R

DMEA-3125
Mica
Region VII

FRED HYATT AND LONNIE FRESSNELL, D/B/A HYATT AND FRESSNELL, PENSACOLA, NORTH CAROLINA. Banks Mine, Yancey County, North Carolina. 272 9/25/53

Letter to the Field forwarding a contract, signed by the Acting Administrator, for execution. Also forwarded to the Field were copies of memoranda from the Bureau of Mines and the Geological Survey and a memorandum dated September 22, 1953, by the Washington Chief Counsel. Approved for referral.

R

DMEA-3125
Mica
Region VII ✓

FRED HYATT AND LONNIE FRESSNELL, d/b/a HYATT AND FRESSNELL, PENSACOLA, NORTH CAROLINA. Banks Mine, Yancey County, North Carolina. 9/14/53 #267

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

DMEA-3125
Mica
Region VII ✓

R

FRED HYATT AND LONNIE FRESSNELL, d/b/a HYATT & FRESSNELL, PENSACOLA, NORTH CAROLINA. Banks Mine, Yancey County, North Carolina. 8/[illegible]/53 #[illegible]

Letter to the Field forwarding a copy of the [illegible] and requesting [illegible] [illegible]

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

September 7, 1954

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

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

Subject: DMEA-3125 (mica)

Applicant: Fred Hyatt

Name and Location of Property: Banks Mine
Yancey County, North Carolina

Contract Number: IdmE614

Date of Field Team Final Report: August 17, 1954

Date Rec'd. by Ceramic & Fertilizer Mtls. Br.: August 23, 1954

Field Team Recommendation:

1. No certification of discovery or development.

Comments:

1. Work which began December 1, 1953 and was completed July 30, 1954 consisted of bulldozing, sinking a 32-foot shaft, and drifting 114 feet.

2. Expenditures -

Total approved	$7,270
Total cost	7,060
Gov't. share	6,354
Value	?

3. No strategic mica was encountered.

Recommendation

I concur in the field team's recommendation to deny certification.

Signed

Donald R. Irving

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

September 7, 1954

Memorandum

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Donald R. Irving

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

August 23, 1954

Memorandum

REVIEW OF FINAL FIELD TEAM REPORT ON APPLICATION DMEA-3125 (mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: E. I. Newcomb, U. S. Geological Survey
Applicant: Fred Hyatt
Name of property: Banks Mine
Location of property: 15 mi. SW of Burnsville, Yancey Co., N. C.
Date of Field Team Report: August 17, 1954
Authorship of Field Team Report: K. H. Teague, D. H. Amos, and L. E. Shirley
Field Team's recommendation: No certification of discovery.
Comments: I concur with Field Team recommendation.

E. I. Newcomb

ELNewcomb:hlm
G-8/23/54

Copy to: Director's reading, 4212
Branch reading, 4212
DMEA (3)
Docket file
W. F. Dietrich, 3061

IN REPLY REFER TO:

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

August 23, 1954

Memorandum

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From: E. L. Newcomb, U. S. Geological Survey
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Comments: I concur with Field Team recommendation.

E. L. Newcomb

ELNewcomb:hlm
G-8/23/54

Copy to: Director's reading, 4212
Branch reading, 4212
DMEA (3)
Docket file
W. F. Dietrich, 3061

☑ (Audited P.R. 9-2-54 WORK ANALYSIS SHEET - DMEA PROJECT ☐ Actual Cost

☐ Certified Analysis as of 12-3-54 ☑ Agreed Unit Costs
Incl. Voucher for July, 1954

Name Hyatt + Presnell Docket No. 3125

State N.C. Commodity Mica Idm-E No. 614

OPERATION	AUTHORIZED Units	AUTHORIZED Cost	COMPLETED Units	COMPLETED Cost	NET COST
Drifting & Crosscutting	120'	$ 4,200.00	114'	$ 3,990.00	$ 3,990.00
Raising					
Shafts	50'	2,500.00	31.5'	1,575.00	1,575.00
Winzes					
Drilling (Specify)					
Surface Excavation				925.00	925.00
Underground Excavation					
Roads and Trails		350.00		350.00	350.00
Operating Equipment Purchased					
Surface Rehabilitation & Repairs					
Underground Rehabilitation					
New Building, Improvements, etc.		220.00		220.00	220.00
Other (Specify)					
Totals		$ 7,270.00		$ 7,060.00	$ 7,060.00

Prepared by L.G.H.

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Hyatt and Presnall
and
Fred Hyatt, assignee
Pensacola, North Carolina

pertaining to Exploration Project Contract No. Idm-E614, Docket DMEA-3125, including Amendment Nos. 1 and 2, for the months of December 1953 to July 1954, inclusive, covering a project for the exploration of mica on property, known as the Banks 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 work performed by reference to Final Field Team Report, 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		$7,060.00
Exceptions:		
By DMEA Finance Officer	$ -0-	
Herewith	-0-	-0-
Total Accepted Cost		$7,060.00

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

$6,354.00

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.

September 2, 1954

E. D. Talbert, Auditor

EXPLORATION PROJECT CONTRACT

HYATT & PRESNELL
DOCKET NO. DMEA-3125 (mica)
AMENDMENT NO. 2

Contract Idm-E 614, Docket No. DMEA-3125, dated 28th day of September 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government", and Fred Hyatt and Lonnie Presnell, partners, d/b/a as Hyatt & Presnell, Pensacola, North Carolina, hereinafter called "Operator" is amended as follows:

1. Article 3 of the contract is amended to read,".....; and shall bring the project to completion within a period of twelve (12) months from date of contract...." instead of eight (8) months as originally written.

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

May 24, 1954.

HYATT AND PRESNELL

By Fred Hyatt
Fred Hyatt,

THE UNITED STATES OF AMERICA

By Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION VII

Division Copy

ASSIGNMENT OF CONTRACT

WHEREAS, Fred Hyatt and Lonnie Presnell, partners, entered into an Exploration Project Contract, Idm-E614, Docket No. DMEA-3125, dated September 28, 1953, as amended (hereinafter called the "Contract"), with the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration (hereinafter called the "Government"); and

WHEREAS, Lonnie Presnell, by an instrument dated January 30, 1954, assigned his interest in the leased land which is the subject of the Contract to Fred Hyatt, his partner; and

WHEREAS, Lonnie Presnell desires to transfer his interest in the Contract to Fred Hyatt;

NOW THEREFORE, Lonnie Presnell, in consideration of the sum of One Dollar ($1.00) and other good and valuable consideration received from Fred Hyatt, does hereby assign, transfer, and convey to Fred Hyatt all of his right, title, and interest in the Contract.

Lonnie Presnell agrees to release and hereby releases the Government from any and all claims arising out of the Contract.

This assignment is subject to the written acceptance of the assignee, Fred Hyatt; to assumption by the assignee of the terms, provisions, and conditions of the Contract; and to the written consent of the Government.

Dated this 3rd day of April, 1954.

Lonnie Presnell

Lonnie Presnell

ASSIGNEE'S ACCEPTANCE

The assignee, Fred Hyatt, this 26th day of March, 1954, hereby accepts the above assignment and assumes and agrees to be bound by the terms, provisions, and conditions of the Contract.

Fred Hyatt

Fred Hyatt

GOVERNMENT'S CONSENT

The Government, this _____ day of _____, 1954, hereby consents to the above assignment without releasing Lonnie Presnell from any of the terms, provisions, or conditions of the Contract, or any amendment thereof.

THE UNITED STATES OF AMERICA

By C. Mitchenor

Administrator, Defense Minerals Exploration Administration

Burton
Hoffhund
Hall
Chamberlin

Division Copy

EXPLORATION PROJECT CONTRACT
FRED HYATT AND LONNIE PRESNELL, PARTNERS
Docket No. DMEA-3125

AMENDMENT NO. 1

It is agreed this 24th day of November 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Fred Hyatt and Lonnie Presnell, partners, doing business as Hyatt and Presnell, each acting in consideration of the other to the terms hereinafter set forth, that Exploration Project Contract Idm-E614 Docket No. DMEA-3125, dated September 28, 1953, be modified and amended as of the date of the contract as follows:

In Exhibit "A"

(a) Under "Description of the Work", change the first paragraph to read as follows:

"As approximately indicated on the attached map, entitled "Sketch of Banks Mine, Inyo County, A. C. DMEA-3125 (mica) an open cut or 5-foot by 7-foot vertical 2-compartment shaft is to be sunk to a depth of 50 feet, and from about the 50-foot level, a maximum of 120 feet of 5-foot laterals (drifts and/or crosscuts) are to be driven to explore the pegmatite beneath the present surface cuts."

(b) Under "Agreed Unit Costs," change the first line to read as follows:

" 50 feet depth of open cut or shaft @ $50/ft.....$2,500.00."

Dated: November 24, 1953.

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

HYATT & PRESNELL

By Fred Hyatt
Fred Hyatt, Partner

By Lonnie Presnell
Lonnie Presnell, Partner

THE UNITED STATES OF AMERICA

By: Robert A. Laurence
Executive Officer, Field Team
Region VII

sm

EXECUTIVE OFFICER
DMEA REGION VII

KNOXVILLE, TENNESSEE

October 13, 1953

Memorandum

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

From: Executive Officer, DMEA - Region7

Subject: Signed Contract - Idm-E 614, DMEA-3125, Fred Hyatt & L. Presnell (mica)

Transmitted are three signed copies of the above subject contract properly signed by Mr. Hyatt and Mr. Presnell and the forms Mf-203 signed by the owners of the land leased by the applicants of contract.

Proper distribution of the other copies has been made by this office.

Robert A. Laurence

sm
Beck
Lynch
Finance Office
Files

MF-200 (A)
(February 1952)

DOCKET NO. DMEA-3125

COMMODITY Mica

Division Copy

IDM-E 614

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

EXPLORATION PROJECT CONTRACT[1]

(Short Form)

IT IS AGREED this 28th day of September, 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] Fred Hyatt and Lonnie Presnell, Partners, doing business as Hyatt and Presnell Pensacola, North Carolina

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

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

ARTICLE 2. *Operator's property rights.*—With respect to the mineral rights in that certain land situated in the State of North Carolina, County of Yancey, described as set forth in Annex I,

the Operator represents and undertakes:[4]

(*a*) ~~That the Operator is the owner in possession and entitled to possession and that the mineral is subject only to the following liens, lien or encumbrances as to each of which the signature of the holder is attached:~~

(*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 ninety (90) percent of these agreed, estimated costs, as they accrue, for units of work actually performed that conform with the description or specifications for the work set forth in this contract, in an aggregate total amount not in excess of $6,543.00, which is 90 percent of $7,270.00, 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 II, 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.

