reported several hundred pounds of mica.

Criteria developed during project:

Southwest location: Footwall mica zone containing poor quality mica.

Northeast location: Several hundred pounds of badly cracked and stained mica recovered from several thin parallel seams in hanging wall zone.

Future possibilities: Subsequent work by operator reveals mica of a better quality. At later date field team will report on additional work at operator's expense, which will determine whether certification of discovery should be made.

Recommendations:

Bureau of Mines: Suggests waiting for field team's later report before commitment.

Survey: Follow field team's recommendation.

DMEA: Wait for development of further exploration by Operator before taking final action.

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
	Griswold	
	Selfridge	420
8/9	Simon	110
"	Wheeler	100
8/9	Cree	220

AUG 9 1963

Mr. Sam L. Phillips
Mr. John Phillips
Spruce Pine, North Carolina

Re: DMRA-3008 (Mica)
Ben L. Ray & C. E. Hyde
Bennett Mine
Yancey County, N. C.
Contract Idm-E560

Dear Sirs:

This is with reference to the Form 63's you returned to us on August 2.

We note that the original was signed by Mr. Sam L. Phillips but the questions were not answered. On the copy the questions were answered but the form was not signed.

These two Form 63's are again being mailed to you. Will you please complete, sign, and return both of them to us so that we can proceed with the release of the Government lien.

Sincerely yours,

W. R. Griswold

W. R. Griswold, Chief
Division of Minerals

Enclosures

MMerrithew/mm
8/9/63
cc: Directors Reading File
Docket
Code 500

43683

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

OFFICIAL FILE COPY
O. M. E
RECEIVED AUG 7 1963

DATE	INITIALS	CODE
8/7		100
		500
		560
		210

July 30, 1963

Re: DMEA 3008 (Mica)
~~Ben L. Ray & C.~~ E. Hyde
d/b/a Murphy Mining Co.
Bennett Mine
Yancey County, N. C.
~~Contract Idm-E560~~

Mr. Sam Phillips
Mr. John Phillips
Spruce Pine, North Carolina

Dear Sirs:

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

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

In January you were kind enough to advise us on the property status as of that date. If you will now bring us up to date we should be able to release the Government lien against any future production from this property and close our books.

Sincerely yours,

W. R. Griswold, Chief
Division of Minerals

MME Form 63
Revised 3-62

DMEA-3008
Idm-E560

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since January 23, 1963 to July 2, 1963, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☑

2. Since January 23, 1963 to July 2, 1963, has there been any production from the land subject to the contract? Yes ☐ No ☑

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

	Quantity	Value

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

Type	Quantity		Estimated Grade	Location
Ore		Tons		
Concentrates		Tons		
Other		Tons		

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

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

Disposition of Material	Quantity	Value

Submitted by:

Name Sam L Shelton Title Partner

Address Spruce Pine, N.C. Date 8/2/63

4511

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
1/28	GCS	120
		220

JAN 28 1963

Memorandum

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

From: Chief, Division of Field Operations, OME

Subject: DMEA-3008 (Mica)
Murphy Mining Company
Red (Bennett) Mine
Yancy County, North Carolina
Contract Idm-E560

Enclosed for your files is the original of a Report of Royalty Review, dated January 25, 1963, on the subject contract.

George C. Selfridge (gla)

Enclosure

GCSelfridge/gla (1-28-63)
cc to: Director's Reading File
CA&A Division
Docket
G.C.Selfridge
R. A. Laurence, USGS, Reg. IV, w/cy of Report of Royalty Review dtd 1/25/63 & Orig. cy of memo dtd 1/25/63 to Chief, Div. of Field Operations from CA&A Division.
Avery Reed, USBM, Reg. IV, w/cy of each item sent to Mr. Laurence.

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
		220

JAN 2 5 1963

Memorandum

To: Chief, Division of Field Operations

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

Subject: DMEA-3008 (Mica)
Murphy Mining Company
Red (Bennett) Mine
Yancey County, North Carolina
Contract Idm-E560

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

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

(b) Two copies to Region IV files.

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

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

Enclosures

EDTalbert/ama 1-25-63

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

43683

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

January 15, 1963

Re: DMEA-3008 (Mica)
Ben L. Ray & C. E. Hyde
Bennett Mine
Yancey County, N. C.
Contract Idm-E560

Mr. John C. McBee, Sr.

Bakersville, North Carolina

Dear Mr. McBee:

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

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

Sincerely yours,

W. R. Griswold, Chief
Division of Minerals

OFFICIAL FILE COPY
O. M. E
RECEIVED FEB 6 1963

DATE	INITIALS	CODE
2/6		800
		~~120~~
2-6		100
2/6		~~110~~
		500

MME Form 63
Revised 3-62

DMEA-3008
Idm-E560

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since November 23, 1959, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☑

No mining or no production for the last four or five years.

2. Since November 23, 1959, has there been any production from the land subject to the contract? Yes ☐ No ☑

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

	Quantity	Value

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

Type	Quantity	Estimated Grade	Location
Ore	Tons		
Concentrates	Tons		
Other	Tons		

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

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

Disposition of Material	Quantity	Value

Submitted by:

Name Helen McBee Title Executor of John C. McBee, Sr.

Address Bakersville, N.C. Date February 3, 1963

4511

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

January 15, 1963

Re: DMEA-3008 (Mica)
Ben L. Ray & C. E. Hyde
d/b/a Murphy Mining Co.
Bennett Mine
Yancey County, N. C.
Contract Idm-E560

Mr. Sam Phillips
Mr. John Phillips
Spruce Pine, North Carolina

Dear Sirs:

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

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

Sincerely yours,

W. R. Griswold, Chief
Division of Minerals

OFFICIAL FILE COPY
O. M. E
RECEIVED JAN 24 1963

DATE	INITIALS	CODE
1/25		800
1-25		100
1/25		~~110~~
	~~Griswold~~	~~500~~
1-28	~~Hall~~ S.T.H	~~500~~ ✓
		320

MME Form 63
Revised 3-62

DMEA-3008
Idm-E560

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since November 23, 1959, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☑

2. Since November 23, 1959, has there been any production from the land subject to the contract? Yes ☐ No ☑

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

	Quantity	Value

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

Type	Quantity	Estimated Grade	Location
Ore	Tons		
Concentrates	Tons		
Other	Tons		

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

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

Disposition of Material	Quantity	Value

Submitted by:

Name Jean Huskins Title Bkp.

Address Spruce Pine, N.C. Date Jan 23, 1963

4511

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

October 19, 1962

Re: DMRA-3008 (Mica)
Ben L. Ray & C. E. Hyde
d/b/a Murphy Mining Co.
Bennett Mine
Yancey County, N. C.
Contract Idm-E560

Mr. C. E. Hyde

Murphy, North Carolina

Dear Mr. Hyde:

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

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

Sincerely yours,

W. R. Griswold

W. R. Griswold, Chief
Division of Minerals

MME Form 63
Revised 3-62

DMEA-3009
Idm-E560

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since **November 23, 1959** , has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☐

2. Since **November 23, 1959** , has there been any production from the land subject to the contract? Yes ☐ No ☐

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

	Quantity	Value
_____		
_____	_____	_____

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

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

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

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

Disposition of Material	Quantity	Value
_____	_____	_____

Submitted by:

Name _____ Title _____

Address _____ Date _____

4511

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

August 9, 1962

Re: DMEA-3008 (Mica)
Ben L. Ray & C. E. Hyde
d/b/a Murphy Mining Co.
Bennett Mine
Yancey County, N. C.
Contract Idm-8560

Mr. Ben L. Ray

Andrews, North Carolina

Dear Mr. Ray:

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

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

Sincerely yours,

W. R. Griswold

W. R. Griswold, Chief
Division of Minerals

MME Form 63
Revised 3-62

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since November 23, 1959, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☐

2. Since November 23, 1959, has there been any production from the land subject to the contract? Yes ☐ No ☐

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

	Quantity	Value
_____		
_____	_____	_____

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

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

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

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

Disposition of Material	Quantity	Value
_____	_____	_____

Submitted by:

Name _____ Title _____

Address _____ Date _____

4511

MMS Form
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
6/26	[illegible]	800
		500
		120
		110
		100
		220

[illegible] 26, [illegible]

[illegible]orandum

[illegible]

From: [illegible], MMS Auditor

Subject: [illegible] of Spruce Pine, Mica Purchase [illegible] Records, [illegible] - 22, 1962

[illegible] 1962, [illegible] the purchase [illegible] Spruce Pine, North [illegible] production under [illegible] contracts. [illegible] did not disclose [illegible] reported production subject to royalty under the following contracts:

Contract No.	Lease No.	Operator	Mine Names
[illegible]	[illegible]	Pitt Mica Corporation	[illegible]ary, Reid, Reid-Mary, Reid Hooker
45[illegible]	[illegible]	A. [illegible] Reid & W. H. [illegible]	[illegible]ary, Reid, Reid-Mary, Reid Hooker
[illegible]	2193	Dixie Minerals, Inc.	[illegible]. H. Stephens (Stevens)
[illegible]	2277	Burke John [illegible] Miners	[illegible]urke John, N. L. Barnard
[illegible]	[illegible]	[illegible] Angel	[illegible]ason
[illegible]	[illegible]	Bourne Associates	[illegible]iberty, Conley, Turley
[illegible]	[illegible]	Dixie Mines, Inc.	" " "
[illegible]	[illegible]	Andrew W. Reid	[illegible]ay
[illegible]	[illegible]	The [illegible] Mining Co.	[illegible]ngle Cope
[illegible]	[illegible]	H. [illegible] Swiggs & W. S. [illegible]	[illegible]am Huskins, Little Sam Huskins
[illegible]	[illegible]	Duncan Mining Co.	[illegible]onnolly
[illegible]	[illegible]	Murphy Mining Co.	[illegible]ed, Bennett
[illegible]	[illegible]	[illegible] Mica Co.	[illegible]hort-Mitchell
[illegible]	[illegible]	[illegible] Burleson, et al.	[illegible]ones-Boreman
[illegible]	[illegible]	[illegible]	[illegible]ox
[illegible]	3131	[illegible]eric Mica Co.	[illegible]aunders (Sanders)
[illegible]	3156	[illegible]ord Mica Mines	[illegible]ord
[illegible]	3229	Willis & Snyder Mining Co.	[illegible]utt
[illegible]	[illegible]	Non-Metallic Minerals	[illegible]hite Face, Peterson Tract
[illegible]	[illegible]	Mud Cut Mining Company	[illegible]ud Cut, Tallent (Talent)
[illegible]	3200	[illegible]. Burleson	[illegible]by, Shaft
[illegible]	3202	J. [illegible]. Beam [illegible]oward [illegible]	[illegible]ram, Clifton

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

[illegible]Fisher/ams
6-26-62

[illegible], North Carolina

MSHA No.	Min-E	Operator	Date Inspected
2793	495	Burns & Spangler Construction Co. (Lee Cornwell Mine)	June 13 thru 15,
2921	548	Taylor and Greene (Cook Camp Mine)	
2926	516	Good Luck Mining Co. (Engle Cope Mine)	
3000	557	L. P. [illegible] (B. T. R. Mining Co.) (Drake Mine)	
3008	560	Murphy Mining Co. (Bennett Sed.)	Inactive
3154	636	Willis & Grindstaff ([illegible] Mine)	
3216	665	Sparks & Pargley (Hector Mine)	
3229	659	Willis & Snyder (Lutz Mine)	
3199	694	W. B. Carlington (Westall Mine)	
3247	664	Buchanan & Cook (Johnson Mine)	
3253	662	Non-Metallic Minerals (White Face Mine)	
3246	687	Brown & Rathburn (Fox Mine)	
3244	692	Phillips & Carpenter (W. A. McKinney Mine)	
[illegible]	675	J. R. Bean & H. Bean (Ingram Mine)	
[illegible]	[illegible]	Phillips & Carpenter (Mud Cut Mine)	
[illegible]	[illegible]	Rock Mining Co. (Rock Mine)	

