E 537 7/22/54 DMEA-3356 Glenn C. Rathburn

Yancey County, N.C. Fox; Burley Creek Mine

Last reported Depot sale 10/6/58 lot no. 180 $58.16 S.E. Mt. Co.

Other known parties of possible interest:

Charles L. Brown — Robert Felton

Alice S. Byrd — Dana W. Norris

Andrew C. Brown — E. M. Fredericks

Robert J. Brown — Fredericks Associates

Southeastern Mining & Development Corporation, Inc. Sales Aug-Oct 1957 and Sept 1958

DMS-4-1629A

Check of S.P. Depot records fails to disclose any additional sales (after Lot 180) from this property

C.E.J. 6/19/62

No Ab. Chas L Brown 1/29/62 AV

OME Form 7
(10-58)

OFFICIAL FILE COPY		
Date	Initials	Code
6/26		800
		300
		120
		110
		100
		220

June 26, 1962

Memorandum

To: The File

From: C. E. Fisher, OME Auditor

Subject: Check of Spruce Pine Mica Purchase Depot Records, June 18 - 22, 1962

During the period of June 18 to 22, 1962, I examined the purchase records of the G.S.A. Mica Purchase Depot at Spruce Pine, North Carolina, for the purpose of ascertaining any unreported production under DMEA exploration project contracts. My examination did not disclose any unreported production subject to royalty under the following contracts:

Contract No.	Docket No.	Operator	Mine Names
E- 684	3244	Alex Teague	Old Denson (Denison)
687	3256	Glenn S. Rathburn	Fox, Busby Creek
692	3260	Sam L. Phillips	W. A. McKinney, McKinney No. 1
694	3199	W. B. Chrisawn	R. D. (W. H.) Westall
712	3410	Rock Mining Company	Rock
737	3469	A. Ward	Elmore
757	3559	C. R. Phillips, et al.	Sugar Dave, Ralph
762	3577	Keller Mining Co.	Royster
805	3720	Alvin White, et al.	Coward
830	3265	Mines and Mining, Inc.	Farlow Gap
835	3813	T. F. Vance	Shuffle Vance, Red, Charlie Burleson
840	3799	J. R. Beam	Bennett, Mica Field
865	3860	Ed Boone	Grog Rock
882	3924	J. R. Beam & John Phillips	Little Ray, Pat
891	3547	Buchanan Minerals, Inc.	Buchanan, Dream
900	3942	Sam G. Smith	Joe Hill, Sam Smith
962	4147	Sam L. Phillips	Old Buchanan
1005	4239	John Phillips	Roby (Robby)
1008	4332	John Phillips	John (John's) Brown
1037	4268	Murphy Mining Co.	Murphy, Murphy Rock
1042	4449	Clifton D. Buchanan	Boone, Phillips
1089	4554	Sam L. Phillips	Black Mountain

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

CEFisher/aaa
6-26-62

03003

FEB 2 - 1962

Mrs. Glenn C. Rathburn
Box 346, Route 3
Burnsville, North Carolina

Re: DMEA-3256 (Mica)
Glenn C. Rathburn, Assignee
Fox Mine
Yancey County, North Carolina
Contract Idm-8687

Dear Mrs. Rathburn:

Receipt is acknowledged of your money order in the amount of $16.27 in liquidation of the indebtedness under the referenced contract. The promptness of your remittance in reply to my January 22 letter is appreciated. I regret any inconvenience that may have been caused by my letter to the landowner.

Income tax matters are not within the jurisdiction of this office. I suggest that you write to the District Director of Internal Revenue, U. S. Treasury Department, Greensboro, North Carolina.

Sincerely yours,

George C. Selfridge

Chief, Division of Field
Operations

EDTalbert/ama 2-1-62

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

FEB 2 - 1962

Mr. Charles L. Brown
Burnsville, North Carolina

Re: OMEA-3256 (Mica)
Glenn C. Rathburn, Assignee
Fox Mine
Yancey County, North Carolina
Contract Idm-8687

Dear Mr. Brown:

Thanks for your January 29 letter regarding the indebtedness under the referenced contract. The $16.27 due the Government has been paid.