HYATT AND PRESNELL

By Fred Hyatt (Partner)

By Lonnie Presnell (Partner)

THE UNITED STATES OF AMERICA

By Frank E. Johnson
Acting Administrator, Defense Minerals Exploration Administration

Butin
Hook
Chamberlin

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

_____ [CORPORATE SEAL]

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

EXPLORATION PROJECT CONTRACT
FRED HYATT and LONNIE PRESNELL, PARTNERS
DOCKET NO. DMLA-3125

ANNEX I

The property referred to in Article 2 consists of a tract of land known as the Banks mine. The Operator acquired the right to mine mica in this land under a lease dated the 17th day of June 1953, between Donald Banks and wife, Pauline M. Banks, J. R. Banks and wife, Gladys Banks, and W. K. Banks and wife, Julia Banks, of Yancey County, North Carolina, as owners, and the Operator as lessee. The lease is recorded in the office of the Register of Deeds, Yancey County, North Carolina, in Book 111, page 306.

A metes-and-bounds description, as set forth in the mining lease, is as follows:

> BEGINNING on an apple tree at the mouth of Little Laurel Branch running North 10 degrees East 100 feet to a turn in the road; then North 10 degrees west 300 feet to another turn in road; then North 30 degrees west 200 feet to a small buckeye; then North 3 degrees East 200 feet to a bend in Little Elk Branch; then North 35 degrees west 100 feet to a 12-inch white birch; then North 70 degrees west 213 feet to an 8-inch butternut; then North 85 degrees West 100 feet to a large chestnut stump; then South 80 degrees West 135 feet to a sloping rock; then South 40 degrees west 100 feet to a stake; then South 45 degrees West 200 feet to a 14-inch black birch; then due North 100 feet to a stake; then South 17 degrees East 152 feet to a stake; then South 6 degrees West 100 feet to a stake; then South 35 degrees West 200 feet to a stake; then South 10 degrees East 87 feet to a 10-inch sugar maple; then down old road 700 feet on West side of Big Laurel Creek to a large stone; then South 40 degrees west 315 feet to the BEGINNING.

about 3.5 acres

EXPLORATION PROJECT CONTRACT
FRED HYATT and LONNIE PRESNELL, PARTNERS
DOCKET No. DMEA-3125

ANNEX II

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

If 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 a sufficient, complete, final report and final account referred to in the contract has been rendered, 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 described in Article 2, 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 from the date of the contract, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first. Said royalty shall be a percentage of the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production (including any bonuses), in whatever form disposed of, including ore, concentrates, or metal, as follows:

EXPLORATION PROJECT CONTRACT
FRED HYATT and LONNIE PRESNELL, PARTNERS
DOCKET NO. DMEA-3125

EXHIBIT "A"

Description of the Work

As approximately indicated on the attached map, entitled "Sketch of Banks Mine, Yancey Co., N. C., DMEA-3125 (mica)," a 5-foot by 7-foot vertical 2-compartment shaft is to be sunk to a depth of 50 feet, and from about the 50-foot level, a maximum of 120 feet of 5-foot by 7-foot laterals (drifts and/or crosscuts) are to be driven to explore the pegmatite beneath the present surface cuts.

To facilitate the operation, there shall be constructed—

(1) an access road not in excess of 350 yards in length,

(2) a 10-foot by 12-foot frame toolhouse,

(3) an exploder magazine,

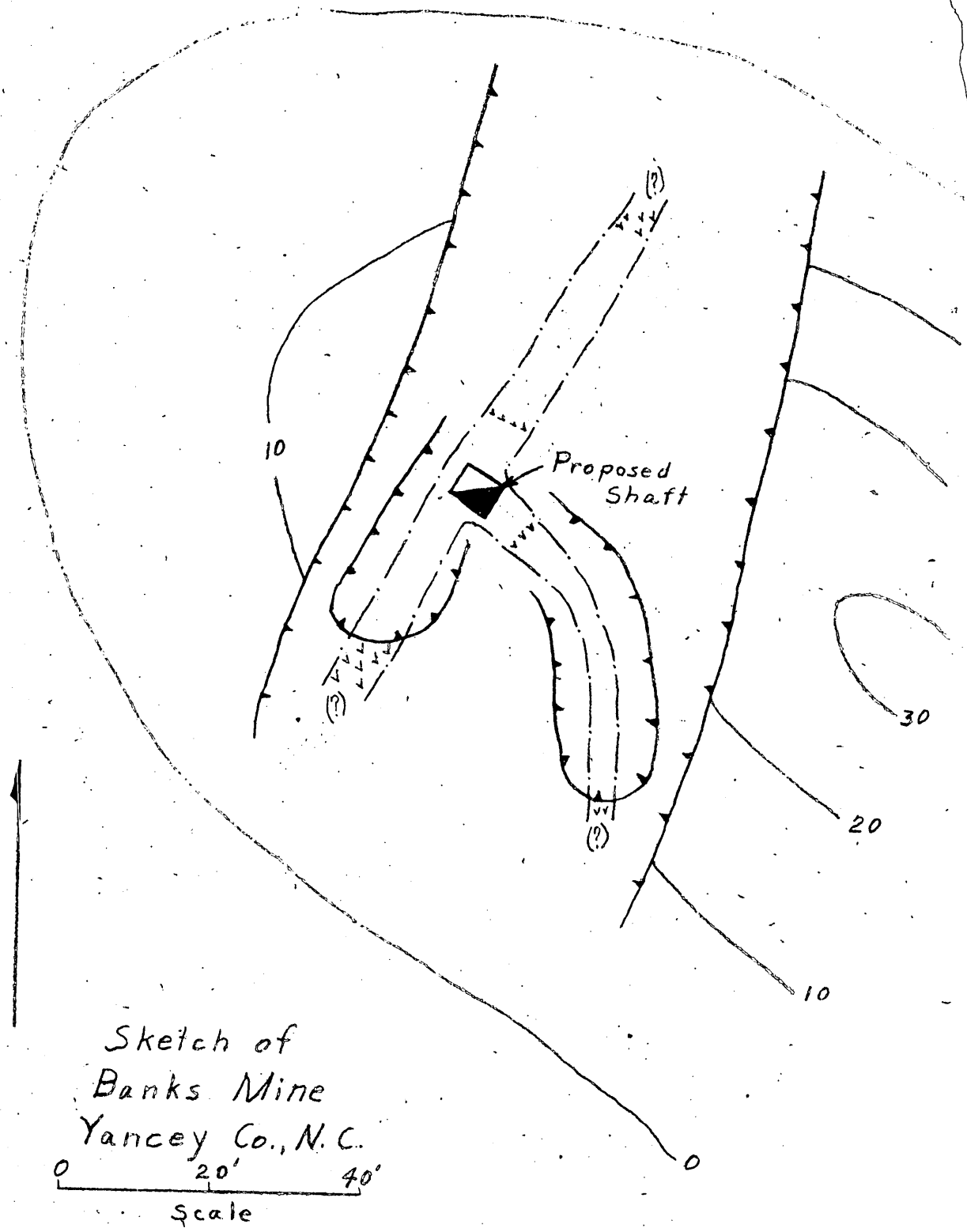
(4) a powder magazine.

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

Agreed Unit Costs

50 feet of shaft @ $50.00/ft.	$2,500.00	
120 feet of drifts and/or crosscuts @ $35.00/ft.	4,200.00	
350 linear yards of access road @ $1.00/yd.	350.00	
1 Toolhouse 1/	150.00	
1 Exploder magazine 1/	20.00	
1 Powder magazine 1/	50.00	
Total Agreed Unit Cost		$7,270.00
Government Participation at 90%		$6,543.00

1/ The unit is the complete structure.



Sketch of
Banks Mine
Yancey Co., N.C.

0 20' 40'
Scale

DMEA-3125 (mica)

MF-203
(Revised July 1, 1953)

OWNER'S CONSENT TO LIEN

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

in a Mining Lease dated 17 June 1953 by and between DONALD BANKS and others, Owners, and FRED HYATT and LONNIE PRESNELL, Lessees, which Mining Lease is recorded in Yancey County Deed Book 111, page 306.

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/ **Fred Hyatt and Lonnie Presnell**

hereinafter called the "Operator"; and

WHEREAS, under the provisions of said contract the Government is entitled to a percentage royalty on production (as set forth on the reverse side hereof) and to other rights and equities which do or may conflict with or be adverse to the rights of the undersigned:

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, there is hereby granted to the Government a lien upon the land above referred to and upon any production of minerals therefrom, until said royalty is fully paid or ten years have elapsed from the date of the contract, whichever occurs first.

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.

4. Changes and added provisions. **The undersigned Owners hereby grant to Fred Hyatt and Lonnie Presnell, their heirs and assigns, the right to use existing roads and ways and construct other roads and ways leading from the public highway across the lands of the Owners to the lands described in the above mentioned lease.**

Dated this _____ day of **October**, 195**3**.

W K Banks [Seal] Gladys Banks (SEAL)
Julia Banks [Seal] Donald Banks (SEAL)
J.R. Banks [Seal] Pauline Banks (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 **17 June 1953** and recorded in book **111** page **306** 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.

RELEVANT CONTRACT PROVISIONS

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

b. Percentage royalty.--The Operator, or his successor in interest, shall pay to the Government a royalty on all minerals mined or produced from the land described in Article 2,--(1) regardless of any certification of discovery or development, from the date of the contract until the lapse of the time within which the Government may make such certification of discovery or development, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first, unless the Government waives its right to a royalty; or (2) if the Government makes a certification of discovery or development, for a period of ten years (or other period fixed by 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:

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

(b) One and one-half ($1\frac{1}{2}$) per cent of any such net amounts, plus one-half ($\frac{1}{2}$) per cent of such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) per cent of such net amounts.

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

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

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

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

f. No Obligation to Produce.--This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

Project Summary Report

By: James Hopkins August 5, 1955

1. Docket No. DMEA-3125 - Mica
Contract No. Idm-E614
Banks Mine
Yancey County, North Carolina

Operator: Fred Hyatt
(formerly) Fred Hyatt and Lonnie Presnell
d/b/a Hyatt and Presnell
Pensacola, North Carolina

Operator's property rights: Lessee of Banks Mine consisting of about 30 acres. Lease dated June 17, 1953. Owner's Consent to Lien dated October - 1953.

2. Contract dated September 28, 1953.
Work authorized:

(1) 50 feet of shaft @ $50.00/ft.	$2,500.00
(2) 120 feet of drifts and/or crosscuts @ $35.00/ft.	4,200.00
(3) 350 yards of access road @ $1.00/yd.	350.00
(4) 1 Toolhouse	150.00
(5) Exploder magazine	20.00
(6) Powder magazine	50.00
Total Agreed Unit Cost	$7,270.00
Government Participation @ 90%	$6,543.00

Amendments:

No. 1, dated November 24, 1953, to allow 50 feet of open cut as optional to 50 feet of shaft at no increase in cost.

No. 2, dated May 24, 1954, extends the completion period from 8 months to 12 months.

Assignments:

Assignment, dated April 3, 1954, Lonnie Presnell transfers his interest in the contract to Fred Hyatt.

Work completed:

50 feet of opencut & shaft @ $50/ft.	$2,500.00
114 feet of drifts @ $35.00/ft.	3,990.00
Access Road 350 yds. @ $1.00/yd.	350.00
1 Toolhouse	150.00
1 Exploder magazine	20.00
1 Powder magazine	50.00
Total cost of the project	$7,060.00
Government participation @ 90%	$6,354.00

Work began on December 1, 1953, and was completed July 30, 1954.