OFFICIAL FILE COPY
O M E
RECEIVED NOV 25 1959

UNITED STATES DEPARTMENT OF INTERIOR

DATE	INITIALS
11/25	
11/30	

Semi-Annual Report on Certified Projects

INACTIVE SINCE LAST INSPECTION

Commodity: Mica

Reporting Period: July 1, 1959 to December 30, 1959

The following certified projects in the Spruce Pine, North Carolina area were checked at the Government Purchasing Depot, or by contacting the Operators, either directly or by telephone. They were checked during the first two weeks of November 1959 and found to have been inactive since the last semi-annual report:

Mine No.	Idm-E	Operator	Mine Name
1876	181	Yancey Mica Mines, Inc.	Cattail
2375	349	Robinson & West	Swannanoa
2944	519	Twiggs, Glen & Green	Sam Huskins Mine
3006	560	Murphy Mining Co.	Bennett Red
3154	636	Sills & Grindstaff	Byrd
3299	694	W.B. Chrisawn	Westall
3247	664	Buchanan & Cook	Johnson
3315	662	Non-Metallic Minerals	White Face
3326	687	Brown & Rathburn	Fox Mine
3400	712	Rock Mining Co.	Rock
3452	734	Boone & Jarrett	Marsh Putnam
3550	757	C. R. Phillips	Sugar Dave
3744	814	Roy Grindstaff	Conley
3944	882	J.R. Beam & John Phillips	Little Ray
4447	962	Sam Phillips	Old Buchanan

V. J. Lynch, Mining Engineer
Bureau of Mines--OME

Nov. 23, 1959

OFFICIAL FILE COPY
DMEA
RECEIVED OCT 30 1957

DATE	INITIALS	CODE
10/30	gb	220

EXPLORATION PROJECT CONTRACT

Semi-Annual Report of Certified Project

DMEA-3008, Idm-E560(mica) Red (Bennett) Mine
Yancey County, N. C.

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

Operators: Ben L. Ray, Andrews, N.C., and C. E. Hyde,
Murphy, N.C. d/b/a Murphy Mining Co., Murphy, N.C.

This property was visited October 8, 1957. No work has been done since the conpletion of the contract.

Wm. A. Beck

Wm. A. Beck, Mining Engineer
Bureau of Mines

z

Semi Annual Report of Certified Project

Reporting Period: To 1-1-57 Date of Examination: 4-9-57

Operator: Ben L. Ray & C. E. Hyde, d/b/a Murphy Mining Company, Murphy, N. C.

Mine Name: Red (Bennett)

County: Yancey State: North Carolina Commodity: Mica

Docket No.: DMEA-3008 Contract No. Idm-E560

Date of Contract: July 2, 1953

Date of Certification: June 22, 1953 - 6-21-54

Expiration Date of Royalty Payments: July 2, 1963

Total Amount of Contract: $4,550.00

Total Expenditures under Contract: $4,400.00

Amount of Government Participation at 90%--$3,960.00

Royalty Payments this Period: None

Previous Royalty Payments: $25.51

Total Royalty Payments to Date: $25.51

Percent Government Participation Repaid: 0.64%

Royalty Due on Production to Date: None

Royalty Remarks: No work has been done on the property since termination of the contract.

Original Estimate of DMEA Reserves(Field Team Final Report) None Given

Production DMEA ore (this period) None.

COPY
DMEA
MAY 6 1957

DATE	INITIALS	CODE
5/6	Corle	100

Previous Production:

Type	Pounds	Value
Dielectric mica	32.84	$275.07
Electric mica	22.40	98.00
Punch mica	979.00	137.18
	1034.24	$510.25

Production to Date: Same as above

Remarks: This property was visited by the writer April 9, 1957. No work has been done since completion of the project.

What is known as the mineral tract of the W. Frank Bennett property is now owned by John C. McBee, Sr., of Bakersville, Sam and John Phillips of Spruce Pine, North Carolina. Mr. McBee purchased the tract August 6, 1956 and on August 22, 1956 sold one-half interest in it to Sam and John Phillips. They were unaware that the Government had a lien on the property until told so by the DMEA examiners. McBee recorded the deed in the office of the Registrar of Deeds, Yancey County, North Carolina. It can be found on page 508, Book 116. The writer examined this recording and noted that the Government's lien was not mentioned.

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

z

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~NASHVILLE, TENNESSEE~~

July 26, 1954

Memorandum

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

From: Executive Officer, DMEA - Region VII

Subject: Royalty check on DMEA-3008, Idm-E560. Hyde & Ray.
Red Bennett Mine, North Carolina

Transmitted herewith are invoices for sale of mica from the subject mine in the amount of $510.25. And a check for $25.51 which is 5% of the sales, the amount due the Government.

Robert A. Laurence

ZM.
Beck
Lynch
Laurence
Rittendorf

C O P Y

Mica sold by C. E. Hyde and Ben L. Ray
Murphy, N. C., other than to General Services Administration

February 5, 1954 - 241 punch mica sold to Otis Buchanan, Bakersbille, N. C.		$43.38
February 15, 1954	250 lbs. punch mica sold to Otis Buchanan	45.00
February 23, 1954	10 " stained mica sold to Young Bros. Newdale, N. C.	36.00
February 22, 1954	488 " punch mica @ 10¢; Young Bros	48.80
April 3, 1954	12.4 lbs. stained mica; Empire Mica Co. Spruce Pine, N. C.	62.00
	Total.....	$235.18

Recap. of Sales:

1/18/54 - General Services Adm.	$99.94
2/12/54 " " "	175.13
Sales listed above	235.18
TOTAL ALL SALES.....	$510.25

5% of $510.25 = $25.51 (Royalties due on sales)

check enclosed $25.51

I hereby certify that the foregoing is a true and correct statement of all sales of mica from Bennett Red Mine.

s/sBen L. Ray, Partner

July 22, 1954

C O P Y

CC.

Beck
Mittendorf

COPY

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

WARRANTY, ACCEPTANCE AND INVOICE

DATE 2-12-54

ACCEPTANCE NUMBER 4-843

ISSUED UNDER CERTIFICATE OF AUTHORIZATION NUMBER	LOT NUMBER	RECEIPT AND WEIGHT TICKET NUMBER
EPS-4-481A	SP-843	

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: C. E. Hyde and Ben L. Ray	SIGNATURE:
STREET ADDRESS:	NAME *(Type or print)*: Ben L. Ray
CITY, ZONE AND STATE: Murphy, N. C.	TITLE *(Type or print)*: Partner

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					$70.00	
GRADES NO. 4 AND 5				.79	$40.00	31.60
GRADES NO. 5½ AND 6				3.89	$15.00	58.35
STAINED						
GRADES NO. 3 AND LARGER		$12.00			$18.00	
GRADES NO. 4 AND 5		$ 5.00		2.53	$ 8.00	20.24
GRADES NO. 5½ AND 6		$ 3.00		6.49	$ 5.00	32.45
HEAVY STAINED						
GRADES NO. 3 AND LARGER		$ 8.00			$13.00	
GRADES NO. 4 AND 5		$ 4.00		4.12	$ 6.00	24.72
GRADES NO. 5½ AND 6		$ 2.00		2.59	$ 3.00	7.77
TOTALS						
LOT TOTALS				20.41		175.13

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 — $ 175.13

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

DMEA-3008

SELLER *(Type name)*	DATE
C. E. Hyde and Ben L. Ray (Bennett Red Mine)	2-12-54
BY *(Signature)*: Ben L. Ray	NAME AND TITLE *(Type)*: Partner

GSA-WASH DC 53-3094

COPY

GSA FORM 1013
September 1952

COPY

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

DATE 2-12-54

ACCEPTANCE NUMBER 4-724

WARRANTY, ACCEPTANCE AND INVOICE

ISSUED UNDER CERTIFICATE OF AUTHORIZATION NUMBER: EPS-4-481A

LOT NUMBER: SP-724

RECEIPT AND WEIGHT TICKET NUMBER:

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: C. E. Hyde and Ben L. Ray	SIGNATURE:
STREET ADDRESS:	NAME (Type or print): Foy Geouge
CITY, ZONE AND STATE: Murphy, N. C.	TITLE (Type or print): Agent

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					$70.00	
GRADES NO. 4 AND 5				.58	$40.00	23.20
GRADES NO. 5½ AND 6				1.92	$15.00	28.80
STAINED						
GRADES NO. 3 AND LARGER		$12.00			$18.00	
GRADES NO. 4 AND 5		$ 5.00		1.27	$ 8.00	10.16
GRADES NO. 5½ AND 6		$ 3.00		2.87	$ 5.00	14.35
HEAVY STAINED						
GRADES NO. 3 AND LARGER		$ 8.00			$13.00	
GRADES NO. 4 AND 5		$ 4.00		2.02	$ 6.00	12.12
GRADES NO. 5½ AND 6		$ 2.00		3.77	$ 3.00	11.31
TOTALS						
LOT TOTALS				12.43		99.94

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 — $ 99.94

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

SELLER (Type name)	DATE
C. E. Hyde & Ben L. Ray (Red Bennett Mine) DMEA-3008	1-18-54
BY (Signature):	NAME AND TITLE (Type): Foy Geouge, Agent

GSA-WASH DC 53-3094

GSA FORM 1013
September 1952

COPY

REPORT OF INSPECTION ON CERTIFIED PROJECT

DMEA-3008, Idm-E 560 (mica)

Murphy Mining Company, Murphy, North Carolina

BENNETT (Red) MINE, Yancey County, N. C.

Accompanied by B. J. Brekhus, auditor, Contract Administration and Contract Division, the writer contacted C. E. Hyde at Murphy, N. C., and Ben L. Ray at Andrews, N. C., on July 12, 1954, in regard to the subject project. It was pointed out that royalty was due on all mica or other material sold from the property. An audit of their records showed $510.25 worth of mica was sold during exploration. The Government is due $25.51 as its royalty on this amount. They promised to mail a check together with copies of their sales. No work has been done on the property since exploration as the mica was of inferior grade.

July 12, 1954.

Wm. A. Beck

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

C

DOCKET FILE COPY
Surname:
Anderson
Hunt
Talbert
Rubin
Hodges
McLaughlin
Thayer
Selldorf
Gibbs

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 400

JUN 22 1954

Mr. Irving Gumbel, Acting Director
Materials Division
Emergency Procurement Service
General Services Administration
Washington 25, D. C.

Re: Docket No. DMEA-3008 - Mica
Murphy Mining Company
Red (Bennett) Mine
Yancey County, North Carolina
Contract No. Idm-2560

Dear Mr. Gumbel:

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

The exploration contract was signed July 2, 1953, with the Government participating to the extent of 90% of $4,550.00 or $4,095.00.

The project work was started on July 20, 1953, and completed February 28, 1954, after the expenditure of $4,400 which is the total net accepted cost according to the audit review. The Government paid 90% of the total accepted cost or $3,960.00.

The work performed on this project consisted of exploring a pegmatite at two locations; 30 feet of shaft and 40 feet of drifting at one, and 30 feet of trenching and 30 feet of drifting at the other location. As a result of this work sufficient data were obtained to indicate reserves of strategic mica.

