☑ Audited 9/9/55

☐ Certified

Name Charlie B. Hensley

State No. Carolina

ANALYSIS SHEET - DMEA PROJECT

Analysis as of 9/12/55

Incl. Voucher for Aug. 55

Commodity Mica

☐ Actual Cost

☑ Agreed Unit Costs

Docket No. A 3188

Idm-E No. 647

OPERATION	AUTHORIZED Units	AUTHORIZED Cost	COMPLETED Units	COMPLETED Cost	NET COST
Drifting & Crosscutting	80 Ft.	$2,800.00	80 Ft	$2,800.00	$2,800.00
Raising					
Shafts	50 Ft.	$2,250.00	50 Ft.	$2,250.00	$2,250.00
Winzes					
Drilling (Specify)					
Surface Excavation					
Underground Excavation					
Roads and Trails					
Operating Equipment Purchased					
Surface Rehabilitation & Repairs					
Underground Rehabilitation		$300.00		$300.00	$300.00
New Building, Improvements, etc.					
Other (Specify)					
Totals		$5,350.00		$5,350.00	$5,350.00

Prepared by Walter C. Anderson

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Charlie B. Moseley

Sylva, North Carolina

pertaining to Exploration Project Contract No. Xdm-E647, Docket No. DMEA-3188, including Amendment Nos. 1, 2, 3, 4, and 5, for the months of January 1955 to August 1955, inclusive, covering a project for the exploration of mica on property, known as the Betty's Creek Mine No. 3, located in Jackson 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 Field Team reports, 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		$5,390.00
Exceptions:		
By DMEA Finance Officer	$ -0-	
Herewith	-0-	-0-
Total Accepted Cost		$5,390.00

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 Four thousand eight hundred fifteen and no/100 Dollars

$4,815.00

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

E. F. Talbert, Auditor

September 9, 1955

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EXPLORATION PROJECT CONTRACT

DOCKET NO. DMEA-3188
Idm-E647 (mica)

AMENDMENT No. 5

Contract Idm-E647, Docket No. DMEA-3188, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration and Charlie B. Hensley, dated the 14th of December 1953, is hereby further amended as follows:

1. Article 3 is amended to read,.."..... and shall bring the project to completion within a period of twenty-one (21) months from date of contract.."..... instead of nineteen (19) months as written in Amendment No. 4, dated April 13, 1955.

This amendment is necessary because the Operator was unable to finish the project within the specified time.

Dated: July 12, 1955.

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.'

Charlie B. Hensley
Charlie B. Hensley, Operator

THE UNITED STATES OF AMERICA
By: Robert A. Lawrence
Executive Officer, DMEA
Field Team, Region V

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Defense Minerals Administration
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EXPLORATION PROJECT CONTRACT
DOCKET No. DMEA-3188
Idm-R647 (mica)

AMENDMENT No. 4

Contract Idm-R647, Docket No. DMEA-3188, between the United States of American, acting through the Department of the Interior, Defense Minerals Exploration Administration and Charlie B. Hensley, dated the 14th day of December 1953, is hereby further amended as follows:

1. Article 3 is amended to read , "..... and shall bring the project to completion with a period of nineteen (19) months from date of contract".... instead of sixteen (16) months as written in amendment 3, dated December 13, 1954.

This amendment is necessary because the Operator was unable to finish the project in the specified time.

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.'

Charlie B. Hensley
Charlie B. Hensley, Operator

Robert A. Lawrence
EXECUTIVE OFFICER
DMEA REGION V

April 13, 1955

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Docket Copy

EXPLORATION PROJECT CONTRACT
Docket No. DMEA-3188

AMENDMENT NO. 3

Contract Idm-E 647, Docket No. DMEA-3188, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration and Charlie B. Hensley, dated December 14,1953 is hereby further amended as follows:

1. Article 3 is further amended to read,".....and shall bring the project to completion within a period of sixteen (16) months from date of contract...." instead of twelve (12) months as written in amendment 2, dated August 10, 1954.

December 13, 1954.

This amendment is necessary due to inexperienced help and breakdown of equipment.

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.'

Robert A Lawrence
Executive Officer, DMEA-Region VIII

CHARLIE B. HENSLEY, OPER.
Charlie B. Hensley

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EXPLORATION PROJECT CONTRACT
DOCKET NO. DMEA-3188

AMENDMENT NO. II

Contract Idm-5647, Docket No. DMEA-3188, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration and Charlie B. Hensley, dated the 14th day of December 1953 is hereby further amended as follows:

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

August 10, 1954.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be obligated to pay, or the percentage of the cost which the Government may be obligated to pay, under the provisions of Article 4 of the contract form.

THE UNITED STATES OF AMERICA

By W. M. Beck
Acting Executive Officer, DMEA
Field Team, Region VII

CHARLIE B. HENSLEY, Operator

Charlie B. Hensley

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EXPLORATION PROJECT CONTRACT
DOCKET NO. DMEA-3188
Idm-E 647 (mica)

Contract Amendment No. 1

Contract Imd-E647, Docket No. DMEA-3188, between the UNITED STATES OF AMERICA, acting through the Department of the Interior, Defense Minerals Exploration Administration and CHARLIE B. HENSLEY, dated the 14th day of December 1953, is hereby amended as follows:

Wherever the words "Bay Betty's Creek No. 3 Mine" appears in the contract strike out the word "Bay."

The mine is known as the "Betty's Creek No. 3 Mine." The word "Bay" was inserted in the application through a typographical error.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be obligated to pay, or the percentage of the costs which the Government may be obligated to pay, under the provisions of Article 4 of the contract form.

December 16, 1953.

THE UNITED STATES OF AMERICA

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

CHARLIE B. HENSLEY, Operator

Charlie B. Hensley

mm

MF-200 (A)
(February 1952)

DOCKET NO. DMEA [illegible]

COMMODITY [illegible]

Division Copy

IDM-E 647

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
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EXPLORATION PROJECT CONTRACT[1]

(Short Form)

IT IS AGREED this 14th day of December, 195 3, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] Charlie D. [illegible]
[illegible], North Carolina

hereinafter called the "Operator," as follows: [illegible] as set forth in Exhibits A and B 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 that certain land situated in the State of [illegible], County of [illegible], described as follows:[3] [illegible]

the Operator represents and undertakes:[4]

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

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

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

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

in or upon the described land; and shall bring the project to completion within a period of [illegible] 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 [illegible] 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 $[illegible], which is [illegible] percent of $[illegible], the agreed, estimated total cost of the project in which the Government will participate: *Provided,* That until the Operator's final report and final accounting have been rendered to the Government and any final check or auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of ten (10) percent of the maximum total which the Government might have been called upon to pay under the terms of the contract. The Government may, as it sees fit, make payments direct to the Operator's independent contractors, if any, for the account of the Operator, rather than to the Operator.

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

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

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

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

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

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

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

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

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

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

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

(*d*) This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations. See Amendment for Article 6.

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

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

ARTICLE 9. *Changes and added provisions* _____

_____

_____

_____

_____

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By O. Mitterdorf
Administrator, Defense Minerals Exploration Administration

(SEAL)
Charlie B. Hensley, Operator
By Charlie B. Hensley

Approved as to form
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

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ANNEX I

The following provisions are in lieu of Article 6 :

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

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

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

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

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

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

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

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

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

EXPLORATI[illegible] OJECT CONTRACT
CHARL[illegible]. HENSLEY
DOCKET [illegible]. DMEA-3188

ANNEX II

The land referred to in Article 2 of the contract form is known as the Bay Betty's Creek No. 3 Mine and was leased for mining purposes to Charles B. Hensley for a period of five years by Paul Warren and wife, Ruth Warren, by an instrument dated September 28, 1953. It is located on the headwaters of Betty Branch about 12.5 miles by road southwest of Sylva, North Carolina, and described in the aforesaid lease, as follows:

> "Beginning on an oak tree on the side of the private road through the farm of the parties of the first part, which tree stands fifty feet from Betty's Creek, and runs thence up said private road in a South direction 3000 feet to a stake at the edge of said road; thence in a West direction 3000 feet to a hickory tree; thence in a North direction 3000 feet to a stake; thence in an East direction 3000 feet to the BEGINNING."

EXPLORATION PROJECT CONTRACT
CHARLIE B. HENSLEY
DOCKET NO. DMSA-3188

EXHIBIT "A"

Description of the Work

Exploration for concentrations of strategic mica shall be accomplished in the area indicated on the attached map entitled "Sketch of Bay Betty's Creek No. 3 Mine, Jackson Co., N. C., DMSA-3188 (mica)", by the work described below:

1. Clean out and prepare portal site and rehabilitate the existing 15 foot incline.

2. Extend existing incline an additional 50 feet on the pegmatite to a total depth of 65 feet. The incline shall be 5 feet by 7 feet in cross section.

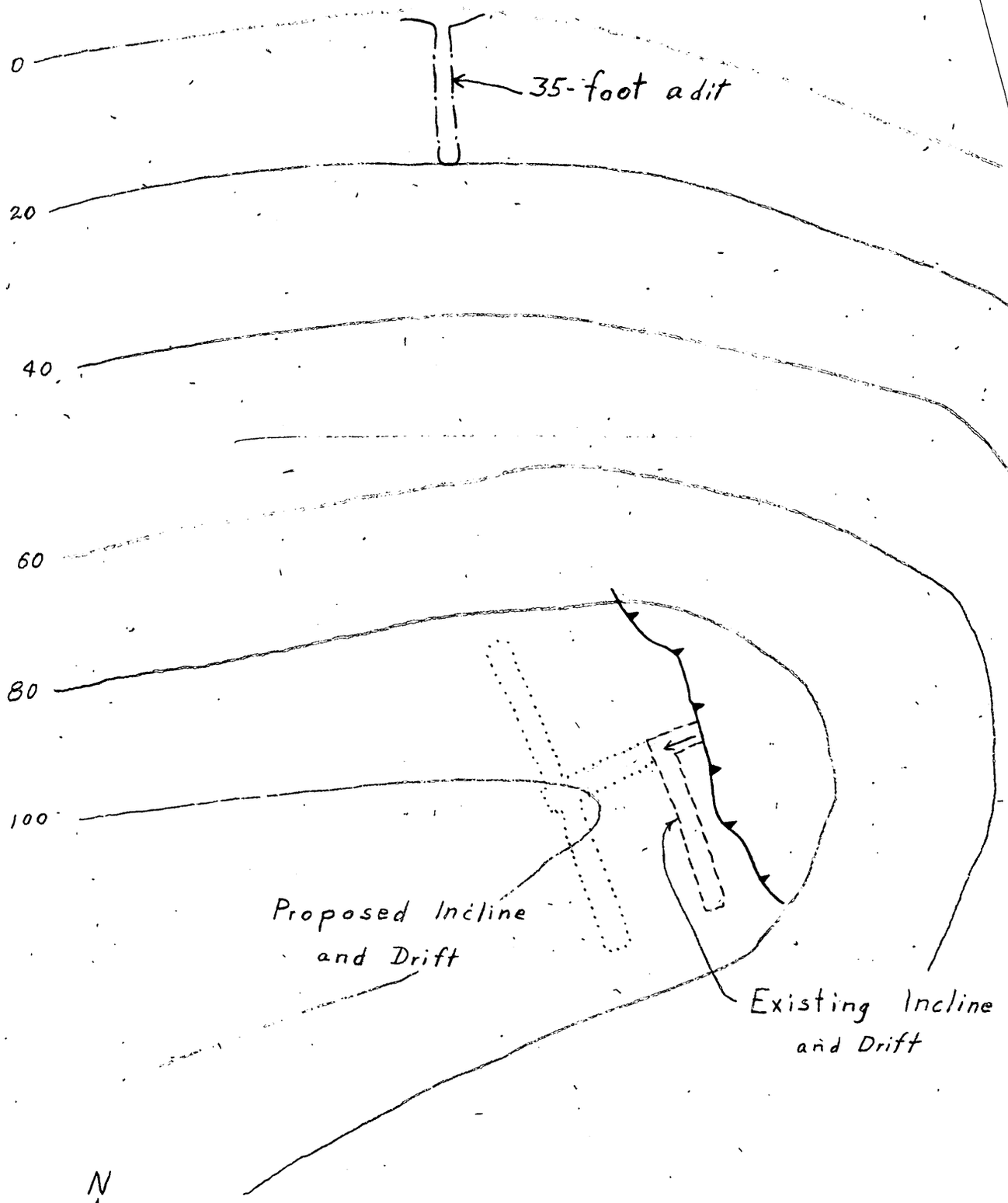
3. After the incline is completed, not more than 80 feet of 5 feet by 7 feet of drift shall be driven on the pegmatite.

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

Agreed Unit Costs

1.	Prepare portal site and recondition existing incline 1/	$ 300.00	
2.	Sink incline 50 feet @ $45.00/ft.	2,250.00	
3.	Drift 80 feet @ $35.00/ft.	2,800.00	
	Total Agreed Unit Costs		$5,350.00
	Government Participation @ 90%		$4,815.00

1/ The completed work constitutes the unit.



Sketch of
Bay Betty's Creek No. 3 Mine
Jackson Co., N.C.

0 40' 80'
Scale

DMEA - 3188 (mica)

MF-203
(Revised July 1, 1953)

Defense Minerals Administration
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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 Jackson, described as follows:1/

Betty's Creek No. 3

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/ Charlie B. Hensley

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 Clean Out Old Mine - Betty's Creek No 3

Dated this 7 day of Nov, 1953.

Paul Warren [Seal]
Ruth Warren [Seal]
Charlie B. Hensley [Seal]

[illegible]
My Commission Expires May 31st, 1955

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 Sept. 26, 1953, and recorded in book 198 page 237 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.

[illegible] land is not required, and in the absence of production there is [illegible]ernment

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 (1½) percent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(b) 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.)

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.

Duplicating Section, Washington, D. C.

RECEIVED
JUL 2 - 1956

June 29, 1956

Mr. Charlie B. Hensley
Route # 2-Box 237A
Sylva, North Carolina

Re: DMEA-3188, Idm-8647 (mica)
Bettys Creek No. 3 Mine
Jackson County, N. C.

Dear Mr. Hensley:

If you can show new information which will justify further exploration at the Bettys Creek No.3 Mine, you could apply for another contract for additional exploration.

If, however, no work has been done since completion of the DMEA contract, and no new information is available, it is very unlikely that we could recommend any additional work. Results of that contract were not sufficiently encouraging to extend the work.

I am enclosing five copies of form MV-103, which may be used if you wish to apply.

Very truly yours,

Robert A. Lawrence
Executive Officer, DMEA
Field Team, Region V

RAL/mm
cc:
Lynch
Shirley
Opr. Com.
Files

630

JUN 29 1956

Mr. Charlie B. Hensley

Sylva, North Carolina

Re: Docket No. DMSA-3138-nlm
Charlie B. Hensley
Bobby's Creek No. 3 Mine
Jackson County, North Carolina
Contract No. 14m-3647

Dear Mr. Hensley:

Reference is made to your completed exploration contract with the Government.

We sincerely regret that the work performed did not result in a certification of discovery or development under the provisions of the contract. In the absence of such certification, the Government retains no claim or lien against the property subject to the contract or any future production therefrom. We, therefore, are closing our books and records on this project. Your attention, however, is called to the provisions of the contract which require the operator to keep and preserve certain records for the period indicated.

Your interest in the DMSA exploration program and participation therein are fully appreciated.

Sincerely yours,

C. O. Mittendorf

Administrator

WCAnderson:ms 6/27/56
Copy to: Docket
Mr. Chambers
Field Team, Region V
Mr. Killagaard, 9222
Mr. Dietrich, 3041
Mr. Hook
Admr. R. File
Paul Warren) Land Owners...copies to Field for forwarding
Ruth Warren)

Project Summary Report

May 1, 1956

By: Walter C. Anderson

1. Docket No. DMEA-3188-nfen
Contract No. Idn-8647
Betty's Creek No. 3 Mine
Jackson County, North Carolina

Operator: Charlie H. Hensley
Sylva, North Carolina

Application: Form MP-105(April 1952) received October 12, 1953

Work proposed:

100 feet of "tunnel".

Amount requested:

$3,720.00

Operator's property rights:

Five year mining lease on the Paul Warren property covering 208½ acres, dated September 26, 1953
Owner's Consent to Lease dated November 2, 1953

2. Contract: Form MP-200A(February 1952) dated December 14, 1953

Work authorized:

Rehabilitation - existing incline	$ 300.00
50 feet of incline @ $45.00/ft.	2,250.00
80 feet of drifts @ $35.00/ft.	2,800.00
Estimated total cost of project	$5,350.00
Government participation @ 90%	$4,815.00

Amendments:

No. 1 12/16/53 - corrects name of mine by striking out the word "Bay"
No. 2 8/10/54 - extends completion date from 8 months to 12 months
No. 3 12/13/54 - extends completion date from 12 months to 16 months
No. 4 6/13/55 - extends completion date from 16 months to 19 months
No. 5 7/12/55 - extends completion date from 19 months to 21 months

Work completed:

Same as authorized

Project began January 1, 1954 and completed August 26, 1955
Field Team Final Report received November 2, 1955
Operator's Final Report received December 23, 1955
Mica produced during operation sold for $337.60
Royalty paid - $16.88
No equipment purchased under contract

3. Audit: Report of Review issued September 9, 1955

Accepted Cost	$5,350.00
Government participation	$4,815.00

4. Certification of Discovery or Development -
Reserve calculations made by the Nonmetallic Minerals Division indicate there is no justification for certification. The following analysis is presented:

a) Nonmetallic Minerals Division Estimate -
Attached is a sketch showing a section along the strike of the pegmatite, which outlines the indicated and inferred blocks of pegmatite. The estimate of mica reserves as shown on this sketch are given in this report as follows:

Pegmatite - 3.5 feet thick, removed by exploration work -
Length - 50'(shaft) + (9.5 + 41.5 + 29) drifts = 130 feet
Volume pegmatite rock - 130x3.5x7 = 3185 c. ft., or 120 c. yds.
Value of mica production - $337.60 or $2.80 c. yd.
$337.60 is the amount on which royalty of $16.88 was paid

Reserves -
Indicated - Block 70'x30'x3.5') = 350 c. yds. @ $2.80/c. yd. or
Block 20'x30'x3.5') approximately $1000.00
Inferred - Block 110'x32'(average) x 3.5 =
460 c. yds. @ $2.80/c. yd., or

approximately	$1300.00
Total - 810 c yds. pegmatite rock	$2300.00
Royalty	$ 115.00

B) Field Team Estimate -
The Field Team in their final report did not submit an estimate of reserves. They commented that "with the information available little concrete data can be supplied as to possible reserves at this deposit" and "although reserves of strategic mica are small, sufficient evidence of the presence of mineable mica was shown to warrant certification".

c) Our estimate of mica reserves is in agreement with the Field Team's statement that they are small and that it is probable that the cost of keeping the project on the books for 10 years will greatly exceed the royalties. Therefore, we can see no justification for certifying this project.
d) It is probable that small returns will discourage the operator from mining out the mica reserves in this deposit.

5. Comments:

How conducted:

Although all of the work accomplished was acceptable to the Government, the operation was not conducted efficiently. The work was constantly slowed down by machinery breakdown, lack of labor, etc., necessitating 4 time extension amendments.

Operation: Much to be desired.

Engineering:

Operator's reporting was far below average

Geological premise:

Presence of a pegmatite as premised was correct. However, the yield of mica per cu. yd. of pegmatite and the reserves are too low to justify certification. In addition the strategic mica will be mostly in small sizes.

Geological criteria upon which work was based:

1. Pegmatite - conformably enclosed by biotite gneiss and lenticular in shape. No information available on size and extent.
2. Mica - localized in vicinity of quartz pods.
3. Past production - limited.

Criteria developed during project:

1. Pegmatite - 2 pegmatites or 2 branches of the same one. Exposed, 2.5 to 4.5 feet thick and exposed for a distance of 70 feet along strike.
2. Mica - strategic quality, relatively small and many of the books are ruled.

Future possibilities:

Because of the small yield of mica per cu. yd. of pegmatite rock it appears that mining in this deposit would be an uneconomic operation.

Recommendation: Based on the small mica reserve, the small size of strategic mica and the probable uneconomic operation in mining this deposit, the Nonmetallic Minerals Division recommends that this project not be certified. Certification is recommended by the Field Team and concurred in by the Commodity Members of the Bureau of Mines and Geological Survey.

WCAnderson:ms 5/1/56
Copy to: Mr. Houk
Admr. R. File Mr. Anderson

Walter C. Anderson
Nonmetallic Minerals Division

May 4, 1956

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: Non-Certification - Docket No. [illegible]-3188-mica
Charlie B. Housley
Betty's Creek No. 3 Mine
Jackson County, North Carolina
Contract No. Idm-R647

The Nonmetallic Minerals Division recommends that the subject project not be certified. The justification for this recommendation is contained in the attached Project Summary Report of May 1, 1956.

The Field Team in its final report of October 28, 1955, recommended certification. The Commodity members of the Bureau of Mines and the Geological Survey concurred in the Field Team's recommendation.

Walter C. Anderson
Nonmetallic Minerals Division

WCAnderson:ms 5/4/56
Copy to: Mr. Houk
Mr. Anderson
Admr. R. File

Interim Rpts + Field Team Rpts.	Oper.	Telegram
$ 80.64	$ 80.64	$ 307.00
176.38	159.89	31.20
80.00	65.80	
$ 337.02	306.33	$ 338.20

settlement sheets also

Oper. Final Rpt

MF-500

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

REFERENCE SLIP

DATE 5 · 25

REFERRED TO:

1. 600
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: Does this ~~Should~~

Check (X) before the items needing attention.

Check our figures

Initials of sender.