In the event that the property under the contract is transferred or leased before the expiration on July 22, 1966, of the Government's royalty rights, your prompt advice to this office will be appreciated. Advance notice of the Government's rights should be given to any transferee or lessee.

Sincerely yours,

Chief, Division of Field
Operations

EDTalbert/ama 2-1-62

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

FEB 1 1962

Memorandum

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

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

Subject: DMEA-3256 (Mica)
Glenn C. Rathburn, Assignee
Fox Mine
Yancey County, North Carolina
Contract Idm-5687

Enclosed for deposit to the subject DMEA account under symbol 14X4401 as a royalty receipt is United States Postal Money Order No. 6-54,851,202 in the amount of $16.27, purchased by Mrs. Glenn C. Rathburn from the Burnsville, North Carolina, post office on January 30, 1962.

The money order is in payment of royalty delinquently due from the subject Operator.

Enclosure

EDTalbert/ama 2-1-62

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

C
O
P
Y

Burnsville, N. C.
Jan. 29, '62

U. S. Dep. of Interior,
Office of Minerals Exploration,
Washington, D. C.

Dear Sirs:

Reference to DMEA 3256 (mica) Glenn C. Rathbone Assignee, Fox Mine Yancy Co. N. C. Contract Idm-E687.

I have written Mr. Rathbone about the matter of royalty (R16.27) still due you.

This mine is owned by Mrs. Alice Byrd now deceased and by me.

If Mr. Rathbone does not pay this $16.27 in a reasonable time then we will pay. The mine is not in operation and to my knowledge no sales have been made since Sep. 1958.

Yours truly

/s/ Charles L. Brown

JAN 22 1962

Registered Mail
Return Receipt Requested

Mr. Glenn C. Rathburn
Cane River, North Carolina

Re: DMEA-3256 (Mica)
Glenn C. Rathburn, Assignee
Fox Mine
Yancey County, North Carolina
Contract Ida-2667

Dear Mr. Rathburn:

On February 18, 1959, Mr. V. J. Lynch, Acting Executive Officer, OSE Field Team, Region V, wrote you concerning royalties due the Government in the amount of $19.27. In reply you enclosed a $3.00 money order in your letter of March 6, 1959, and stated that you would try to bring the royalty account up to date immediately. For your convenience, copies of this correspondence are enclosed. To date we have had no further word from you. We shall appreciate it if you will promptly send us $16.27, the balance of the royalty due.

Sincerely yours,

George C. Selfridge

Chief, Division of Field Operations

Enclosures

GCSelfridge/hb
1/19/62
cc: Docket DMEA-3256
Director's Reading File
CA & A Division
G. C. Selfridge
Region IV (2)
Mr. Charles L. Brown,
Burnsville, North Carolina

7=0

JAN 22 1962

Mr. Charles L. Brown
Burnsville, North Carolina

Re: DMEA-3256 (Mica)
Glenn C. Rathburn, Assignee
Fox Mine
Yancey County, North Carolina
Contract Idm-E687

Dear Mr. Brown:

Enclosed is a copy of a letter of this date sent to Mr. Glenn C. Rathburn, Cane River, North Carolina, regarding royalty due on production from the subject mine.

We wish to call your attention to your obligation for repayment under the subject contract, both as a surety under the provisions of the contract and as a landowner under the Consent to Lien and Subordination Agreement you signed. We may have to call upon you in this matter of delinquent royalty if Mr. Rathburn does not promptly remit.

Will you please inform us if there have been any sales or production from the subject mine since September 1958 to date. Also, if there have been any lease or ownership changes.