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

Sincerely yours,

C. O. Mittendorf (for)

Administrator

Enclosure

WCAnderson:gmd 6/17/54
Copy to: Admr. R. File
Mr. Johnson
Mr. Chambers
Docket File
Mr. Hodges, 4604
Mr. Hunt
Operating Committee
Field Team, Region VII
Mr. Thayer, 5216 GSA Bldg.

P.C.B.

DOCKET FILE COPY
Surname:
Anderson
Nash
Gilbert
Burton
Hedges
McKinney
Thayer
Selbrede
Hyde

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

JUN 22 1954

Mr. C. E. Hyde
Murphy Mining Company
P. O. Box 1047
Murphy, North Carolina

Re: Docket No. DMEA-1008 - Mica
Murphy Mining Company
Red (Bennett) Mine
Yancey County, North Carolina
Contract No. Idm-2560

Dear Mr. Hyde:

Transmitted herewith is a certification of discovery or development on Contract No. Idm-2560 on the Red (Bennett) Mine, Yancey County, North Carolina.

By the terms of the Exploration Project Contract and of the certification, all production from the property from the date of the Exploration Project Contract, July 2, 1953, is subject to the Government's percentage royalty as set forth in the contract until the sum of $3,960.00 is paid or until July 2, 1963, whichever occurs first.

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

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

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

Sincerely yours,

C. O. Mittenderf (for)

Administrator

Enclosure

WCAnderson:gad 6/17/54

Copy to: Admr. R. File
Docket File
Mr. Johnson
Mr. Hedges, 4604
Mr. Chambers
Field Team, Region VII
Mr. Thayer, 516 Old Bldg.
Operating Committee
Mr. Nash

R.C.S.

C
O
P
Y

May 14, 1954

Memorandum

To: Operating Committee, DMEA - Washington

From: Field Team, DMEA - Region VII

Subject: Recommendations for Certification.

Reference is made to your letter of May 4, 1954.

We recommend that certification of discovery and development be issued on all 3 of these projects.

DMEA-2293: This work definitely exposed a mica-bearing pegmatite; if any mica is recovered in the future, it will be from pegmatite and therefore a direct result of the exploratory work.

DMEA-2582: Similarly, any additional mica produced here will be from the pegmatite discovered at the west end of the underground workings where it appears to be thickening.

DMEA-3008: Considerable mica of poor quality was discovered during the exploration, and the pegmatite thus explored extended beyond the exploratory workings where better grade mica was recovered. Obviously the latter recovery depended directly upon the earlier exploration.

In all three cases, there is insufficient information to make any estimates of reserves developed, but we think the work under the contract did lead directly to production and therefore certification is warranted on all three.

Robert A. Laurence
Executive Officer, DMEA
Field Team

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

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

MAY 4 - 1954

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

Re: Docket No. DMEA-2293 - Mica
Dixie Minerals, Inc
D. M. Stephens Mine
Jackson County, North Carolina
Contract No. Idm-E393

Docket No. DMEA-2582 - Mica
Zeb Angel
Hanson Mine
Macon County, North Carolina
Contract No. Idm-E461

Docket No. DMEA-3006 - Mica
Murphy Mining Company
Red (Barnett) Mine
Yancey County, North Carolina
Contract Idm-E560

Dear Mr. Laurence:

Reference is made to the final field examination reports and to the recommendations that certifications be delayed.

Under the original contract forms (MP-200 of April and June 1951) certification can be made only within six months after "the completion of the exploration project or termination of the contract." Under subsequent contract forms certification may be made "at any time not later than 6 months after the Operator has rendered the final report and final account . . ." If a project is to be certified, it is requisite, of course, that this action be taken within the time limited in the particular contract. All of the forms, however, contemplate that the certification should have "resulted from the exploration work," rather than from work prosecuted independently by the operator after the completion or termination of the work provided for in the exploration project contract. In other words, if certification cannot be justified at the time of completion or termination of the work provided for in the exploration project contract, it cannot be justified

R.C.G.

by any work performed subsequently thereto by the operator on his own account.

Sincerely yours,

W. S. Martin
ACTING Chairman, Operating Committee (2/13)

APPROVED:

J. H. Hedges (2/13)
Member, Bureau of Mines

D. M. Larrabee (2/13)
Member, Geological Survey

P. S. Please advise if in your opinion any significant production based on present geological knowledge is likely to be made from the properties from which some mica was recovered during the DMEA work.

JLHofflund/emd 4/27/54

Copy to: Docket (3)
Adm. R. File
Op. Comm.
W. P. Dietrich, Rm. 3061
D. M. Larrabee, Rm. G-232 GSA Bldg.
L. G. Houk (3)
J. L. Hofflund
chron.
pending

April 14, 1954

Memorandum

To: Chief Counsel

From: Nonmetallic Minerals Division

Subject: Delayed action on certification of discovery or development.

Kindly review the attached rough draft on dockets:

DMEA-2293 Dixie Minerals, Inc.
DMEA-2582 Zeb Angel
DMEA-3008 Murphy Mining Co.

and comment on the proposed reply to Region VII on their recommendation for delayed action on certifying these deposits.

LGHouk:gad 4/14/54
Copy to: Mr. Houk

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

Central Files
APR 8 1954

April 7, 1954

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-3008

Contract Number: Idm-E560

Applicant: Murphy Mining Company

Name and Location of Property: Bennett (Red) Mine
Yancey County, North Carolina

Date of Field Team Final Report: March 16, 1954

Date rec'd. by Ceramic & Fert. Mats. Br.: March 25, 1954

Field Team Recommendation:

1. Certification should be deferred pending additional work to be performed by applicant at his expense.

Comments:

1. Exploration by 30' x 15' deep and 6' wide cut and 30-foot laterals at southwest location and 30-foot shaft and 40-foot drift at northeast location.

2. About 400 pounds of poor quality mica was encountered during DMEA exploration in the southwest location and several hundred pounds at the northeast location.

3. Subsequent work by applicant has revealed mica of a better quality.

4. Expenditures -

Total approved	$4,550
Total cost	4,440
Government share	3,960
Value	Questionable

Recommendation:

It is suggested that the Government wait the allotted period after the date of the final report and final account submitted by the applicant before commitment. If strategic mica is encountered, a certificate of discovery or development should be issued.

W. F. Dietrich

W. F. Dietrich

IN REPLY REFER TO:

G-MD-CNM

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 24 1954

March 23, 1954

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-3008 (mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant: Ben L. Ray and C. E. Hyde, Murphy Mining Co., Murphy, N.C.
Name of property: Bennett Mine.
Location of property: Yancey County, N. C.
Date of field team report: March 3, 1954.
Authorship of field team report: K. H. Teague, L. E. Shirley, and D. H. Amos.
Field team's recommendation:

1. Work completed on project.
2. Certification be delayed pending additional work by operator.

Comments:

Better mica in sight.

ACTION RECOMMENDED:

Follow field team's recommendation.

D M Larrabee

D. M. Larrabee

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

Department of the Interior
Defense Minerals Administration
RECEIVED
MAR 18 1954

March 16, 1954

Memorandum

To: Operating Committee, D M E A- Washington

From: Field Team, DMEA - Region VII

Subject: Final Report on DMEA-3008, Idm-E 560 (mica) Murphy Mining Co.

Transmitted herewith are four copies of the subject report.

Certification of discovery should be deferred pending additional work to be performed by the Operator at his expense, a report of which will be made at a later date.

Why? Keep with field team no [illegible]?

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

Benjamin Gildersleeve, Geologist
U. S. Geological Survey

Reviewed by
DMEA OPERATING COMMITTEE
3-22-54
(date)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 18 1954

Field Team Final Rpt.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT

By
FIELD TEAM
on
DMEA-3008, Idm-E560, BENNETT MINE
(mica)
Y ancey County, North Carolina

By

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

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

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

March 3, 1954

Reviewed by
DMEA OPERATING COMMITTEE
3-22-54
(date)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 18 1954

DEFENSE MINERALS EXPLORATION PROJECT
FINAL REPORT
ON
DMEA-3008, Idm-E 560, BENNETT (Red)MINE
(Mica)

Operator: Ben L. Ray and C. E. Hyde, d/b/a Murphy Mining Co. Murphy, N. C.

Work completed under the contract consisted of a cut (30' x 15' deep and 6' wide) and 30 feet of 5' x 7' laterals at the southwest location and a 30 foot 5' x 7' vertical shaft and a 40-foot 5' x 7' drift at the northeast location. At the southwest location the cut was extended an additional 15 feet and 14.5 feet of additional crosscut and drift was driven; both at the Operator's expense. Only a small amount of strategic mica which was of poor quality was discovered during the project; but subsequent work by the Operator has revealed mica of a better quality; thus certification of discovery should be deferred pending additional work at the Operator's expense which is now in progress.

Work on the project began July 28, 1953 and was completed February 28, 1954. A 45-foot E-W cut was made at the southwest location and a crosscut was driven eastward from the east end of the cut for 20 feet, drifts were made from the crosscut to the northeast for 13.5 feet and to the southwest for 11 feet. At the northeast location a 30-foot drift was driven to the south from the shaft.

A conformable pegmatite about 40 feet thick is exposed in the southwest location. It strikes N. 10° E., and dips steeply to the west and is considerably fractured. Footwall country rock, a biotite schist, was cut at 7 foot in the crosscut. About 400 pounds of book mica, all of which was badly curved and stained, were recovered in the work at this location.

The hanging wall of the same pegmatite was explored in the northeast location. The pegmatite consisted of feldspar, quartz, muscovite, biotite and garnet. Several quartz stingers and pods were exposed in the drift. The mica occurs scattered through the pegmatite and in several thin parallel seams which strike northeast and dip steeply southeast. The most persistent seam is about one foot thick and is shown on the attached map. A southwest plunging fold at the pegmatite and wall rock contact is exposed in the bottom of the shaft and in the north end of the drift.

Several hundred pounds of book mica were recovered during the work at this location but most was badly cracked and stained. Mica discovered during work conducted at the Operator's expense was of a better quality. An unknown amount of punch and about 20 pounds of poor quality sheet mica has been sold.

Expenditures:

(a)	Total approved	$4,550.00
(b)	Total cost of project	4,440.00
(c)	Government's share of cost	3,960.00
(d)	Government's share unexpended	135.00
(e)	Value of production during oper.	??
(f)	Government's royalty	?

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

March 3, 1954.