GPO 16—68875-1

COPY

NOR 299 US BUR OF MINES NORRIS MSG 122 ATAWTATY 5-25-56 6970.4 11-37AM

W. S. Martin Acting Chariman Operating Committee DMEA

RE DMEA 3188 IDM-E647, CHARLIE B. HENSLEY, BETTYS CREEK NO E MINE,

JACKSON COUNTY, NORTH CAROLINA

OUR RECORDS SHOW PRODUCTION AND SALES OF MICA BY HENSELEY AS

FOLLOWS EE POUNDS SHEET MICA VALUE $307.00

2080 POUNDS SCRAP MICA VALUE $34.//////$31.20

R A LAURENCE

MIN CK
IN LINE FOUR OF MESSAGE SHOULD BE 33 POUNDS

$307.00
31.20
$338.20

May 15, 1956

DMRE-3188 Operator's Monthly Reports
Chas. B. Henley

Date	Recovery	Sales
6-10-54	10 lbs small mica	
6-30	15 lbs " "	1954 June 25 lbs.
7-15	11 lbs. small grade	(royalty $4.03) $80.64 11. lbs.
7-19	some small mica	
7-20	" " "	
7-21	" " "	
7-29	33 lbs.	
7-30	26 lbs.	July 70 lbs.
8-2	38 lbs.	Aug. 38 lbs.
11-8	50 lbs.	
11-10	30 lbs.	
11-16	30 lbs.	
11-23	30 lbs.	
11-29	50 lbs.	Nov. 190 lbs.
11-30	6 lbs. finished mica (on hand)	
11-30	200 lbs. rough " " "	
12-14	40 lbs. small block	
12-16	15 lbs.	
12-17	20 lbs.	Dec. 75 lbs.
12-21	10 lbs. finished (on hand)	
12-21	110 lbs. washer punch "	
12-21	1200 lbs scrap "	
1-4-55	30 lbs.	1955
1-7	20 lbs.	Jan. 85 lbs.
1-12	35 lbs.	
1-31	12 lbs (mica on hand finished 12 lbs.)	
1-31	125 lbs washer punch "	
1-31	1500 lbs scrap "	

(2)

Operator

Date	Recovery	Sales
2-28	Have on hand:	
	12 lbs finished	
	140 lbs. washer punch	
	1200 lbs scrap	
3-8	(royalty in amt. of $8.82	176.38 (plus scrap 10.90 lbs)
3-31	20 lbs block	Mar. 20 lbs. (Accounts to Franklin Minerals Products)
	Have on hand:	
	160 lbs. washer punch	
	900 lbs. scrap	
5-9	60 lbs	
5-10	30 lbs.	
5-11	20 lbs.	
5-19	12 lbs.	May 122 lbs.
5-30	Have on hand:	
	3 lbs finished	
6-16	Mica showing in bottom	
6-17	Recovered some mica	
6-20	15 lbs.	
6-29	20 lbs.	June 35 lbs.
6-30	40 lbs block	
6-30	5 lbs finished	
7-8	50 lbs.	
7-12	20 lbs.	
7-13	30 lbs.	
7-25	50 lbs.	
7-27	20 lbs.	
7-28	50 lbs.	
7-29	30 lbs.	July 250 lbs.
7-29	8 lbs on hand	

(3)

Operator

Date	Recovery	Sales
8-2	20 lbs.	
8-9	20 lbs.	
8-16	30 lbs.	Avg. 70 lbs.
8-30	9 lbs. for pattern on hands	

12-21 Operators Final Rpt. states three sales made — 8/1/24 $80.64
2/30/25 179.89
6/25 80.00

On hand = 200 lbs washer bruch

Recovered 980 lbs.

11-1-25 $80.00 average 4.03
10.30 lbs.
plus scrap sold to Franklin Minerals Prod. Co.

Total lbs sold 32.2 lbs.

Settlement sheets →
$80.64
176.38
80.20
$337.22

May 15, 1956

Field Team Interim Reports
DMEA-3188 Chas. B. Henley

Date	Recovery	Sales
2-23-54	Some pegmatite on hanging wall.	
3-8-54	Some small blocks of mica recovered	
3-22	Occasional small blocks mica are recovered.	
5-6	few small mica books - stockpile grade recovered during recent work.	
6-14	Occasional books of strategic mica scattered.	
6-28	Some small mica recovered during recent work. (good quality - ruby)	
7-12	Opr. estimates 10 to 15 lbs small block recovery after each shot.	
7-26	Some mica recovered recent work. Considerable strategic mica - small - along footwall.	11 lbs. $80.64 (royalty $4.03)
8-9	Small quantity mica recovered recent work.	
9-6	Only very small quantity mica (badly ruled) recovered from drift.	
11-29	Mica recovery improved considerably, production slight	
12-13	mica recovered improved in quality.	
1-3-55	Small amts. recovered with drift advance.	
1-17-55	No significant quantity recovered recent work.	
2-14	Small amt being recovered.	

(V) Field Team

Date	Recovery	Sales
3-8	(royalty paid $8.02)	$176.38 10.9 lbs. plus scrap sold to Franklin Minerals Products
2-28	Occasional small blocks muscovite encountered during sinking	
3-14	Small amt obtained during sinking	
3-31	Few blocks good quality from recent work.	
4-19	Amt increased somewhat.	
6-13	Continues to yield small amts.	
6-30	Micas efforced in dress more abundant + better quality.	
7-29	Face shows many small-medium blocks ruled mica	
8-12	Body rich in badly-ruled small sized mica	
8-26	Few small asbestos processed mica. Opr. will continue as long as peg mica exists in heading.	
11-15	(royalty paid $4.03	80.20 10.30 lbs plus scrap

$80.64
176.38
80.20
337.22

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

RECEIVED
JUN 13 1956

June 11, 1956

Memorandum

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

From: Field Team, DMEA, Region V, Knoxville, Tennessee

Subject: DMEA-3188, Idm-E647 (Mica)
Charlie B. Hensley
Bettys Creek No. 3 Mine, Jackson County, North Carolina

Reference is made to your teletype of May 24, which we answered by teletype on May 25.

Our field men inspected the mine last week. They report that it has apparently been abandoned for several months. Apparently there has been no further production from this mine.

Robert A. Laurence
Executive Officer

V. J. Lynch
Member, Bureau of Mines

RAL/mg
cc
Lynch
Operating Committee (2)
files

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

RECEIVED
JUN 13 1956

June 11, 1956

Memorandum

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

From: Field Team, DMEA, Region V, Knoxville, Tennessee

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Robert A. Laurence
Executive Officer

V. J. Lynch
Member, Bureau of Mines

RAL/mg
cc
Lynch
Operating Committee (2)
files

Department of the Interior

Defense Minerals Exploration Admin.
14X4401(01) Revolving Fund,
Defense Production Act,
Interior (Allocated Working Fund to
the Office of the Sec.)

TELETYPE

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

Subject: DMEA-3188-Mica, Charlie B. Hensley, Betty's Creek No. 3 Mine, Jackson County, North Carolina, Contract No. Km-2647

Please supply total poundage and value of mica production to date.

[redacted]
ACTING [redacted] Committee, DMEA

LCHouk:gad 5/24/56
Copy to: Admr. R. File
Docket
Field Team, Region V
Mr. Killingsard, 5222
Mr. Dietrich, 3041
Mr. Houk

Operating Committee

IN REPLY REFER TO:

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

RECEIVED
MAR 1 8 1956

March 9, 1956

Re: DMEA 3188, Idm-2647
Charles B. Hensley
Bettys Creek Mine No. 3
Jackson Co., N. C.
$5,350.00 - Mica

Memorandum

To: L. G. Hook, Defense Minerals Exploration Administration

From: N. E. Nelson, U. S. Geological Survey

Subject: Review of Final Field Team Report.

The contract approved the expenditure of $5,350.00 to explore a pegmatite from which several thousand dollars worth of mica was reported to have been sold to the Colonial Mica Corporation, but no such sales are shown on the microfilms.

The work done consisted of:--

Reconditioning 25 feet of level and inclined adit

Sinking -30° incline 50 feet

Drifting 80 feet (on 2 levels)

The cost equaled the amount approved, $5,350.00.

Two pegmatites or 2 branches of a pegmatite were explored.

The examiners conclude:--

"With the information available little concrete data can [illegible]supplied as to possible reserves at this deposit. The upper [illegible]atite contains an estimated 5 percent total mica and the lower [illegible] slightly higher amount, but the amount of this which can be [illegible]d into strategic mica is not known. Certainly the strategic [illegible]ill be mostly in small sizes. The strike length of the upper [illegible]te is not known. The lower one is at least 70 feet in length [illegible]raging about 3.0 feet thick."

A few small sales of mica were made, the value being $241.00, [illegible]antity 22 pounds.

The examiners and the Field Team recommend that a certification be made.

I concur with that recommendation.

N. E. Nelson

N. E. Nelson

NENelson:iml
G-3/9/56

cc: 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 13 POST OFFICE BLDG
KNOXVILLE 2, TENN.

RECEIVED
DEC 23 1955

December 21, 1955

Memorandum

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

From: Field Team, DMEA, Region V, Knoxville, Tennessee

Subject: Operator's Final Report, DMEA-3188, Idm-E647 (Mica)
Charles B. Hensley, Sylva, North Carolina
Bettys Creek Mine No. 3, Jackson County, North Carolina

Enclosed are four copies of the subject report, received in this office today. As we anticipated, it does not add much to the information provided by the Field Team final report.

This is definitely a borderline case in regard to certification. Recommendation for certification was made in the final report because there is a small reserve of good quality mica which can be worked as a result of the DMEA project. In that sense, there is a discovery. It is probable that the cost of keeping the project on the books for 10 years will greatly exceed the royalties, but that could be said of many certified mica projects.

Mr. Hensley is not currently working the Bettys Creek No. 3 mine.

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

L. E. Shirley for V. J. Lynch
Bureau of Mines

RAL/mg
cc - Operating Committee
Mr. Lynch
Mr. Shirley
Files

Operator. C. B. Hensley Betty's Creek mine #3
DEMA. no. 3188. & DME 647
Yancey County, N.C.
Final report and sale record
to date of October 1-1955.

1. apperently there is a good reserve of mica
2. Total production and sales
First sale August 1-1954
Gov. Dept. $80.64 Spruce pine, N.C.
Second sale February 30-1955
Gov. Dept. Spruce pine, N.C. $159.89
Third sale Spruce pine N.C. $65.80
3. Mica on hand around 200 lb. Washer punch
4. In my opinion with proper cut and tunnel said mine would produce no one mica. Last work done at mine in drift, branch work 4 ft. deeper than existing tunnel for a distance of around 10 ft. With additional work there would be a great magnificant discovery made.

Charlie B. Hensley

RECEIVED
DEC 21 1955
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

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

November 23, 1955

Mr. Charles B. Hensley

Sylva, North Carolina

Re: DMEA-3188, Idm-R647 (mica)
Bettys Creek No. 3 Mine
Jackson County, N. C.

Dear Mr. Hensley:

In order to complete our records on this contract, we need a final report from you, as provided in Article 5b of the contract.

Information needed includes the following:

1. Your estimate of the reserves

2. Total production and sales, during the contract period and to the present date.

3. Quantity of mica on hand for trimming

4. Your evaluation of the results of the contract; also your opinion as to whether a significant discovery was made.

Please send me this report (5 copies) at your earliest convenience.

Very truly yours,

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

RECEIVED
NOV 25 1955

RAL/mm
Cpr. Comp.
Lynch
Shirley
Files

November 16, 1955

Mr. L. G. Houk calling Mr. R. A. Laurence, Knoxville, Tenn.

Docket No. DMEA-3188 - Mica
Charlie B. Hensley
Betty's Creek No. 3 Mine
Jackson County, North Carolina
Contract No. Idm-E647

Mr. Houk: That justification for certification appears a little weak. I was going to write a letter on that. I was figuring that the value of the rock moved in drifting would be about $1.50 per short ton. It looks like the yield of pattern is extremely low. He doesnt seem to have sold more than 31 - 32 lbs. of mica.

Mr. Laurence: He was just piddling. He was going along and he is not a very efficient operator.

Mr. Houk: You waived the final report on that case too, and I was wondering if you could ask him for a summary of production. How do you feel about that? Mr. Frank Johnson points out the question is whether or not a significant discovery has been made.

Mr. Laurence: How do you determine a significant discovery, the amount of work. It doesnt look like it is significant although it looks like some structure where the two pegmatites come together.

Mr. Houk: Let me get you off a letter on that.

Mr. Laurence: I will wait until I get your letter before writing Hensley.

Mr. Houk: Yes. You might have the boys when visiting the operators to ask about the mica and how much it will yield. That will give us a better picture here.

Mr. Laurence: We get that from most of them -- from some of these fellows you don't get much.

Mr. Houk: I notice that one project of Sam's they produced 800 lbs. of mica and they did not know whether the Depot would buy it.

Mr. Laurence: They will try to sell for punch or maybe scrap. If they do we get a payment on it. Some have come in quite a while after.

Mr. Houk: On this Hensley deal we would have to keep the books open for ten years and if he produced $2,000 worth of mica would it be worthwhile keeping the books open?

Mr. Laurence: On that the answer would be no, and the same answer on nine-tenths of them. I don't think we will come out ahead on most of them.

Mr. Houk: It is all in the interpretation of the work resulting from the exploration, and if a significant discovery is made.

DEFENSE MINERALS ADMINISTRATION

97023

PRODUCTION EXPANSION DIVISION

PROCUREMENT APPLICATIONS

Name of Company and Address _____

Name of Mine and Location _____

Docket No. DMA - _____ Date received by P.E.D. _____

Metals or Minerals involved _____

Length of Contract (preproduction plus production) _____

Amount of Metals or Minerals in tons, units or pounds _____

Floor price or Guaranteed price and whether or not escalated _____

Maximum Government Commitment _____

Comments on Contract: _____

_____

_____

_____

_____

_____

Date sent to Legal Division _____

Date of Recommendation to D.P.A. for Certification _____

Date Certification sent to G.S.A. by D.P.A. _____

Date signed into Contract by G.S.A. _____

Additional Remarks: _____

_____

_____

_____

_____

NOTE: If application is denied, or if it is recommended for change into exploration, etc., please state under additional remarks.

Signed _____

Interior—Duplicating Section, Washington, D. C.

Mr. Laurence: How big does it have to be to be significant?

Mr. Houk: If there was a chance of getting back 25% of our money that would be a significant discovery. If we had a $1,000 project and they produced $5,000 worth of mica then our royalty would be $250.00. That is my thinking. I don't know what Mr. Johnson and Mr. Mittendorf think on that. I think where we are going to get less than $100 royalty over a ten year period it would be hardly necessary to certify.

Mr. Laurence: You can't say how much it cost to inspect any particular one but on those two a year inspections we don't get one less than $25 a visit.

Mr. Houk: Yes, and the field examination and interim reports run it up to around $500.

Mr. Laurence: Some of those farther away will run more than that. To go to Jacksonville it costs quite a bit more than that (DMEA-2286 - Rutile, National Lead Co.).

Mr. Houk: They have not started there and they have no intention of starting. I was wondering if a letter would do.

Mr. Laurence: We have been going down twice a year and it takes the better part of a day. He has to go to Macon, Georgia, and I guess 300 miles of driving he would have to do, and by the time he makes the rounds and for ten years it would take $250 - $500 in royalty to pay back that cost. We have talked about that from the beginning and I remember Lawrence Martin was a small discovery resulting from the drilling but the total production would not be enough to pay for the certification.

Mr. Houk: That is my thinking.

Mr. Laurence: In considering them significant how about Chalk Hill?

Mr. Houk: I was not of the opinion that it was a significant discovery.

Mr. Laurence: A small discovery not a significant one.

Mr. Houk: We have done pretty well down there. That is the only one we did not certify.

Mr. Laurence: That hinges on the word significant. I think we certified some where we are not getting production.

Mr. Houk: I notice we are getting a lot of recommendations and only completing StageI. I was wondering in some cases if we should not ask the applicant to do a little more work.

Mr. Laurence: Where there has not been anything done we ask them to do that. With a pegmatite where there has been no work we go ahead and it doesnt cost much to process and then cut off after Stage I, and move into sinking if it looks good.

DEFENSE MINERALS ADMINISTRATION

97023

PRODUCTION EXPANSION DIVISION

PROCUREMENT APPLICATIONS

Name of Company and Address _____

Name of Mine and Location _____

Docket No. DMA - _____ Date received by P.E.D. _____

Metals or Minerals involved _____

Length of Contract (preproduction plus production) _____

Amount of Metals or Minerals in tons, units or pounds _____

Floor price or Guaranteed price and whether or not escalated _____

Maximum Government Commitment _____

Comments on Contract: _____

_____

_____

_____

_____

_____

Date sent to Legal Division _____

Date of Recommendation to D.P.A. for Certification _____

Date Certification sent to G.S.A. by D.P.A. _____

Date signed into Contract by G.S.A. _____

Additional Remarks: _____

_____

_____

_____

_____

NOTE: If application is denied, or if it is recommended for change into exploration, etc., please state under additional remarks.

Signed _____

Interior—Duplicating Section, Washington, D. C.

600 NOV 23 1955

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

Subject: Docket No. DMEA-3188 - Mica
Charlie B. Nonaley
Betty's Creek No. 3 Mine
Jackson County, North Carolina
Contract No. Idm-E647

Dear Mr. Laurence:

Reference is made to the Final Field Team Report and recommendations, and to the telephone conversation of November 16, 1955, on the subject contract.

The justification for certification in this case appears weak from the information on hand in this office. If, as a result of the exploration work, a significant discovery has been made, then we should certify. In this case the reserves found as a result of our work and those that can be inferred do not appear to justify certification. However, we shall certify but desire some information on the yield of pattern. The per ton value of rock moved in drifting appears to be less than $1.50. A study of the Operator's reports indicates the yield is very low and that the Operator has nine pounds of pattern on hand and an undisclosed amount of block.

We shall defer immediate certification pending receipt of additional information on yield and possibly more definite ore reserve estimate. May we suggest that the Operator's Final Report not be waived as this is the only opportunity we have to obtain the Operator's evaluation of the work results, ore reserve estimate, information on the total production, yield, and mica on hand for trimming.

Sincerely yours,

Approved:

Member, Bureau of Mines

N. E. Nelson

Member, Geological Survey

Chairman, Operating Committee

LGHouk:gad 11/17/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

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

RECEIVED
NOV 17 1955

November 15, 1955

Memorandum

To: Helen Miller, Ass't Administrative Officer, Region V

From: Executive Officer, DMEA - Region V

Subject: Royalty check - Idm-R647, DMEA-3188, Chas. B. Hensley (mica)

Transmitted are bills-of-sale in the amount of $80.50 and a check for 5% royalty in the amount of $4.03 to be credited to the subject contract.

Robert A. Laurence

ZM.
cc:
Lynch
Mittendorf
Shirley
Files

copy

RECEIVED
NOV 1?

GENERAL SERVICES ADMINISTRATION, REGION IV
MICA PURCHASE DEPOT, Spruce Pine, N. C.

Authorization No. 677A Acceptance No. 465 Date: 11-1-55

Seller: C. B. Hensley - Sylva, N. C.

Mine: Betty's Creek No. 3 DMEA No. 3188-IdmE647

Quality of Mica	HALF TRIM			FULL TRIM		
	Pounds	Price/Lb.	Amount	Pounds	Price/Lb.	Amount
Good Stained & Better Grades No. 3 & larger					$70.00	
No. 4 and 5				.12	$40.00	4.80
No. 5½ and 6				1.57	$15.00	23.55
Stained						
No. 3 and larger		$12.00			$18.00	
No. 4 and 5		$ 5.00		.62	$ 8.00	4.96
No. 5½ and 6		$ 3.00		7.45	$ 5.00	37.25
Heavy Stained						
No. 3 & larger		$ 8.00			$13.00	
No. 4 and 5		$ 4.00			$ 6.00	
No. 5½ and 6		$ 2.00		.54	$ 3.00	1.62
LOT TOTALS		//////		10.30	//////	72.18
TOTAL		/////	16.41 / 18.00	X 72.18	= /////	65.80

10-21-55
Sold to: Franklin Minerals Product Co.
Scrap Mica - - - - - - - 14.70

$80.50

Royalty check #403

Confidential

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

November 14, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-3188 (mica)

Applicant: C. B. Hensley

Name and Location of Property: Bettys Creek Mine, Jackson Co., N. C.

Contract Number: Idm-E 647

Date of Field Team Report: 10/28/55

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 11/8/55

Field Team Recommendation: Recommend certification of discovery.

Comments:

1. Although estimated reserves cannot be determined from the project, it was proven that strategic mica does occur.

2. Mica was recovered during DMEA exploration.

3. Expenditures -

Total approved	$5,350.00
Total cost	5,350.00
Gov't. share of the cost	4,815.00
Value of production during operation	241.00

Recommendation: I concur with the recommendation of the field team for certification of discovery.

Signed
W. F. Dietrich

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NOV 14 1955

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1025 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

RECEIVED
NOV - 8 1955

October 31, 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: DMEA Field Team, Region V - Knoxville

Subject: Final Report, DMEA-3188, Idm-E647 (mica) Charles B. Hensley, Sylva, N. C. Bettys Creek Mine No. 3, Jackson County, N.C.

Enclosed are four copies of the Field Team Final Report on the subject contract. We agree with the examiners' recommendation for certification. 77. Felt

We are waiving the requirement for the Operator's final geologic report, as we do not believe it would add any significant information which is not already in the monthly narratives.

Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION V

V. J. Lynch, Member
Bureau of Mines

RAL/em
cc:
Lynch
Shirley
Files

11-7-55

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NOV - 2 1955

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT
FIELD TEAM, REGION V

On

DMEA-3188, Idm-E647 (mica) BETTYS CREEK MINE NO.3

By

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

and

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

October 28, 1955 11-7-55

FINAL REPORT
On
DMEA-3188, Bettys Creek Mine No. 3 (mica)
Idm-E647

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NOV - 8 1955

Operator: Charles B. Hensley, Sylva, North Carolina

Location: On the headwaters of Betty Branch, about 12.5 miles by road southwest of Sylva, N. C.

All work provided for in the contract was completed. Although reserves of strategic mica developed by this project are small, sufficient evidence of the presence of mineable mica was shown to warrant certification. A few small sales of strategic mica were made from production during the life of the project. Additional exploration is not justified; it is recommended that a certification of discovery be issued.

This project began January 1, 1954 and was completed August 26, 1955. Exploration conducted consisted of constructing a toolhouse and two magazines, preparing portal site, reconditioning a caved 25-foot crosscutting level and an inclined adit; sinking a - 30° incline 50 feet on the pegmatite in an S. 80° W. direction, and driving a total of 80 feet of drift. The drifts were driven as follows: 9.5 feet in a S. 50° W. direction from the bottom of the incline, 29 feet in a N. 35° W. direction from a point 20 feet below the level on the entrace adit (measured from the incline), and 41.5 feet S. 20° E. from the incline (on the same level as the 29-foot drift.