About 2000# of mine-run mica was recovered during the project but most was of poor quality. Final Field Team Report: Received August 16, 1954. Operator's Final Report: Received August 27, 1954.

3. Audit: Report of Review, dated September 2, 1954.

Total Accepted Cost	$7,060.00
Government participation	$6,354.00

4. Certification: None issued.

5. Comments:

The work was carried out as authorized.
The operation was good.

Geological Premise: The premise that the pegmatite showing strategic mica on a surface exposure would yield greater quantities in depth was not confirmed by the exploration work as only mica of an inferior grade was found.

Geological criteria upon which work was based:

1. A forked pegmatite - one fork having a thickness of 6 ft. to 10 ft., and dipping almost vertically; the other arm dips about 50° W., and is about 4 ft. thick and unzoned.
2. The pegmatite is in mica-kyanite gneiss.

Criteria developed during project:

1. A conformable pegmatite 15 ft. thick at shaft and thins along its strike to 1-1½ ft. thick and tends to branch and "finger out".
2. The mica shows a definite decrease in quality and quantity with thinning of the body along the strike.
3. Reserves of mica are negligible.

Future possibilities: None. No additional work is warranted.

Recommendations: The Nonmetallic Minerals Division agrees with the field team that a certification of discovery should not be issued. The Commodity Specialists of the Geological Survey and the Bureau of Mines also concur.

James Hopkins
Nonmetallic Minerals Division

JHopkins:gad 8/5/55
Copy to: Admr. R. File
Mr. Houk

MAR 2 5 1955

Mr. Fred Spaht

Pensacola, North Carolina

Re: Docket No. [illegible]-9835 - Plea
Fred Spaht
Banks Mine
Yancey County, North Carolina
Contract No. [illegible]

Dear Mr. Spaht:

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

It is not our intention to make a certification of discovery or development which would create a lien against the subject property. We are, therefore, closing our books and records with respect to this project. Your attention is called, however, to the provisions of the Contract which require the Operator to keep and preserve certain records for the period indicated.

We regret that the exploration work performed did not result in a certification of discovery or development. Your participation in the exploration program, however, is sincerely appreciated.

Sincerely yours,

SIGNED

Administrator

JHopkins:md 3/23/55
Copy to: Admr. R. File
Docket
Operating Committee
Field Team, Region V
Mr. Chambers
Mr. Eilingsard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Donald Banks and wife, Pauline M. Banks, (attached to Field Team copies for forwarding)
Mr. J. R. Banks and wife, Gladys Banks, (attached to Field Team copies for forwarding)
Mr. W. K. Banks and wife, Julia Banks, (attached to Field Team copies for forwarding)

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

September 7, 1954

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

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

Subject: DMEA-3125 (mica)

Applicant: Fred Hyatt

Name and Location of Property: Banks Mine
Yancey County, North Carolina

Contract Number: IdmE614

Date of Field Team Final Report: August 17, 1954

Date Rec'd. by Ceramic & Fertilizer Mtls. Br.: August 23, 1954

Field Team Recommendation:

1. No certification of discovery or development.

Comments:

1. Work which began December 1, 1953 and was completed July 30, 1954 consisted of bulldozing, sinking a 32-foot shaft, and drifting 114 feet.

2. Expenditures -

Total approved	$7,270
Total cost	7,060
Gov't. share	6,354
Value	?

3. No strategic mica was encountered.

Recommendation

I concur in the field team's recommendation to deny certification.

Signed

Donald R. Irving

Form MF-194 (Rev.)
(April 1952)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

CERTIFICATE OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 31 1954

44

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of July, 1954 Docket No. DMEA 3125 Contract No. 1016-E 614
Operator's Name Fred Hyatt Minerals Mica
Address Pensacola, North Carolina
Contract Amount, $ 7,70.00 Government Participation: 90% Amount, $ 693.00

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 Access Road		350.00	350.00			
Bulldozing						
Crosscutting						
Drifting (22')	$770.00	3,220.00	$3,990.00			
Shaft		2,500.00	2,500.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Exploder magazine		20.00	20.00			
Powder magazine		50.00	50.00			
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc. Tool house		150.00	150.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$770.00	6,290.00	$7,060.00	770.00	6,290.00	7,060.00

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-12

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 8-1-54 *Payee Fred Hyatt
Per _____ Title Sec.-Treas.

*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:
$ 693.00
Signature Cora A. Pipes
(Authorized Certifying Officer)
Date AUG 27 1954 Vou. No. 44
(See other side)

7+7
c 7/30
77.00

(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. DMEA 614 in accordance with the terms of the contract.

Signature W. T. Beck Title Supervising Mining Engr. USBM Date 8-25-54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title DMEA REGION VII Date AUG 25 1954

EXECUTIVE OFFICER

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 31 1954

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of July 195 4 Docket No. DMEA 3125 Contract No. IDM-E 614
Operator's Name Fred Hyatt Minerals Mica
Address Pensacola, North Carolina

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting	Ft.	$770.00	22	$3,990.00	114	$35.00	114	$ 35.00
Crosscutting								
Raising								
Shafts	Ft.	0	0	2,500.00	50	50.00	50	50.00
Access Road	Yds.	0	0	350.00	$350.00	$1.00	$350.00	1.00
Winzes								
Drilling: Core								
Explosive magazine	1	0	0	20.00	1	20.00	1	20.00
Churn								
Powder magazine	1	0	0	50.00	1	50.00	1	50.00
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Tool house	1	0	0	150.00	1	150.00	1	150.00
Total Distributed Costs		$770.00						Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		$770.00		$7,060.00				

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

Date 8-1-54 Operator Fred Hyatt

Per _____ Title Sec.-Treas.

Remarks:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

OPERATORS PROGRESS REPORT
For The
CITY OF JULY 1954

Atomic Energy Commission
RECEIVED

DWELL # 3125

Work Accomplished:

Working in drift for a total of 22 feet advanced for the month. Pegmatite very poor, mostly hard flint. Very little mica was produced. Approximately 100 pounds.

On July 1, 2, 5, 6, 7, 8, 9, 12, 13, 14, 15, 16, 19, 20, 21, 22, 23, 26, 27, 28, and 29, the following work was accomplished each day:

Drilled and shot eleven (11) holes using sixty-six (66) sticks. Mucking accounted for the balance of the day, each day.

MF-500

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

REFERENCE SLIP

DATE 6/27

REFERRED TO:

1. 608
2.
3.
4.

FOR:

---------- Action	---------- Recommendation
---------- Approval	---------- Record of ----------
---------- Comment	---------- Referring to ----------
---------- Conference	---------- Reply for signature of ----------
---------- Consideration	---------- Rewriting
---------- Filing	---------- Signature
---------- Instructions	---------- Suggestions
---------- Investigation	---------- Your information
---------- Initials	
---------- Mailing	
---------- Previous correspondence	

REMARKS: Project Summary
Closing letter

Check (X) before the items needing attention.

ROBERT E. ADAMS

Initials of sender.

GPO 16—63815-1

August 25, 1954

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region VII

Subject: Operator's Final Report, DMEA-3125, Idm-E 614 (mica)
Banks Mine, Yancey County, N. C. Fred Hyatt, Opr.

Enclosed are original and three copies of the subject report. The Field Team Final report was sent the Washington office Aug. 17, 1954. The Operator's final monthly report and voucher is being sent to the finance office today for payment.

Robert A. Laurence

RAB/zm
cc:
Beck
Lynch
Files

DMA 3125

QUARTERLY PROGRESS REPORT
FOR THE
[illegible] PROJECT

Work Accomplished

December 1953: Access road completed, also 1[illegible].5 ft. of open cut contracted to Westall Young of Spruce Pine, N.C.

January 1954: 8.5 feet of shaft completed.

February 1954: There was no progress.

March 1954: Twelve (12) feet of shaft, also tool house was built.

April 1954: Eleven (11) feet of shaft, shaft completed, also 17 feet of drift.

May 1954: Thirty-five (35) feet of drifts, exploder magazine, also powder magazine built.

June 1954: Forty (40) feet of drifting completed.

July 1954: Twenty-two (22) feet of drifting completed.

Results:

About 950 pounds of small mine-run lucky mica was recovered. Estimated value when sorted: $[illegible]7.00 250 lbs. of punch. 700 pounds of scrap which has not been sold.

Project completed July 29, 1954, stopped by Field Team.

See Final Operation Report

IN REPLY REFER TO:

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

August 23, 1954

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-3125 (mica)

To: L. J. Houk, Defense Minerals Exploration Administration
From: E. L. Newcomb, U. S. Geological Survey
Applicant: Fred Hyatt
Name of property: Banks Mine
Location of property: 15 mi. S. of Burnsville, Yancey Co., N. C.
Date of Field Team Report: August 17, 1954
Authorship of Field Team Report: K. H. Teague, D. M. Amos, and L. F. Shirley
Field Team's recommendation: No certification of discovery.
Comments: I concur with Field Team recommendation.

E. L. Newcomb

ELNewcomb:hlm
G-8/23/54

Copy to: Director's reading, 4212
Branch reading, 4212
DMEA (3)
Docket file
W. F. Dietrich, 3061

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

August 17, 1954

Memorandum

To: Operating Committee, DMEA - Washington

From: Field Team, Region VII - DMEA

Subject: Final Report, DMEA-3125, Idm-E614(mica) Banks Mine, Yancey Co., N.C.
Fred Hyatt, Pensacola, North Carolina - [illegible]

Enclosed are four copies of the Field Team final report on the subject exploration contract. We agree with the examiners' conclusions and recommend that certificate of discovery should not be issued.

We have requested, but not received, the Operator's final report. The final voucher is ebing held here pending receipt of the report, after which the final voucher will be forwarded for payment. The approved amount of the final voucher is included in the total on page 2 of the Field Team Report.

Robert J. Laurence
EXECUTIVE OFFICER
DMEA REGION VII

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

RJL/zm

Reviewed by
DMEA OPERATING COMMITTEE
8-23-54
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT
FIELD TEAM, REGION VII

On

DMEA-3125, BANKS MINE (mica)
Yancey County, N. C.

By

K. H. Teague, and D. H. Amos, Geologists
U. S. Geological Survey
and
Lawrence E. Shirley, Mining Engineer
U. S. Bureau of Mines

August 16, 1954

Reviewed by
DMEA OPERATING COMMITTEE
8-23-54
(date)

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT
On
DMEA-3125, Idm-E 614 (mica)
BANKS MINE

Operator: Fred Hyatt, Pensacola, North Carolina

The Banks Mine is 15 miles by road and 6.5 airline miles S. 40° W. of Burnsville, Yancey County, N. C., on a ridge spur south of Blankenship Creek, a tributary of Price Creek.

Work completed under the contract consisted of constructing 350 linear yards of access road, an exploder magazine, a powder magazine, and a toolhouse; bulldozing an open cut 18.5 feet deep; sinking a 31.5-foot vertical shaft from the bottom of this cut; and driving 114 feet of laterals from the bottom of this shaft. About2000 pounds of "mine-run" mica were recovered during the project, but it was of poor quality. It is believed by the field examiners that a certification of discovery is not justified on this mine, even though a small amount of royalty will be obtained. No additional exploratory work is warrented.