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

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

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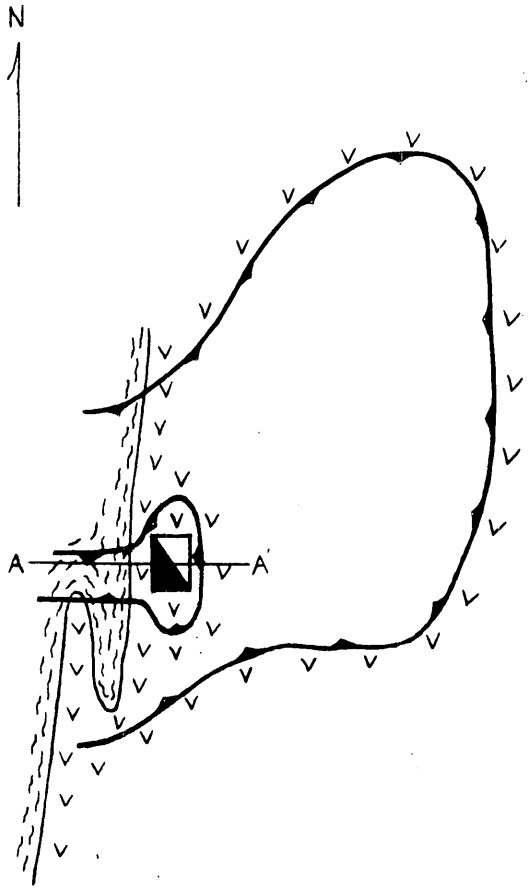
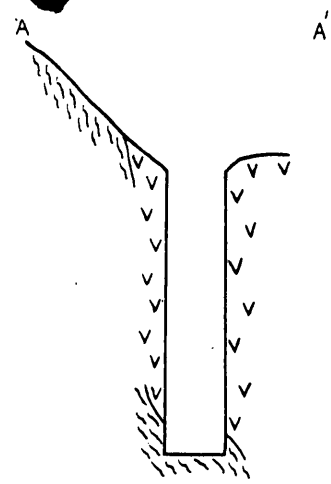
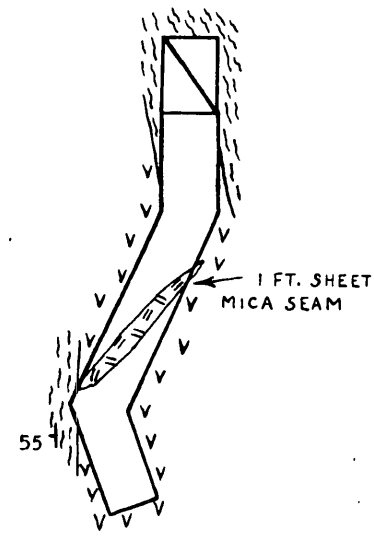




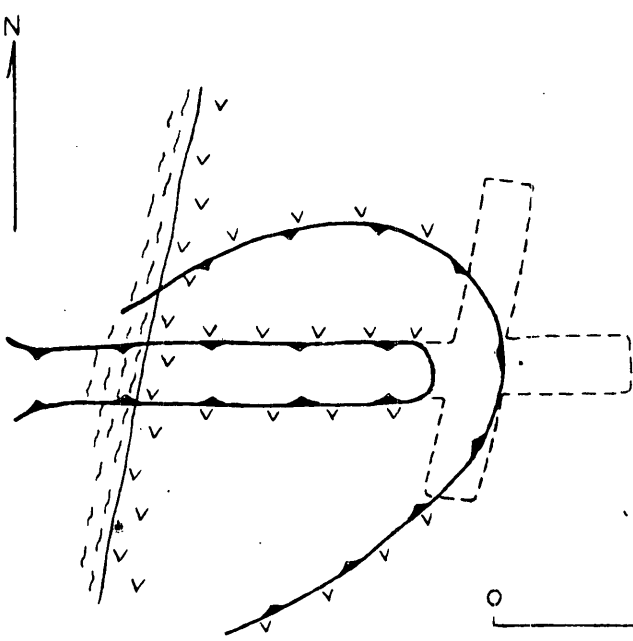
SECTION A-A'

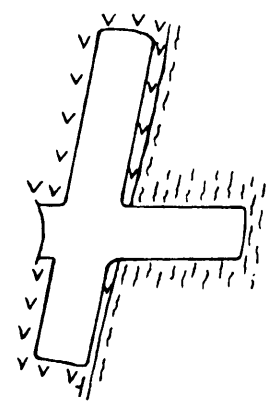


PLAN OF DRIFT

0 20' 40'
SCALE

NORTHEAST LOCATION





PLAN OF DRIFTS

0 20' 40'
SCALE

SOUTHWEST LOCATION

BENNETT (RED) MINE

YANCEY CO., N.C.

DMEA-3008

Mr. Anderson

C
O
P
Y

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

WASHINGTON 25, D.C.
ROOM 13, POST OFFICE BLDG.
KNOXVILLE 2, TENN.

March 15, 1954

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region VII

Subject: Amendments to Contracts

Reference is made to your letter of March 11.

The following actions have been taken:

DMEA-2784, Idm-2519. Amendment is being prepared. We have been trying to get the operators back to work on this job.

DMEA-2785, Idm-2518. Completed

DMEA-2840, Idm-2507. Completed

DMEA-2872, Idm-2559. Amendment has been sent to Operator; signed copies not yet returned.

DMEA-2873, Idm-2562. Amendment has been sent to Operator; signed copies not yet returned.

DMEA-2917, Idm-2561. Completed

DMEA-2921, Idm-2548. Amendment sent to you March 10.

DMEA-3008, Idm-2569. Completed.

/s/
Robert A. Laurence
Executive Officer
DMEA Region VII

File Copy
Surname:

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

600

MAR 11 1954

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

Dear Mr. Laurence:

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

Docket	Contract	Completion date
DMEA-2784	Idm-E519	February 14, 1954
DMEA-2785	Idm-E518	February 14, 1954
DMEA-2840	Idm-E507	February 9, 1954
DMEA-2872	Idm-E559	February 28, 1954
DMEA-2879	Idm-E562	March 2, 1954
DMEA-2917	Idm-E561	March 2, 1954
DMEA-2921	Idm-E548	February 15, 1954
DMEA-3008	Idm-E560	March 2, 1954

In these cases where this will be necessary and you approve, will you please furnish us copies of such amendments.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (JHB)

Approved:

J. H. Hedges

Member, Bureau of Mines (JHB)

D. M. Larrabee

Member, Geological Survey (JHB)

WCAnderson:gad 3/8/54
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

R.C.S. 3-1-54

Mr. Anderson

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

OPERATOR'S MONTHLY REPORT AND VOUCHER

FINAL

Month of February, 1954 Docket No. DMEA 3008 Contract No. Idm.E 560
Operator's Name Murphy Mining Company Minerals mica
Address Murphy, N.C.
Contract Amount, $4400.00 Government Participation: 90 % Amount, $4000.00

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 from shaft (23 FT.)	505.00	895.00	1,400.00			
Shafting	-0-	1290.00	1,290.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Drifting from cut	-0-	960.00	960.00			
Trenching	-0-	900.00	900.00			
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	505.00	3595.00	4400.00	805.00	3,595.00	4,400.00

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-53

I certify that the above bill is correct and just and that payment therefor has not been received.
Date Feb 27, 1954 *Payee Murphy Mining Company
Per Ben T. Ross Title Treasurer

*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:

$ 724.50

Signature
(Authorized Certifying Officer)
Date MAR 8 1954 Vou. No. 228
(See other side)

6 + 7 C - 2/26/54 $0.50

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E560 in accordance with the terms of the contract.

Signature Lawrence E. Shirley Title Mining Engr. U.S.B.M. Date March 1, 1954

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

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

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

PROPERTY OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 11 1954

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of February 1954 Docket No. DMEA 3808 Contract No. Ico-8 960
Operator's Name Murphy Mining Company Minerals Mica
Address Box 1047 Murphy, 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
from shaft Drifting	feet	$895.00	23.0	$1400.00	40.0	$35.00	40.0	$35.00
Crosscutting								
Raising	feet	-0-	-0-	1200.00	30.0	40.00	30.0	40.00
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Timbering shaft	feet	-0-	-0-	-0-	-0-	-0-	30.0	5.00
Stripping	feet	-0-	-0-	900.00	30.0	30.00	30.0	30.00
Trenching								
Test Pits								
Roads and Trails								
Drifting from cut	feet	-0-	-0-	900.00	30.0	30.00	30.0	30.00
TOTAL DISTRIBUTED COSTS		$895.00		$1400.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$895.00		$1400.00				

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 Feb. 27, 1954 Operator Murphy Mining Company

Per [signature] 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

OPERATOR'S FINAL REPORT

INCLUDING MONTH OF FEBRUARY, 1954

DMEA 2802
Idm-E 560 (mica)

WORK ACCOMPLISHED.

At Northeast Locality: Completed twenty three feet of drift from bottom of shaft during month of February; this completes entire project for this locality, that is thirty feet of shaft (5ft X 7ft) and forty feet of drift (5X7) from bottom of shaft in a southern direction. In going down with shaft intercepted pegmatite containing some mica at 10 or 12 feet down but went through it and into country rock; in driving drift from bottom of shaft intercepted the pegmatite again about 20 feet out in drift, that is 20 feet from bottom of shaft. Obtained some mica of very poor grade.

At Southwest locality: As previously reported, we completed the project at Southwest locality at end of September. We completed an open cut into fact of mountain and across pegmatite to slate wall. This cut was six feet wide, twenty three feet deep and about 42 feet long; from the end of the open cut drove a 5 X 7 drift eastward for twenty feet; then dropped back and drove 5 X 7 drift northward through pegmatite and along its contact for thirteen and one half feet; we then drove drift southward from opposite side of first drift through pegmatite for eleven feet. Drove a total of forty four and one half feet of drift at this location.

FEBRUARY DAILY NOTES

Worked four full weeks in February, a good deal of the time consumed in bailing water out of the mine; drove twenty three feet of drift in addition to seventeen already reported. Drove through a pegmatite containing some mica. Last few feet at end of drift penetrated a granite wall. Attempts to seal mica were very dissapointing. Took approximately 30 pounds of mica to government mica house and about one third of it was rejected and remainded taken at lowest grade. Were advised that the mica would have to improve before any more would be accepted.

INTERIM REPORT

DMEA-3008 Idm-E560 (mica) RED (BENNETT) MINE

OPERATOR: Ben L. Ray, Andrews, N. C. and C. E. Hyde, Murphy, N. C.

LOCATION: On the east bank of the South Toe River 2.5 airline miles S 25° E of Micaville, Yancey County, N. C.

Work outlined under Exhibit "A" of this contract has been completed. Without making a worthwhile or sizeable discovery of strategic mica at either of the two localities where work was performed. Exploration conducted and completed at the "Southwest Locality" has been covered in previous Interim Reports.

Exploration conducted at the "Northeast Locality" consisted of sinking a vertical shaft for a total depth of 30 feet. No timber was required with the exception of that required for a ladderway and top lagging for safety reasons. From the bottom of the shaft turnoff was made in a S 10° E direction and 40 feet of drifts were driven. The last heading pulled was in a S 20° E direction. Most of the drifting was in pegmatite material consisting of feldspar, quartz, muscovite mica and intergrown biotite mica. Material in the present face is barren of mica and is predominantly feldspar. Most of the mica recovered came from along the west wall of the drift and considerable mica is showing along this wall at the present time. It was suggested that the operator conduct some recovery work at his own expense in this area. One sale of mica was made to the G.S.A. Depot, Spruce Pine, N. C.; 20.41 lbs. constituted this sale which brought an average of $8.51 per pound. An undetermined amount of block mica has not been processed.

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

L. E. Shirley

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

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

February 26, 1954

DEPARTMENT OF THE INTERIOR
BUREAU OF MINES ADMINISTRATION
RECEIVED
FEB 23 1954

INTERIM REPORT

DMEA-3008 Idm-E560 (mica) RED (BENNETT) MINE

OPERATOR: Ben L. Ray, Andrews, N. C. and C. E. Hyde, Murphy, N. C.

LOCATION: On the east bank of the South Toe River 2.5 airline miles S 25° E of Micaville, Yancey County, N. C.

Drifting continues to the south on this contract and is now at 29 feet. Material observed at this point consists of quartz, feldspar and scattered blocks of muscovite mica, both in the heading and on the east wall. The drift is being driven along the west wall and the contact can be observed at several places along the drift. 11 feet of drift remains to be driven under contract.