Two pegmatites or two branches of the same one were explored by this project. Apparently the pegmatite forks at about the point where the new incline was begun.

The branch of the pegmatite explored by the incline and the 9.5-foot drift from it is up to 4 feet thick, averaging about 2.8 feet. It strikes from S. 85° E to N. 35° E. and dips southwest to northwest at about 50°. Only at the face in the drift does the pegmatite cut out entirely. This pegmatite is unzoned, contains much burr-rock, some plagioclase, quartz, and rather abundant mica. Most of the mica is relatively small and many of the books are ruled. The mica is of strategic quality.

The pegmatite explored from a point 20 feet below the entrace adit is from 2.5 to 4.5 feet in thickness, strikes from N. 35° W. to N 5° E. and dips from 50°-65° SW. Composition is similar to the other pegmatite although contained mica somewhat larger and not so severely ruled. This pegmatite appears to rake at about 20° to the northwest as evidenced in the face of the 29-foot northwest drift.

With the information available little concrete data can be supplied as to possible reserves at this deposit. The upper pegmatite contains an estimated 5 percent total mica and the lower one a slightly higher amount, but the amount of this which can be trimmed into strategic mica is not known.

Certainly the strategic mica will be mostly in small sizes. The strike length of the upper pegmatite is not known. The lower one is at least 70-feet in length and averaging about 3.0 feet thick.

Expenditures:

(a)	Total approved	$5350.00
(b)	Total cost of project	5350.00
(c)	Government's share of cost	4815.00
(d)	Government's share unexpended	none
(e)	Value of production (22 lbs)	241.00

This operation was not conducted efficiently. Much time was lost due to equipment breakdown and lack of labor. Furthermore, many suggestions made by the Field Examiners regarding the conduct of the project were ignored by the Operator.

No equipment was purchased for the project.

This project illustrates one of the advantages of the unit-cost contracts. Had this contract been on an actual cost basis, it would have probably cost at least three times the contract cost due to the inefficiency of the Operator.

October 28, 1955

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

and

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

241 / 80.50 / 321.50

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SEP - 9 1955

September 7, 1955

Memorandum

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

From: Administrative Assistant, Electrotechnical Experiment Station, Region V, Morris, Tennessee

Subject: Monthly reports and vouchers

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

Idm-E-647
C. B. Hensley
DMEA Docket No. 3188
18th and final payment - month of August
Completion Date: 8/26/55
Amount $204.75

Idm-E-785
John Phillips and Jim McKinney, Jr.
DMEA Docket No. 3611
4th payment - month of August
Amount $997.50

Idm-E-813
A. T. Garland & Lonnie Daniels
DMEA Docket No. 3726
4th payment - month of August
Amount $757.50

Idm-E-825
John Jarrett
DMEA Docket No. 3746
2nd payment - month of August
Amount $1212.00

Idm-E-833
Joe C. Vance
DMEA Docket No. 3811
2nd payment - month of August
Amount $525.00

Idm-E-835 T. D. Vance
DRFA Docket No. 3813
2nd payment - month of August
Amount $813.75

Idm-E-840 J. R. Beam
DRFA Docket No. 3799
2nd payment - month of August
Amount $801.25

Idm-E-848 Walter Grimstaff and Jesse Johnson
DRFA Docket No. 3815
1st payment - month of August
Starting Date: 8/9/55
Amount $591.75

Helen R. Miller

Attachments
/hm
Copies to V. J. Lynch
R. A. Laurence
Morris files
Day files

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE
OF PAYMENTS K- 18

OPERATOR'S MONTHLY REPORT AND VOUCHER

RECEIVED
SEP - 1955

Month of August, 1955 Docket No. DMEA 3188 Contract No. 9DMF 647
Operator's Name C. B. Hensley Minerals Mica
Address Sylva, N.C.
Contract Amount, $ 5,350.00 Government Participation: 90 % Amount, $ 4,815.00

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 Sinking incline		2,250.00	2,250.00			
Bulldozing						
Crosscutting						
Drifting 6½ ft. @ 35.00	227.50	2,572.50	2,800.00			
Preparation of portal site		300.00	300.00			
(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	227.50	5,122.50	5,350.00	227.50	5122.50	5350.00

I certify that the above bill is correct and just and that payment therefor has not been received.
Date Sept 1, 1955 *Payee Charlie B. Hensley

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 cert[illegible] that this account is correct and proper fo[illegible] ment in the amount of:
$ 204.75 170.6

Signature [illegible]
SEP 7 195[illegible] (Auth[illegible]
Date _____ V[illegible]
(See other[illegible]

56.88

(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. IdmE 641 in accordance with the terms of the contract.

Signature Clemency H. Amos Title Geologist - USGS Date Sept. 6, 1955

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION V Date SEP 6 1955

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.

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

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SEP - 9 1955

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of August 1955 Docket No. DMEA 3188 Contract No. 90 ME 647
Operator's Name C. B. Hensley Minerals Mica
Address Sylva 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 6½ ft. @ 35.00	ft.	227.50	6½	2,800.00	80	2,800.00	80	35.00
Crosscutting								
Raising								
Shafts incline	ft.			2,250.00	50	2,250.00	50	45.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Preparation of Portal site				300.00				
Total Distributed Costs		227.50		5,350.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs								

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

Date Sept 1, 1955 Operator Charlie B Hensley

Per ..... Title .....

→ 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)

Remarks:

(For Government use only)

Harvey H. Amos
Geologist, USGS
Sept 6, 1955

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 872894

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SEP - 9 1955

C. B. Hensley: Progress report for the month August 1955 DMEA-3188 IDME-647

August 1. Drilled and blasted 4-2 ft. holes.
2- Removed muck recovered 20 lb. Mica
3- Drilled 4-2½ ft holes in head of drift using 6 powders.
4- Removed muck drilled 2-3 ft. holes in wall rock on south side using 4 powders.
5- Removed muck.
8- 5 holes 2½ ft. using 8 powders.
9- Removed muck recovered 20 lb. Mica
10- 4-3 ft. holes in bottom of drift using 8 powders removed muck.
11- 2-4 ft. test holes in bottom.
12- 4-2½ ft. holes in head of drift using 8 powders.
15- 4-2½ ft. holes using 6 powders.
16- Removed muck recovered 30 lb. Mica
17- Removed muck vein being badly broken at this point.
18- 4-2 ft. holes in north wall rock using 6 powders and removed muck.
19- 4-2½ ft. in head of drift using 8 powders
22- Removed muck.
23- 4-2 ft. holes in bottom of drift using 6 powder and removed muck.

RECEIVED
SEP - 9 1955

24. 4. 2½ ft. holes in north wall rock using 8 powder.
25. Removed much 4. 2 ft. holes in head of drift using 6 powders.
26. Removed much vein at this point being 3 ft. Over head 1½ in bottom
27. Completed Gov. Contract 6½ ft for the month total 80 ft drift.
29. 12 ft. back from head of drift in bottom 3. 3 ft. test holes mica being badly ruled
30. Mica on hand. 9 lb. Gov - Patton

N C a

INTERIM REPORT

RECEIVED
SEP - 8 1955

DMEA-3188, Idm-E647 (mica) BETTYS CREEK MINE NO. 3

OPERATOR: Charlie B. Hensley, Sylva, N. C.

LOCATION: On the headwaters of Bettys Branch, about 12.5 miles by road southwest of Sylva, Jackson County, N. C.

All work as outlined under contract has been completed. No large amount of strategic mica was produced from this work, but due to exploration conducted, ample reserves for certification purposes can be estimated. A few small sales of processed mica were made to the GSA Mica Depot, Spruce Pine, N. C.

Exploration conducted at this mine, after reconditioning work of an existing incline was completed, consisted of sinking 50 feet of incline shaft on a 30° angle and driving 80 feet of level work from the incline bottom and at higher levels. The last drift work completed was to the southeast, and workable pegmatite can be inferred in this direction only.

Work completed was slow and inefficient. The operator stated on this visit that he will continue to operate the mine as long as pegmatite containing mica exists in the heading.

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

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

August 26, 1955

INTERIM REPORT

DMEA-3188, Idm-8647 (mica) BETTYS CREEK MINE #3

OPERATOR: Charlie B. Hensley, Sylva, N. C.

LOCATION: On the headwaters of Bettys Branch, about 12.5 miles by road southwest of Sylva, Jackson County, N. C.

Drifting continues on this contract and the present level has been extended to 35 feet. Drift work to date totals 78.5 feet, and the contract is nearing completion. The pegmatite is about 4.5 feet thick in the roof area and tapers to 2.5 feet in the floor. The body is rich in badly-ruled small sized mica. The operator was advised to continue drifting to the southeast for remaining footage.

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

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

August 12, 1955

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AUG 2 1955

The [illegible]
The [illegible]

RECEIVED
AUG - 8 1955

INTERIM REPORT

DMEA-3188, Idm-E647 (mica) BETTYS CREEK MINE #3

OPERATOR: Charlie B. Hensley, Sylva, N. C.

LOCATION: On the headwaters of Bettys Branch, about 12.5 miles by road southwest of Sylva, Jackson County, N. C.

Drifting continues slowly on this contract, and an advance of 4 feet has been made in the past two weeks. The pegmatite material continues to be quartzitic, and the present face shows many small to medium-sized blocks of ruled mica. Drifting will continue to the south-east.

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

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

July 29, 1955

7-16 mca

RECEIVED
JUL 25 1955

INTERIM REPORT

DMEA-3188 Idm-E647 (mica) BETTYS CREEK MINE #3

OPERATOR: Charlie B. Hensley, Sylva, N. C.

LOCATION: On the headwaters of Bettys Branch, about 12.5 miles by road Southwest of Sylva, Jackson County, N. C.

Drifting continues slowly to the southeast on this contract, and is now at 31 feet. The body has narrowed and is now 2.5 feet thick, and is dipping 65° southwest. The pegmatite is rich in small mica, associated with quartz.

The operator was advised to provide a safer entrance from the top of the incline and scale the drift area overhead. Drifting will continue to the southeast.

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

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

July 11, 1955

RECEIVED
AUG - 5 1955

P. O. Box 217
August 3, 1955

Jay L. Chambers, Defense Minerals Exploration Administration,
Interior Building, Washington 25, D. C.

Administrative Assistant, Electrotechnical Experiment Station,
Bureau of Mines, Region V, Norris, Tennessee

ject: Monthly reports and vouchers

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

Idm-E647	C. B. Hensley DMEA Docket No. 3188 17th payment - month of July 1955 Amount $252.00
Idm-E673	W. D. and Mavos Baltzley DMEA Docket No. 3257 9th payment - month of June 1955 Amount $67.50
Idm-E813	A. T. Garland and Linzie Daniels DMEA Docket No. 3726 2nd payment - month of July 1955 Amount $978.75
Idm-E833	Joe C. Vance DMEA Docket No. 3811 1st payment - month of July 1955 Starting Date: 7/14/55 Amount $479.25
Idm-E835	T. B. Vance DMEA Docket No. 3813 1st payment - month of July 1955 Starting Date: 7/7/55 Amount $570.00

Helen R. Miller

Attachments
Copies to V. J. Lynch and R. A. Laurence
Norris files
Day files

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

8

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of JULY, 1955 Docket No. DMEA 3 RECEIVED Contract No. JD ME-647
Operator's Name C.B. Hensley AUG - 5 1955 Minerals MICA
Address SYLVA, N.C.
Contract Amount, $ 5,350.00 Government Participation: 90 % Amount, $ 4,815.00

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 SINKING INCLINE		2250.00	2250.00			
Bulldozing						
Crosscutting						
Drifting 8 ft @ 35.00	280.00	2292.50	2572.50			
Preparing of Portal Site		300.00	300.00			
(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	280.00	4842.50	5122.50	280.00	4842.50	5122.50

I certify that the above bill is correct and just and that payment therefor has not been received.
Date Aug 1-55 *Payee Charlie B. Hensley

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:

$ 252.00

Signature Helen R. Miller
(Authorized Certifying Officer)

Date AUG 3 1955 Vou. No. _____

(See other side)

28.00

(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. E647 in accordance with the terms of the contract.

Signature Kelton H. Teague Title Geologist, U.S.G.S. Date 8/2/55

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title DMEA EXECUTIVE OFFICER REGION V Date AUG 2 1955

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.

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED

OPERATOR'S UNIT COST AND PROGRESS REPORT

AUG - 5 1955

Month of July 1955 Docket No. DMEA 3188 Contract No. IDME-647
Operator's Name C. B. Hensley Minerals Mica
Address Sylva, 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	280.00	8	2572.50	73½	80		35.00
Crosscutting								
Raising								
Shafts	Ft			2250.00		50		45.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Preparing of Portal site				300.00				
Total Distributed Costs				5122.50				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs								

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

Date Aug 1-55 Operator Charlie B. Hensley

Per ..... Title .....

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)

Remarks:

(For Government use only) Keyton H. Teague, Geologist

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 872894

RECEIVED
AUG - 5 1955

B. Hensley; monthly progress report for the Month July - 1955
Letty's creek mine No3 DMEA-3188 - DOMF - 647

1. Drilled 4-2 ft. holes in bottom of drift using 6 powders.
5. Removed muck, drilled 4-3 ft. holes in head of drift using 8 powders.
6. Drilled 2-2 ft. holes in bottom of drift 2-3 ft. holes in wall rock on north side using 7 powders.
7. Removed muck drilled 4-2 ft. holes in head of drift using 6 powders.
8. Drilled 4-2 ft. holes in bottom of drift using 6 powders. Recovered 50 pounds of mica
11. Drilled 4-2 ft. holes in head of drift using 6 powders and discussed Operations of mine with visiting field team
12. Removed muck and recovered 20 pounds of mica
13. Drilled 4-2 ft. holes in head of drift using 10 powders And drilled 2-3 ft. holes in bottom drift Removed muck, recovered 30 pounds of mica
14. Drilled 4-2 ft. holes in head of drift using 6 powders
15. Drilled 4-2 ft. holes in bottom of drift using 6 powders.

july 18. Drilled 2-3 ft. holes in bottom of drift using 4 powders - Broke down.

25. Drilled 4-2 ft. holes in head of drift using 6 powders. Recovered 50 pounds of mica

26. Drilled 4-2 ft. holes in bottom of drift using 6 powders.

27. Drilled 4-2 ft. holes in head of drift using 6 powders. Removed much and recovered 20 pounds of mica

28. Drilled 4-2 ft. holes in head of drift 2-3 ft. holes in bottom using 10 powders recovered 50 pounds of mica

29. Discussed Operations with visiting field team. Drilled 4-2 ft. holes using 4 powders Removed much. recovered 30 pounds of mica. For a gain of 8 ft.

Mica on hand 8 pounds.

July 26, 1955

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: Amendment No. 5 - Docket No. DMEA-3188 - Mica
Charlie B. Hensley
Betty's Creek No. 3 Mine
Jackson County, North Carolina
Contract No. Idm-E647

The Nonmetallic Minerals Division concurs in Amendment No. 5 to the subject contract as written and executed in the field. This amendment extends the completion date from July 14, 1955, as provided in Amendment No. 4, to September 14, 1955.

Amendment No. 5 is necessary because the Operator was unable to finish the project in the specified time and it is in the Government's interest to complete this exploration contract. The Operator has been slow. Several time extensions have been granted amounting to 13 months. Additional time for repayment of royalty has not been requested since it is expected the project will be completed within the time of the extended completion date and that in the case of this small project, new discoveries of mica would be mined out within the existing time for repayment of royalty.

/S/
Walter C. Anderson
Nonmetallic Minerals Division

WCAnderson:gad 7/26/55
Copy to: Admr. R. File
Mr. Houk
Mr. Anderson

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D.C.
ROOM POST OFFICE BLDG.
KNOXVILLE 2, TENN.
July 19, 1955

RECEIVED
JUL 21 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA Field Team, Region V - Knoxville

Subject: Amendment No. 5. DMEA-3188, Idm-E647 (mica) Avery County, N.C. Charlie B. Hensley, Applicant. Bettys No. 3 Mine

Transmitted are three signed copies of the subject Amendment No.5. The usual distribution of the other copies has been made by this office.

Robert A. Laurence

ZM.
cc:
Finance Office
Lynch
Shirley
Files

RECEIVED

JUL 1 1 1955

P. O. Box 217
July 7, 1955

Memorandum

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

From: Administrative Assistant, Electrotechnical Experiment Station, Norris, Tennessee

Subject: Monthly reports and vouchers

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

Idm-E-647 C. B. Hensley
DMEA Docket No. 3188
16th payment - month of June
Amount $189.00

Idm-E-687 Olen C. Rathbone
DMEA Docket No. 3256
4th payment - month of June
Amount $375.00

Idm-E-754 Virginia Mining Corporation
DMEA Docket No. 3507
4th payment - month of May
Amount $3257.40

Idm-E-765 Calumet & Hecla, Inc.
DMEA Docket No. 3522
3rd payment - month of May
Amount $1715.57

Idm-E-773 McKinney & Young
DMEA Docket No. 3619
4th payment - month of June
Amount $810.00

Idm-E-776	John Phillips DMEA Docket No. 3575 3rd payment - month of June Amount $1331.25
Idm-E-785	John Phillips & Jim McKinney, Jr. DMEA Docket No. 3611 2nd payment - month of June Amount $675.00
Idm-E-790	Zeb Angel DMEA Docket No. 3689 2nd payment - month of June Amount $810.00

Helen R. Miller

Attachments 16
/hbm
Copies to R. A. Laurence
V. J. Lynch
Norris files
Day Files

MF 104 (Rev.)
(April 1952)

RECEIVED
JUL 11 1955

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.5

PART A. VOUCHER & SCHEDULE OF PAYMENTS 1

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of June, 1955 Docket No. DMEA 3188 Contract No. 647
Operator's Name C. B. Hensley Minerals Mica
Address Spruce N.C.
Contract Amount, $5,350.00 Government Participation: 90 % Amount, $4,815.00

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 ~~Sinking inclin~~		2,250.00			2250.00	2250.00
Bulldozing						
Crosscutting						
Drifting 6 ft @ $35.00	210.00	2,182.50	2,250.00	210.00	2082.50	2292.50
Preparation of portal site			2,392.50		300.00	300.00
(2) Labor and Supervision:						
Labor			300.00			
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			4,942.50	210.00	4632.50	4842.50

I certify that the above bill is correct and just and that payment therefor has not been received.
Date July 5 *Payee Charlie B. Hensley

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:

$ 189.00

Signature Helen R. Miller
(Authorized Certifying Officer)

Date 7-7-55 Vou. No. _____
(See other side)

21.00

(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. 647 in accordance with the terms of the contract.

Signature Keyton H. Teague Title Geologist, U.S.G.S. Date 7/6/55

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION V Date JUL 6 1955

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.

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 195 5 Docket No. DMEA 3188 Contract No. 642
Operator's Name C. B. Hensley Minerals Mica
Address Sylva, 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 6 ft @ 35.00		210.00	6	2,392.50	65½	2,392.50	80	$35.00
Crosscutting								
Raising								
Shafts Sinking incline								
Winzes				2,250.00	50		50	$45.00
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Preparation of portal site				300.00				
Total Distributed Costs				4,942.50				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs								

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

Date July 5 Operator Charlie B. Hensley

Per _____ Title _____

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)

Remarks:

(For Government use only)

Keyton H. Teague
Geologist

Drifting Costs to date should be $2292.50
Total distributed Costs " " 4842.50

JJT

INSTRUCTIONS

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

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

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

GPO 83-38475

Operator; C.B. Hurley; Monthly progress report for month of june 1955
Betty's Creek mine No 3 DEMA No 3188 IOME 647

June 1- Drilled 4- 2½ ft. holes in Overhead of drift using 8 powders.
2- Drilled 6- 2 ft. holes in bottom of drift using 9 powders.
6 Drilled 4- 2½ ft. holes in bottom of drift using 8 powders, And removed muck.
7- Drilled 4- 2½ ft. holes using 8 powders.
8- Drilled 4- 2½ ft. holes using 8 powders. Removed muck.
9 Drilled 4- 2½ ft. holes using 8 powders removed muck.
10 Drilled 4- 2½ ft. holes using 8 powders Removed muck.
13 New opening 7' by 5' into existing drift Discussed operation with DEMA field team.
14 Removed muck from bottom of tunnel
15- Drilled 4- 2 ft. holes in head of existing tunnel using 6 powders and removed muck.
16- Drilled 4- 2 ft. holes in bottom of tunnel using 6 powders some mica showing in bottom.
17- Drilled 4- 2½ ft. holes in head of tunnel using 8 powders recovered some mica

20. Drilled 4 - 2 ft. holes in bottom of tunnel using 6 powders. Removed muck and recovered 15 pounds of mica.
21. Drilled 4 - 2½ ft. holes in head of tunnel using 8 powders.
27. Drilled 4 - 2 ft. holes using 6 powders in wall rock in south wall.
28. Drilled 4 - 2½ ft. holes in head of drift using 8 powders. Vein being 3 ft at this point.
29. Drilled 4 - 2½ ft. holes in bottom of drift. Recovered 20 lb. of mica removed muck.
30. Drilled 2 - 2½ ft. holes in wall rock in south side and discussed operation with visiting field team. Gain for month 6 ft. mica in the block 40 pounds and finished mica 5 pounds.

RECEIVED
JUL - 8 1955

INTERIM REPORT

DMEA-3188, Idm-E647 (mica) BETTYS CREEK MINE NO.3

Operator: Charlie B. Hensley, Sylva, North Carolina

Location: On the headwaters of Beey Branch, about 12.5 miles by road southwest of Sylva, Jackson County, N. C.

Drifting continues to the southeast on this contract and now totals 30 feet in this direction. The pegmatite is about 3.4 feet thick in the present head. The mica exposed in the face is more abundant and of better quality than any seen previously in this mine.

The Operator was advised to continue to advance the drift to the southeast.

Date of Inspection: June 30, 1955.

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

712

RECEIVED
JUN 23 1955

INTERIM REPORT

DMEA-3188, Idm-E647 (mica) BETTYS CREEK MINE No. 3

Operator: Charlie B. Hensley, Sylva, N. C.

Location: On the headwaters of Betty Branch, about 12.5 miles by road southwest of Sylva, Jackson County, N. C.