Work began on December 1, 1953 and was completed July 30, 1954. A toolhouse, powder magazine, exploder magazine, and 350 linear yards of access roads were constructed. An open cut 18.5 feet deep was bulldozed ?? and a 5' x 7' vertical shaft sunk to a depth of 31.5 feet from the bottom of the cut. A total of 114 feet of laterals were driven in pegmatite from the shaft bottom. They consist of (1) a 13.5-foot crosscut, driven in a S. 80° W. direction from the shaft, (2) an 69-foot drift driven in a S. 20° E. direction from this crosscut, and (3) a 31.5 foot drift driven to the northwest from the shaft.

A conformable pegmatite which is 15 feet thick in the vicinity of the shaft, but which thins along the strike away from the shaft is exposed. It strikes N. 20-40° W. ; the dip of the thicker portion near the shaft is 80° SW., whereas away from the shaft in the thinner part it is about 75° N. E. At and near the head of both drifts the pegmatite is 1 - 1 1/2 feet thick and tends to branch and "finger-out." The thick portion of the body contains a quartz core about 4 feet thick. The pegmatite is composed of semi-kaolinized plagioclase, quartz, perthite, muscovite, biotite and garnet, in order of abundance.

The muscovite tends to be concentrated near the wall rock contacts of the body, especially the southwest wall, in the thick portion of the pegmatite. The quantity of mica shows a definite decrease with thinning of the body along the strike. The enclosing wall rock is mica-kyanite gneiss.

About 2000 pounds of "mine-run" mica were recovered during work under the contract, but most was of poor quality. It is small, badly cracked and "tied," curved, intergrown with biotite and mineral-stained.

Reserves of strategic mica revealed by the work are negligible.

Expenditures:

(a)	Total approved	$7,270.00
(b)	Total cost of project	7,060.00
(c)	Government's share of cost	6,354.00
(d)	Government's share unexpended	189.00
(e)	Value of production during operation	?

No equipment was purchased under the contract.

August 16, 1954.

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

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

AUG 23 1954

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

Subject: Docket No. DMEA-3125 - Mica
Fred Hyatt and Lonnie Presnell
Banks Mine
Yancey County, North Carolina
Contract No. Km-M614

Dear Mr. Laurence:

Reference is made to Field Team Interim Report of July 30, 1954, recommending that no additional work be done under the subject contract.

Please be advised that the contract may be considered completed because substantially all the work has been finished.

Sincerely yours,

W. S. Martin
ACTING Chairman, Operating Committee

Approved:

J. H. Hedges
Member, Bureau of Mines

D. M. Larrabee
Member, Geological Survey

WCAnderson:gad 8/11/54
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Dietrich, 3061
Mr. Newcomb, 5227
Mr. Houk

INTERIM REPORT
On
DMEA-3125, Idm-E 614, BANKS MINE
(mica)

Operator: Fred Hyatt and Lonnie Presnell, Pensacola, N. C.

Location: On a ridge spur south of Blankenship Creek, a tributary of Price Creek, 1.5 miles by road and 6.5 airline miles S. 40° W. of Burnsville, Yancey County, N. C.

Lateral work continues on this contract and now totals 114 feet. Recent work consists of advancing the northwest drift an additional 12.5 feet in a N. 40° W. direction.

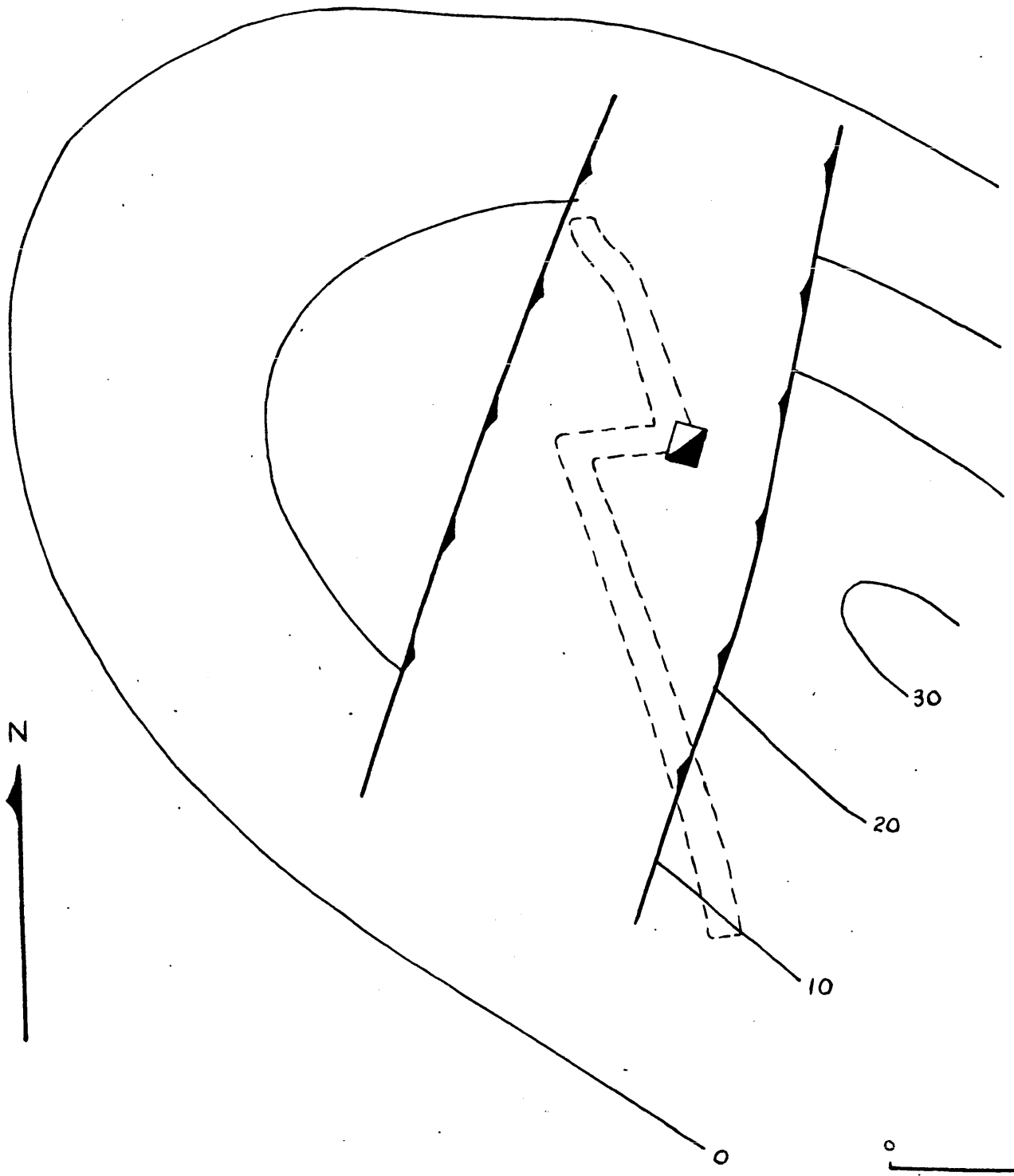
Only a little mica was recovered in this last work, and it is of very poor quality, being badly bent and cracked and heavily mineral-stained.

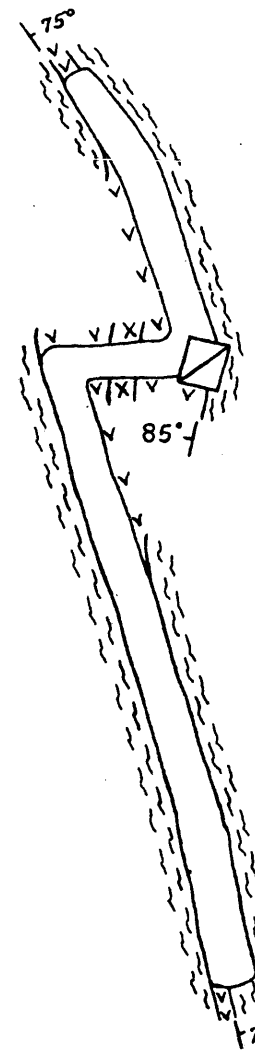
The pegmatite thins rapidly to the northwest and becomes finery grained. The amount of mica also tends to decrease in this direction. At the head of the drift the pegmatite is conformable, striking N. 40° W., and dipping 75° NE.

Only 6 feet of lateral work remains on the contract. It is recommended by the field examiners that no additional work be done under this contract because of the poor quality of the mica and the thinning of the pegmatite along the strike in both directions.

Date of Exam: July 30, 1954

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





PLAN 31.5' LEVEL

0 20' 40'

SCALE

SKETCH OF

BANKS MINE

YANCEY CO., N.C.

DMEA-3125(mica)

INTERIM REPORT

DMEA-3125 IdM-3514 (mica) BAKER MINE

OPERATOR: Fred Tyndt and Lennie Prounell, Pensacola, N. C.

LOCATION: On a ridge spur south of Blankenship Creek, a tributary of Price Creek, 13 miles by road and 6.5 airline miles S 40° W of Burnsville, Yancey County, N. C.

Drifting continues on this contract and now totals 86 feet; drifting and crosscutting totals 99.5 feet. Recent work has entailed driving a new drift to the northwest along the east wall and this drift has been advanced 19 feet.

Material encountered in this N 80° W drift is pegmatite, composed of quartz, feldspar, muscovite mica and biotite mica. The quality of the mica recovered is not good; most of it is badly bent and heavily stained. About 500 pounds of "mine-run" block was recovered from this new work. The operator was advised to start turning the drift and gradually intercept the west wall. Remaining drift will be driven in ground northwest of the shaft. Progress on this contract is satisfactory.

Mr. R. A. Laurence, Executive Officer of DMEA, Region VII, accompanied the examiners on this visit to the mine.

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

R. H. Dougan & D. H. Ross, Geologists
U. S. Geological Survey

July 16, 1954

[illegible] -3120 [illegible] -2616 (Mica) [illegible]

[illegible], Minnesota, [illegible]

[illegible] ship [illegible], a tributary of [illegible] Creek, 15 miles [illegible] miles [illegible] of [illegible], [illegible] County, [illegible]

[illegible] continues on this contract and [illegible] short [illegible] now [illegible] feet. [illegible] crop-cut to the northeast immediately.

From the shaft bottom 12.5 feet [illegible] was driven to the [illegible] wall and 67 feet of drift was driven to the southeast along this wall. The body has narrowed considerably in the drift advance and very little mica is being recovered. The operator [illegible] advised to start a new drift to the northeast and explore the pegmatite in proximity to the east wall. [illegible] mica production is anticipated from this work.

Several safety recommendations were made during this visit. Progress on this contract is satisfactory.

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

[illegible], Geologists
U. S. Geological Survey

July 2, 1954

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.