The operator was advised to scale the drift thoroughly after shooting. Progress on this contract is satisfactory.

L. E. Shirley

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

K. H. Teague Dewey Amos

K. H. Teague and Dewey Amos,
Geologist, U. S. Geological Survey

February 12, 1954

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 10 1954

INTERIM REPORT

DMEA-3008 Idm-E560 (mica) RED (BENNETT) MINE

OPERATOR: Ben L. Ray, Andrews, N. C. and C. E. Hyde, Murphy, N. C.

LOCATION: On the east bank of the South Toe River, 2.5 airline miles S 25° E of Micaville, Yancey County, N. C.

Drifting continues slowly on this contract and is now at 19.3 feet. All material encountered is pegmatite composed of feldspar, quartz lenses or stringers, and muscovite and biotite mica. Some work had been accomplished on the west wall and several bags of mica have been produced. Some large blocks of mica were observed in this slabbed area, particularly on the floor of the drift. One large block and much of the small mica observed was cracked rather badly and contained some stain. Drifting will continue in the same general direction. 20.7 feet remains to be driven under contract.

L. E. Shirley

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

K. H. Teague

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

January 28, 1954

INTERIM REPORT

DMEA-3008, Idm-E 560 (mica) RED (BENNET) MINE

OPERATOR: Ben L.Ray, Andrews, N. C. and C. E. Hyde, Murphy, N. C.

LOCATION: On the east bank of the South Toe River 2.5 airline miles S. 25° E. of Micaville, Yancey County, N. C.

Shaft sinking has been completed to a depth of 30 feet on this contract. Turnoff has been made from the bottom to the south and drifting has advanced 19 feet. The shaft bottomed in a biotite schist inclusion. Material encountered in drifting has been principally feldspar and quartz with minor amounts of biotite and muscovite mica. Some medium to large blocks of poor quality mica were observed in a joint zone on the west wall. The Operator was advised to bear the drift to the southwest and cut this zone. Progress on this contract is satisfactory.

L. E. Shirley

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

K. H. Teague

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

January 15, 1954.

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

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

196

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

PAID ON VOUCHER & SCHEDULE OF PAYMENTS 43 RECEIVED JAN 22 1954

Month of December, 1953 Docket No. DMEA 3008 Contract No. Ion R 560
Operator's Name Murphy Mining Company Minerals mica
Address Box 1012, Murphy, N.C.
Contract Amount, $4550.00 Government Participation: 90 % Amount, $4095

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
~~Drilling~~ Trenching	-0-	$900.00	$900.00			
~~Bulldozing~~ Shafting	$110.00	760.00	1200.00			
~~Crosscutting~~						
Drifting ~~from shaft~~	595.00	-0-	595.00			
Drifting from open cut	-0-	900.00	900.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$1035.00	$2560.00	$3595.00	1035.00	2560.00	3595.00

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

Date 1-15-54 *Payee Murphy Mining Company

Per Ben T. Ray Title Partner

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

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

(Instructions on reverse)

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

$ 931.50

Signature Cora A. Piper
(Authorized Certifying Officer)

Date JAN 21 1954 Vou. No. 196
(See other side)

5

103.50

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E56 in accordance with the terms of the contract.

Signature Laurence E. Shurley Title Mining Engr. U.S.B.M. Date Jan. 18, 1954

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION VII Date JAN 20 1954

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 25 1954

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

Month of December 1953 Docket No. DMEA 3008 Contract No. IdmE-560
Operator's Name Murphy Mining Company Minerals Mica
Address Box 1047, Murphy, 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 from shaft	feet	595.00	17.0	595.00	17.0	35.00	40.0	35.00
Crosscutting								
Raising								
Shafts	feet	440.00	11.0	1,200.00	30.0	40.00	30.0	40.00
Winzes								
Drilling: Core								
Churn								
Auger								
~~Stripping~~ Timbering	feet	-0-	-0-	-0-	-0-	-0-	30.0	5.00
Trenching	feet	-0-	-0-	900.00	30.0	30.00	30.0	30.00
Test Pits								
Roads and Trails								
Drifting from open cut	feet	-0-	-0-	900.00	30.0	30.00	30.0	30.00
TOTAL DISTRIBUTED COSTS		1035.00	28.0	3595.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		1035.00		3595.00				

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 1-15-54 Operator Murphy Mining Company

Per [signature] 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

OPERATOR'S

MONTHLY PROGRESS REPORT
for the
MONTH OF DECEMBER, 1953

WORK ACCOMPLISHED

Completed eleven feet of shaft, the latter part of which was in steeply plunging country rock. Drove drift in a southern direction from bottom of shaft for seventeen feet. The latter part of drift appears to be intercepting a steeply plunging pegmatite with mica showing.

DAILY NOTES

December 1 Drilling and shooting in shaft, mucking out.
December 2 " " " " " " "
December 3 " " " " " " "
December 4 " " " " " " "; we are running out of pegmatite material and drilling country rock.
December 7 Drilling and shooting in country rock, deepening shaft
December 8 " " " " " "
December 9 " " " " " "
December 10 " " " " " "
December 14 Completed shaft and prepared to start drifting to south.
December 15 Begun work on drift to south.
December 16 Drilling and shooting and mucking out in drift.
December 17 " " " " " "
December 18 " " " " " "
December 19 Continue drilling and mucking out in drift.
December 21 Continue work on drift. Encounter some mica in pegmatite overhead and to west.
December 22 Continue work on drift
December 23 " " " "
December 28 " " " "
December 29 " " " "
December 30 " " " "
December 31 " " " "; obtained some mica in pegmatite in upper part of drift and to west. Completed seventeen feet of drift to south. It now appears that country rock in bottom of shaft is plunging steeply and is on approximately 75 degrees pitch. The southward drift has left the wall of country rock to east in that the trend of country rock seems somewhat west of south.

INTERIM REPORT

DMEA-3008 Idm-E560 (mica) RED (BENNETT) MINE

OPERATOR: Ben L. Ray, Andrews, N. C. and C. E. Hyde, Murphy, N. C.

LOCATION: On the east bank of the South Toe River 2.5 airline miles S 25° E of Micaville, Yancey County, North Carolina.

Shaft sinking continues on this contract and is now at 19 feet. The shaft has been sunk in pegmatite to this depth which is composed of feldspar, scattered quartz and muscovite and biotite mica. Examination of the bottom shows about 3 feet of biotite schist coming in on the north side of the shaft. The operator was advised to keep sinking until maximum depth under contract was reached, unless the country rock persisted. A lofting has been erected over the north end of the shaft for protection of workers while hoisting and permanent ladders extend to the bottom. A hand railing has been erected on the west side of the shaft for safety reasons.

L. E. Shirley

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

K. H. Teague

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

December 3, 1953

Mr. Anderson

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

160

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-35

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of [illegible] 195[illegible] Docket No. DMEA 3008 Contract No. [illegible]
Operator's Name [illegible] Minerals [illegible]
Address [illegible]
Contract Amount, $[illegible] Government Participation: [illegible] % Amount, $[illegible]

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing	[illegible]	[illegible]	[illegible]			
Crosscutting	[illegible]	[illegible]	[illegible]			
Drifting	[illegible]	[illegible]	[illegible]			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	[illegible]	[illegible]	[illegible]	760.00	1,800.00	2,560.00

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

Date [illegible] *Payee [illegible]

Per [illegible] Title [illegible]

*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:

$ 684.00

Signature [illegible]
(Authorized Certifying Officer)

Date DEC 11 1953 Vou. No. 160

(See other side)

4

76.00

(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-E560 in accordance with the terms of the contract.

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

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] ACTING Title EXECUTIVE OFFICER DMEA REGION VII Date DEC 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 November 3 1953 Docket No. DMEA 10m.L 500 Contract Notice

Operator's Name Murphy Mining Company Minerals

Address Box 1047, Murphy, 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 from shaft	feet	-0-	-0-	-0-	-0-	-0-	40.0	35.00
Crosscutting								
Raising	feet	760.00	19.0	760.00	19.0	40.00	50.0	40.00
Shafts								
Winzes								
Drilling: Core								
Churn								
Timbering shaft	feet	-0-	-0-	-0-	-0-	-0-	30.0	5.00
Stripping	feet	-0-	-0-	900.00	30.0	30.00	30.0	30.00
Trenching								
Test Pits								
Drafting Tests open cut	feet	-0-	-0-	900.00	30.0	30.00	30.0	30.00
TOTAL DISTRIBUTED COSTS		760.00	19.0	2,560.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
		760.00	19.0	2,560.00				
TOTAL COSTS								

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

Date Dec. 5, 1953 Operator Murphy Mining Company

Per Ben L. Ray Title partner

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

REMARKS:

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

OPERATOR'S

MONTHLY PROGRESS REPORT
for the
Month of NOVEMBER, 1953

WORK ACCOMPLISHED

Completed nineteen feet of shaft on Northeast locality. Found some scattered mica in pegmatite vein material all the way.

Daily Notes

Mon Nov 2	Setting up derrick
Tues " 3	" " "
Wed " 4	" " "
Thurs" 5	Went to Spruce Pine after hoist
Fri " 6	Rigging hoist
Monday 9	Trouble with hammer - little work
Tues 10	" " " " "
Wed " 11	Did not work
Thurs" 12	Drilled and shot four holes round - shaping up shaft
Fri " 13	Worked on shaft
Sat 14	" " "
Mon 16	" " ". We are averaging about 1½ foot per day
Tues 17	" " " Drilling and shooting
Wed 18	" " " Mucking out
Thursday 19	" " "
Fri 20	" " "
Mon 23	" " "
Tues 24	Same
Wed 25	Same
Fri 27	Same
Sat 28	Completed 19 feet of shaft, having encountered some mica most of way.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 30 1953

INTERIM REPORT

DMEA-3008 Idm-E560 (mica) RED (BENNETT) MINE

OPERATOR: Ben L. Ray, Andrews, N. C. and C. E. Hyde, Murphy, N. C.

LOCATION: On the east bank of the South Toe River 2.5 airline miles S 25° E of Micaville, Yancey County, North Carolina.

Shaft sinking has begun on this contract and is now at 11.5 feet. Wall material, a mica schist, is exposed at intervals in the west side of the shaft. The shaft is being sunk in pegmatite consisting of feldspar with scattered quartz and small to medium sized mica. About 350 pounds of block mica has been recovered to date, some of which may be processed.

Several recommendations were made concerning safety during sinking. The foreman was advised to watch closely the walls and sheer sections above the collar and to require all workers to wear hard hats.

L. E. Shirley

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

K. H. Teague

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

November 19, 1953

ROOM 13 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

EXECUTIVE OFFICER
DMEA REGION VII

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 16 1953

November 12, 1953

Mr. C. E. Hyde
Murphy Mining Company
P. O. Box 1047
Murphy, North Carolina

Re: DMEA Docket No. 3008 (mica)
Contract No. Ide-E 560

Dear Mr. Hyde:

Your October Monthly Report and Voucher for $320.00 for sinking 8 feet of shaft on the subject contract has been received in this office and cannot be approved, because our engineer reports that as of November 6, 1953, no shaft sinking has been done on the Northeast locality since the date of the contract.

When the examination was made on your application, there was a pit 15 feet deep at the Northeast locality. The contract allows you to deepen this pit an additional 30 feet. Payment for work done prior to the date of the contract cannot be allowed.

If we are wrong on the assumption that no work had been done on the shaft in October, please take this up with Mr. Shirley and Mr. Teague, who will visit the Bennett (Red) mine on November 19.