Drifting continues on this contract to the southeast and now totals 23 feet. The pegmatite is about 3 feet thick in the present heading and continues to yield a small amount of ruled mica.

Date of Examination: June 13, 1955

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

L. E. Shirley and J. F. O'Neill, Mining Engineers
U. S. Bureau of Mines

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

RECEIVED JUN - 9 1955

Month of May, 1955 Docket No. DMEA 318 Contract No. DMEA 647
Operator's Name C. B. Hensley Minerals Mica
Address Taylor, N.C.
Contract Amount, $ 5,350.00 Government Participation: 90% Amount, $ 4,815.00

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; Sinking incline						
Drilling		2,250.00	2,250.00			
Bulldozing						
Crosscutting						
Drifting 5 ft @ 35.00	175.00	1,627.50	1,802.50			
preparation of partial site		300.00	300.00			
(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):						
		4,457.50	4,632.50			
TOTALS				175.00	4457.50	4632.50

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

Date June 1, 1955 *Payee Charlie B. Hensley

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:

$ 157.50

Signature Helen R. Miller
(Authorized Certifying Officer)

Date 6-7-55 Vou. No. _____
(See other side)

17.50

(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. DMEE647 in accordance with the terms of the contract.

Signature V. J. Lynch Title Mining Engineer Date JUN 2 1955

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION V Date JUN 2 1955

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.

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
JUN - 9 1955

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of May 1955 Docket No. DMEA 3188 Contract No. DME 641
Operator's Name C. B. Hensley Minerals Mica
Address Sylva, 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 5 ft @ 35.00	5 ft.	175.00	5	2,182.50	59½	2,182.50	80	$35.00
Crosscutting								
Raising								
Shafts INCLINE	50 ft			2,250.00	50	2,250.00	50	$45.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Preparation of portal site				300.00		300.00		
Total Distributed Costs								Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs				4,632.50				

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

Date June 1. 1955 Operator Charlie B. Hensley

Per ..... Title .....

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

Remarks:

(Instructions on reverse)

(For Government use only)

V. J. Lynch

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 872894

RECEIVED
JUN - 9 1955

Operator: C. R. Hensley: monthly progress report for the month of may 1955.

Betty's Creek mine #3 DEMA no 3188 SDME 647

May 2. Discussed operation with DEMA field team
Drilled 4 - 2½ ft. holes using 6 powder.
3. Started new opening to existing tunnel
Removed muck and did timber work.
4. Drilled 2 - 2½ ft. holes using 3 powders.
Worked on timber and removed muck.
5. Removed muck and Completed timber work.
6. Drilled 2 2½ ft. holes in new opening to drift using 4 powder.
9. Repair on timber work 2 2½ ft. holes using 3 powder
Recovered 60 pounds of mica.
10. 6 2½ ft. holes using 9 powder recovered 30 lb. of mica
11. 6 - 2 ft holes using 9 powder recovered 20 lb. mica
19. 5 - 2½ ft holes using 8 powders recovered 12 lb of mica
20. 4 - 2½ ft. using 6 powders.
21. 6 - 2 ft. holes using 9 powder.
24. 6 - 2 ft holes using 9 powder.
25. 5 - 2½ ft. holes using 7 powder.
26. 4 - 2½ ft holes using 8 powder.
2 - 3 ft. holes using 5 powder.
27. 4 - 3 ft holes using 9 powder.
30. 4 - 3 ft. holes using 9 powder.
Removed muck for a gain of 5 ft.
have 3 pounds of finished mica

Anderson

Defense Minerals Administration
RECEIVED
MAY 27 1955

INTERIM REPORT

DMEA-3188, Idm-E647 (mica) BETTYS CREEK MINE No. 3

Operator: Charlie B. Hensley, Sylva, North Carolina

Location: On the headwaters of Betty Creek, about 12.5 miles by road southwest of Sylva, Jackson County, N. C.

No work on the contract has been done since the last interim report, dated May 2, 1955, was submitted. The Operator has deepened the incline at his expense in order to facilitate handling of muck.

Date of Examination: May 16, 1955.

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

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of April, 1955 Docket No. DMEA 3188 Contract No. DDEM-647
Operator's Name C. B. Hensley Minerals Mica
Address Sylva N.C.
Contract Amount, $ 5350.00 Government Participation: 90% Amount, $ 4,815.00

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 Sinking incline		2250.00	2250.00			
Bulldozing						
Crosscutting						
Drifting 8 ft @ $35.00	280.00	1627.50	1,907.50			
preparing of portal site		300.00	300.00			
(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	280.00	4,177.50	4,457.50	280.00	4177.50	4457.50

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 5-3-1955 *Payee Charlie B. Hensley

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:

$ 252.00

Signature Helen R. Miller
(Authorized Certifying Officer)

Date 5-16-55 Vou. No. _____
(See other side)

28.00

(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. Dm-E647 in accordance with the terms of the contract.

Signature Lawrence E. Shirley Title Mining Engr. U.S.B.M. Date May 10, 1955

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION V Date MAY 11 1955

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.

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 17 1955

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of April 195 5 Docket No. DMEA 3188 Contract No. DDEM-641
Operator's Name Charlie B. Hensley Minerals Mica
Address Sylva, 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	280.00	8	1,907.50	54½	1,907.50	80	$35.00
Crosscutting								
Raising								
Shafts INCLINE	Ft			2,250.00	50	2,250.00	50	$45.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Preparing Application			~~300.00~~	300.00	~~300.00~~	300.00	1	300.00
Total Distributed Costs		280.00		4,457.50				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		280.00		4457.50				

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 5-3-1955 Operator Charlie B Hensley

Per ..... Title .....

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

Remarks:

(Instructions on reverse)

(For Government use only)

Laurence E. Shirley - May 10, 1955
U.S.B.M.

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 872894

Department of Mines
Boise Mineral Laboratory
RECEIVED

Operator: C.B. Hensley monthly progress report for month of April 1955
Betty's Creek mine no 3 ~~DEMA~~ DMEA no 3188-I DEM-647

April 4. Drilled 4-2½ ft. holes using 6 powder
5. Removed muck 4-2 ft. holes in bottom of drift using 4 powders.
6. 4-2½ ft. holes in head of drift using 6 powder
7. 4-2½ ft. holes in bottom of drift using 6 powder Vein being 3½ ft. in bottom of drift.
8. Removed muck 3-3 ft. holes in wall rock in south side using 6 powders.
11. 4-2½ ft. holes in head of drift using 6 powders 4-2 ft. holes in bottom.
12. Removed muck some mica showing in drift.
13. 5-2½ ft. holes in head of drift using 7 powders.
19. Removed muck 4-2 ft. holes in bottom of drift using 4 powders.
20. 5-2½ ft. holes in head of drift.
21. Removed muck 2-3 ft. holes in wall rock in north side using 4 powders.
22. Removed muck.
25. 4-3 ft. holes in head of drift using 6 powder
28. Removed muck.
29. 6-3½ ft. holes in head of drift removed muck, A gain of 8 ft. for month

Andrews

Minerals Administration
RECEIVED

INTERIM REPORT

DMEA-3188, Idm-8647 (mica) BETTYS CREEK MINE No.3

Operator: Charlie B. Hensley, Sylva, N. C.

Location: On the headwaters of Betty Branch, about 12.5 miles by road southwest of Sylva, Jackson County, N. C.

Drifting continues on this contract to the southeast and now totals 13 feet in this direction. The pegmatite is about 3 feet thick in the present heading and is composed of quartz, feldspar and ruby mica, much of which is still badly ruled.

The Operator was advised to deepen the incline and continue a drift to the southeast from the bottom. This will be an aid in handling the muck and should speed up this operation considerably. Progress on this contract is slow.

Inspected: May 2, 1955

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

K. H. Teague and D. H. Amos, Geologists
U. S. G. S.

Anderson

INTERIM REPORT

DMEA-3188, Idm-E647 (mica) BETTYS CREEK MINE No. 3

Operator: Charlie B. Hensley, Sylva, North Carolina

Location: On the headwaters of Betty Branch, about 12.5 miles by road southwest of Sylva, Jackson County, N. C.

Drifting continues slowly on this project and now totals 54-feet; the last 10.5 feet being driven in a S. 20° E. direction from the present level. The pegmatite exposed in this heading is about 2.5 feet thick. The amount of mica has increased somewhat but it is considerably ruled.

Drifting will continue to the southeast until another visit can be made by the field examiners.

Date of Examination: April 19, 1955.

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

and

V. J. Lynch, Mining Engineer
U. S. Bureau of Mines

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1015 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

April 22, 1955

Memorandum

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

From: Executive Officer, DMEA - Region 5, Knoxville, Tenn.

Subject: Time Extension Amendments: DMEA-3188, Idm-E647
DMEA-3422, Idm-E726
DMEA-3458, Idm-E736

Reference is made to your letter of April 20, concerning the subject contracts.

Time extension amendments for all three were prepared, signed, and sent to the Operators for signature on the following dates:

DMEA-3188 - April 13
DMEA-3422 - April 13
DMEA-3458 - April 5

So far, none of the amendments have been executed and returned. Mr. Teague is in North Carolina this week, and may bring some of the amendments back with him. As soon as we received the executed amendments, copies will be distributed as usual.

Robert A. Laurence

RAL/mm
cc:
Lynch
Shirley
Files

April 25, 1955

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: Amendment No. 4 - Docket No. DMEA-3188 - Mica
Charlie B. Hensley
Betty's Creek No. 3 Mine
Jackson County, North Carolina
Contract No. Idm-E647

The Nonmetallic Minerals Division concurs in Amendment No. 4 to the subject contract as written and executed in the field. This amendment extends the completion date from April 14, 1955, as provided in Amendment No. 3, to July 14, 1955.

Amendment No. 4 is necessary because the Operator was unable to finish the project in the specified time and it is in the Government's interest to complete this exploration contract.

Walter C. Anderson
Nonmetallic Minerals Division

WCAnderson:gad 4/25/55
Copy to: Admr. R. File
Mr. Houk

APR 2 0 1955

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

Dear Mr. Lawrence:

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

Docket	Contract	Completion date
DMEA-3188	Idm-2647	April 14, 1955
DMEA-3422	Idm-2726	April 1, 1955
DMEA-3438	Idm-2736	April 15, 1955

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

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

J. H. Hedges

Member, Bureau of Mines

Thor H. Kiilsgaard

Member, Geological Survey

WCAnderson:rad 4/19/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Rank

P.S. In the case of DMEA-3188 we will prepare the time extension amendment in this office if you are in agreement.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1 WASHINGTON POST OFFICE BLDG.
KNOXVILLE 2, TENN.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 21 1955

April 18, 1955

Memorandum

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

From: Executive Officer, DMEA - Region 5, Knoxville, Tennessee

Subject: Amendment No. 4, on Idm-2647, DMEA-3188 (mica) Charlie B. Hensley Betty's Creek Mine No. 3, Jackson County, North Carolina

Transmitted are three signed copies of the subject amendment.

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

Robert A. Laurence

ZM.
Lynch
Finance Office
Shirley
Files

7-14

Anderson

INTERIM REPORT

DMEA-3188, Idm-E647 (mica) BETTIS CREEK MINE NO.3

Operator: Charlie B. Hensley, Sylva, North Carolina

Location: On the headwaters of Betty Branch, about 12.5 miles by road southwest of Sylva, Jackson County, N. C.

Drifting continues to the southeast on this contract and about 5 feet of advance has been made during the past month. The Operator was advised to widen the drift area by slabbing, in order to have proper working room. A few blocks of good quality mica has been recovered from recent work.

Lawrence G. Houk and Thor H. Kiilsgaard accompanied the Examiners on this visit to the mine.

Inspected: March 31, 1955.

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

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

Region V

P. O. Box 217
April 11, 1955

Memorandum

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

From: Administrative Assistant, Electrotechnical Experiment Station, Norris, Tennessee

Subject: Monthly Reports and Vouchers

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

Idm-E-647 — Charlie B. Hensley
DMEA Docket No. 3188
13th payment - month of March
Amount $157.50

Idm-E-674 — Sam L. Phillips, et al
DMEA Docket No. 3287
7th payment - month of March
Amount $1725.00

Idm-E-734 — Howard Boone and John Jarrett
DMEA Docket No. 3452
4th and final payment - month of March
Completion Date: 3-31-55
Amount $990.00

Idm-E-757 — C. R. Phillips, Ed Huskins and Sherrill Huskins
DMEA Docket No. 3559
2nd payment - month of March
Amount $641.25

Idm-E-759 — Burleson & Keller Mining Company
DMEA Docket No. 3574
2nd payment - month of March
Amount $1076.25

RECEIVED
APR 13 1955

Idm-E-770

W. A. Martin
DMEA Docket No. 3451
1st and final payment - month of March
Starting Date: 3-23-55
Completion Date: 3-25-55
Amount $180.00

Helen R. Miller

Attachments 12
/hbm
Copies to R. A. Laurence
V. J. Lynch
Norris Files
Day Files

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS

RECEIVED APR 13 195 Defense Minerals Exploration Adm.

OPERATOR'S MONTHLY REPORT AND VOUCHER

DME-E

Month of March, 195 5 Docket No. DMEA 3188 Contract No. 647

Operator's Name C. B. Hensley Minerals Mica

Address Sylva, N.C.

Contract Amount, $ 5350.00 Government Participation: 90 % Amount, $ 4815.00

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: Sinking Incline		2250.00	2250.00		2250.00	2250.00
Bulldozing						
Crosscutting						
Drifting 5 ft @ 35.00	175.00	1452.50	1627.50	175.00	1452.50	1627.50
Preparation of portal site		300.00	300.00		300.00	300.00
(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		4002.50	4177.50	175.00	4002.50	4177.50

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

Date April 4, 1955 Payee Charlie B. Hensley

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:

$ 157.50

Signature Helen R. Miller
(Authorized Certifying Officer)

Date 4-11-55 Vou. No. _____
(See other side)

17.50

(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. Tm-5647 in accordance with the terms of the contract.

Signature Lawrence E. Shirley Title Mining Engr. U.S.B.M. Date April 6, 1955

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature V. J. Lynch ACTING Title EXECUTIVE OFFICER DMEA REGION V Date APR 7 1955

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.

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 13 1955

Month of March 1955 Docket No. DMEA 3188 Contract No. 647
Operator's Name C.B. Hensley Minerals Mica
Address Sylva, 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	17500	5	1627.50	46½	162750	80	$35.00
Crosscutting								
Raising								
Shafts INCLINE	Ft			2250.00	50	2250.00	50	$45.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Preparation of Portal Site				300.00		300.00		300.00
Total Distributed Costs								Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs				4177.50				

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

Date April 14, 1955 Operator Charlie B. Hensley

Per ..... Title .....

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 872894

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 13 1955

Operator: Monthly progress Report
For the month of March 1955
C.B. Hensley, Betty's Creek mine # 3
DEMA No. 3188 — — IDMF 647

March 1. Four 2½ ft. holes in bottom of drift using 6 powders.
2. Removed muck
3. Six 2 ft. holes using 6 powders.
4. Removed muck
7. Six 2 ft. holes deepening existing using 5 powders
8. Drift using 8 powders
9. Removed muck. Three 2½ holes using 6 powders
10 Six 2 ft. holes in bottom of drift using 6 powders.
11 Four 2½ ft. holes in wall rock in north side of drift using 6 powders.
14. Discussed operation of mine with visiting field team.
15. Five 2 ft. holes in bottom of drift using 5 powders
16 12 ft. deeper 16 ft. longer than existing drift.
17 Four 2½ ft holes in head of drift using 6 powder
18 motor repair
21 " "
22 " "
23 " "
24 Six 2 ft. holes in head of drift
25 Removed muck - four 2½ ft. holes with 6 powders
28 Six 2 ft. holes in head of drift using 6 powders

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 13 1955

29. Removed muck.
30. Six 2 ft. holes in walling rock in north wall using 6 ~~pounds~~ powders.
31. Six 2 ft. holes - Four holes in vein 2 inches wall rock vein showing 38 inches in bottom. Recovered mica 20 pounds in the block. Discussed operation with visiting ~~f~~ field team. Have 160 pounds of washer punch mica and 900 pounds of scrap mica.
A gain of 5 foot for month of March

Operator Charlie B. Hensley

INTERIM REPORT

DMEA-3188, Idm-E6h7- Betty's Creek Mine No. 3
(Mica)

Operator: Charlie B. Hensley, Sylva, North Carolina

Location: On the headwaters of Betty Branch, about 12.5 miles by road southwest of Sylva, Jackson County, N. C.

Lowering of the drift floor continues at the Operator's expense and is nearing completion. The Operator was advised that sufficient depth had been obtained on the body, and as soon as more working width is obtained, drifting could begin to the southeast. A small amount of mica was obtained during sinking, and all work has been in pegmatite.

Mr. Robert A. Lawrence, Executive Officer of DMEA, Region V, accompanied the examiners on this visit to the Mine.

Visited: March 14, 1955

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

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 14 1955

Region V

P. O. Box 217
March 10, 1955

Memorandum

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

From: Administrative Assistant, Morris-Knoxville Offices

Subject: Monthly reports and vouchers

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

Idm-E-617 — C. B. Hensley
DMEA Docket No. 3188
No work performed in February

Idm-E-673 — W. D. and Havox Baltzley
DMEA Docket No. 3257
No work performed in December

Idm-E-719 — B. G. Thomas
DMEA Docket No. 3425
2nd payment - month of February
Amount $1405.50

Helen R. Miller

Attachments 6
/hbm
Copies to R. A. Laurence
V. J. Lynch
Morris Files
Day Files

Operator: C. B. Hensley
Monthly progress report for February 1955
Betty's creek mine #3
DEMA — 3188 IDME — 647
Driving drift 9 ft. deeper 8 ft. in length
No gain for February.
Feb 28 Discussed operation of project with
Visiting Field team.
Finished mica Government pattern, have on
hand 12 pounds 140 pounds Washer punch.
1200 pounds scrap mica.

Operator C. B. Hensley

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 14 1955

INTERIM REPORT
On

DMEA-1188, Idm-E647 (mica) BETTYS CREEK MINE NO.3

Operator: Charlie B. Hensley, Sylva, N. C.

Location: On the headwaters of Betty Branch, about 12.5 miles by road southwest of Sylva, Jakcson County, N. C.

No progress on the contract is reportable for the past two weeks. The Operator continues to lower the drift floor and about 4 feet in depth has been made since the last visit. All of the work is in pegmatite and no change in the material or attitude of the body was noted. Occasional small blocks of muscovite mica have been encountered during sinking.

The Operator was advised to scale down loose rock after shooting and to inspect timbers near the entrace after shooting. Progress on the contract is slow.

Inspected: Feb. 28, 1955.

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 5 SHINGLE POST OFFICE BLDG.
KNOXVILLE 2, TENN.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 9 - 1955

March 8, 1955

Memorandum

To: Helen Miller, Certifying Officer, Knoxville- Reg. 5

From: Executive Officer, DMEA - Region V

Subject: Royalty check on DMEA-3188, Idm-E647 (mica) Chas. B. Hensley
Sylva, N. C.

Transmitted is a bill of sales in the amount of $176.38, and a check for 5% royalty in the amount of $8.82 on the subject contract.

Robert A. Laurence

ZM.
cc:
Lynch
Mittendorf
C. Hensley
Files

Copy

GENERAL SERVICES ADMINISTRATION, REGION VII

Mica Purchase Depot, Spruce Pine, N. C.

Authorization No. 667A Acceptance No. 1631 Date: 3-4-55

Seller: C.B. Hensley R#1, Sylva, N.C.

Mine: Bettys No. 3 DMEA No. 3188, Adm. F. 647

Quality of Mica	HALF TRIM			FULL TRIM		
	Pounds	Price/lb.	Amount	Pounds	Price/lb.	Amount
Good Stained & Better Grades No. 3 & larger				.03	$70.00	2.10
" No. 4 and 5				1.76	$40.00	70.40
" No. 5½ and 6				3.74	$15.00	56.10
Stained No. 3 and larger		$10.00			$18.00	
No. 4 and 5		$ 5.00		1.48	$ 8.00	11.84
No. 5½ and 6		$ 3.00		3.89	$ 5.00	19.45
Heavy Stained No. 3 & larger		$ 8.00			$13.00	
No. 4 and 5		$ 4.00			$ 6.00	
No. 5½ and 6		$ 2.00			$ 3.00	
LOT TOTALS				16.90		
TOTAL						159.89

Scrap Mica
11-5-54 sold to Franklin Mineral Products ----- 16.50

Punch Mica

$ 176.38

3/7/55: Royalty check #882

Anderson

DEFENSE MINERALS EXPLORATION ADMINISTRATION

INTERIM REPORT

DMEA-3188, Idm-8647, BETTY'S CREEK MINE No.3 (mica)

Operator: Charlie B. Hensley, Sylva, North Carolina

Location: On the headwaters of Betty Branch, about 12.5 miles by road southwest of Sylva, Jackson County, N. C. The mine is about 2 miles west of U. S. Highway No. 23 by road up Betty Branch.

Work continues at this mine but no drift progress is reportable for the past two weeks. Work accomplished since last Interim Report consists of benching the body, from the present level, an additional 4 to 6 feet indepth and pegmatite removal from wall to wall.

A small amount of mica is being recovered from this work. Drift advance will resume as soon as the work is completed.

Date of Report:

February 14, 1955.

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

and

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

Mr. Anderson

DEPARTMENT OF THE INTERIOR
Bureau of Mines Publications
RECEIVED
FEB 14 1955

INTERIM REPORT
on

DMEA-3188 - Betty's Creek No. 3 Mine
Idm-E 647 (mica)

Operator: Charlie B. Hensley, Sylva, North Carolina

Location: On headwater of Betty Branch about 12.5 miles by road southwest of Sylva, N. C. The mine is 2 miles west of U. S. Highway No. 23, by road up Betty's Creek.

No progress has been made on this contract since the last interim report, dated January 17, 1955, was submitted. Operations at the mine have been hampered by severe winter weather. The Operator is currently lowering the floor of the drift in order to cut a thicker portion of the pegmatite.

Date of examination: January 31, 1955.