RECEIVED
JUL 16 1954

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of June 1954 Docket No. DMEA 3125 Contract No. IDM-3 614
Operator's Name Fred Hyatt Minerals Mica
Address Pensacola, N. C.
Contract Amount, $ 7,270.00 Government Participation: 90 % Amount, $ 6,543.00

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 Access Road		350.00	350.00			
Bulldozing						
Crosscutting						
Drifting (40')	1,400.00	1,820.00	3,220.00			
Shaft	~~2,500.00~~	2,500.00	2,500.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Exploder Magazine		20.00	20.00			
Powder Magazine		50.00	50.00			
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
1001 House		150.00	150.00			
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	~~1,400.00~~	~~4,890.00~~	~~6,290.00~~	1400.00	4890.00	6290.00

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-1

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 7-1-54 *Payee Fred Hyatt
Per _____ Title Sec. Treas.

*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:

$ 1260.00

Signature Cora A. Pirson
(Authorized Certifying Officer)
Date JUL 14 1954 Vou. No. 7
(See other side)

6

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Dm-E614 in accordance with the terms of the contract.

Signature Lawrence E. Shirley Title Mining Engr. U.S.B.M. Date July 3, 1954

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION VII Date JUL 9 1954

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of June 4 1954 Docket No. DMEA 3125 Contract No. IDM-E 614
Operator's Name Fred Hyatt Minerals Mica
Address Pensacola, N. C.

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting	Ft.	1,400.00	40	3,220.00	92	35.00	120	35.00
Crosscutting								
Raising	Ft.	0	0	2,500.00	50	50.00	50	50.00
Shafts Access Road	Yds.	0	0	350.00	350.00	1.00	350.00	1.00
Winzes								
Diamond Core Explosive Magazine	1	0	0	20.00	1	20.00	1	20.00
Powder Churn Magazine	1	0	0	50.00	1	50.00	1	50.00
Auger								
Stripping								
Trenching								
Test Pits								
Tool House and Trails				150.00	1	150.00	1	150.00
Total Distributed Costs		1,400.00						Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		1,400.00		6,290.00				

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

Date 7-1-54 Operator Fred Hyatt

Per Title Sec. Treas.

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

DMEA No. 3125

OPERATORS
MONTHLY PROGRESS REPORT FOR THE
MONTH OF JUNE 1954

We are about 95' with the Drifts. No change in operations. Just Drilling and Shooting.

Have not recovered very much Mica

1.	Drilling and Mucking
2.	" " "
3.	" " "
4.	" " "
5.	Sat. no work
6.	Sun. no work
7.	Drilling & Mucking
8.	" " "
9.	" " "
10.	" " "
11.	" " "
12.	Sat. no work
13.	Sun. no work
14.	Drilling and Mucking
15.	" " "
16.	" " "
17.	" " "
18.	" " "
19.	Sat. no work
20.	Sun. no work
21.	Drilling and Mucking
22.	" " "
23.	" " "
24.	" " "
25.	" " "
26.	Sat. no work
27.	Sun. no work
28.	Drilling and Mucking
29.	" " "
30.	" " "

INTERIM REPORT
On
DMEA-3125, Idm-E 614, BANKS MINE
(mica)

Operator: Fred Hyatt and Lonnie Presnell, Pensacola, N. C.

Location: On a ridge spur south of Blankenship Creek, a tributary of Price Creek, 15 miles by road and 6.5 airline miles S. 40° W. of Burnsville, Yancey County, N. C.

Lateral work continues on this contract and now totals 60.5 feet. Work since the last interim report consisted of advancing the southeast drift. At the head of this drift the pegmatite is about 3 feet thick and contains scattered books of mica.

Drifting will continue in the same direction until another examination can be made.

Date: June 18, 1954

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

PROGRESS REPORT

[illegible]-3125 Num-1014 (mica) [illegible]

OPERATOR: Fred [illegible] and [illegible] Frazell, Pensacola, N. C.

LOCATION: On a [illegible] branch of [illegible] creek, a tributary of Price Creek, 16 miles by road and 5.5 airline miles S 40° W of Burnsville, Yancey County, N. C.

Drifting continues on this contract and now totals ~~26~~ 52 feet. No change is anticipated in the target and drifting will continue in the same general direction until another examination can be made.

All drifting has been conducted to the southeast. Considerable stained block mica was recovered from the first 30 feet of drift, but the operator indicated that recent work had been very unproductive. It was suggested that in the future the drift should be turned more to the south in order to pull more pegmatite and less country rock. No extreme changes in the material encountered were noted.

The mine foreman reported that while working underground recently he was overcome by "marsh gas" and became unconscious. Mechanical ventilation has been installed. It was suggested that fumes from the exhaust on the air compressor were being blown in into the air intake and that a thorough examination and subsequent corrections should be made before doing any additional work. Progress on this contract has been satisfactory.

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

A. J. Teague & E. H. Amos, Geologists
U. S. Geological Survey

June 4, 1954

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of May 4 195 Docket No. DMEA 3125 Contract No. IDM-E3614
Operator's Name Fred Hyatt Minerals Mica
Address Pensacola, F. C.
Contract Amount, $ 7,270.00 Government Participation: 90 % Amount, $ 6,543.00

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 Contracts:						
Shaft Access Rd.		350.00	350.00			
Drilling						
Bulldozing						
Crosscutting (35')	1,225.00	595.00	1,820.00			
Shaft		2,500.00	2,500.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Explode Magazine		20.00	20.00			
Powder Magazine		50.00	50.00			
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation: Tool House		150.00	150.00			
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	1,225.00	3,665.00	4,890.00	1,225.00	3,665.00	4,890.00

PAID ON VOUCHER & SCHEDULE OF PAYMENTS # 71

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

Date _____ *Payee Fred Hyatt
Geo. Troop.

Per _____ Title _____

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

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

(Instructions on reverse)

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

$ 1,102.50

Signature Cora A. Piper
(Authorized Certifying Officer)

Date JUN 9 1954 Vou. No. 363

(See other side)

122.50

(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-E614 in accordance with the terms of the contract.

Signature Laurence G. Shirley Title Mining Engr. U.S.B.M. Date June 5, 1954

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. M. Beck ACTING Title EXECUTIVE OFFICER DMEA REGION VII Date JUN 7 1954

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of ~~Mica~~ May 1954 Docket No. DMEA 3125 Contract No. I D M-Eb14

Operator's Name Fred Hyatt Minerals Mica

Address Pensacola, N. C.

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting	Ft.	1,225.00	35'	1,820.00	52	35.00	120	35.00
Crosscutting								
Raising								
Shafts	Ft.	0	0	2,500.00	50	50.00	50	50.00
Winzes Access Rds.	yds	0	0	350.00	350.00	1.00	350.	1.00
Drilling: Core								
Exploder Magazine	1	0	0	20.00	1	20.00	1	20.00
Powder Magazine	1	0	0	50.00	1	50.00	1	50.00
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Tool House				150.00	1	150.00	1	150.00
Total Distributed Costs		1,225.00		4,890.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		1,225.00		4,890.00				

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 6-1-54 Operator Fred Hyatt

Per _____ Title Sec Tres

Remarks:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

Operators Progress Report
For the Month of May, 1954

DMEA 3125

Work Accomplished

We are about 54' with the drifts
Hit some bad air, had to put in air fan

1. No work
2. Sunday no work
3. Drilling and mucking in Drift
4. " " " " "
5. " " " " "
6. " " " " "
7. " " " " "
8. No work
9. Sunday no work
10. Drilling and mucking in drift
11. " " " " "
12. " " " " "
13. " " " " "
14. No work
15. No work
16. Sunday no work
17. Drilling and mucking in drift
18. " " " " "
19. " " " " "
20. " " " " "
21. " " " " "
22. " " " " "
23. Sunday no work
24. Drilling and mucking in drift
25. " " " " "
26. " " " " "
27. " " " " "
28. " " " " "
29. " " " " "
30. Sunday no work
31. putting in air Fan

June 8, 1954

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: Amendment No. 2 - Docket No. DMEA-3125 - Mica
Hyatt and Presnell
Banks Mine
Yancey County, North Carolina
Contract No. Idm-E614

The Nonmetallic Minerals Division concurs in Amendment No. 2 to subject contract as written and executed in the field. The date for completion of the contract has been extended from May 28, 1954 to September 28, 1954. The amendment is justified as it is not possible to operate efficiently during the inclement winter months.

W. C. Anderson
Nonmetallic Minerals Division

WCAnderson:gad 6/8/54
Copy to: Admr. R. File
Mr. Houk

Room 13, Post Office Building
Knoxville 2, Tennessee

June 1, 1954

Memorandum

To: Operating Committee

From: Executive Officer, NMEA Field Team, Region VII

Subject: Amendment No. 2, NMEA-3125 (mica), Contract Ida-Z 614
Spatt and Freemall (Banks Mine), Ramsey County, N.C.

Transmitted herewith is the original and two copies of the subject amendment. We have retained one copy for our files and have transmitted one copy to the Regional Finance office.

This amendment was necessary because of inclement weather during the winter months and due to the location of the project it was impractical to work at the mine.

Robert A. Lawrence
Executive Officer
NMEA Field Team, Region VII

Enclosures 3
RAL/mg
cc
Beck
Lynch
files
Division File-NMEA
Finance Office

C
O
P
Y

May 27, 1954

Memorandum

To: Operating Committee, D M E A - Washington

From: Executive Officer, DMEA - Region VII

Subject: Amendments extending completion date

Amendments to the following contracts, providing additional time for completion, have been mailed to the Operator today:

DMEA No.	Contract No.	New Completion Date
2875	E 613	Sept. 28, 1954
3125	E 614	Sept. 28, 1954

Robert A. Laurence
Executive Officer
DMEA Region VII

[illegible]

[illegible]A-5120 [illegible] - 314 ([illegible]) [illegible]

Office: [illegible] Pratt [illegible] Bonanza, [illegible]

[illegible]: [illegible] tributary [illegible], 16 miles by road and [illegible] airline miles [illegible] 400 [illegible]

Open cut work, shaft sinking and drifting has been completed on this property. [illegible] drift advanced east ft. open cut and shaft work combined totaled 80 feet and the shaft bottomed in both pegmatite and biotite schist. A crosscut has driven in pegmatite to the vertical, which was [illegible] 16.5 feet. All drifting to date has been in biotite at 20° [illegible] direction. The pegmatite is 15.5 feet [illegible] by the open cut at the [illegible] end [illegible] 3 feet at other [illegible] heading. About one thousand pounds of biotite has been recovered from drift work, much of which is "[illegible]" [illegible] a stain and interrounded orthoclase. The condition of the property has not changed [illegible]. Recent progress on this contract is satisfactory.

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

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

May 21, 1954

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

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

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

Month of April, 1954 Docket No. DMEA 3125 Contract No. IDM-E614

Operator's Name Fred Hyatt Minerals Mica

Address Pensacola, N. C.