Very truly yours,

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

WAB/mg
cc
Beck
Shirley
Files

Finance Office
Operating Committee

RECEIVED
1953

INTERIM REPORT

DMEA-3008 Idm-E560 (mica) RED (BENNETT) MINE

OPERATOR: Ben L. Ray, Andrews, N. C. and C. E. Hyde, Murphy, N. C.

LOCATION: On the east bank of the South Toe River 2.5 airline miles S 25° E of Micaville, Yancey County, North Carolina.

Work at the northeast locality on this contract is now underway. No shaft sinking has been accomplished to date, but equipment has been moved from the southwest locality, a hoisting frame has been erected and retaining wall construction is in progress. Suggestions concerning lofting over a section of the shaft for protection of the workers were made to the operator. Shafting will begin in the near future.

L. E. Shirley

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

November 5, 1953

INTERIM REPORT

DMEA-3008 Idm-E560 (mica) RED (BENNETT) MINE

OPERATOR: Ben L. Ray, Andrews, N. C. and C. E. Hyde, Murphy, N. C.

LOCATION: On the east bank of the South Toe River 2.5 airline miles S 25° E of Micaville, Yancey County, North Carolina.

Stage II of this contract has not started to date. Examination disclosed that equipment has not been moved from the Stage I location. The operator has not contacted the Field Examiners in the past two weeks to indicate when the last stage of this contract will begin.

L. E. Shirley

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

K. H. Teague

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

October 6, 1953

Form MF-104 (Rev.)
(A[illegible] 1952)

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

RECEIVED

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

Month of September 3 195 Docket No. DMEA 3008 Contract No. Idm-E 560
Operator's Name Murphy Mining Company Minerals mica
Address Box 1047, Murphy, N.C.
Contract Amount, $ 4550.00 Government Participation: 90 % Amount, $ 4095.00

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	$600.00	$300.00	$900.00			
Drifting	-0-	900.00	900.00			
Trenching						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$600.00	$1200.00	$1800.00	600.00	1,200.00	1,800.00

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-19

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 9-30-53 *Payee Murphy Mining Company
Per Leon L. Ray 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:

$ 540.00

Signature Cora A. Piper
(Authorized Certifying Officer)
Date OCT 6 1953 Vou. No. 95
(See other side)

3

60.00

(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-E560 in accordance with the terms of the contract.

Signature Lawrence E. Shirley Title Mining Engr. U.S.B.M. Date Oct. 1, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION VII Date OCT 5 1953

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 6 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of September 1953 Docket No. DMEA 3038 Contract No. 16a.2 560
Operator's Name Murphy Mining Company Minerals mica
Address Box 1047, Murphy, 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 from shaft	feet	-0-	-0-	-0-	-0-	-0-	40.0	$35.00
Crosscutting								
Raising								
Shafts	feet	-0-	-0-	-0-	-0-	-0-	30.0	40.00
Winzes								
Drilling: Core								
Churn								
Auger								
~~Sumping~~ Timbering shaft	feet	-0-	-0-	-0-	-0-	-0-	30.0	5.00
Trenching	feet	-0-	-0-	$500.00	30.0	$30.00	30.0	30.00
Test Pits								
Roads and Trails								
Drifting from open cut	feet	$600.00	20.0	$[illegible]	30.0	$30.00	30.0	30.00
TOTAL DISTRIBUTED COSTS		$600.00	20.0	$1600.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$600.00	20.00	$1600.00				

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 Sept 30, 1953 Operator Murphy Mining Company

Per Ben L. Ray 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

OPERATOR'S
MONTHLY PROGRESS REPORT
for the
MONTH OF AUGUST, 1953

DMEA - 3008
Idm-E 560

WORK ACCOMPLISHED

Completed twenty additional feet of drifting through pegmatite vein from open cut previously made. Encountered virtually no mica.

DAILY NOTES.

Mon Sept. 7th	Continued drifting East accross slate wall.
Tues. Sept 8th	" " " " " "
Wed. Sept 9th	" " " " " ", completed 20 feet
Mon Sept 14	Dropped back and started drifting north through pegmatite.
Tues Sept 15	Continued drifting north through pegmatite
Wed Sept 16	" " " " "
Thurs Sept 17	" " " " " encountered no mica, only rough, broken spar. Completed 13½ feet.
Fri Sept 18	Started drifting South through pegmatite.
Mon 21 Sept	Continued drifting South
Tues Sept 22	Completed driving drift for 11 feet South. Encountered no mica.

INTERIM REPORT

DMEA-3008 Idm-E560 (mica) RED (BENNETT) MINE

OPERATOR: Ben L. Ray, Andrews, N. C. and C. E. Hyde, Murphy, N. C.

LOCATION: On the east bank of the South Toe River 2.5 airline miles S 25° E of Micaville, Yancey County, North Carolina.

This phase of the contract, which consisted of 30 feet of open cutting and 30 feet of drift, has been completed. The open cut was made in an east-west direction for a total distance of 45 feet. Drifting began at this point in the same direction and was driven for 7 feet, at which point the footwall, a biotite schist, was encountered. The operator, at his own expense, continued to drive into this footwall for a distance of 13 feet. Drifting was resumed and a turn to the NE was made, and after driving for 13.5 feet, an examination disclosed no mica zone or shoot and this drift was discontinued. It was suggested that a short exploratory drift be driven to the southwest and along the strike of the body in that direction. 11 feet of drift was accomplished, but only small and broken mica was encountered. This completed the footage allowable under contract and it was suggested that no more work be attempted at this location.

Equipment and tools will be moved to the "northeast locality" within the coming week and shafting will begin on the pegmatite after setup is completed.

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

L. E. Shirley

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

K. H. Teague

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

September 25, 1953

913

INTERIM REPORT

DMEA-3008 Idm-E560 (mica) RED (BENNETT) MINE

OPERATOR: Ben L. Ray, Andrews, N. C. and C. E. Hyde, Murphy, N. C.

LOCATION: On the east bank of the South Toe River 2.5 airline miles S 25° E of Micaville, Yancey County, N. C.

Drifting from the open cut is in progress on this contract and has advanced 20 feet. The first 7 feet of this work was in pegmatite and the remaining 13 feet in a tough biotite schist. No turn was made, as instructed, when the footwall was encountered, but operator continued to drive straight ahead. It was suggested that the pegmatite be picked up and driven along the pegmatite-footwall contact until more stable ground is encountered.

L. E. Shirley

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

K. H. Teague

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

September 10, 1953

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

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

RECEIVED
SEP 21 1953

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

Month of August, 1953 Docket No. DMEA 3008 Contract No. Idm-E 560
Operator's Name Murphy Mining Company Minerals Mica
Address Box 1047, Murphy, N.C.
Contract Amount, $ 4550.00 Government Participation: 90 % Amount, $ 4095.00

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	$300.00	-0-	$300.00			
Trenching	300.00	$600.00	900.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$600.00	$600.00	$1200.00	600.00	600.00	1,200.00

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-15

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

Date 9-5-53 *Payee Murphy Mining Company

Per Ben L. Ray 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:

$ 540.00

Signature Cora A. Piper
(Authorized Certifying Officer)

Date SEP 17 1953 Vou. No. 82

(See other side)

2

60.00

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Tdm-E560 in accordance with the terms of the contract.

Signature Lawrence E. Shirley Title Mining Engr. U.S.G.S. Date Sept. 9, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION VII Date SEP 11 1953

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 21 1953

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

Month of August 1953 Docket No. DMEA 3008 Contract No. Idm-E 560
Operator's Name Murphy Mining Company Minerals Mica
Address Box 1047, Murphy, 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 from shaft	feet	-0-	-0-	-0-	-0-	-0-	40.0	$35.00
Crosscutting								
Raising								
Shafts	feet	-0-	-0-	-0-	-0-	-0-	30.0	$40.00
Winzes								
Drilling: Core								
Churn								
Auger								
~~Stripping~~ Timbering shaft	feet	-0-	-0-	-0-	-0-	-0-	30.0	$5.00
Trenching	feet	$300.00	10.0	$900.00	30.0	$30.00	30.0	$30.00
Test Pits								
Roads and Trails								
Drifting from open cut	feet	$300.00	10.0	$300.00	10.0	$30.00	30.0	$30.00
TOTAL DISTRIBUTED COSTS		$600.00	20.0	$1200.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$600.00	20.0	$1200.00				$4550.00

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 9-5-53 Operator Murphy Mining Company

Per [signature] 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

OPERATOR'S
MONTHLY PROGRESS REPORT
for the
MONTH OF August, 1953

DMMA - 3008
Idm-E 560

Work Accomplished

Completed ten foot of additional trenching as originally required in contract but found that could not start heading on account of fact that no solid formation was encountered. Excavated trench eight additional feet in depth for its entire length and fifteen feet in length to try to find solid formation. Then drove drift from head of trench approximately ten feet into mountain side. Removed large amount of loose materials from around head of trench.

Daily Notes

Aug. 3 Made four feet in open cut, drilling, blasting & mucking out.

Aug. 4 About same as above

Aug. 5 Worked on top - cleaning up head of cut, removing loose materials which were sliding in.

Aug. 6 Same as last above.

Aug. 7 Rain - no work

Aug. 8 Worked half day in open cut, completing 30 feet called for in contract

Aug. 10 Dropped back to lower trench in attempt to get low enough to encounter more solid formation in which to begin drift.

Aug. 11 Worked at lowering trench.

Aug. 12 Worked at lowering trench

Aug. 13 Worked at lowering trench

Aug. 14 " " " " and clearing overhead.

Aug. 17 " " " " " " "

Aug. 18 " " " " " " "

Aug. 19 Worked at lowering tench.

Aug. 20 Worked at lowering trench.

Aug. 21 Worked at lowering trench.

OPERATORS MONTHLY PROGRESS REPORT

For August, 1953, cont.

August 24	Still working at lowering trench. Also removal of rock around head of trench causes lengthening of trench into mountain.
August 25	Worked lowering trench and clearing over same.
August 26	Finished lowering trench to additional depth of eight feet and prepared to start drift into mountain.
August 27	Started tunnel. Drilled and shot one round of about 14 holes. 4 feet moved.
August 28	Finished mucking out, drilled and shot another round of holes, moving about same footage.
August 29	About same as 28th.
August 31	Finished mucking out - total tunneling or drifting to about 10 or more feet into mountain and encountering a wall of slaty material.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 10 1953

INTERIM REPORT

DMEA-3008 Idm-E560 (mica) RED (BENNETT) MINE

OPERATOR: Ben L. Ray, Andrews, N. C. and C. E. Hyde, Murphy, N. C.

LOCATION: On the east bank of the South Toe River 2.5 airline miles S 25° E of Micaville, Yancey County, North Carolina.

Open cutting at the "southwest locality" has been completed on this contract and is now at 45 feet from cut entrance. The cut has been deepened 4 to 7 feet in the past two weeks and is now in shape for pulling first drift heading. The pegmatite appears to be badly fractured in the drift direction and it was suggested that a gradual turn be made on the drift until solid rock is encountered. The pegmatite thus far removed consists of feldspar with scattered quartz and 400-500 lbs. of hard, slightly bent and stained ruby mica. Progress on this contract is satisfactory.

L. E. Shirley

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

August 26, 1953

Received

INTERIM REPORT

DMEA-3008 Idm-E560 (mica) RED (BENNETT) MINE

OPERATOR: Ben L. Ray, Andrews, N. C. and C. E. Hyde, Murphy, N. C.