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

SOUTHEASTERN REGION
REGION VII
HAMILTON BANK BUILDING

OFFICE OF
REGIONAL DIRECTOR

POST OFFICE BOX 1909
KNOXVILLE, TENNESSEE

Defense Minerals Administration
FEB 10 1955

February 9, 1955

Memorandum

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

From: Administrative Assistant, Knoxville, Tennessee

Subject: Monthly Reports and Vouchers

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

Idm-E-647
Charlie B. Hensley
DMEA Docket No. 3188
12th payment - month of January
Amount $346.90

Idm-E-685
Canark-Ashbounding Company
DMEA Docket No. 3198
5th and final payment - month of December
Amount $1946.00

Idm-E-705
South Toe Mining Company
DMEA Docket No. 3248
3rd payment - two vouchers - months of December and January
Amount $1273.12

Idm-E-724
The Pneumbs Miners
DMEA Docket No. 3418
3rd payment - month of January
Amount $980.75

Idm-E-737
A. Ward
DMEA Docket No. 3469
2nd payment - month of January
Amount $402.00

Helen R. Miller

Enclosures 12
/hm
Copies to V. J. Lynch
R. A. Lawrence
Region Files
Day Files

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE
PAYMENTS K- 36

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of January, 1955 Docket No. DMEA 3188 Contract No. IdM-E 647
Operator's Name C. B. Hensley Minerals Mica
Address Route #1 Box 237A Sylva, N.C.
Contract Amount, $5,350.00 Government Participation: 90% Amount, $4,815.00

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: Sinking Incline						
Drilling		2250.00	2250.00		2250.00	2,250.00
Bulldozing						
Crosscutting						
Drifting 11 ft @ 35.00	385.00	1067.50	1442.50	385.00	1,067.50	1,452.50
Preparation of portal site		300.00			300.00	300.00
(2) Labor and Supervision:						
Labor			300.00			
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):						
	38.50					
TOTALS	38.50	3617.50	3992.50	385.00	3,617.50	4,002.50

I certify that the above bill is correct and just and that payment therefor has not been received.
Date Feb. 1, 1955 *Payee Charlie B. Hensley
Per _____ Title Operator

*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:

$346.50

Signature Helen R. Miller
(Authorized Certifying Officer)

Date 2-9-55 Vou. No. _____
(See other side)

38.50

(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. Tdm-E647 in accordance with the terms of the contract.

Signature Lawrence E. Shirley Title Mining Engr. U.S.B.M. Date Feb. 7, 1955

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION V Date FEB 8 1955

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.

Form MF-104A
(April 1952)

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

DEPARTMENT OF THE INTERIOR
Defense Minerals
RECE
FEB 10 1955

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

Month of January 1955 Docket No. DMEA 3188 Contract No. IdM-E 647
Operator's Name C. B. Hensley Minerals MICA
Address Route No 1 Box 237A Sylva, 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	385.00	11	1442.50	41½	144250	80	$35.00
Crosscutting								
Raising								
Shafts Incline	ft			2250.00	50	225000	50	$45.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Preparation of Portal Site				300.00		300.00		300.00
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc								
TOTAL COSTS				3992.50				

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 7/1/1955 Operator C. B. Hensley

Per ..... Title .....

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

REMARKS:

(Instructions on reverse)

(For Government use only)

Change figures $1442.50 and $3992.50 to $1452.50 and $4002.50 respectively

W. A. Beck

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

BETTYS CREEK MINE
NUMBER 3
By C. B. Hensley

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 10 1955

Operator's C.B. Hensley progress report for the month of january 1955
DMEA-3188 IDME-641

Jan- 4 Discussed operation with visiting field team removed muck, recovered 30 lb. of small mica
5 Started punch 3 ft. lower than existing drift.
6. Two seam shots in left side in wall rock using 2 sticks of powder 2-2½ ft holes in bottom using 4 sticks of powder
7- Removed muck recovered 20 ~~powder~~ pounds of mica for a gain of 2 ft. Vein being 24 in. at this point.
10- 4- 2- ft. holes using 6 sticks powder in head of drift. Vein pitching deeper at this point.
11. Removed muck some mica showing in bottom,
12- 4-2- ft. holes in bottom of drift, removed muck, recovered 35 pounds of mica, Vein being 28 inches Wide in bottom of drift.
13 2-2½ ft. holes in south wall rock Removed muck for a gain of 2½ ft.
14. Cut timber for cross section of existing

BETTYS CREEK MINE
NUMBER 3
By C. B. Hensley

too wider for timber using 6 sticks of powder.
19. Removed muck in preparation for timber.
20. Set timber in cross section started removing muck from old works in Order to get deeper on Vein.
24. Removed muck from Old Works.
25 " " " " "
26 " " " " "
27 " " " " "
31 Discussed operation of mine with Visiting field team. Started fench 3 ft. lower than existing works.
For a gain of ~~12 ft.~~ 11 feet
Mica on hand finished 12 pounds govt. pattern
Washer punch 125 pounds
Scrap mica 1500 pounds

February 8, 1955

Mr. Charlie B. Henaley
Route # 1, Box 237A
Sylva, N. C.

Re: DMA-3188, Idm-B647 (mica)
Betty's Creek Mine No. 3
Jackson County, N. C.

Dear Mr. Henaley:

Your January Operator's Monthly Report and Voucher has been received in this office and is being sent to the finance office today for payment. There was a mistake in your totals. We have made the corrections on the reports you sent in. Please make the following corrections on your copies. The figure $1,442.50 in the "Totals to Date" column on the line marked "Drifting" should be $1,452.50 and the figure $3,992.50 at the bottom of that column should be $4,002.50. The same figures should be corrected on form MF-104A.

Very truly yours,

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

WAB/am
cc:
Finance Office-3
Lynch
Shirley
Files

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 27 1955

INTERIM REPORT
ON

DMEA-3188 - Betty's Creek No. 3 Mine
Idm-E 647 (mica)

Operator: Charlie B. Hensley, Sylva, North Carolina

Location: On headwater of Betty Branch about 12.5 miles by road southwest of Sylva, N. C. The mine is 2 miles west of U. S. Highway No. 23, by road up Betty's Creek.

Drifting continues on this contract and now totals 38.5 feet. A total of 29 feet of advance has been completed in the present inclined drift to the northwest. The pegmatite pinches out upward in the roof of this lateral. The top of this "pinch-out" plunges about 20° to the northwest. The Operator was advised to lower the floor of the drift about 5 feet in order to cut a thicker portion of the pegmatite. No significant quantity of mica has been recovered from recent work.

Progress on this contract has improved somewhat recently.

Date of examination: January 17, 1955.

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

s

Mica.

DEPARTMENT OF THE INTERIOR
Bureau of Mines Library
RECEIVED
FEB 23 1955

INTERIM REPORT

DMEA-3188, Idm-E647, BETTY'S CREEK MINE NO. 5
(mica)

Operator: Charlie B. Hensley, Sylva, N. C.

Location: On the headwaters of Betty Branch about 12.5 miles by road southwest of Sylva, Jackson County, N. C. The mine is about 2 miles west of U. S. Highway No. 23 by the road up Betty Branch.

Drifting continues on this contract and now totals 30.5 feet. 21 feet of drift has been completed in a N. 35° W. direction on the present drift level. The pegmatite appears, at this point, to be plunging about 20° northwest and dips steeply southwest. Small amounts of mica continue to be recovered with drift advance. The Operator was advised to concentrate efforts on moving more pegmatite by getting additional depth on the body.

Date of Examination:
January 3, 1955.

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

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

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

OFFICE OF
REGIONAL DIRECTOR

POST OFFICE BOX 1909
KNOXVILLE, TENNESSEE

January 11, 1955

Memorandum

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

From: Helen H. Miller, Knoxville Office, Region V

Subject: Monthly reports and vouchers

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

✓ Idm-E-647 — Charlie B. Hensley
DMEA Docket No. 3188
11th payment - month of December
Amount $362.25

Idm-E-694 — W. B. Chrisman
DMEA Docket No. 3199
3rd payment - months of November and December
Amount $882.00

Idm-E-711 — Jeter and Howard Boone
DMEA Docket No. 3356
3rd payment - month of December
Amount $1012.50

Idm-E-712 — Rock Mining Company
DMEA Docket No. 3410
3rd payment - month of December
Amount $663.75

Idm-E-724 — The Pumpkin Miners
DMEA Docket No. 3418
2nd payment - month of December
Amount $315.00

Idm-E-726 — Zeb Buchanan and W. R. Johnson
DMEA Docket No. 3422
3rd payment - month of December
Amount $986.25

Idm-E-734 Howard Beone and John Jarrett
DMEA Docket No. 3452
1st payment - months of November and December
Starting Date: 11/25/54
Amount $1345.50

Idm-E-737 A. Ward
DMEA Docket No. 3469
1st payment - month of December
Starting Date: 12/8/54
Amount $555.00

Helen R. Miller

Attachments 16

/hhm
Copies to: W. A. Beck
R. A. Lawrence
Knoxville Files
Day Files

[redacted]94 (Rev.)
(Jan. 1952)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K- 31

OPERATOR'S MONTHLY REPORT AND VOUCHER

Defense Minerals Administration
RECEIVED
JAN 13 1955

Month of December, 1954 Docket No. DMEA 3188 Contract No. DMEF 647
Operator's Name C. B. Hensley Minerals Mica
Address Sylva N.C.
Contract Amount, $ 5,350.00 Government Participation: 90% Amount, $ 4,815.00

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~~ Sinking Incline					2,250.00	2,250.00
Bulldozing						
Crosscutting						
Drifting 11½ ft @ $35.00	402.50	3,215.00	3317.50	402.50	665.00	1,067.50
Preparation of portal site			300.00		300.00	300.00
(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	402.50	3,215.00	3,617.00	402.50	3215.00	3,617.50

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 1-3-55 *Payee Charlie B. Hensley

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:

$ 362.25

Signature Helen R. Miller
(Authorized Certifying Officer)

Date 1-11-55 Vou. No. _____
(See other side)

11

40.25

(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. 14mE 647 in accordance with the terms of the contract.

Signature W. M. Beck Title Supervising Mining Engr. USBM Date JAN 11 1955

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION VII Date JAN 11 1955

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

[redacted]IF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 3 1955

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of December 1954 Docket No. DMEA 3188 Contract No. DME 647
Operator's Name C. B. Hensley Minerals Mica
Address Saylor, 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	402.50	11½	1067.50	30½	$35.00	80	$35.00
Crosscutting								
Raising								
Shafts	Ft			2,250.00	50	$45.00	50	$45.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
preparation + portal site				300.00	1	300.00		300.00
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS				3617.50				

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

Date 1-3-55 Operator Charlie B. Hensley

Per ..... Title .....

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 872894

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 13 1955

Operator: C. B. Kinsley
Monthly progress report for the month of December 1954
no-3188 - - IDME - 647

Dec - 1 Drilled 2-3 ft holes using 4 sticks of powder in wall rock
2 Drilled 2-3 ft holes using 3 sticks of powder in wall rock and in bottom of drift pegmatite showing 24 inches.
3. Drilled 2-3 ft. holes in south walling rock using 4 sticks powder removed muck for a gain of 2 ft.
6 Drilled 4-2 ft. holes in head of drift using 6 sticks of powder.
7. Drilled 4-3 ft. holes in wall rock in south walling rock using 8 powder
8 Drilled 4-2 ft. holes in bottom of drift using 6 powder pegmatite showing 32 inches
9 Drilled 2-3 ft. holes in south wall using 4 sticks of powder.
10. Removed muck and put in slide track for a gain of 3½ ft.
13 The thin fering further at this point north side having mica
14. ~~Remov~~ Recovered 40 lb. small mica in block

15. Drilled 4 - 2 ft. holes in bottom of drift using 6 sticks of powder drift being 5 ft. wide 11 ft. deep at this point.
16 Drilled 4 - 2 ft. holes in head of drift using 6 sticks of powder removed muck recovered 13 lb. mica vein being 2 6 inches at this point.
17. Drilled 2 - 2 ft holes in bottom using 3 sticks powder removed muck recovered 20 lb. mica vein in bottom 3 ft. wide
20. Removed slide and cleaned from Cart track.
21. Made repairs on jack hammer.
Mica on hand 10 lb. finished mica
110 pounds washer punch mica
1200 pounds scrap mica

January 4, 1955

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: Amendment No. 3 - Docket No. DMEA-3188 - Miss Charlie B. Hensley
Betty's Creek No. 3 Mine
Jackson County, North Carolina
Contract No. Idm-M647

The Nonmetallic Minerals Division concurs in Amendment No. 3 to the subject contract as written and executed in the field. This amendment extends the completion date from December 14, 1954, as provided in Amendment No. 2, to April 14, 1955.

Amendment No. 3 is necessary because of time lost due to inexperienced help and breakdown of equipment, and it is in the Government's interest to complete the project.

Walter C. Andersen
Nonmetallic Minerals Division

WCAndersen:gad 1/4/55
Copy to: Admr. R. File
Mr. Houk

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM [illegible] POST OFFICE BLDG.
KNOXVILLE 2, TENN.

December 22, 1954

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region VII - Knoxville

Subject: Amendment No. 3 - on DMEA-3188, Idm-K 647 (mica)
Charlie B. Hensley, North Carolina

Transmitted are three signed copies of the subject amendment. The usual distribution of the other copies has been made from this office.

Robert A. Lawrence

ZM.
cc:
Neck
Finance Office
Smirley
Files

OF THE INTERIOR
Minerals Administration
RECEIVED
DEC 23 1954

INTERIM REPORT

DMEA-3188, BETTY'S CREEK NO. 3 Mine
Idm-E 647 (mica)

Operator: Charlie B. Hensley, Sylva, North Carolina

Location: On the headwaters of Betty Branch about 12.5 miles by road southwest of Sylva, Jackson County, N. C. The mine is 2 miles west of U. S. Highway No.23 by the road up Betty's Creek.

Drifting continues on this contract and now totals 22.5 feet. Work on the present drift from the new incline level now totals 13 feet. It is being driven in a N. 35° W. direction along a pegmatite which averages about 3.5 feet thick. The mica recovered in the last few feet of advance has improved in quality. Drifting will continue to the northwest.

Date of Examination:
December 13, 1954.

K. H. Teague, Geologist and

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

600

DEC 15 1954

Mr. Charlie B. Hensley

Sylva, North Carolina

Re: Docket No. DMEA-3188 - Mica
Charlie B. Hensley
Betty's Creek #3 Mine
Jackson County, North Carolina
Contract No. Ida-E647

Dear Mr. Hensley:

Reference is made to the narrative portion of your October, 1954, Monthly Operator's Report.

Please refer to Section (e) of Form MF-104 (Rev.). It is not enough to merely refer to the daily performance of drilling, blasting, and mucking without any detail. The narrative statement should be a concise description of progress made; including drilling and timbering advance, number and depth of drill holes per round, advance per round and amount of powder used. It should give the difficulties encountered, type of rock penetrated, amount of pegmatite in the face, and an estimate of the amount of mica produced. or [illegible]

It will be appreciated if you will follow the above suggestions as nearly as possible in your future reports.

Sincerely yours,

SIGNED

Lawrence G. Houk, Chief
Nonmetallic Minerals Division

WCAnderson:gad 12/15/54
Copy to: Admr. R. File
Docket
Field Team, Region VII
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

Mr. Anderson

INTERIM REPORT

DMMA-5108 Idg-2847 (mica) BETTY CREEK MINE #2

OPERATOR: Charlie B. Henning, Sylva, North Carolina.

LOCATION: On the headwaters of Betty Branch about 12.5 miles by road southwest of Sylva, Jackson County, N. C. The mine is about 2 miles west of U. S. Highway No. 23 by the road up Betty Branch.

Drifting continues on this contract and now totals 18 feet. Present drift work has been confined to drifting from the new incline level and 9.5 feet has been accomplished to the northwest. Material encountered is pegmatite composed of quartz, feldspar and muscovite mica. Mica recovery has improved considerably, but production is slight. Some of the mica is wavey and contains iron staining. The operator was advised to drive the drift on a level from the present bottom, deepening if necessary, rather than inclining the drift along strike. It was suggested that the hanging wall in the working area be scaled after shooting and that lagge timbers be anchored securely.

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

D. H. Ames, Geologist
U. S. Geological Survey

November 20, 1954

Form MF-10f (Rev.)
(April 1952)

PAID ON VOUCHER & SCHEDULE OF PAYMENT 26

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

RECEIVED

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

Month of November, 1954 Docket No. DMEA 3188 Contract No. IDM-E 647
Operator's Name C. B. Hensley Minerals mica
Address Sylvan N.C.
Contract Amount, $ 5350.00 Government Participation: 90% Amount, $ 4,815.00

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		2582.50	2,250.00			
Bulldozing						
Crosscutting						
Drifting 9½ ft @ 35.00	332.50		665.00			
Preparation of portal site		300.00	300.00			
(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	332.50	2882.50	3215.00	332.50	2,882.50	3,215.00

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 11-2-1954 *Payee Charlie B. Hensley

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:

$ 299.25

Signature Helen R. Muller
(Authorized Certifying Officer)

Date DEC Vou. No. 95
(See other side)

10

33.25

(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. DMA-E647 in accordance with the terms of the contract.

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

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title ..... Date DEC 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 MP-104A
(April 1952)

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

RECEIVED
DEC 1 8 1954

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of November 1954 Docket No. DMEA 3188 Contract No. DME 647
Operator's Name C. B. Hensley Minerals Mica
Address Sylva 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	332.50	9½	665.00	19	35.00	80	35.00
Crosscutting								
Raising								
Shafts	Ft 9½			2250.00	50	45.00	50	45.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Preparation of portal sites	1			300.00	1	300.00	1	300.00
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		332.50		3215.00				

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 11-2-1954 Operator C. B. Hensley

Per ..... Title .....

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

Operator: C.B. Hensley Monthly progress report for the month of November 1-54
DMEA - 3188 I D ME - 647

NV 1 Discussed operation of mine with visiting field team. Removed track and wind
3 Work on timber using 8 powder
4 Drilled and blasted 4-3 ft. holes
5. Removed muck drilled 2-4 ft. holes using 5 sticks of powder.
6. Vein 28 inches wide
8 Drilled second round in pegtite recovering 50 lb. mica. The vein is badly broken at this point
9. Drilled 4-2 ft. holes using 3 powder.
10 Mucked and recovered 30 lb. Mica
12. Drilled 4-2 ft holes over head in vein covering no mica using 6 powder
15. Discussed operation with field team Drilled and blasted 4-3 ft. holes using 8 powder. No mica in head of drift.
16. Drilled and blasted 2-2 ft. holes in bottom of drift recovering 30 lb. A mica.
17. Drilled and blasted 4-2 ft. holes using 6 powder in head of drift.
18. Removed muck carrying no mica.
19 Drilled and blasted in wall rock in south wall

Nov. 22 Drilled and blasted in north wall
23 Drilled 4 - 2 ft. holes in bottom of vein recovering 30 lf. mica
24 Drilled 4 - 2 ft holes in head of drift using 6 powder.
26. Drilled 4 - 2 ft holes in walling rock
29 Discussed operation with visiting field team and drilled and blasted 2 - 2 ft. holes. Recovering 50 lf. mica.
30. Removed wall rock from over head of drift.
6 lf. finished mica
200 lf. rough mica.

Anderson

INTERIM REPORT

DMEA-5128 IGm-5647 (Mica) BETTYS CREEK MINE #5

OPERATOR: Charlie B. Hensley, Sylva, N. C.

LOCATION: On the headwaters of Betty Branch about 12.5 miles by road southwest of Sylva, Jackson County, N. C. The mine is about 2 miles west of U. S. Highway No. 23 by the road up Betty Branch.

Work in the area near the point of first incline work has been tested sufficiently and at depth shows good pegmatite. The operator was advised to start a drift to the northwest. The pegmatite where first encountered strikes NW and dips SW. The contact at the point where work will begin strikes N 5° E and dips 45° SW. The body is composed of quartz, feldspar and small to medium sized blocks of ruby colored muscovite mica, some of which was clay stained and warped. Another visit will be made in the near future to see that the operator continues to drive in pegmatite.

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

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

November 17, 1954

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

Budget Bureau No. 42-R1036.5

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

Month of October 1954 Docket No. DMEA 3188 Contract No. 1DME-647
Operator's Name Charlie B. Hensley Minerals Mica
Address Sylva, North Carolina
Contract Amount, $5,350.00 Government Participation 90 % Amount, $4,815.00

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 Contracts: Short Form						
Sinking Incline Drilling		$2,250.00	$2,250.00		2,250.00	2,250.00
Bulldozing			332.50			
Crosscutting						
Drifting 5½ ft @ $35	$192.50			192.50	140.00	332.50
Preparation of portal site		300.00	300.00		300.00	300.00
(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	$192.50	2,550.00	2,882.50	192.50	2,690.00	2,882.50

I certify that the above bill is correct and just and that payment therefor has not been received.
Date Nov 3, 1954 *Payee Charlie B. Hensley

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:

$173.25

Signature Helen R. Miller
(Authorized Certifying Officer)

Date NOV 23 1954 Vou. No. 83
(See other side)

1825

(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. Wm-E647 in accordance with the terms of the contract.

Signature Lawrence E. Shirley Title Mining Engr. U.S.B.M. Date Nov. 5, 1954

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Laurence Title DMEA EXECUTIVE OFFICER REGION VII Date NOV 8 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.

Form MF-101A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Defense Minerals Exploration Administration
RECEIVED
NOV 26 1954

Month of October 1954 Docket No. DMEA 3188 Contract No. 1DME-647
Operator's Name Charlie B. Hensley Minerals Mica
Address Sylva, 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	$192.50	5½	332.50	9½	35.00	80	$35.00
Crosscutting								
Raising								
Shafts	Ft			2,250.00	50	45.00	50	$45.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
preparation of portal site	1			300.00	1	300.00	1	300.00
TOTAL DISTRIBUTED COSTS				2,882.50				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$192.50		$2,882.50				

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 Nov. 3 1954 Operator Charlie B. Hensley

Per ..... Title .....

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 872894

Operator: C. B. Hensley
Monthly progress report for the month of October 1954
Betty's Creek Mine #3
DEMA# 3188 -- IDME# 647

Gentlemen:
On account of a break down was unable to do any work until Oct. 18
Oct. 18 Drilled and blasted 4-3 ft holes using 8 sticks of powder
19. Drilled and blasted 6 - 3 ft holes using 12 sticks of powder.
20. Drilled and blasted 6-3 ft holes using 12 sticks of powder.
21 Drilled and blasted 4 - 3 ft holes using 8 powders
22 Drilled 2-3 ft holes using 4 sticks of powder
25 Drilled and blasted 6-3 ft holes with 12 powder.
26 Drilled and blasted 6-3 ft. holes with 12 powder.
27 Drilled 2 - 3 ft holes using 4 sticks of powder
Shot through Vein. Waiting for further advice from field team. For 5½ ft. gain.