Contract Amount, $ 7,270.00 Government Participation: 90 % Amount, $ 6,543.00

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:						
~~Entry~~ Access Road		350.00	350.00			
Bulldozing						
Crosscutting						
Drifting (17')	595.00		595.00			
Shaft (11')	550.00	1950.00	2500.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Explodor Magazine	20.00		20.00			
Powder Magazine	50.00		50.00			
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc. Tool House		150.00	150.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	1215.00	2450.00	3665.00	1,215.00	2,450.00	3665.00

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-64

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

Date 4/1/54 *Payee Fred Hyatt

Per _____ Title Sec. - Tres.

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

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

(Instructions on reverse)

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

$ 1,093.50

Signature Conn C. Piper
(Authorized Certifying Officer)

Date MAY 13 1954 Vou. No. 290
(See other side)

4

121.50

(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-E614 in accordance with the terms of the contract.

Signature V. J. Lynch Title Mining Engineer Date May 6, 1954

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE

Signature W. M. Bell Title ACTING EXECUTIVE OFFICER DMEA REGION VII Date MAY 10 1954

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

RECEIVED
APR. 17 1954

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of April 1954 Docket No. DMEA 3125 Contract No. IDM-E614
Operator's Name Fred Hyatt Minerals Mica
Address Pensacola, 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	Ft	595.00	17	595.00	17	35.00	120	35.00
Crosscutting								
Raising								
Shafts	Ft	550.00	11	2500.00	50	50.00	50	50.00
~~XXXXX~~ Access Road	Yds			350.00	350.00	1.00	350.00	1.00
Drilling: Core								
Exploder ~~Dynamite~~ Magazine	1	20.00	1	20.00	1	20.00	1	20.00
Powder ~~Auxr~~ Magazine	1	50.00	1	50.00	1	50.00	1	50.00
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Tool House				150.00	1	150.00	1	150.00
TOTAL DISTRIBUTED COSTS		1215.00		3665.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		1215.00		3665.00				

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 4-1-54 Operator Fred Hyatt

Per Title Sec. - Tres.

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

IDMEA No. 3125

OPERATORS MONTHLY PROGRESS REPORT
For The Month of April, 1954

Work Accomplished

Shaft completed we have drifted about 20 Feet but have not recovered much mica.

1	Drilling and Mucking
2	Drilling and Mucking
3	No work
4	Sunday - No work
5	Drilling and Mucking
6	Drilling and Mucking
7	Drilling and Mucking
8	Drilling and Mucking
9	Drilling and Mucking
10	No work
11	Sunday - No work
12	Drilling and Mucking
13	Drilling and Mucking
14	Drilling and Mucking, also piping water to mine
15	Drilling and Mucking
16	Drilling and Mucking
17	No work
18	Sunday - No work
19	Started off from shaft with heading
20	(Drifting) Drilling and Mucking
21	(Drifting) Drilling and Mucking
22	(Drifting) Drilling and Mucking
23	(Drifting) Drilling and Mucking
24	No work
25 S	Sunday - No work
26	Drilling and Mucking
27	Drilling and Mucking
28	Drilling and Mucking
29	Drilling and Mucking
30	No work

[illegible]

[illegible]-3125 [illegible]-314 (misc.) [illegible]

[illegible] Fred Hyatt and [illegible] Fresnell, Kosciusko, [illegible] C.

[illegible]: [illegible] ridge near south of [illegible] Creek, a tributary of [illegible] Creek, 18 miles by [illegible] 6.5 airline miles [illegible] of [illegible], [illegible] County, [illegible].

Shaft sinking continues on this contract and combined with open cut work (8.5 ft.) the total depth is now 68.5 feet. Turnoff will be made, at a depth of 80 feet, to the west and drifting will proceed in this general direction until another examination can be made.

Material encountered consists of both pegmatite and country rock. The pegmatite is composed of massive quartz, feldspar and muscovite mica. The rock is hard-weathered to fresh and is holding up at this depth satisfactorily. Timbering has been installed recently and extends for 10 feet in the shaft. A barricade has been erected on the uphill side of the shaft to prevent loose material from working down slope. Additional timbering and installation of a separated partition with ladders and landings will be accomplished as soon as turnoff is made. A tool house has been contructed and repairs are expected to be completed in the near future. Several safety recommendations concerning a temporary ladder while sinking, correct cable clamps and rope thimbles, etc., were made to the contractor. Progress on this contract is satisfactory.

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

[illegible] Sayre and [illegible] Ross, Geologists
U. S. Geological Survey

April 9, 1964

Form MI-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.

61 27

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of March, 1954 Docket No. DMEA 3125 Contract No. IDM-E 614
Operator's Name Fred Hyatt Minerals Mica
Address Pensacola N.C.
Contract Amount, $ 7,270.00 Government Participation: 90% Amount, $ 6543.00

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~~ Access Road		350.00				
Bulldozing						
Crosscutting						
Drifting						
Shaft (12')	600.00	1350.00	1950.00			
(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. Tool House	150.00		150.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	750.00	1700.00	2450.00	750.00	1,700.00	2,450.00

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 4/10/54 *Payee Fred Hyatt
Per _____ Title Sec Treas

*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:

$ 675.00

Signature [illegible]
(Authorized Certifying Officer)

Date APR 15 1954 Vou. No. 271
(See other side)

3

75.00

(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. Tm-E 614 in accordance with the terms of the contract.

Signature Lawrence E. Shurley Title Mining Engr. Date April 12, 1954

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. A. Beck ACTING Title EXECUTIVE OFFICER DMEA REGION VII Date APR 14 1954

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of March 1954 Docket No. DMEA 3125 Contract No. IDM-E 614
Operator's Name Fred Hyatt Minerals MICA
Address Pensacola N.C.

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts	Ft	600.00	12	1950.00	39	$50.00	50	$50.00
~~Winzes~~ Access Road	yds			350.00	350.00	1.00	350	1.00
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Tool House	1	150.00	1	150.00	1	$150.00	1	150.00
Total Distributed Costs		750.00		2450.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		750.00		2450.00				

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 9/10/54 Operator Fred Hyatt

Per _____ Title Sec Treas

Remarks:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

Operators Monthly Progress Report
for the month of March 19.54

DMEA NO3125

Work Accomplished

On the 12th of March 19.54 Mr Audy Pitman moved to the mine 1 air Compressor 1 Hoist 1 Jack Hammer and one Hose and other odds and Ends
there was no Progress for the month of Feb Mr Joe Godfrey quit the mine and it took me a little while to find some one to operate the mine

13 Setting up Hoist
14 Sunday No work
15 Mucking
16 "
17 No work
18 " "
19 " "
20 " "
21 " "
22 " "
23 Mucking
24 No work
25 Timbering
26 "
27 No work
28 Sunday No work
29 No work
30 Timbering working on Tool House
31 No work

RECEIVED
A... 1 4 1994
U. S. BUREAU OF MINES
DEF. MIN. ADM.
Knoxville, Tennessee

[illegible]

[illegible]-3125 (Form-514 (Mica) [illegible]

[illegible]: Fred Pratt [illegible] Farrell, [illegible], [illegible].

[illegible]: On a ridge near south [illegible] Hankenship Creek, a tributary of [illegible] Creek, 15 [illegible] [illegible] 2.5 miles [illegible] [illegible] of [illegible], [illegible] County, [illegible].

Shaft sinking is again underway on this contract after a brief delay. The work has been [illegible] to [illegible] of [illegible] [illegible], [illegible] [illegible] building and [illegible] equipment on the property.

The bottom could not be [illegible] because of water, but measurement indicates that the shaft is now from 10 to 12 feet deep. The operator has recovered some [illegible] of their quality during his brief work, but much of it is crushed and contains a stain. Mr. [illegible] expressed the desire to cooperate fully with the examiners and necessary timber work to provide a safe operation will get under way immediately.

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

[illegible], Geologist
U. S. Geological Survey

March 26, 1954

March 22, 1954

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

Re: Docket No. DMEA-3125 - Mine
Fred Hyatt and Lonnie Presnell
Ruths Mine
Yancey County, North Carolina
Contract Ida-3614

Dear Mr. Lawrence:

In response to the request in memorandum dated March 15 from the Acting Executive Officer, enclosed is an assignment of the interest of Lonnie Presnell under the subject contract to his partner, Fred Hyatt. Lonnie Presnell has already assigned his interest in the leased land, which is the subject of the exploration contract, to Fred Hyatt.

After the assignment has been executed, all payments due under the contract should be made to Fred Hyatt.

The Government's consent to the assignment does not release Lonnie Presnell from any of the provisions of the contract or any amendment thereof.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Enclosures

Approved:

J. H. Hedges
Member, Bureau of Mines

D. M. Larrabee
Member, Geological Survey

MCRubin:ep 3-22-54

Docket
Adm. Reading File
Operating Committee
Mr. W. F. Dietrich, S/M
Mr. D. M. Larrabee, USGS
Mr. Hoff
Mr. McClelland
Mr. Robin
Chron.
Pending

Copy to:

[illegible] 10 1954

[illegible]-0128 [illegible] 24 (mic[illegible])

[illegible]: [illegible] Roosevelt, [illegible], [illegible].

[illegible]: [illegible] a rig near south of [illegible] creek, a tributary of [illegible] Creek, 16 [illegible] by road and 3.5 airline miles [illegible] 409 [illegible] of Jamesville, Dare County, N. C.

[illegible] No additional work has been accomplished on this contract since that covered in the last rig report of January 29, 1954. It was reported that attempts were being made to move a hoist to the mine site, but due to inclement weather this has not been accomplished and may be holding up the work. Another visit will be made in the near future.

Mr. [illegible] Dean, member of the [illegible] field team, again Mr. [illegible] accompanied the [illegible] on this visit to the site.

[illegible] Chief, [illegible] Section
[illegible] Branch of [illegible]

[illegible] Chief, [illegible] Branch
[illegible] Geological Survey

February 25, 1954

FEB 15 1954

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

Re: Docket No. DMA-3125 (Mica)
Hyatt and Presnell
Banks Mine
Yancey County, N. C.
Contract Idm-E614

Dear Mr. Laurence:

This responds to your memorandum dated February 8 to the Operating Committee transmitting a copy of an assignment of the interest of Lonnie Presnell in the leased land which is the subject of exploration under the contract above described. Your memorandum also requested that an assignment of Presnell's interest in the Exploration Project Contract be prepared.

As we pointed out in our letter dated February 4 to you concerning another assignment (Docket No. DMEA-2734, H. J. Twiggs, et al.), the transfer of an interest in land by one partner, either to another partner or to a third party, in no way affects the obligations of the assignor under the Exploration Project Contract. Applying the principle to this case, Presnell's assignment of his interest in the mining lease to his partner, Hyatt, did not affect his obligations under the Exploration Project Contract.