LOCATION: On the east bank of the South Toe River 2.5 airline miles S 25° E of Micaville, Yancey County, North Carolina.

Open cutting at the southwest locality on this contract has been completed for a distance of 34.2 feet. The cut is 6-8 feet wide and 12-16 feet in depth at the heading. Extensive scaling of loose rock and surface debris has been accomplished above the deepest part of this cut, but some timbering will be required, after a few drift headings are pulled, for safety reasons. It was suggested that, before drifting begins, more depth be obtained and that additional scaling and barring down be accomplished at the heading. Material encountered consists of massive quartz, quartz-feldspar and badly stained mica in varying sizes from 6" x 8" downward.

Drifting will begin shortly to the northeast. Progress on this contract is satisfactory.

L. E. Shirley

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

K. H. Teague

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

August 13, 1953

C
O
P
Y

August 11, 1953

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

Dear Mr. Laurence:

Attached herewith is one copy each of contracts Idm-E553, 557, 559, 560, 561, 562, 563, and 565.

These "extra copies" are for use of your office in making reports on these projects.

Sincerely yours,

/s/ C. O. Mittendorf

Administrator

Attachments - 8

REAdams:meb
8/11/53
cc: to Adm. Reading File
Mail & Files Br.

Form [illegible]104 (Rev.)
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE
PAYMENTS K- 8

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of July, 1953 Docket No. DMEA 3008 Contract No. Idm-E 560
Operator's Name Murphy Mining Company Minerals Mica
Address Murphy, North Carolina Box 1047
Contract Amount, $ 4550.00 Government Participation: 90 % Amount, $ 4095.00

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						
Trenching	$600.00	0	$600.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$600.00	0	$600.00	600.00	—	600.00

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

Date 8-4-53 *Payee Murphy Mining Company

Per Ben T. Ray 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:

$ 540.00

Signature Cora A. Pipes
(Authorized Certifying Officer)

Date AUG 13 1953 Vou. No. 44
(See other side)

60.00

Paid 8-7-1953

(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-E560 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. Lawrence Title DMEA EXECUTIVE OFFICER REGION VII Date AUG 6 1953

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of July 3 Docket No. DMEA 3008 Contract No. Idm-E 560
Operator's Name Murphy Mining Company Minerals Mica
Address Box 1047, Murphy, 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
~~from shaft~~	~~feet~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	40.0	$35.00
Drifting								
Crosscutting								
Raising	feet	0	0	0	0	0	30.0	$40.00
Shafts								
Winzes								
Drilling: Core								
Churn								
timbering shaft	feet	0	0	0	0	0	30.0	$5.00
Stripping	feet	$600.00	20.0	$600.00	20.0	$30.00	30.0	$30.00
Trenching								
Test Pits								
Drifting from open cut	feet	0	0	0	0	0	30.0	$30.00
TOTAL DISTRIBUTED COSTS		$600.00	20.0	$600.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$600.00		$600.00				$4550.00

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 Aug. 4, 1953 Operator Murphy Mining Company

Per Ben T. Ray Title Partner

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

REMARKS:

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

OPERATOR'S
MONTHLY PROGRESS REPORT
for the
Month of July, 1953

DMEA-2008
Idaho 560

Work Accomplished

Completed twenty feet of trenching six feet wide, after cutting truck road to project.

Daily Notes

July 28 Started on open cut. Three men working. Finished eight feet to grade. Mostly dirt with a few loose rocks.

July 29 Continued work on open cut. Completed six additional feet. Material practically the same - a few more rocks. Found several small blocks of rather stained mica in material.

July 30 Completed four more feet in open cut. Amount of loose rock in material increases. Found about same amount and kind of mica as yesterday. Cleaned off area around head of cut so as to clear area of loose and dangerous rock.

July 31 Finished two additional feet of open cut. Found base of rock ledge more perpendicular than expected, showing some spar and quartz with scattered books of small mica. Finished clearing off area around head of cut for approximately 30 to 40 feet. In clearing around head of cut found several good looking blocks of mica some forty feet east of where we were working.

INTERIM REPORT

DMEA-3008 Idm-E560 (mica) RED (BENNETT) MINE

OPERATOR: Ben L. Ray, Andrews, N. C. and C. E. Hyde, Murphy, N. C.

LOCATION: On the east bank of the South Toe River 2.5 airline miles S 25° E of Micaville, Yancey County, North Carolina.

Starting date on this contract was July 28, 1953. A near visit on the below date and later contacts with the operator indicates that open cutting on the southwest locality is in progress and has advanced 20 feet. Only 10 feet of open cutting remains and operator stated that this work would be completed ~~by~~ before the field examiners next visit. Some mica has been recovered from open cutting, but an estimate was not given.

L. E. Shirley

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

K. H. Teague

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

July 30, 1953

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

DEPARTMENT OF THE INTERIOR
Received

July 20, 1953

Memorandum

To: Chairman, Operating Committee, DMEA - Washington

From: Executive Officer, DMEA Field Team- Region 7

Subject: Signed Contract - DMEA 3008, Idm-E560 (mica) Murphy Mining Co. N. C.

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

Robert A. Laurence
Robert A. Laurence

Case 7-22

FILE COPY
SURNAME:

Feitler
Houk
Chapman
Selfridge
Hedges

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

JUL 2 1953

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

Subject: Docket No. DMEA-3008 - Mica
Murphy Mining Company
Red (Bennett) Mine
Yancey County, North Carolina

Dear Mr. Laurence:

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

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

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

Copies of memoranda from the Bureau of Mines and the Geological Survey are enclosed.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (JB)

Approved:

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

E. L. McKnight (JB)
actg. Member, Geological Survey

Enclosures 10

SAFeitler:gad 6/24/53
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

R.C.G. 7-2-53

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

June 15, 1953

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-3008, Mica, Bennett Red Mine
Yancey County, North Carolina

I concur in the field team's recommendation for an exploration program in the amount of $6,600.

W. F. Dietrich

W. F. Dietrich

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

June 10, 1953

Memorandum

To: Chairman, Operating Committee, D M E A- Washington

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

Subject: DMEA-3008, Murphy Mining Co., Bennett Red Mine (mica) N. C.

Attached hereto are four copies of the metes and bounds description of the tract of land described in the application for the above subject Company, and which was requested in your letter of May 20.

Robert A. Laurence

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

C O P Y

COPY

C. E. HYDE
Attorney at Law

Murphy, North Carolina

June 8, 1953

Mr. Kefton H. Teague
United States Department of the Interior
Defense Minerals Exploration Administration
Room 13, Post Office Building
Knoxville 2, Tennessee

Re: Docket No. 3008 - Mica
Bennett Red Mine
Yancey County, North Carolina

Dear Mr. Kefton:

There was some delay in the forwarding by the Register of Deeds of Yancey County of the metes and bounds description of the Bennett deed, recorded in Book 64, at Page 344, but I have finally secure the same.

The description is as follows:

> A certain piece or parcel of land lying and being in South Toe Township, Yancey County, State of North Carolina, on waters of South Toe River adjoining lands of John H. Robinson, J. P. Gibbs, W. J. Thomas, bounded as follows, viz:
>
> Beginning on a Beech standing on a ridge on South Side of South Toe River and runs North 3½ East 171 poles to a stake at center of South Toe River; thence up and with the meanders of said River to a stake in W. J. Thomas line known as Round Hill Ballew Tract, thence South with line of Grant #802-18 poles to a stake in line of old Avery tract the Northwest corner of a tract conveyed by Geo Robinson, to John Robertson, thence South 3½ West 80 poles to a stake thence South 88 East with line of Charles Robertson as made to him by heirs of John Robertson 68 poles to the BEGINNING, containing 62 acres, more or less.

I hope this will be sufficient for the purpose.

With kindest regards, I am

Yours very truly,

s/

C. E. Hyde

Copied by zm.
cc:
Beck
Opr. Com. -4

IN REPLY REFER TO:

G-MD-CNM

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

June 9, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
WASHINGTON
JUN 9 1953

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-3008 (mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant: Murphy Mining Co., Murphy, N. C.
Name of property: Bennett mine.
Location of property: 2.5 miles S. 25° E. of Micaville, N. C.
Date of field team report: May 29, 1953.
Authorship of field team report: Teague.
Field team's recommendation:

Northeast end

25' shaft
40' drift

Southwest end

30'x6'x15' (high wall) open cut
30' drift

$4,200

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

D. M. Larrabee

D. M. Larrabee

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

C O P Y

June 1, 1953

Memorandum

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

From: Field Team, DMEA, Region VII

Subject: Field Examinations (mica)

Transmitted herewith are the original and three copies each of the field examination reports, and six extra copies each of the maps on the following:

DMEA-2201, Cliff Blanton Mine

DMEA-2988, Bennett Mine

DMEA-3000, Terrell Bryson Mine

DMEA-3008, Red (Bennett) Mine

DMEA-3030, Turkey Knob (Passmore) Mine

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

/s/ BENJAMIN GILDERSLEEVE
Benjamin Gildersleeve, for
Robert A. Laurence, Executive Officer
DMEA Field Team, Region VII

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

Reviewed by
DMEA OPERATING COMMITTEE
6-8-53
(date)

Mr. Zeitler

6/29/53

UNITED STATES
DEPARTMENT OF THE INTERIOR

On-site Exam. Rpt.

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM, REGION VII

DMEA-3008, RED (BENNETT) MINE (mica)
Yancey County, North Carolina
Applicant: Murphy Mining Company, Murphy, N. C.

By

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

May 29, 1953

Reviewed by
DMEA OPERATING COMMITTEE
6-8-53
(date)

Field Examination Report
on
DMEA-3008, RED (BENNETT) MINE (mica)
Yancey County, North Carolina
Applicant: Murphy Mining Company, Murphy, N.C.

Some work appears justified at this deposit. There are two places on the pegmatite that seems to have possibilities for producing some strategic mica.

The deposit was examined on May 22, 1953. Mr. Ben L. Ray and Mr. Googe accompanied the examiner on the inspection which required two hours.

The Red (Bennett) mine is on the east bank of the South Toe River 2.5 airline miles S. 25° E. of Micaville, Yancey County, North Carolina. Access to the mine is possible at all times by jeep.

The applicants are competent to conduct the proposed exploration. Area covered by the applicants' lease is adequate to provide sufficient space for te proposed project. The applicants have been requested to provide a metes and bounds description of the property, and as soon as this is received it will be forwarded to Washington.

Three open cuts have been made over a strike length of 350 feet. At the northeast end an open cut 80 feet long by 30 feet wide trends N. 10° E. Several small prospect openings form a line that extends 80 feet to the north. Southwest of the large cut, two other open cuts have been made. One cut is 200 feet south and one 300 feet south. The middle pit is about 20 feet in diameter and 10 feet deep. The southwest pit is 40 feet in diameter and 15 feet deep.

The concordant pegmatite is 25-to 40 feet thick, and appears to thicken downward. The foliation of the country rock, a mica gneiss, strikes N. 10° E. and dips 70° W. to vertical. The pegmatite minerals, in approximate order of abundance, are microcline, plagioclase, quartz, muscovite, biotite, vermiculite, garnet, and pyrite. Graphic granite and large masses of quartz are abundant in the interior part of the deposit. Some of the garnet crystals are more than two inches in diameter. Biotite and vermiculite occur as thin, lath-like books in a network of seams that cut the pegmatite.

All of the mica of strategic grade occurs along the northwest wall (hanging). Some of it is ruled and bent, and a small percent of it is stained. The mica is ruby colored, hard, and splits well. All of the mica in the interior is non-ruby, stained and "A".