INTERIM REPORT

DMA-3148 Mn-BMF (mica) BETTY CREEK MINE #4

OPERATOR: Charlie B. Hensley, Sylva, North Carolina

LOCATION: On the headwaters of Betty Branch about 13.5 miles by road southwest of Sylva, Jackson County, N. C. The mine is about 2 miles west of U.S. Highway #23 by the road up Betty Branch.

Drifting continues on this contract and is now at 9.5 feet in a S 60° W direction. The body has narrowed considerably and the operator was advised to discontinue drift work at the present location.

Drift work has progressed slowly to the southwest. The present face shows 2 narrow stringers of burr-like material 4 to 6 inches in thickness separated by biotite gneiss. Both stringers are composed of quartz and small scrap size mica. The examiners are of the opinion that no further work is justified in following this stringer material and advised the operator to concentrate efforts at a point 10 feet from the beginning point of the first incline work. After sufficiently testing this area with favorable results, drifting will continue.

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

E. E. Teague & D. K. Ames, Geologists
U. S. Geological Survey

November 1, 1954

INTERIM REPORT

DMEA-3188, Idm-E647 (mica) BETTYS CREEK MINE #3

Operator: Charlie B. Hensley, Sylva, N. C.

Location: On the headwater of Betty Branch about 12.5 miles by road southwest of Sylva, Jackson Co., N. C. The mine is about 2 miles west of U. S. Highway No. 23 by road up Betty Branch.

Drifting continues on this contract and now totals 6 feet, all of which has been driven southwestward from the bottom of the incline. Recent work delays have been due in part to equipment breakdowns.

The pegmatite exposed in the level work is about 2.5 feet thick. It strikes northeast and dips to the northwest. Mica tends to be concentrated in a zone about one-half foot thick along the hanging wall but all recovered to date has been considerably ruled.

October 18, 1954

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

RECEIVED

INTERIM REPORT

[illegible] Idm-[illegible] (Mica) BETTY CREEK MINE #6

OPERATOR: Charlie B. Kennley, Sylva, N. C.

LOCATION: On the headwaters of Betty Branch about 12.5 miles by road southwest of Sylva, Jackson County, N. C. The mine is about 2 miles west of U. S. Highway No. [illegible] by the road up Betty Branch.

Drifting continues slowly on this contract with only 4 feet of progress reportable for the past month. The operator states that labor, sickness and equipment difficulties have been overcome, and that he expects to make considerable progress during the current month.

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

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

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

October 4, 1954

INTERIM REPORT

DMEA-5186 Idm-2647 (mica) BETTYS CREEK MINE #5

OPERATOR: Charlie B. Hensley, Sylva, N. C.

LOCATION: On the headwaters of Betty Branch about 12.5 miles by road southwest of Sylva, Jackson County, N. C. The mine is about 2 miles west of U.S. Highway #23 by the road up Betty Branch.

No progress has been made on this contract since that reported in the interim report of September 6, 1954. No one was working at the mine on this date and the operator could not be contacted at his residence. Another examination will be made in the near future.

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

D. M. Ames, Geologist
U. S. Geological Survey

September 20, 1954

INTERIM REPORT

MMSA-1188, Idm-E 647, BETTY'S CREEK NO.3 MINE

Operator: Charlie B. Hensley, Sylva, N. C.

Location: On the headwaters of Betty's Branch about 12.5 miles by road southwest of Sylva, Jackson County, N. C. This mine is about 2 miles west of Highway #23 by road up Betty's Branch.

Level work has begun on this contract. A drift has been driven along pegmatite for about 3 feet in a S. 50° W. direction.

The pegmatite in the present drift face is about 2.5 feet thick and it strikes N. 35° E. and dips 50° N. W. Only a very small quantity of mica, all of which is badly ruled, was recovered from the drift.

The Operator was advised to continue to advance the drift to the southwest until another visit could be made by the field examiners.

Date of Exam: Sept. 6, 1954

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

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.

Defense Minerals Administration
RECEIVED
SEP 17 1954

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of August, 1954 Docket No. DMEA 3188 Contract No. IDME-647
Operator's Name Charlie B. Hensley Minerals Mica
Address Sylva, North Carolina
Contract Amount, $ 5,350.00 Government Participation: 90 % Amount, $ 4,815.00

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						
Sinking Incline 4 ft.	180.00	2370.00	2720.00	180.00	2,070.00	2,250.00
Crosscutting						
Drifting 4 ft.	140.00			140.00		140.00
Prepare portal and re-condition incline					300.00	300.00
(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	320.00	2370.00	2720.00	320.00	2,370.00	2,690.00

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-14

I certify that the above bill is correct and just and that payment therefor has not been received.
Date September 1 *Payee Charlie B. Hensley
Per _____ Title Operator

*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:
$288.00
Signature Cora A. Piper
(Authorized Certifying Officer)
Date SEP 10 1954 Vou. No. 49
(See other side)

8

32.00

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E647 in accordance with the terms of the contract.

Signature Lawrence E. Shirley Title Mining Engr. U.S.B.M. Date Sept. 2, 1954

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION VII Date SEP 8 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.

SEP 17 1954

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of August 1954 Docket No. DMEA 3188 Contract No. IDME-647
Operator's Name Charlie B. Hensley Minerals Mica
Address Sylva, 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.	140.00	4	2720.00	4	140.00	80	35.00
Crosscutting								
Raising								
Shafts Incline	Ft.	180.00	4		50	45.00	50	45.00
Winzes preparation of portal site					1	300.00	1	300.00
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		320.00						TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		320.00		2720.00				

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 September 1 Operator Charlie B. Hensley

Per _____ Title Operator

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)

In "Costs to date" column on "drifting" line put $140.00
" " " " " " "Shafts" " " 2,250.00
" " " " " " "Prep of Portal" " " 300.00
" " " " " " "Total dist Costs" " " 2,690.00
" " " " " " "Total Costs" " " 2,690.00

W. A. Beck

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: C. B. HENSLEY MONTHLY PROGRESS REPORT
FOR AUGUST, 1954
BETTY'S CREEK MINE #3 DEMA-3188 IDM-E-647

August 2. Drilled 4 - 3 ft. holes using 6 powder, recovering 38 lbs. of mica.

August 3. Drilled 2 - 3 ft. holes using 4 powders. Extended track 12 ft.

August 4. Drilled 4 - 3 ft. holes in bottom of incline in walling rock using 8 powder.

August 5. Drilled 3 holes in head of incline.

August 6. Drilled 4 - 3 ft. holes using 6 powder in bottom of incline using 8 powder worked through vein. The vein is lying North.

August 9. Discussed operation with visiting field team. Completed unit no. 2 50 - incline.

August 10. First round in drift 4 - 2 ft. holes.

August 11. Second round 4 - 2 ft. holes using 12 powders.

August 12. Repair on wrinch and track.

August 13. Repair on wrinch and track.

August 14. 3 - 2 ft. holes in Drift using 6 powders

August 17. Drilled 2 - 4 ft. holes using 5 powder.

August 18. Repair on motor.

August 19. Repair on motor.

August 20. Repair on motor.

August 23. Discussed operation with visiting field team. 4 - 3 ft. holes in wall rock using 10 powder.

August 24. 5 - 3 ft. holes in wall rock using 10 powders.

August 25. 5 - 3 ft. holes using 10 powder.

August 26. 4 - 3 ft. holes using 8 powders.

August 27. 4 - 3 ft. holes using 8 powder. Pegnitite over head of drift.

August 30. Removed muck 2 test holes in bottom of drift.

August 31. 4 - 2ft. holes using 6 powder. Pegnitite showing 3½ ft. over head.

Sinking incline-- 4 ft. $180.00
Total previously reported $237.00
Monthly total $320.00
Total to date $272.00
Drifiting $140.00

September 8, 1954

Mr. Charlie E. Hensley
Rt. # 1, Box 237A
Sylva, North Carolina

Ref DMA-3168, Idm-E 647 (mica)

Dear Mr. Hensley:

Your monthly report and voucher for August has been received in this office and is being sent to the Finance Office today for processing. The total to date on your reports should be $2,690.00 instead of $2,720.00 as you reported.

The reports were not made out correctly so we are enclosing samples of the reports made out as they should have been. Please make out your future reports similar to these.

Very truly yours,

Wm. A. Beck

WAB/zm

cc:

Finance Office-3
Lynch
Files

INTERIM REPORT

SMEA-3188, Idm-E 647, BETTY'S CREEK No. 3-MINE

Operator: Charlie B. Hensley, Sylva, N. C.

Location: On the headwaters of Betty's Branch about 12.5 miles by road southwest of Sylva, Jackson County, N. C. This mine is about 2 miles west of Highway 23 by road up Betty's Branch.

Incline sinking is now complete on this contract, 50 feet of new incline having been driven in a S 80° W. direction. The average inclination of the opening is about -30°.

An unzoned pegmatite whose attitude is highly irregular and which varies rapidly in short distances is exposed in the incline. It averages about 2.5 feet thick and has a maximum thickness of 5 feet.

The Operator was advised to begin a drift southward along the pegmatite from the bottom of the incline.

Examined: Aug. 23, 1954

Robert A. Laurence & Dewey H. Amos, Geologists
U. S. Geological Survey

INTERIM REPORT
ON
DMEA-3188, Idm-E647, BETTYS' CREEK #3 Mine

Operator: Charlie B. Hensley, Sylva, N. C.

Location: On the headwaters of Bettys Branch about 12.5 miles by road southwest of Sylva, Jackson County, N. C. The mine is about 2 miles west of Highway 23 by road up Bettys Branch.

Incline sinking continues on this contract and now totals 48 feet. Sinking will continue to the 50-foot level, from which point a drift will be turned off.

The attitude of the pegmatite changes between the 44-foot and the 48-foot level from N. 85° W. 65° NE to N. 60° E. 65° NW. A small quantity of mica has been obtained from recent work.

Progress on this contract is slow.

Exam. date: August 9, 1954

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

August 23, 1954

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: Amendment No. 2 - Docket No. DMEA-3188 - Mica
Charlie B. Hensley
Betty's Creek #3 Mine
Jackson County, North Carolina
Contract No. Idm-E647

The Nonmetallic Minerals Division concurs in Amendment No. 2 to the subject contract as written and executed in the field. The date for completion of the contract has been extended from December 14, 1953, to December 14, 1954. The time extension is justified as the operator required more time to complete the rehabilitation phase and work on sinking has progressed slowly, approximately 89 working days to complete 50' of incline. It appears that the rehabilitation phase as conducted by the operator was somewhat different than anticipated by this office but accomplished the purpose of egress. The operator assumed the additional cost.

/S/
Walter C. Anderson
Nonmetallic Minerals Division

WCAnderson:gad 8/23/54
Copy to: Admr. R. File
Mr. Houk

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

August 16, 1954

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region VII

Subject: Amendment No. 2, on DMEA-3188, Idm-E647, C. B. Hensley, Applicant

Transmitted are three copies of the subject amendment. The usual distribution of the other signed copies has been made from this office.

Robert A. Laurence

ZM.
cc:
Beck
Lynch
Finance Office
Files

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM SHIRGSTON OFFICE BLDG.
KNOXVILLE 2, TENN.

August 16, 1954

Memorandum

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

From: Executive Officer, DMEA - Region VII

Subject: Royalty check on Idm-E 647, DMEA-3188 (mica) C. B. Hensley

Transmitted is a check for $4.03, representing 5% royalty on the attached invoice for the sale of mica from the subject contract.

Robert. A. Laurence

Z.
Beck
Mittendorf
Files

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

WARRANTY, ACCEPTANCE AND INVOICE

DATE: 7-15-54
ACCEPTANCE NUMBER: AR4-125

ISSUED UNDER CERTIFICATE OF AUTHORIZATION NUMBER: EPS-4-6[illegible]7A
LOT NUMBER: SPAR-125
RECEIPT AND WEIGHT TICKET NUMBER:

WARRANTY

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

NAME AND ADDRESS OF SELLER *(Type or print)*	SELLER OR PERSON AUTHORIZED TO SIGN THIS WARRANTY FOR SELLER
NAME: C. B. Hensley	SIGNATURE:
STREET ADDRESS: R#1 Box 237A	NAME *(Type or print)*: C. B. Hensley
CITY, ZONE AND STATE: Sylva, N. C.	TITLE *(Type or print)*: Owner

EVALUATION AND SETTLEMENT DATA

PROGRAM A - BLOCK OR FILM MICA

QUALITY	HALF TRIM			FULL TRIM		
	POUNDS	PRICE PER LB.	AMOUNT	POUNDS	PRICE PER LB.	AMOUNT
GOOD STAINED AND BETTER						
GRADES NO. 3 AND LARGER					$70.00	
GRADES NO. 4 AND 5				.14	$40.00	5.60
GRADES NO. 5½ AND 6				2.37	$15.00	35.55
STAINED						
GRADES NO. 3 AND LARGER		$12.00			$18.00	
GRADES NO. 4 AND 5		$ 5.00		.40	$ 8.00	3.20
GRADES NO. 5½ AND 6		$ 3.00		5.14	$ 5.00	25.70
HEAVY STAINED						
GRADES NO. 3 AND LARGER		$ 8.00			$13.00	
GRADES NO. 4 AND 5		$ 4.00		.58	$ 6.00	3.48
GRADES NO. 5½ AND 6		$ 2.00			$ 3.00	7.11
TOTALS						
LOT TOTALS				11.00		80.64

PROGRAM B - HAND-COBBED MICA

TOTALS					$ 0.30	

ACCEPTANCE

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

GENERAL SERVICES ADMINISTRATION

BY *(Type name)*	SIGNATURE	TITLE
Ed S. Burleson		Buyer

INVOICE

TO: General Services Administration, Region ~~XIX~~ IV

FOR: Mica delivered as indicated above — $ 80.64

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

SELLER *(Type name)*	DATE
C. B. Hensley (Betty's Creek No. 8, DMEA-3188)	7-15-54
BY *(Signature)*: s/ C. B. Hensley	NAME AND TITLE *(Type)*: Owner

GSA-WASH DC 53-3094

COPY

GSA FORM 1013
September 1952

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 July, 1954 Docket No. DMEA 3188 Contract No. IDME-647
Operator's Name Charlie B. Hensley Minerals Mica
Address Sylva, North Carolina
Contract Amount, $ 5,350.00 Government Participation: 90 % Amount, $ 4,815.00

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						
Sinking Incline 7½ft.	337.50	1732.50	2370.00			
Crosscutting						
Drifting						
Prepare portal and re-condition incline		300.00				
(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	337.50	2032.50	2370.00	337.50	2,032.50	2,370.00

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-6

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

Date August 2 *Payee Charlie B. Hensley

Per _____ Title Operator

*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:

$ 303.75

Signature Cora A. Pipes
(Authorized Certifying Officer)

Date AUG 11 1954 Vou. No. 26
(See other side)

33.75

7

(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-E647 in accordance with the terms of the contract.

Signature Henry H. Amos Title Geologist-USGS Date Aug. 6, 1954

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION VII Date AUG 6 1954

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of July 195 4 Docket No. DMEA 3188 Contract No. IDME-647
Operator's Name Charlie B. Hensley Minerals Mica
Address Sylva, North Carolina

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts Incline	Ft.	337.50	7½	2370.00	46	45.00	50	45.00
Winzes preparation of portal site					1	300.00	1	300.00
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Total Distributed Costs		337.50		2370.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		337.50		2370.00				

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 August 2 Operator Charlie B. Hensley

Per _____ Title Operator

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 83-3847-5

C. [illegible] HENSLEY ..... OPERATORS MONTHLY PROGRESS
REPORT FOR MONTH OF JULY, 1954
DMEA# 3188 IDM-E-647

July 1. Drilled, blasted and mucked.

July 2. Drilled, blasted and mucked.

July 5. Drilled, blasted and mucked.

July 6. Drilled, blasted and mucked.

July 7. Drilled and blasted 18 holes using 36 powder.

July 8. Drilled and blasted.

July 9. Drilled and blasted.

July 10. Drilled and blasted.

July 11. Drilled and blasted.

July 12. Drilled 10 holes using 22 powder.

July 13. Drilled and blasted. Removed muck.

July 14. Drilled, blasted and removed muck.

July 15. Made test sale at mica purchase depot at Spruce Pine, N. [illegible] 11 pounds of small grade mica $80.64.

July 16. Drilled and blasted removing muck.

July 19. Recovered some small mica. Drilled and blasted.

July 20. Recovered some small mica. Drilled and blasted.

July 21. Recovered some small mica. Drilled and blasted.

July 22. Drilled and blasted.

July 23. Drilled and blasted 20 holes using 30 sticks of powder.

July 26. Discussed operation of mine with field team, removed muck.

July 27. Drilled and blasted.

July 28. Drilled and blasted.

July 29. Drilled and blasted in mica vein recovering 33 lbs. mica i[illegible] the rough unsheeted.

July 30. Drilled and blasted removed muck recovered 26 lbs. of mica

C
O
P
Y

August 3, 1954

Memorandum

To: Operating Committee, DMEA - Washington

From: Field Team, DMEA - Region VII

Subject: Completion of Mica Projects.

The following projects, due for completion in July and August, have been completed:

DMEA-2794, Idm-E 607 (Carolina-Clear Mica Co.)

DMEA-2870, Idm-E 542 (Blue Ridge Mica Co.)

DMEA-2871, Idm-E 602 (Joe A. Beasley)

Actual dates of completion of DMEA-2794 and DMEA-2870 are not known; if the July vouchers show that work was done after the 24 and 28th respectively, we will prepare amendments to authorize the few extra days' work.

These contracts, due for completion in August, will not be completed and we will prepare amendments to extend both:

DMEA-2579, Idm-E 459 (Mica Industries, Inc.)

✓DMEA-3188, Idm-E 647 (Charles Hensley)

We have received a final voucher, but no final report on DMEA-3132 (Dixie Mines, Inc.). This project was completed in June.

Robert A. Laurence
Executive Officer
DMEA Region VII

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

INTERIM REPORT
On
BETTY'S CREEK No. 3 MINE- DMRA-3188, Idm-N 647
(mica)

Operator: Charlie B. Hensley, Sylva, N. C.

Location: On the headwaters of Betty Branch about 12.5 miles by road southwest of Sylva, Jackson County, N. C. The mine is about 2 miles west of Highway 23 by the road up Betty Branch.

Incline sinking continues on this contract and is now at 44 feet. Some mica has been recovered from recent work. Sinking will continue to 50 feet.

A conformable pegmatite about 3.5 feet thick is exposed in the face of the incline. It strikes N. 85° W. and dips 65° NE. Considerable mica of strategic quality, though small in size and badly curved, is concentrated along the footwall of the pegmatite.

A recent sale of 11 pounds of sheet mica to the GSA Depot amounted to $80.64. The chief defect was the curved character of the mica.

Date of Exam: July 26, 1954.

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

INTERIM REPORT

DMEA-3188 Idm-2647 (mica) BETTYS CREEK MINE #3

OPERATOR: Charlie B. Hensley, Sylva, North Carolina.

LOCATION: On the headwaters of Betty Branch about 12.5 miles by road southwest of Sylva, Jackson County, N. C. The mine is about 2 miles west of U. S. Highway #23 by the road up Betty Branch.

Incline sinking continues slowly on this contract and is now at 40 feet. Ten feet of incline remains to be sunk under contract.

No appreciable changes were noted in the material encountered since the last visit was made. Pegmatite is exposed in the bottom and along the hanging wall area, with 4 feet maximum observed. The operator estimates 10 to 15 pounds of small block recovery after each shot. Some of the mica is ruled, but no stain was noticed. Sinking will continue.

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

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

July 12, 1954

INTERIM REPORT

DMEA-3188 Idm-5647 (mica) BETTYS CREEK MINE #3

OPERATOR: Charlie B. Hensley, Sylva, North Carolina

LOCATION: On the headwaters of Betty Branch about 12.5 miles by road southwest of Sylva, Jackson County, N. C. The mine is about 2 miles west of U. S. Highway No. 23 by the road up Betty Branch.

Incline sinking continues on this contract and is now at 86.5 feet. Some small mica has been recovered from recent work. No change is anticipated in the target and sinking will continue. 13.5 feet of incline remains to be sunk.

Material encountered consists of pegmatite on the hanging wall and biotite gneiss, partially weathered, in the footwall. The small blocks of mica recovered is of good quality and ruby colored. The operator has completed a 6-foot test hole in the footwall at a point about 20 feet from the beginning point of the incline, without encountering pegmatite.

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

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

June 23, 1954

104 (Rev.)
d 1952)

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

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

Month of June, 1954 Docket No. DMEA 3188 Contract No. IDME-647
Operator's Name Charlie B. Hensley Minerals Mica
Address Sylva, North Carolina
Contract Amount, $ 5,350.00 Government Participation: 90 % Amount, $ 4,815.00

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						
Sinking Incline 6½ ft.	292.50	1440.00	1732.50			
Crosscutting						
Drifting						
Prepare portal and re-condition incline		300.00	300.00			
(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	292.50	1740.00	2032.50	292.50	1740.00	2032.50

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-(

I certify that the above bill is correct and just and that payment therefor has not been received.
Date July 1 *Payee Charlie B. Hensley
Per _____ Title Operator

*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:
$ 263.25
Signature Cora A. Piper
(Authorized Certifying Officer)
Date JUL 14 1954 Vou. No. 9
(See other side)

6

29.25

(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-E647 in accordance with the terms of the contract.

Signature Lawrence E. Shirley Title Mining Engr. U.S.B.M. Date July 7, 1954

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION VII Date JUL 8 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

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

RECEIVED
JUL 16 1954

Month of June 1954 Docket No. DMEA 3188 Contract No. IDME-647

Operator's Name Charlie B. Hensley Minerals Mica

Address Sylva, North Carolina

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts Incline	Ft.	292.50	6½	1732.50	38½	45.00	50	45.00
Preparation of portal Site				300.00	1	300.00	1	300.00
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		292.50		2032.50				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		292.50		2032.50				

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

Date July 1 Operator Charlie B. Hensley

Per Title Operator

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

G. B. HENSLEY: OPERATORS MONTHLY PROGRESS REPORT FOR
MONTH OF JUNE
DEMA no. 3188
IDMS no. 647

June 1. Drilled and blasted in walling rock.