Your memorandum stated that it is your "understanding" that Joe Godfrey is now a partner of Fred Hyatt's "in the operation of the Banks Mine." There is enclosed an assignment-of-contract form for execution by Lonnie Presnell and Joe Godfrey at the places on the form designated for their signatures, subject to your verifying your understanding that Joe Godfrey is now a partner under the

exploration contract. If Joe Godfrey is in fact a partner of Fred Hyatt's under the exploration contract, all payments due the Operator should, after the assignment has been executed, be made to Fred Hyatt and Joe Godfrey.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Enclosures

Approved:

J. H. Hedges

Member, Bureau of Mines

D. M. Larrabee

Member, Geological Survey

HKRubin:cp 2-11-54

Copy to: Docket
Adm. Reading File
Operating Committee
Mr. W. F. Dietrich, B/M
Mr. D. M. Larrabee, USGS
Mr. Houk
Mr. Hafflund
Mr. Rubin
Chrom.
Pending

Department of the Interior
Defense Minerals Administration
RECEIVED
FEB 12 1954

[illegible]

[illegible]-125 [illegible]-1614 (mica) [illegible]

[illegible]: Fred Hyatt and Bonnie Bresnell, Pensacola, N. C.

[illegible]: On a ridge spur south of Blackburnin Creek, a tributary of Price Creek, 15 miles by road and 6.5 airline miles S 40° W of Burnsville, Yancey County, North Carolina.

Open cut work has been completed and shaft sinking is now under way on this contract. A northeast trending cut 18½ feet in depth was made by bulldozer which exposed the pegmatite and placed the operators in firm ground. Most of the material moved consisted of biotite schist and pegmatite. The pegmatite material was composed of quartz boulders, kaolinized feldspar, and muscovite and biotite mica. About 200 to 250 pounds of block mica, mostly in small sizes, was recovered during bulldozing. Shaft sinking is now under way in pegmatite and about 7 feet has been accomplished. A quartz core trending N 10° E, feldspar and scattered blocks of mica were observed in place. The shaft has been collared with 10" round logs and as soon as practicable another set and solid lagging will be installed.

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

L. M. Teague and Lewey Anna,
Geologists, U. S. Geological Survey

January 29, 1954

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-49

219

FEB 15 1954

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of Jan, 1954 Docket No. DMEA 3125 Contract No. IDME 614
Operator's Name Hyatt & Presnell Minerals Mica
Address Burnsville, N.C.
Contract Amount, $ 7270.00 Government Participation: 90% Amount, $ 6543.00

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 Contracts: Short Form						
~~Drilling~~ Access Road		350.00	350.00			
Bulldozing						
Crosscutting						
Drifting Shaft	425.00	925.00	1350.00			
(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	425.00	1275.00	1700.00	425.00	1,275.00	1,700.00

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

Date 2-2-54 *Payee Fred Hyatt

Per _____ Title Sec.-Treas

*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:

$382.50

Signature Cora A. Pipes
(Authorized Certifying Officer)

Date FEB 12 1954 Vou. No. 219
(See other side)

42.50

2

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E614 in accordance with the terms of the contract.

Signature Lawrence E. Shirley Title Mining Engr. U.S.B.M. Date Feb. 9, 1954

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. M. Beck ACTING EXECUTIVE OFFICER Title DMEA REGION VII Date FEB 11 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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 15 1954

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Jan 1954 Docket No. DMEA 3125 Contract No. IDME 614
Operator's Name Hyatt & Presnell Minerals Mica
Address Burnsville N.C. Box 211

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts	Ft.	425	8.5	1350.00	27	50.00	50	50.00
~~Winzes~~ Access Road	In yds			350.00	350	1.00	350	1.00
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		425.00		1700.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		425.00		1700.00				

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 2-2-54 Operator Fred Hyatt

Per _____ Title Sec.-Treas

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

Work Sheet - Banks Mine
Hyatta Presnell operators
DMEA 3128 - contract #IdME614

Date	hrs	Jan - 54	Footage
1	x		
2	x		
3	x		
4	x		
5	x		
6	x		
7	x		
8	x		
9	x		
10	x	Started Shaft Jan. 21st	
11	x		
12	x		
13	x		
14	x		
15	x		
16	x		
17	x		
18	x		
19	x		
20	x		
21	8	Mucking	2
22	x		x
23	x		x
24	x		x.
25	8	Timbering + Mucking	2
26	8	Drilling + Blasting	x
27	x	Rain	x
28	8	Mucking	2
29	8	Mucking	2.5
30	x		x
31	x		x
		Total Footage	8.5

W. Godfrey Foreman

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

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

197

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

VOUCHER & SCHEDULE

43

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of Dec, 1953 Docket No. DMEA 3125 Contract No. IDM-E614
Operator's Name Hyatt + Pressnell Minerals Mica
Address Pensacola N.C.
Contract Amount, $ 727000 Government Participation: 90% Amount, $ 654300

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 Access Road	350.00	–	350.00			
Bulldozing						
Crosscutting						
Drifting Open Cut	925.00		925.00			
(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	1275.00		1275.00	1,275.00		1,275.00

I certify that the above bill is correct and just and that payment therefor has not been received.
Date Jan 15-54 *Payee Fred Hyatt
Per _____ Title Sec Treas

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

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

(Instructions on reverse)

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

$ 1,147.50

Signature Chas A. Pinson
(Authorized Certifying Officer)

Date JAN 21 1954 Vou. No. 197
(See other side)

10d S-11/21/53 127.50

(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-E614 in accordance with the terms of the contract.

Signature Lawrence E. Shirley 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-R1151.1
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Dec 1953 Docket No. DMEA 3125 Contract No. IdM-E614
Operator's Name Hyatt & Presnell Minerals Mica
Address Pensacola, 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
Access Roads	yds	350.00	350	350.00	350	1.00	350	1.00
Drifting								
Crosscutting								
Raising								
Shafts Open Cut	FT	925.00	18.5	925.00	18.5	50.00	50	50.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		1275.00		1275.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		1275.00		1275.00				

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 Jan 15-54 Operator Fred Hyatt

Per ..... Title Sec Treas

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

Narrative Report - Hyatt & Presnell - Pensacola, N.C.
D.M.E.A. # 3125 - Contract # DDM-E614

Month of December 1953

Date	Explosives	Labor	Bulldozer	Compressor		H.	Open Cut
1	50 lbs. $20.00	$20.00	10 hrs @ $10. $100.			6	$140.00
2	" " 20.00	$20.00	9 " " $10. $90.00			4	130.00
15	—	20.00	6 " " " $60.00			3	80.00
16	35.00	$18.00	9 " " " $90.00			3	143.00
18	9.00	$18.00	1 " " " $10.00			2.5	162.00
Total	$84.00	$96.00	$350.00	125.00	per month		$755.00
			Bulldozer				Access Road
28			10 hrs @ $10. $100.				
29			" " " "				
30			" " " "				
31			5 " " $50				$350.00
							$1,105.00

Please mail correspondence to
Hyatt & Presnell
Burnsville, N.C.
c/o Joe Godfrey

INTERIM REPORT

MEA-3125 Idm-E614 (mica) BANKS MINE

OPERATOR: Fred Hyatt and Lonnie Presnell, Pensacola, N. C.

LOCATION: On a ridge spur south of Blankenship Creek, a tributary of Price Creek, 15 miles by road and 6.6 airline miles S 40° W of Burnsville, Yancey County, N. C.

This mine was not working because of a heavy snow and freezing weather. Contact with the operator divulged that open cut work is underway and that the cut has been deepened for 12 feet along the strike of the body. Another attempt to visit the mine will be made in the near future.

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

December 15, 1953

December 16, 1953

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: Docket No. DMEA-3125 - Mica
Contract No. Idm-E614
Hyatt and Presnell
Banks Mine
Yancey County, North Carolina

Re: Amendment No. 1
Concurrence by Nonmetallic Minerals Division

Amendment No. 1 as prepared and executed by the Executive Officer, Region VII, relates to a change in the descriptive portion of Agreed Unit Cost under Exhibit "A"

"50 feet of shaft @ $50/ft - $2,500.00"
is changed to -
"<u>50 feet depth of open cut and shaft</u> @ $50/ft - $2,500.00"

The underscored phrase above is somewhat ambiguous and not easily understood. Evidently a few feet in depth of overburden was bulldozed from around the shaft collar and to compensate for this it has been included by amendment. The amendment while not well written, will probably serve the purpose for which it was made and as there is no increase in the total cost, this division will concur in the amendment as prepared and executed by the Field Team.

/s/
J. T. Robertson
Nonmetallic Minerals Division

JTRobertson:ag 12/16/53
Copy to: Admr. R. File
Docket File
Mr. Houk ✓

Mr. Robertson

60

INTERIM REPORT

MEA-3125 Idm-2614 (mica) BANKS MINE

OPERATOR: Fred Hyatt and Lonnie Presnell, Pensacola, North Carolina.

LOCATION: On a ridge spur south of Blankenship Creek, a tributary of Price Creek, 18 miles by road and 6.6 airline miles S 40° W of Burnsville, Yancey County, North Carolina.

Shaft sinking is underway on this contract and is now at 9.5 feet. No one was at the mine at the time of this visit and the future of the work could not be discussed with the operator. There was evidence of some recent bulldozing for preparation of a shaft site. No access road or other construction had been accomplished. The shaft had not been timbered and was sunk in both pegmatite and wall rock. About 100 pounds of rough block was observed in the vicinity of the shaft opening.

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

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

November 20, 1953

MBL

R

SEP 28 1953 600

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

Subject: Docket No. DMEA-3125 - Mica
Hyatt and Presnell
Banks 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. There is also enclosed copy of a memorandum from the Chief Counsel, dated September 22, 1953. Please note the second and third items.

If the contract meets with your approval 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 Geological Survey and the Bureau of Mines are enclosed.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

JTRobertson:gad 9/23/53
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

Approved:

J. H. Hedges

Member, Bureau of Mines

A. R. Kinkel, Jr.

Member, Geological Survey

Enclosures 11

September 22, 1953

Memorandum

To: The Administrator
Through: Mr. L. G. Houk

From: Chief Counsel

Subject: Fred Hyatt and Lonnie Presnell, Partners, Docket No. DMEA-3125 (Mica)

Attached in satisfactory legal form for execution is a contract covering the above-described project, subject to the following:

1. Your approval of this contract, which is for 90 percent contribution.

2. The Operator furnishing proof that he has the right to construct an access road to the property on the land where he proposes to construct it.

3. The Owner's Consent to Lien is on the old form. In this small case, I think we may accept it, but it would be preferable to have it on the new form.

Albert E. Kane

for J. L. Hofflund
Chief Counsel

Attachments

AEKane:ep

Copy to: Mails & Files
Mr. Houk
Mr. Hofflund
Mr. Kane
Chron.

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

September 16, 1953

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-3125, Mica, Banks Mine, Fred Hyatt and Lonnie Pressnell, Cleveland County, North Carolina

I concur in the field team's recommendation for an exploration program in the amount of $7,275.