The strategic mica-bearing zone along the northwest wall is from 1 to 4 feet thick. It is discontinuous, but in the northeast and southwest open cut the zone appears to be sufficiently rich to justify exploration.

The applicants have cleaned out and deepened to 15 feet an old pit at the northeast cut. The examiner recommends that this pit be deepened to 40 feet and 40 feet driven along the northwest contact.

At the southwest cut, it is recommended that a cross-cutting open cut be constructed, beginning about 30 feet horizontally northwest and 15 feet lower than the existing one. After this cut has been advanced across the wall rock pegmatite contact, a 30-foot drift should be driven along the pegmatite contact.

Estimated Cost:

At Northeast end -

25 feet of shaft @ $40.00 per foot	$1,000.00
40 feet of drift @ $35.00 per foot	1,400.00
Total	$2,400.00

At Southwest end -

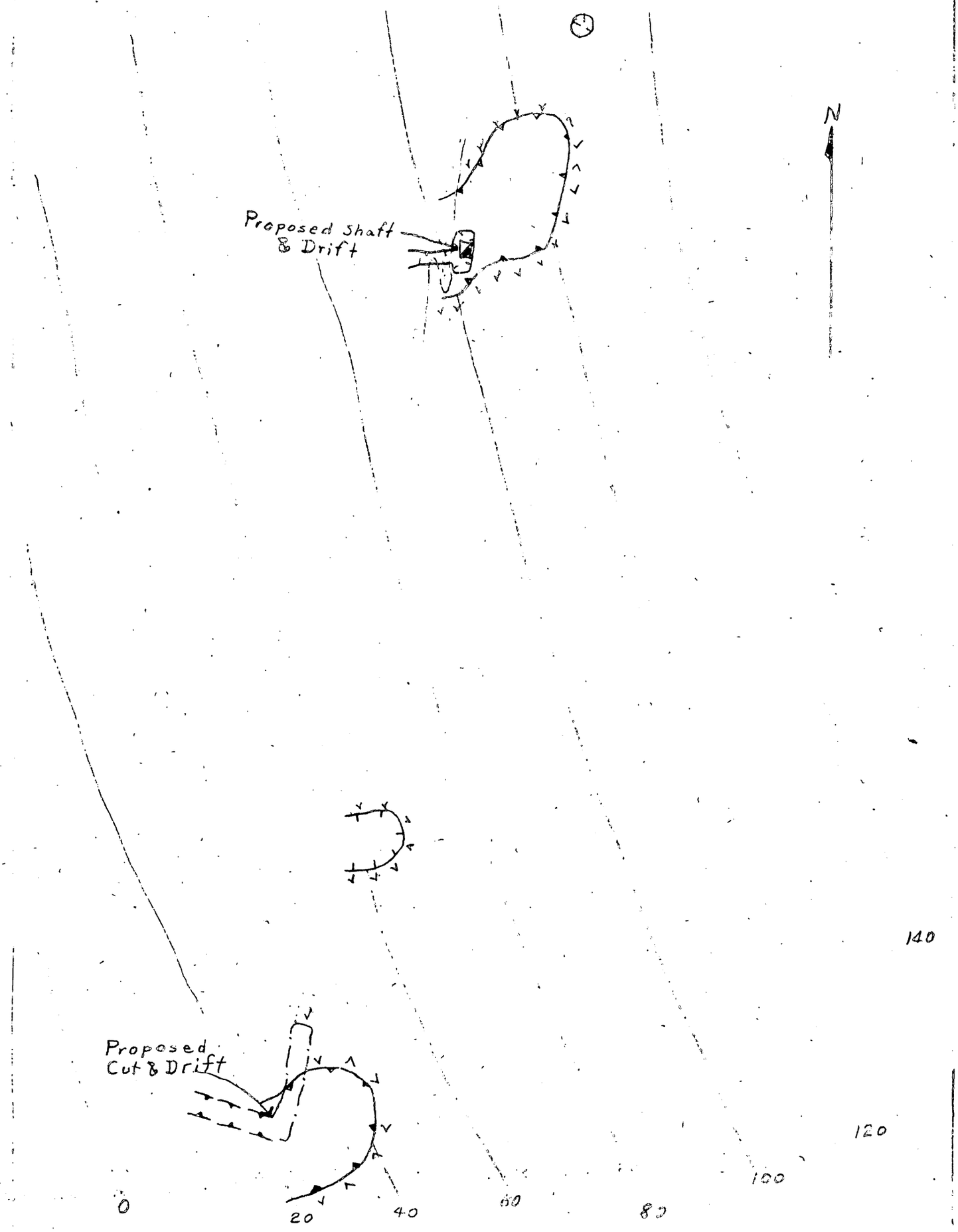
Construct open cut 30 feet long, 6 feet wide, with upper face 15 feet high @ $30.00 per linear foot	$ 900.00
30 feet of drift @ $30.00 per foot	900.00
Total	$1,800.00
Estimated Total Cost	$4,200.00

Estimated time required - 5 months.

May 29, 1953

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

mg



Sketch of
Red (Bennett) Mine
Yancey Co., N.C.

0 40 80
Scale

DMEA-3008(mica)

FILE COPY
SURNAME:

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

Feitler
Houk
Martin
Kyle
Hedges
Lefebvre

MAY 20 1953

Mr. Ben L. Ray
Murphy Mining Company
Andrews, North Carolina

Re: Docket No. DMEA-3008 - Misa
Bennett Red Mine
Yancey County, North Carolina

Dear Mr. Ray:

Your application for assistance in exploring the subject property has been reviewed by the Nonmetallic Minerals Division of the Defense Minerals Exploration Administration and has been referred to Mr. Robert A. Laurence, Executive Officer, DMEA Field Team, Region VII, Room 13, Post Office Building, Knoxville 2, Tennessee, for a field examination, should he deem it necessary.

The Regional Office will contact you at an early date, if an examination is to be made. Any assistance that you may give the members of the field team during the examination will be appreciated.

Sincerely yours,

C. O. Mittendorf (for)

Administrator

S.N.
5-20-53

SAFeitler:fls 5/18/53

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

FILE COPY
SURNAME:

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

Feitler
Houk
Martin
Johnson

MAY 20 1953

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

Subject: Docket No. DMEA-3008 - Mica
Murphy Mining Company
Bennett Red Mine
Yancey County, North Carolina

Dear Mr. Laurence:

Please arrange for a field examination of the subject mine.

If an exploration program is recommended, the applicant should be asked to submit the metes and bounds description of the tract from the deed recorded in Book 64, Page 344, Register's Office, Yancey County, North Carolina.

Copies of memoranda from the Geological Survey and Bureau of Mines are enclosed.

Sincerely yours,

S.N. 5-20-53

W. S. Martin

ACTING Chairman, Operating Committee (JHB)

Approved:

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

A. R. Kinkel, Jr. (JHB)
Member, Geological Survey

Enclosures 4

SAFeitler:fls 5/18/53
Copy to: Admr. R. Fidle
Docket File
Operating Committee
Mr. Dietrich, 3526
Mr. Larrabee, G-232, GSA Bldg.
Mr. Houk

Mr. Fetter

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 15 1953

May 14, 1953

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-3008, Mica, Bennett Red Mine
Yancey County, North Carolina

No data are available in this office on subject property. It is suggested that the field team visit this property when a member of the field team is in that vicinity to ascertain if an exploration program is justified.

W. F. Dietrich

W. F. Dietrich

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

May 7, 1953

Memorandum

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 11 1953

To: Operating Committee - DMEA - Washington

From: Executive Officer, DMEA - Region 7

Subject: Supplemental information to Application - DMEA-3008, (mica)
Murphy Mining Co.

Transmitted herewith are original and two copies of additional information on Article 6 of the subject application and an additional copy of the Owner's Consent to Lien.

Robert A. Laurence

Robert A. Laurence

DMEA-3008

SUPPLEMENT TO DMEA MICA APPLICATION

We hand you herewith a supplement to our DMEA application for Mica exploration at the Bennett Red Mine in Yancey County, N.C. The following is breakdown requested of cost of work described and contemplated in original application, and is based on estimated period of five months for performance:

(a) Independent contracts:	
Bulldozer 70 hours at $10.00 per hour	700.00
(b) Labor, Supervision, consultants:	
Driller's labor ($2.00 per hour)	1600.00
Two helpers ($1.00 per hour each)	1600.00
Supervisor ($200.00 per month)	1000.00
(c) Operating materials and supplies:	
Fuel	250.00
Drill bits, steel & small tools	250.00
Explosives	250.00
(d) Operating equipment:	
Use allowance on compressor & drill owned by applicants	800.00
Use allowance on Hoist Rig (to be purchased)	500.00
(e) Rehabilitation and repairs:	
Repairs, miscellaneous	300.00
(f) New Buildings, improvements, installations: none.	
(g) Miscellaneous:	
Bookkeeping	125.00
Insurance (Workmen's compensation & liability)	300.00
(h) Unforseen contingencies	700.00
	$8375.00
Government's 90% participation	7537.50

RESPECTFULLY SUBMITTED

MURPHY MINING COMPANY

By_____

partner

IN REPLY REFER TO:
G-MD-CNM

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

May 4, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 5 1953

Memorandum

REVIEW OF APPLICATION DMEA-3008 (mica).

To: L. G. Houk, Defense Minerals Exploration Administration.
From: D. M. Larrabee, U. S. Geological Survey.
Applicant's name and address: Ben L. Ray and C. E. Hyde, Murphy Mining Co., Murphy, North Carolina.
Name of property: Bennett Red mine.
Location of property: 1 mile North of Celo, Yancey County, North Carolina.
Summary of applicant's proposal:
(1) Bulldoze on the pegmatite.
(2) 2-40' shafts.
(3) 100' drift.
(4) Cost $8200.
Sources of information on applicant's property: None

Comments:
(1) This is a rather ambitious program, to be submitted without at least a sketch.

(2) To whom was the mica previously mined sold?

RECOMMENDATION:
Field team examination.

D. M. Larrabee

Mr. Ben L. Ray
Andrews, North Carolina

Subject: DMEA-3008
Re: Exploration Assistance
Bennett Red Mine

My dear Mr. Ray:

The receipt of your application dated April 20, 1953 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA-3008 and referred to the Nonmetallic Minerals Division.

Kindly refer to DMEA-3008 in any future correspondence relating to your application.

Sincerely yours,

ROBERT E. ADAMS

Robert E. Adams
Chief, Operation's Control
and Statistics Division

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

April 30, 1953

Memorandum

To: Executive Officer, DMEA Field Team, Region VII

From: Chief, Operation's Control and Statistics Division

Subject: Assignment of Docket Number

There is listed below the assigned docket number to an application recently received from Region VII.

DMEA -3008 - Ray, Ben L. and Hyde, C. E.

ROBERT E. ADAMS

Robert E. Adams,
Chief, Operation's Control
and Statistics Division

38226

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

April 28, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 30 1953

Memorandum

To: Operating Committee, DMEA- Washington

From: Acting Executive Officer, DMEA, Region 7

Subject: Application from Murphy Mining Co., on Bennett Red Mine.
Murphy Mining Co. Murphy, N.C.

Transmitted herewith are three copies of the subject application together with copies of their lease and five copies of Owner's Consent to Lien.

We have written the applicant for additional data on Article 6 of the application and another copy of Owner's Consent to Lien.

We have retained one copy of the application for our files.

Wm A Beck

Wm. A. Beck