June 2. Drilled and blasted pegmatite showing over head of incline.

June 3. Drilled and blasted in wall rock in bottom of incline.

June 4. Drilled and blasted in wall rock 24 holes using 54 sticks powder.

June 7. Drilled and blasted pegmatitle showing small mica in headdincline.

June 8. Drilled and blasted in the vein.

June 9. Drilled and blasted vein showing 26in. wide in bottom of incline.

June 10. Drilled and blasted and recovered 10 lb. small mica.

June 11. Drilled and blasted in bottom of incline in wall rock.

June 14. Drilled and blasted in the vein over head in pegmatite.

June 15. Exchange of motor for air compressor.

June 28. Drilled and blasted and discussed operation of mine with visiting field team.

June 29. Drilled and blasted in the mica vein.

June 30. Drilled and blasted in the vein recovered 15 lb. small mica.
42 holes using 105 for a gain of 6½ ft. for the month.

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of April, 1954 Docket No. DMEA 3188 Contract No. IDME-647
Operator's Name Charlie B. Hensley Minerals Mica
Address Sylva, North Carolina
Contract Amount, $ 5,350.00 Government Participation: 90 % Amount, $ 4,815.00

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						
Sinking, Incline 5ft.	225.00	742.50	967.50			
Crosscutting						
Drifting						
Prepare portal and re-condition incline		300.00	300.00			
(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	225.00	1042.50	1267.50	225.00	1,042.50	1,267.50

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-65

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

Date May 6 *Payee Charlie B. Hensley

Per _____ Title Operator

*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:

$ 202.50

Signature Cora A. Piper
(Authorized Certifying Officer)

Date MAY 14 1954 Vou. No. 292

(See other side)

4

22.50

(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-E647 in accordance with the terms of the contract.

Signature Lawrence E. Shirley Title Mining Engr. U.S.B.M. Date May 10, 1954

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA ~~REGION VII~~ Date MAY 12 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 April 195 4 Docket No. DMEA 3188 Contract No. IDME-647
Operator's Name Charlie B. Hensley Minerals Mica
Address Sylva, North Carolina

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts Incline	Ft.	225.00	5	967.50	21½	45.00	50	45.00
preparation of portal site.				300.00	1	300.00	1	300.00
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Total Distributed Costs		225.00		1267.50				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		225.00		1267.50				

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

Date May 6 Operator Charlie B. Hensley

Per Title Operator

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

Remarks:

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

OPERATOR'S MONTHLY PROGRESS REPORT
C. B. HENSLEY -- FOR THE MONTH OF APRIL, 1954.
BETTY'S CREEK MINE #3
DMMA NO. 3188
IDM-E 647

April 1. Two hand drilled holes 18in. walling rock.

April 2. Three holes 20in. in bottom of incline.

April 12. Moved compressor.

April 13. Set up compressor.

April 19. Discussed operation of mine with visiting field team.

April 20. Repair on motor.

April 21. Repair on compressor - put in air line ½ in.

April 22. Drilled and blasted first round in the bottom of incline.

April 23. Drilled and blasted second round. The incline is in capping rock over head. Removed muck.

April 26. Repair on timber work.

April 27. Drilled and blasted in bottom of incline.

April 28. Removed muck.

April 29. Repair on jack hammer.

April 30. Drilled and blasted and removed muck.

Drilled 29 - 3ft. holes using 54 sticks powder for a gain of 5 ft.

5.4 #/ft advance.
87 ft of hole.

INTERIM REPORT

DMEA-3188, Idm-E 647, BETTY'S CREEK MINE No. 3
(mica)

Operator: Charlie B. Hensley, Sylva, N. C.

Location: On the headwaters of Betty's Branch about 12.5 miles by road southwest of Sylva, Jackson County, N.C. The mine is about 2 miles west of U. S. Highway 23 by the road up Betty's Creek.

Incline sinking continues slowly on this contract and is now at 34 feet. Average slope of the incline is -33°.

A pegmatite at least 3 feet thick is partially exposed in the bottom of the incline. It strikes N. 60° W. and dips about 45° to the southwest. Occasional books of strategic mica are scattered throughout the pegmatite.

The Operator was again advised to drill test holes in the floor of the incline about 20 feet from its beginning to determine the possible presence of pegmatite at this point.

Date of exam: June 14, 1954

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

INTERIM REPORT

DMEA-3188 Idm-2647 (mica) BETTYS CREEK MINE #3

OPERATOR: Charlie H. Tensley, Sylva, North Carolina.

LOCATION: On the headwaters of Betty Branch about 12.6 miles by road southwest of Sylva, Jackson County, N. C. The mine is about 2 miles west of U. S. Highway No. 23 by the road up Betty Branch.

Incline sinking continues on this contract and is now at 31.5 feet. Sinking will continue in the future and no changes in the target is anticipated.

The incline has lessened in degree in the last 11.5 feet. Pegmatite material has been picked up again in the hanging wall area and followed. The operator was again advised to drill test holes in the footwall area at a point about 20 feet from the beginning, to ascertain the presence of pegmatite at this point.

The operator was advised to keep the hanging wall in particular barred down. Progress on this contract is slow.

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

R. H. Tempel[illegible], Geologist
U. S. Geological Survey

May 31, 1954

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

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

Defense Minerals Administration
RECEIVED
JUN 11 1954

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

Month of May, 1954 Docket No. DMEA 3188 Contract No. IDME-647

Operator's Name Charlie B. Hensley Minerals Mica

Address Sylva, North Carolina

Contract Amount, $5,350.00 Government Participation: 90 % Amount, $4,815.00

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						
Sinking Incline 10 Ft. Bandoning	472.50	967.50	1440.00			
Crosscutting						
Drifting Prepare portal and recondition incline		300.00	300.00			
(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	472.50	1267.50	1740.00	472.50	1,267.50	1,740.00

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-71

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

Date June 1 *Payee Charlie B. Hensley

Per _____ Title Operator

*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:

$ 425.25

Signature Cecil A. Piper
(Authorized Certifying Officer)

Date JUN 9 1954 Vou. No. 305

(See other side)

47.25

(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-E647 in accordance with the terms of the contract.

Signature Lawrence E. 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
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of May 1954 Docket No. DMEA 3188 Contract No. IDME-647

Operator's Name Charlie B. Hensley Minerals Mica

Address Sylva, North Carolina

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts Incline	Ft.	472.50	10½	1440.00	32	45.00	50	45.00
Winzes Preparation of portal Site				300.00	1	300.00	1	300.00
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		472.50		1740.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		472.50		1740.00				

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 June 1, 1954 Operator Charlie B. Hensley

Per _____ Title Operator

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

OPERATOR'S MONTHLY PROGRESS REPORT
C. B. HENSLEY - FOR THE MONTH OF MAY, 1954.
BETTY'S CREEK MINE # 3
DENA NO. 3188 IDM-E - 647

May 3. Four 3 ft. holes 6 powders

May 4. Six 2 ft. holes 9 powders removed muck.

May 5. Six 2 ft. holes 10 powder

May 6. Seven 2 ft. holes 11 powder

May 7. Six 3 ft. holes 12 powder

May 10. Seven 2½ ft. holes 14 powder

May 11. Six 3 ft. holes 12 powder

May 12. Six 3 ft. holes 12 powder

May 13. Six 2 ft. holes nine powder

May 14. Six 2½ ft. holes 12 powder

May 15. Four 2 ft. holes 8 powder

May 17. Removed muck and lowered winch.

May 18. Seven 2 ft. holes 14 powder

May 19. Completed shed for compressor.

May 20. Five test holes pegmatite showing in North corner.

May 21. Six 3 ft. holes in bottom of incline 12 powder

May 24. 6 2 ft. holes eight powder

May 25. Six 3 ft. holes 12 powder

May 26. Six 2 ft. holes 8 powder

May 27. Six 3 ft. holes 12 powder

May 28. Repair on compressor motor

May 31. Discussed operation with visiting field team. Drilled and blasted four holes.

Using 161 sticks of powder
For a gain of 10½ feet.

15.3 #/ft advance
5.1 #/Ton.

$\frac{20.28}{10.5} = 1.93$ #/ft

[illegible]

[illegible]A-3188 ldm-[illegible]47 (alcz) [illegible] 3

[illegible]: Charlie S. Henseley, Sylva, North Carolina

[illegible]: On the headwaters of Betty Branch about 12.5 miles by road southwest of Sylva, Jackson County, N. C. The mine is about 2 miles west of U. S. Highway No. 23 by the road up Betty Branch.

Incline mine sinking continues slowly on this contract and is now at 22.5 feet. Most of the hanging wall area shows pegmatite and the foot wall is in biotite gneiss. Instructions were given for making short test holes into both walls before attempting further sinking.

The operator has fully completed all necessary timber work. Muck is being removed from the incline bottom by hand winch and trammed by car to the dump. Necessary equipment is on the job.

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

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

[illegible]y 17, 1954

MAY 14 1954

INTERIM REPORT
ON
DMEA-3188, Idm-E647 (mica) BETTY'S CREEK MINE No.3

Operator: Charlie B. Hensley, Sylva, N. C.

Location: On the headwaters of Betty Branch about 12.5 miles by road southwest of Sylva, Jackson County, N. C. The mine is about 2 miles west.

Incline winze sinking continues on this contract and is now at 21 feet. Material encountered consists of pegmatite and pegmatitic biotite gneiss. A few small mica books of stockpile grade have been recovered during recent work. No change in target is anticipated and sinking will continue to a depth of 50 feet.

Dewey H. Amos, Geologist

U. S. Geological Survey

Exam:
May 6, 1954.

[illegible]

DMA-3183 Idm-2647 (nica) [illegible] 3

[illegible]: Charlie [illegible] Hensley, Sylva, North Carolina

[illegible]: On the headwaters of Petty Branch about 12.5 miles by road southwest of Sylva, Jackson County, N. C. The mine is about 2 miles west of [illegible] Highway 23 by the road up Petty Branch.

Incline winze sinking continues on this contract and is now at 16.5 feet. An undetermined amount of muck in the bottom would increase the depth slightly. No changes in the target are anticipated and sinking will continue to a total depth of 50 feet. The material encountered has not changed appreciably from that last reported. The operator states that an air compressor will be moved to the site within the coming week. Timber requirements have been completed.

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

[illegible] Geologists
U. S. Geological Survey

April 5, 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

FOR ON VOUCHER & SCHEDULE
PAYMENTS K-59

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of March, 1954 Docket No. DMEA 3188 Contract No. IDME-647
Operator's Name Charlie B. Hensley Minerals Mica
Address Sylva, North Carolina
Contract Amount, $ 5,350.00 Government Participation: 90 % Amount, $ 4,815.00

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						
Sinking Incline 10 ft.	450.00	292.50	742.50			
Crosscutting						
Drifting						
Prepare portal and re-condition incline		300.00	300.00			
(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	450.00	592.50	1042.50	450.00	592.50	1,042.50

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

Date April 1 *Payee Charlie B. Hensley

Per _____ Title Operator

*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:

$ 405.00

Signature Cora A. Pipes
(Authorized Certifying Officer)

Date APR 6 1954 Vou. No. 259
(See other side)

3

45.00

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E647 in accordance with the terms of the contract.

Signature Laurence E. Shirley Title Mining Engr. U.S.B.M. Date April 1, 1954

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. M. Beck ACTING Title EXECUTIVE OFFICER DMEA REGION VII Date APR 5 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 3188 Contract No. IDME-647

Operator's Name Charlie B. Hensley Minerals Mica

Address Sylva, North Carolina

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts Incline	Ft.	450.00	10	742.50	16⅔	45.00	50	45.00
~~Winzes~~ Preparation of Portal Site				300.00	1	300.00	1	300.00
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Total Distributed Costs		450.00		1042.50				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		450.00		1042.50				

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

Date April 1 Operator Charlie B. Hensley

Per _____ Title Operator

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

ORGANIZATION: [illegible] MINE #3
[illegible] & [illegible] MINERS:
[illegible] --- [illegible] 5130
[illegible] --- [illegible] 047

March 1. Timber work on shaft and incline.

March 2. Timber work on shaft and incline.

March 3. Removed wall rock ---- 2 ft. gain.

March 4. Removed wall rock ---- 2 ft. gain.

March 5. Worked on incline.

March 8. Discussed operation with visiting [illegible] field team. Completed timber work on shaft and incline.

March 9. Worked on incline removing muck and rock.

March 10. First round shots 2 hand drilled holes. 18 inches using 4 sticks of powder 6 ft. fuse for gain of 1½ ft. gain in incline.

March 11. 24 inches earth weight on timber lead to portal site.

March 12. Repair of timber works.

March 16. 4 hand drilled holes 18 in. using 8 sticks powder. 12 ft. fuse for 2 ft. gain in incline.

March 16. Hand drilled 2 holes 24 inches using 6 sticks powder 8 ft. fuse 2 cps.

March 17. Hand drilled 4 - 18 in. using 8 s. powder, 4 cps - 12 ft. fuse.

March 18. Hand drilled 3 holes in bottom of incline using 7 sticks powder 9 ft. fuse 3 cps.

March 19. Hand drilled 2 - 18 in. holes in bottom of incline using 4 sticks of powder - 6 ft. fuse. For a gain of 2½ ft.

March 22. Two hand drilled holes 18 in.- 2 - 24 inches holes using 8 sticks powder 14 ft. fuse 4 cps in bottom of incline for 2 ft. gain.

March 23. Two hand drilled holes 18 in. 26 in. 8 sticks of powder 3 cps. 10 ft. fuse in wall rock.

March 24. Side timber for shaft and incline.

March 25. Repair of tram car track.

March 26. Four hand drilled holes 18 in. in head of incline 6 sticks powder 4 cps, 12 ft. fuse.

March 29. Two 24in. holes in bottom of incline using 8 powder 2 cps. 8 ft. fuse for a gain of 2 ft.

March 30. Work on air compressor for moving and setting up.

March 31. Ten foot advance for the month.

INITIAL REPORT

IMBA-3188 Idm-1847 (mica) BETTYS CREEK MINE #5

OPERATOR: Charlie S. Hensley, Sylva, N. C.

LOCATION: On the headwaters of Betty Branch about 12.5 miles by road southwest of Sylva, Jackson County, N. C. The mine is about 2 miles west of U. S. Highway #23 by the road up Betty Branch.

Incline winze sinking continues on this contract and is now at 15 feet. The installation of a hoist is anticipated in the near future, which should speed up progress on this project.

Recent work has been confined to timbering and sinking. Pegmatite material could be observed on the hanging wall, but the bottom could not be examined because of muck. Occasional small blocks of mica are recovered during sinking. The country rock is a weathered biotite gneiss. Thirty-five feet of winze remains to be sunk under contract. Progress is satisfactory.

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

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

March 22, 1954

INTERIM REPORT

DMEA-3188 Idm-2647 (mica) BETTYS CREEK MINE #3

OPERATOR: Charlie B. Hensley, Sylva, North Carolina.

LOCATION: On the headwaters of Betty Branch about 12.5 miles by road southwest of Sylva, Jackson County, N. C. The mine is about 2 miles west of U. S. Highway #23 by the road up Betty Branch.

Incline winze sinking continues on this contract and is now at 10 feet. Much of the time has been spent in adequately timbering the overhead at the sinking area and bulk heading previous drifts containing muck on the sides of the winze. Heavy round timbers have been used throughout and all work completed is in good shape.

Material encountered consists of pegmatite, but loose muck in the bottom prevents an accurate description. Some small blocks of mica have been recovered from the muck. Progress on this contract is satisfactory.

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

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

March 8, 1964

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

Budget Bureau No. 42-R036.4
Approval expires 6-30-53.

240

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

ON VOUCHER & SCHEDULE RECEIVED MAR 24 1954

OPERATOR'S MONTHLY REPORT AND VOUCHER

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

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~~ Sinking Incline 6½ft				292.50		292.50
~~Bulldozing~~						
Crosscutting						
Drifting					300.00	300.00
Proposal Check	[illegible]					
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Unit No. [illegible]		[illegible]				
Unit No. [illegible]			[illegible]			
(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	292.50	300.00	295.50	292.50	300.00	592.50

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

Date [illegible] *Payee Charlie B. Hensley

Per Patsy Buchanan Title [illegible]

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

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

(Instructions on reverse)

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

$ 263.25

Signature Cora A. Pipes
(Authorized Certifying Officer)

Date MAR 16 1954 Vou. No. 240

(See other side)

29.25

(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-E647 in accordance with the terms of the contract.

Signature Lawrence E. Shirley Title Mining Engr. U.S.B.M. Date March 10, 1954

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION VII Date MAR 12 1954

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 24 1954

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of March 9 1954 Docket No. DMEA 3188 Contract No IDME-647
Operator's Name Charlie B. Hensley Minerals Mica
Address Sylva, North Carolina

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts Incline	Ft.	292.50	6½	292.50	6½	45.00	50	45.00
Winzes Preparation of portal site				300.00	1	300.00	1	300.00
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Total Distributed Costs		292.50		592.50				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		292.50		592.50				

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 March 9, 1954 Operator Charlie B. Hensley
Per Patsy Buchanan Title Operator

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

BETTY'S CREEK MINE # 3
DOCKET DMEA NO. 3188
IDME- 647

Operators C. B. Hensley
Monthly Progress Report

February 1. Cut timber for existing tunnel.
Hired one man with power saw. ($1.00 per hour)

February 2. Started widening tunnel.

February 3. Continued widening tunnel.

February 4. Timber work for existing tunnel.

February 5. Timber work for existing tunnel.

February 8. Timber work for existing tunnel.

February 9. Timber work for existing tunnel.

February 10. Timber work for existing tunnel.

February 11. Timber work for existing tunnel.

February 12. Started work in existing shaft.

February 15. Continued work on existing shaft.

February 16. Continued work on existing shaft.

February 17. Continued work on existing shaft.

February 18. Continued work on existing shaft.

February 19. Started laying track for dump cart.

February 22. Continued laying track for dump cart.

February 23. Discussed operation of project with field men.

February 23. Finished tract.

February 24. Removing muck from shaft.

February 25. Removing muck from shaft.

February 26. Removing muck from shaft.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 18, POST OFFICE BLDG.
KNOXVILLE 2, TENN.

March 12, 1954

Mr. Charlie B. Hensley
Route 1, Box 237 A
Sylva, N. C.

Re: Docket No. DMEA-3188 (mica)
Idm-E 647, Bettys Creek Mine

Dear Mr. Hensley:

Your Operator's Monthly Report and Voucher for the month of february 1954 has been received in this office and is being sent to the Finance Office today for processing.

The report was not made out correctly so we are enclosing a copy of Form MF-104 made out as it should have been. Please make out your future reports as this is made out.

Your signature is all that is necessary at the bottom of the page as you are signing as the Operator. No name should follow the word "For."

Very truly yours,

Wm. A. Peck

WAP/zm
cc:
Peck
Lynch
Finance Office
Files

Mrs. [illegible]

[illegible] PART

BA-3188 Rom-1647 (mica) BETTY CREEK MINE

[illegible] 10 1954

[illegible]: Charlie S. Hensley, Sylva, North Carolina.

[illegible]: On the headwaters of Betty Branch about 12.5 miles by road southwest of Sylva, Jackson County, N. C. The mine is about 2 miles west of U. S. Highway 23 by the road up Betty Branch.

Starting date on this contract is January 1, 1954. Portal preparation and rehabilitation of an existing incline has been completed. Incline winze sinking has begun and is now at 8½ feet. Rehabilitation consisted of taking the original incline down to a level at the portal, benching an open cut from portal to dump, reconditioning the adit section, laying track and setting timbers for a distance of 15 feet outside the adit to the present winze location. A mine car for handling muck was in the process of construction. A small tool house, 10' x 10', and suitable powder and cap magazines have been constructed. Material encountered in winze sinking has consisted of muck and some pegmatite on the hanging wall. Most of the pegmatite on the adit level has been worked out previously and short drifts have been driven in both directions along the strike. Evidence of much "ground hogging" exists overhead, and in the drifts. It is estimated that the rehabilitation program carried out by this operator cost at least twice the amount alloted. Progress on this contract has been satisfactory.

Mr. [illegible] Beck, member of the [illegible] Field Team, Region VII, accompanied the examiners on this visit to the mine.

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

[illegible] League and [illegible] Amos, Geologists
U. S. Geological Survey

February 23, 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
1 — 12 1954

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of January, 1954 Docket No. DMEA 3188 Contract No. B-647
Operator's Name Charlie B. Hensley Minerals Mica
Address Sylva, North Carolina
Contract Amount, $ 5,300.00 Government Participation: 80% Amount, $ 4,010.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
Prepared portal site	300.00		300.00			
(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	300.00		300.00	300.00		300.00

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-48

I certify that the above bill is correct and just and that payment therefor has not been received.
Date January 5, 1954 Payee Charlie B. Hensley
Per Charlie B. Hensley, Owner Title Owner

*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:

$ 270.00

Signature Cora A. Pipes
(Authorized Certifying Officer)
Date FEB 9 1954 Vou. No. 216
(See other side)

1st (S) 1-1-54

30.00

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E647 in accordance with the terms of the contract.

Signature Lawrence C. Shirley Title Mining Engr. U.S.B.M. Date Feb. 6, 1954

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION VII Date FEB 8 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

1 2 1954

Month of January 5 1954 Docket No. DMEA 3188 Contract No. B-647
Operator's Name Charlie B. Hensley Minerals Mica
Address Sylva, North Carolina

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Prepared Portal Site		300.00		300.00	1	300.00	1	300.00
Total Distributed Costs		300.00		300.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		300.00		300.00				

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

Date January 5, 1954 Operator Charlie B. Hensley

Per Arthur D. Coward, Atty. Title Mica

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

FEB 12 1954

CHARLES D. BENSLEY
Beetye Creek Mine
No. 3

UNITED STATES
DEPARTMENT OF THE INTERIOR
BITUMINOUS RECLAMATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of January, 1954 Docket No. BRA 3100 Contract No. R-647
Operator's Name Charlie D. Bensley Mineral Fire
Address Lynn, North Carolina
Contract Amount, $ 8,816.00 Government Participation 50 %
Amount, $ 4,416.00

Work accomplished Portal Site--Hired one man, Henry Green, $1.00 per hour.