Signed
W. F. Dietrich

IN REPLY REFER TO:
G-MD-CNR

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

September 15, 1953

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-3125 (mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: Donald A. Brobst, U. S. Geological Survey
Applicant: Fred Hyatt and Lonnie Pressnell, Pensacola, North Carolina.
Name of property: Banks Mine.
Location of property: On a ridge spur S. of Blankenship Creek, a tributary of Price Creek, 15 miles by road and 6.5 air miles S. 40 W. of Burnsville, Yancey Co., North Carolina.
Date of field team report: September 4, 1953.
Authorship of field team report: K. H. Teague and L. E. Shirley.
Field team's recommendation:

350 yds. of access road at $1.00/linear yd.	$350.00
10' x 12' tool house	150.00
Exploder magazine	25.00
Powder magazine	50.00
50' of 5'x7', 2 compartment shaft at $50/ft.	2,500.00
120 ft. drift/or crosscut at $35/ft.	4,200.00
Estimated total	$7,275.00

Comments:

1. This field examination is the first information on the property.
2. The field team found evidence of good ruby mica and revised the applicants' exploration program from $5,475 to $7,275, an increase of $1,800.

ACTION SUGGESTED:
Follow field team's recommendation.

Donald A. Brobst

Brobst:jeh
9/15/53
cc: Director's reading 4212
Branch 4212 "
DMEA 3
Brobst G-230

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

September 4, 1953

Memorandum

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

From: Acting Executive Officer, DMEA - Region 7

Subject: Field Examination Reports.

Transmitted herewith are four copies each of the reports listed below. The Field team concurs in the recommendations set forth in the reports.

DMEA-3037, Old Sharp Mine (mica)

DMEA-3125, Banks Mine (mica)

DMEA-3130, Wellmon Mine (mica)

DMEA-3131, Old Shining Rock Mine (mica)

DMEA-3132, Hurst Mine (mica-beryl)

Six extra copies of the map are attached to each report.

/s/ Benjamin Gildersleeve

Benjamin Gildersleeve
U. S. Geological Survey
Member Field Team

/s/ Wm. A. Beck

Wm. A. Beck
Acting Executive Officer
DMEA-Region 7

C O P Y

Reviewed by
DMEA OPERATING COMMITTEE
9-14-53
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM, REGION VII

ON

DMEA-3125, BANKS MINE
(Mica)
Yancey County, N. C.

By

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

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

September 4, 1953

Reviewed by
DMEA OPERATING COMMITTEE
9-14-53
(date)

Report of Examination
on
BANKS MINE, DMEA-3125, (mica)

Applicant: Fred Hyatt and Lonnie Pressnell, Pensacola, N. C.

A limited amount of stripping at this deposit has exposed a pegmatite at least 90 feet long which contains mica of strategic grade. The exposures are favorable for the discovery of a worthwhile deposit of strategic mica. The examiners recommend that assistance be granted.

The mine was examined on August 26, 1953. Messrs. Fred Hyatt and Lonnie Pressnell accompanied the examiners on the inspection which required three hours.

The Banks mine is on a ridge spur south of Blankenship creek, a tributary of Price Creek, 15 miles by road and 6.5 airline miles S. 40° W. of Burnsville, Yancey County, North Carolina. Access to the mine is good, except 100 yards, where no road exists. It will be necessary to construct approximately 350 yards of road to make the mine completely accessible.

Both applicants are reliable. Mr. Pressnell has mined mica a good portion of his life and is entirely capable of conducting the proposed project.

There are no surface facilities on the property. Old workings consisted of several pits and trenches along the outcrop. Evidence of these openings has been distroyed by recent stripping with a bulldozer. At present workings consist of a stipped area 100 feet long, 40 feet wide, to a maximum depth of 6 feet. From the stripped area two trenches as shown on the attached map have been made on pegmatite. The deepest work is not greater than 20 feet.

Recent stripping has exposed the pegmatite rather well. It exposes ~~the~~ a pegmatite that forks to the south. North of the point of separation the pegmatite is from 6 to 10 feet in thickness. The western pegmatite strikes N. 30° E and has a near vertical dip. It is from 6 to 10 feet thick and is composed of a conspicuous quartz core with adjacent zones of feldspar, quartz and muscovite. The distribution of mica cannot be determined at present. The eastern arm of the pegmatite trends in the main north-south, and dips about 50° W. This portion of the pegmatite is about 4 feet thick and unzoned, being composed of coarse soda feldspar, quartz, and mica.

The pegmatite is in mica-kyanite gneiss.

The mica is ruby colored, hard, and splits well. Both flat and "A" occur. The flat is clear and sizes up to 8 inches may be found in the dump.

The "A" is badly bent and cracked; black spots occur along the arms of the "A". Very little of the "A" will produce pattern; however, it constitutes only about 20 percent of the total mica present.

The examiners recommend that 350 yards of access road, tool house, and exploder and powder magazines be constructed, and a 50-foot shaft sunk near the point of intersection of the south arms of the pegmatite. After the shaft is completed, 120 feet of drift/or crosscuts should be driven on the pegmatite.

Estimated Costs:

350 yds. of access road @ $1.00/linear yd.	$ 350.00
10' x 12' Tool House	150.00
Exploder Magazine	25.00
Powder Magazine	50.00
50-foot, 5' x7', 2-compartment shaft @ $50/ft.	2500.00
120 feet drift/or crosscut @ $35/ft.	4200.00
Estimated Total Cost	$7275.00

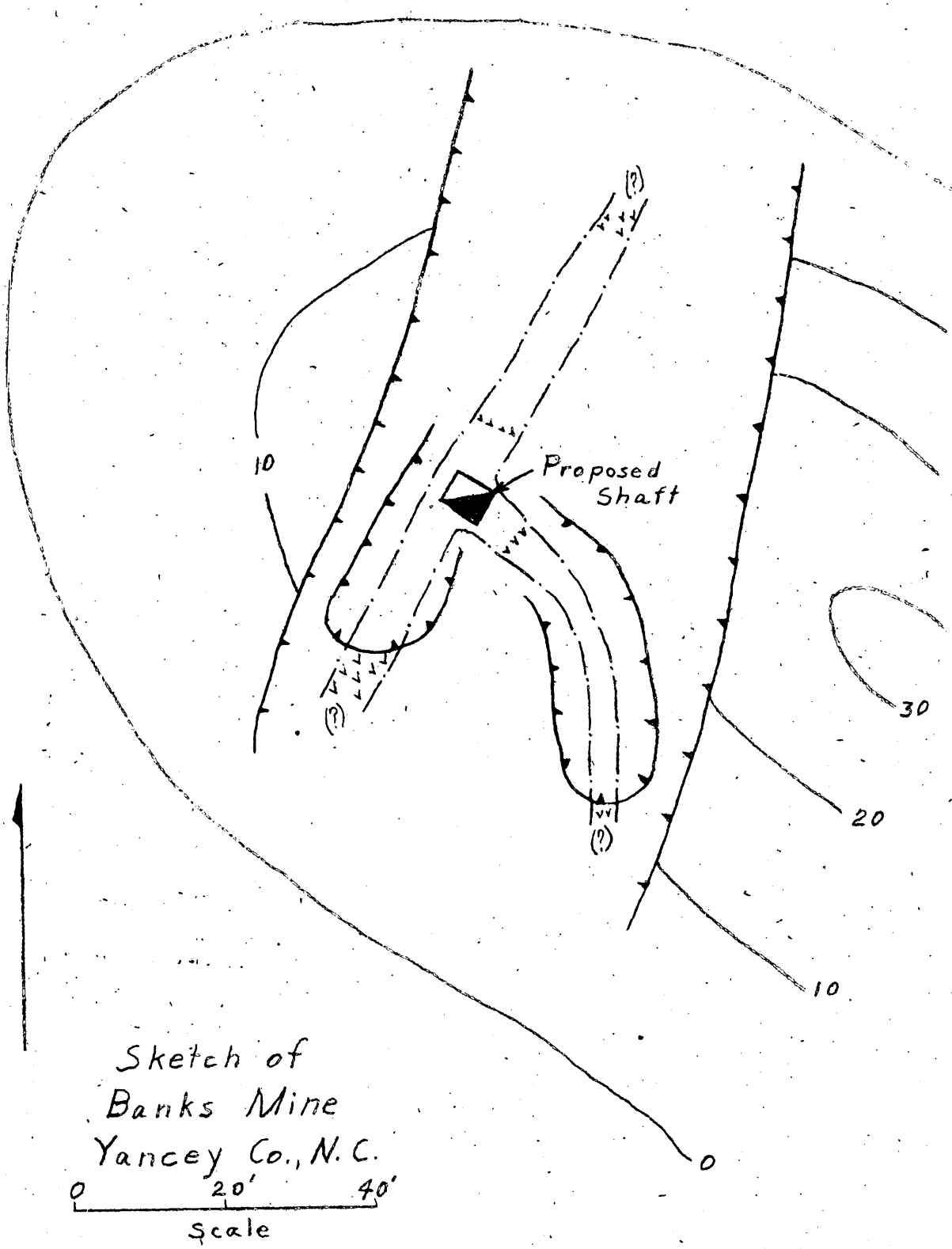
Estimated time required - 6 months

September 4, 1953

Kefton H. Teague, USGS

Lawrence L. Shirley, USBM

ZM



Sketch of
Banks Mine
Yancey Co., N.C.

DMEA-3125 (mica)

600

AUG 12 1953

Hyatt & Pressnell
C/o Fred Hyatt & Lonnie Pressnell
Pensacola, North Carolina

Re: Docket No. DMEA-3125 - Mica
Banks Mine
Yancey County, North Carolina

Gentlemen:

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. Lawrence, Executive Officer, DMEA Field Team, Region VII, Room 13, Post Office Building, Knoxville 2, Tennessee, for further consideration and possibly a field examination.

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

Administrator

JTRobertson:gad 8/11/53

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

AUG 12 1953 600

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

Subject: Docket No. DMEA-3125 - Mica
Hyatt & Pressnell
Banks Mine
Yancey County, North Carolina

Dear Mr. Laurence:

Please review the subject application and arrange for a field examination if you deem it advisable.

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

Sincerely yours,

W. S. Martin

ACTING Chairman, Operating Committee

Approved:

J. H. Hedges

Member, Bureau of Mines

A. R. Kinkel, Jr.

Member, Geological Survey

Enclosures 4

JTRobertson:gad 8/11/53
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 7 1953

August 7, 1953

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-3125, Mica, Banks Mine, Yancey County, North Carolina

No data are available in this office on subject mine.

It is suggested the field team visit this mine when a member of the field team is in that vicinity to ascertain if an exploration program is justified.

Signed

W. F. Dietrich

IN REPLY REFER TO:
G-MD-CNM

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

July 23, 1953

Memorandum

REVIEW OF APPLICATION DMEA 3125 (mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: D M. Larrabee, U. S. Geological Survey
Applicant's name and address: Fred Hyatt and Lonnie Pressnell, Pensacola, North Carolina.
Name of property: Banks mine.
Location of property: 10 miles southwest of Burnsville, North Carolina.
Summary of applicant's proposal: Access road.
Stage 1 - trench 150' x 12' x 12'
Stage 2 - Shaft 45', drift 40'.
$5,475
Sources of information on applicant's property: None.
Comments: None.
RECOMMENDATION: Refer to Field Team.

D. M. Larrabee

Larrabee:jeh
G-7/23/53
cc: Director's reading 4212
Branch reading 4212
DMEA 3
Larrabee G-232 files