January 1. Started moving muck from Portal Site
January 2. Started moving muck from Portal Site
January 4. Started moving muck from Portal Site
January 5. Started moving muck from Portal Site
January 6. Started moving muck from Portal Site
January 7. Started moving muck from Portal Site
January 9. Timber work for Portal Site
January 11. Timber work for Portal Site
January 19. Timber work for Portal Site
January 20. Completed Portal Site
January 21. Started Powder magazine
January 25. Completed magazine. Discussed operation of Project with visiting Field Team. Hired one man with horse, $1.00 per hour.
January 26. Started moving muck from (Existing cut)
January 27. Started moving muck from (Existing cut)
January 28. Started moving muck from (Existing cut)
January 29. Started cap magazine, and finished cap magazine and completed existing cut.
January 30. Ordered out 1000 feet rough lumber for tool house.

January 29, 1954

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: Amendment No. 1 - Docket No. DMEA-3188 - Mine
Charlie B. Hensley
Betty's Creek #3 Mine
Jackson County, North Carolina
Contract No. Idm-2647

The purpose of this amendment is to correct the name of the mine from "Bay Betty's Creek #3 Mine" to "Betty's Creek #3 Mine." The word "Bay" was inserted through a typographical error in the application.

The Nonmetallic Minerals Division concurs in the amendment as written and executed by the Executive Officer, DMEA Field Team, Region VII.

/s/
W. C. Anderson
Nonmetallic Minerals Division

WCAnderson:ag 1/30/54

Copy to: Admr. R. File
Docket File
Mr. Heuk

C
O
P
Y

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

January 7, 1954

Memorandum

To: Operating Committee, DMEA- Washington

From: Acting Executive Officer, DMEA - Region 7

Subject: Signed contracts, Charlie B. Hensley, Sylva, N. C.
DMEA-3188 (mica) Contract Idm-E 647

Transmitted herewith are the Government's, Division and Docket copies of the subject contract together with the Division, and Docket copies of Amendment No. 1 to the contract. The Operator failed to return the original of the amendment and we have written him requesting it. Upon its receipt we will forward it to you.

We have retained our copy of the contract and amendment and have sent the Finance office theirs.

/s/ Wm. A. Beck

C
O
P
Y

Region VII

DMEA

Referred Dockets on hand December 31, 1953

DMEA-3215 (mica) Tralyta Mining Co., Blairsville, Georgia

Referred request received December 28, Will be examined in January.

The following contracts, signed by the Administrator, have been forwarded to Operators for signatures, but have not been returned to this office by December 31, 1953:

DMEA Number	Idm-E No.	Operator	Date Sent
3041	E-634	Robt. K. Andre'	December 16
3157	E-646	Cook Mining Co., Inc.	December 16
3188	E-647	Charlie Hensley	December 16

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 30 1953

December 28, 1953

Mr. Charlie Hensley

Sylva, North Carolina

Re: DMEA-3188, Idm-E 647 (mica)
Betty's Creek No. 3 Mine

Dear Mr. Hensley:

I have your letter of December 22 stating that work at the Betty's Creek Mine will begin on January 1, 1954. Thank you for this information. Mr. Shirley and Mr. Teague will visit the mine early in January.

I have never received from you the signed copies of the contract. If you still have these, please return to me all copies except the one marked "Operator's Copy."

I did receive the signed copies of Amendment No. 1, several days ago. However, the original should have been returned to me. I enclose herewith your copy of that amendment. Please send me at your earliest convenience the signed original which you now have.

Very truly yours,

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

RAL/zm
cc:
Beck
Lynch
Opr. Com.
Files

DEC 1 4 1953 600

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

Subject: Docket No. DMEA-3188 - Mine
Charlie R. Wheeler
Bay Betty's Creek #3 Mine
Jackson County, North Carolina

Dear Mr. Lawrence:

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.

Please note the contract follows the Field Team's description of shaft. There is no information concerning timbering. Is it correct to assume that the shaft will be timbered? Please make any necessary alterations of the contract.

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 he is obligated to complete the work outlined at the agreed unit cost. If any part of this contract does not have either your approval or that of the Operator and cannot be amended within your delegated authority, then the original and all copies of the contract are to be returned to this office, together with the proposed changes for consideration.

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

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

Sincerely yours,

Ernest Wm. Ellis

ACTING Chairman, Operating Committee

WCAnderson:gad 12/8/53

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

T. P. Thayer
Member, Geological Survey

Enclosures 11

P.S. Please note enclosed memorandum from Chief Counsel.

December 4, 1953

Memorandum

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

From: Chief Counsel

Subject: Charles B. Hensley, Docket No. DMEA-3188 (Miss)

Attached in satisfactory legal form for execution is a contract covering the above-described project.

The land referred to in Article 2 of the contract form is set forth by metes and bounds in Annex II and is there called the "Bay Betty's Creek No. 3 Mine." The Owner's Consent to Lien merely describes the property as "Betty's Creek No. 3." I think this sufficient but, if possible, it would be advisable to have the owners agree to allow the land to be described in the Owner's Consent-to-Lien form as "Bay Betty's Creek No. 3 Mine," to conform with the contract wording.

J. L. Hofflund
Chief Counsel

Attachments

AEKane:ep

Copy to: Docket
Mr. Houk
Mr. Hofflund
Mr. Kane
Chron.

Department of the Interior
Defense Minerals Administration
RECEIVED
DEC 3 1953

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

December 3, 1953

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-3188, Mica

Applicant: C. B. Hensley
Name and Location of Property: Bay Betty's Creek Mine No. 3, Jackson County, North Carolina
Date of Field Team Report: November 4, 1953
Date Received by Ceramic & Fertilizer Materials Branch: November 30, 1953
Field Team Recommendation:

1. Recondition existing incline.
2. Explore deposit by a 50 foot incline and 80 foot drift.
3. Total estimated cost - $5,350.

Comments:

1. The proposed program of exploration will determine value of ground previously unexplored in mine that has been reported as a producer of commercial mica.

Recommendation:

I concur in the field team's recommendation for an exploration program in the amount of $5,350.

Signed

W. F. Dietrich

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

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

November 9, 1953

Memorandum

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

From: Field Team, Region VII

Subject: DMEA-3188, Bay Betty's Creek Mine No. 3 (mica)
Field Examination Report

Enclosed herewith are the original and three copies of the field examination report on the subject application, with 6 extra copies of the map.

The Field Team agrees with the examiner's opinion that the property merits exploration, and recommends that the examiner's proposal be accepted in place of the applicant's original proposal.

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

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

Reviewed by
DMEA OPERATING COMMITTEE
11-18-53
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM, REGION VII

ON

DMEA-3188, Bay BETTY'S CREEK MINE No. 3
(Mica)
Jackson County, North Carolina

By

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

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

November 4, 1953

Reviewed by
DMEA OPERATING COMMITTEE
11-18-53
(Date)

Field Examination Report
on
Docket No-DMEA-3188, Bay Betty's Creek No. 3 Mine
(mica)

Applicant: Charlie B. Hensley, Sylva, North Carolina

Only a limited amount of work has been conducted on this deposit. Mica is of good quality and there is a possibility that additional mica of strategic grade will be found. The examiners recommend that exploration assistance be granted.

This deposit was examined on October 29, 1953. Mr. Charlie B. Hensley accompanied the examiners on the inspection which required three hours.

The Bay Betty's Creek No. 3 Mine is on the headwaters of Betty Branch about 12.5 miles by road southwest of Sylva, Jackson County, North Carolina. The mine is about two miles west of U. S. Highway No. 23 by the road up Betty Branch. Access is possible at all times by jeep.

The applicant has had previous mica mining experience, and appears capable of conducting the proposed exploration. He holds the property by lease. Necessary "Owner's Consent to Lien" forms were given to him with the instructions that as soon as they were executed that they be forwarded to Washington. Area covered by the applicant's lease is adequate for the proposed project.

No access road is necessary for the proposed project. There are no buildings at the deposit, although required storage facilities are available at the applicant's camp which is about one-half mile north of the deposit.

Workings consist of an bench cut about 100 feet long, from which a short incline (15 ft.) has been sunk. It is reported that a 40-foot drift extends about S 20° E on the pegmatite from the incline. Both the incline and drift are now caved, thus inaccessible. About 50 feet N. 20° W of the end of the cut and 80 feet lower, the applicant has recently begun driving an adit parallel to the apparent trend of the pegmatite. This adit is now 35 feet long and is in weathered biotite gneiss.

The pegmatite is enclosed conformable by biotite gneiss. It strikes N. 20° W., dipping 45-60° SW. From the limited exposures and information available, it appears that the pegmatite is rather lenticular in shape, thinning and swelling on both strike and dip. No distinct quartz core is present, although several quartz pods up to six inches were noted. The pegmatite is medium coarse in texture, being composed of quartz, plagioclase feldspar, and muscovite, listed in order of abundance.

Reviewed by
DMEA OPERATING COMMITTEE
11-18-53
(Date)

The mica appears to be localized, mainly in the vicinity of the quartz pods. It is hard, clear, flat, splits well, and is ruby colored. Some of it is severely rulled. It appears that pattern mica of strategic grade may be obtained from this deposit.

Production from the past limited mining on this deposit is unknown. According to the applicant, several thousand dollars worth of mica from the deposit was sold to the Colonial Mica Corporation during World War II. No records of any sales are shown in the Colonial Mica Corp., microfilm records.

The field examiners do not believe that the applicant's proposal for exploration is sound. First of all it assumes that the pegmatite extends to a depth of about 80 feet. Insufficient data are available to justify this assumption. Also to extend the 35-foot adit to the probable point of intersection would involve driving more than 150 feet of new adit, which is rather expensive. We believe that the most satisfactory method to use in exploring the deposit is to clean out the portal and rehabilitate the existing 15-foot incline, then extend it 50 additional feet on the pegmatite. After the incline is completed, not more than 80 feet of laterals should be driven on the pegmatite.

Estimated Cost:

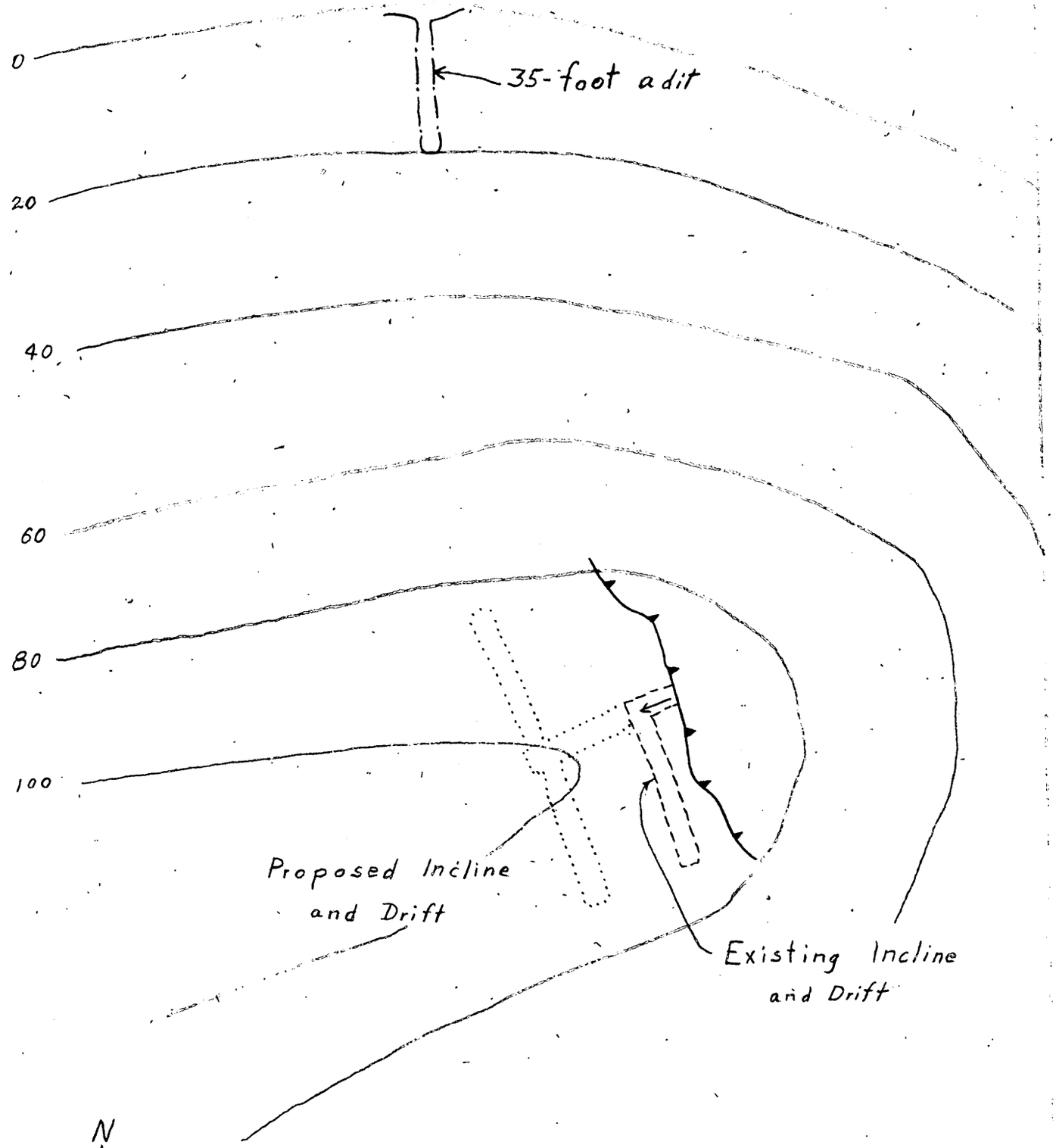
Clean out and prepare portal site and recondition 15 feet of existing incline.....	$ 300.00	
50 feet, 5' x 7' incline @ $45/ft.	2250.00	
80 feet, 5' x 7' drift @ $35/ft.	2800.00	
Estimated Total Cost.....		$5,350.00

Estimated time required - 6 months

Nov. 4, 1953

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

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



N

Sketch of
Bay Betty's Creek No. 3 Mine
Jackson Co., N.C.

0 40' 80'
Scale

DMEA - 3189 (mica)

IN REPLY REFER TO:

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 16 1953

November 13, 1953

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-3158 (mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant: Charlie B. Hensley, Sylva, North Carolina.
Name of property: Bay Betty's Creek No. 3 Mine.
Location of property: 12.5 miles (road) southwest of Sylva, North Carolina.
Date of field team report: November 4, 1953.
Authorship of field team report: R. H. Teague and L. E. Shirley.
Field team's recommendation:

Clean out, etc., 15' incline.
50' incline in pegmatite.
30' drift on pegmatite.

Comments:

Since all the work will be in pegmatite, the above estimated lengths of workings might be changed at any time, depending upon the geology. Should it be set up in stages to provide for such possible changes, should they prove desirable?

ACTION SUGGESTED:

Follow field team's recommendation.

D. M. Larrabee

Larrabee:jeh
11/13/53
cc: Director's reading 4212
Branch reading 4212
DMEA 3
Larrabee G-230

600

OCT 23 1953

Mr. Charlie B. Hensley

Sylva, North Carolina

Re: Docket No. DMEA-3158 - Mica
Ray Betty's Creek #3 Mine
Jackson County, North Carolina

Dear Mr. Hensley:

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. Lambeson, 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,

Frank E. Johnson

ACTING Administrator

WCAnderson:gad 10/22/53
Copy to: Admr. R. File
Docket File
Operating Committee
Field Team, Region VII
Mr. Dietrich, 3526
Mr. Larrabee, 6-232 GSA Bldg.
Mr. Houk

OCT 23 1953

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

Subject: Docket No. [illegible]-3168 - Mine
Charlie R. Stanley
Dry Ridge's Creek #2 Mine
Jackson County, North Carolina

Dear Mr. Lawrence:

Please review the subject application and arrange for a field examination if you deem it advisable. The application lacks copies of Owner's Consent to Lease. Please furnish the applicant the required number of forms for execution and return to this office.

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

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

J. H. Hedges

Member, Bureau of Mines

T. P. Thayer

Member, Geological Survey

Enclosures 4

WCAnderson:gad 10/22/53
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
OCT 20 1953

October 19, 1953

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Acting Chief, Ceramic and Fertilizer Materials Branch.

Subject: DMEA-3188, Mica, Bay Betty's Creek #3 Mine,
C. B. Hensley, Jackson County, North Carolina.

No data are available in this office on subject mine. Careful study of the applicant's information indicates to me that more detailed information, with reference to a plan of proposed exploration, is needed.

Donald R. Irving

IN REPLY REFER TO:

G-MD-CNK

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

October 13, 1953

Memorandum

REVIEW OF APPLICATION DMEA-31[illegible] (mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: Donald A. Brobst, U. S. Geological Survey
Applicant: Charlie B. Hensley.
Name of property: Betty's Creek #3.
Location of property: 11.5 miles west of Sylva - 10 miles southwest on U. S. Route 23 to Betty's Creek Road, 1.5 miles northwest to operation, Jackson County, North Carolina.
Estimated cost of project: $3,720.00.
Summary of applicant's proposal:

Stage I - Rehabilitate old 20-ft. tunnel	$120.00
Supervision, supplies and hand tools for above	100.00
Stage II- Extend tunnel 100 ft. at $35/ft.	$3,500.00
	$3,720.00

Sources of information on applicant's property:
Betty's Creek Mica Mine, Jackson County, North Carolina, by J. C. Olson, June 1944 (open file report with map 11305 of September 1944).

The applicant has operated this mine previously.

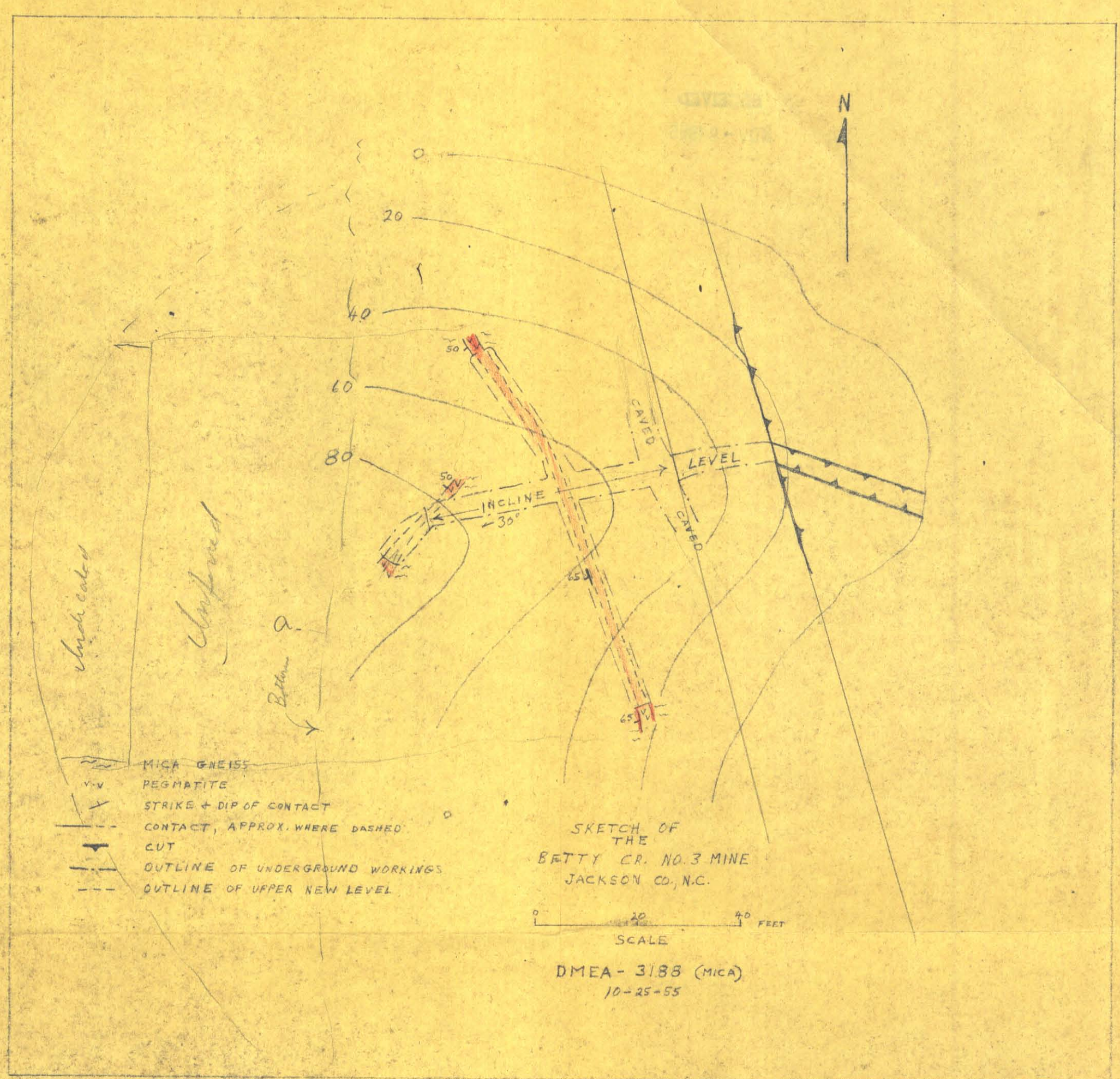
Comments:
1. Report says quality of mica is good.
2. Thickest pegs seem best bet because mica is disseminated. Thickest and richest body plunges 60° to 70° southeast, so mining should be set to follow the probable extension of this plunge.
3. Olson says the long range view is not particularly promising, but that prospecting pegmatites on the property can be worthwhile.
4. Because of the Olson report, the applicant's plan may not be the best one.

RECOMMENDATION:
Refer to field team for examination of the property.

Brobst:jeh
10/13/53

Donald A. Brobst

cc: Director's reading 4212
~~Director's 4212~~
Branch ~~[illegible]~~ reading 4212
DMEA 3
Brobst G-230



SKETCH OF THE BETTY CR. NO. 3 MINE JACKSON CO., N.C.

DMEA - 3188 (MICA)
10-25-55