Sincerely yours,

George C. Selfridge

Chief, Division of Field
Operations

Enclosure

GCSelfridge/hb (1/22/62)
cc: Docket DMEA-3256
Director's Reading File
CA & A Division
G.C.Selfridge
Region IV (2)

REPORT OF
ROYALTY REVIEW

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Washington office pertaining to Contract Idm-E687, Docket DMEA-3256 (mica), dated July 22, 1954, with

Charles L. Brown and Glenn C. Rathburn
Burnsville, North Carolina
and the assignee
Glenn C. Rathburn
Cane River, North Carolina

for the purpose of determining the amount of royalty payable to the U. S. Government on sales of minerals from property referred to as the Fox Mine (Brushy Creek Mine) located in Yancey County, North Carolina, during the period February 20, 1958, through June 15, 1960.

A certification of discovery or development was issued on June 27, 1957, and, in accordance with Annex II of the contract, royalty is payable on all minerals produced from the land described in Article 2 of the contract for a period of 12 years from the date of the contract or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first. A Report of Review dated February 11, 1957, indicated accepted costs under the exploration contract amounting to $4,143.00 with the Government's contribution on a 75 percent basis being $3,107.25.

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

This review established the total sales subject to the Government's royalty for the period to be $1,225.26. Royalty payable to the Government at the rate specified in the contract is $61.26.

A prior Report of Royalty Review found the sales subject to the Government's royalty through February 19, 1958, to be $2,526.81, which added to the sales for this subsequent period make a total of $3,752.07. The royalty account as of February 19, 1958, was:

Total Royalty Payable	$118.55
Total Royalty Paid	99.28
Balance of Royalty Due	$ 19.27

As of June 15, 1960, the royalty account of this project was found to be:

Total Royalty Payable	$179.81
Total Royalty Paid	163.54
Balance of Royalty Due	$ 16.27

E. D. Talbert

January 19, 1962

E. D. Talbert, OME Auditor

STATUS OF PROJECT, SCOPE OF REVIEW
AND REASONS THEREFOR

At the time this exploration project contract was executed, Glenn C. Rathburn was in possession of the property thereunder by virtue of a February 6, 1953, lease of the mineral rights from the several landowners, one of whom was Charles L. Brown. Before the exploration work was completed Brown assigned his interest in the exploration project contract to Rathburn. The Government's Consent dated December 17, 1954, provides that the assignor is not released from the terms and conditions of the contract.

The contract provides that the Operator, as principal if the producer or as surety if not the producer, shall pay the Government's royalty on all production from the land. In connection with the extension of the royalty repayment period to 12 years by Amendment No. 4, the then current owners (Charles L. Brown, Alice S. Byrd, Andrew E. Brown, and Robert J. Brown) executed an undated Consent to Lien and Subordination Agreement. The so-called "abandonment" clause in Article 7 of the contract was deleted by Amendment No. 1.

The exploration work was terminated on November 23, 1956, and the files indicate that the Operator-Assignee sold his lease on September 28, 1957, to Robert Felton, Box 11, Burnsville, North Carolina, and Dana W. Norris, 1117 Cordova Road, Ft. Lauderdale, Florida. They, in turn, transferred the lease to E. M. Fredericks of Fredericks Associates, Box 4047, Charleston, West Virginia, on December 12, 1957.

During the period of the exploration work sales of mica, both sheet and punch, and feldspar were made in the name of Glenn C. Rathburn. During August, September, and October of 1957 and September of 1958 sales were made in the name of Southeastern Mining & Development Corporation, Inc., Burnsville, North Carolina. Examinations by field representatives on September 17, 1958, and January 30, 1959, found the property inactive. A check of the Spruce Pine Mica Purchase Depot's records during June 1960 disclosed no unreported sales.

The files disclose reported sales of production which may be summarized as follows:

Idu-8687 Glenn C. Rathburn, Assignee DMEA-3256

	Rathburn	Southeastern	Total
Quantities:			
Sheet Mica (lbs.)	97.14	86.52	183.66
Hand Cobbed Mica (lbs.)	-0-	435.00	435.00
Punch Mica (lbs.)	516.00	693.00	1,209.00
Scrap Mica (lbs.)	-0-	227.00	227.00
Feldspar (long tons)	30.62	-0-	30.62
Proceeds:			
Sheet Mica	$1,601.06	$1,370.75	$2,971.81
Hand Cobbed Mica	-0-	435.00	435.00
Punch Mica	40.85	55.44	96.29
Scrap Mica	-0-	3.40	3.40
Feldspar	245.57	-0-	245.57
Totals	$1,887.48	$1,864.59	$3,752.07
Royalty Payable:			
Mica @ 5%	$ 82.08	$ 93.23	$ 175.31
Feldspar @ 2%	3.26	-0-	3.26
Feldspar @ 1½%	1.24	-0-	1.24
Totals	$ 86.58	$ 93.23	$ 179.81
Royalty Paid	70.31	93.23	163.54
Balance Due	$ 16.27	$ -0-	$ 16.27

The prior Report of Royalty Review dated March 14, 1958, shows a balance due of $19.27, the details of which are set forth on the second page thereof. By letter dated March 6, 1959, Mr. Rathburn submitted a money-order paying $3.00 on account and stated "We will try to bring the royalty up to date immediately". To date the balance due of $16.27 has not been paid.

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

(1) The files indicate that the property has been inactive since September 1958;
(2) All sales have been reported and, except as indicated above, proper royalty thereon has been paid; and
(3) The administrative cost to the Government of an on-site royalty audit at this time would be excessive in relation to the amount of possible additional royalty which might be disclosed.

800

JAN 19 1962

Memorandum

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

From: Chief, Division of Field Operations, CME

Subject: DMEA-3256 (Mica)
Glenn C. Rathburn, Assignee
Fox Mine
Yancey County, North Carolina
Contract Idm-2687

Enclosed for your files is the original of a Report of Royalty Review on the subject contract.

George C. Selfridge

Enclosure

GCSelfridge/hb
1/19/62

cc: Docket DMEA-3256
Director's Reading File
CA & A Division
G.C.Selfridge
R.A.Laurence, Reg. IV, w/cy of Report of Royalty Review dtd 1/19/62 & orig. cy of memo dtd 1/19/62 from CA&A Division to Chief, Division of Field Operations.
V.J.Lynch, Reg. IV, w/cy of an. item sent to Mr. Laurence

JAN 19 1962

Memorandum

To: Chief, Division of Field Operations

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

Subject: DMEA-3256 (Mica)
Glenn C. Rathburn, Assignee
Fox Mine
Yancey County, North Carolina
Contract Idm-8687

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

(a) Original to the Fiscal Section, Division of Administrative Services, Office of the Secretary; and
(b) Two copies to Region IV files.

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

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

It is suggested that demand be made upon the Operator-Assignee (Glenn C. Rathburn, Cane River, North Carolina) for payment of the balance of $16.27 in royalty due. Furthermore, it appears appropriate to advise the Operator-Assignor (Charles L. Brown, Burnsville, North Carolina), of his obligation for repayment, both as surety under the provisions of the contract and as a landowner under the Consent to Lien and Subordination Agreement. Also, as the last known inspection of the property was in January 1959, inquiry might well be made at the same time as to any sales of production since September 1958 and as to any changes in the lease or ownership of the mineral rights.

Enclosures

EDTalbert/ama 1-19-62

cc: Docket
Director's Reading File
CA & A Division
Mr. Rothrock

TRIPLICATE Treasury Department Circular No. 945 - Rev., Supp. 1 (Third Amendment). Promulgated Sept. 11, 1957 by Treasury Department, Fiscal Service.

CERTIFICATE OF DEPOSIT
Standard Form 219

Identification of Accountable Officer Affected	
(1) Office Deposit Symbol: 5369	(2) For Consolidated Abstract of Treasury Regional Office at (city and state): Oak Ridge, Tennessee

7/30/59 (Date sent)

14-23-070-3 (Deposit No.)

Deposited with Hamilton National Bank, Knoxville, Tennessee (Name and location of depositary)

(3) The Sum of $ 10.53

(4) Classification of Deposit

Account Symbol	Amount	Account Symbol	Amount
14X4401	$ 10.53 (Idm-E687 Glen C.	Rathburn - Royalty Payment)	$

(6) Department or Agency and address whose accounts are credited, IF OTHER THAN depositing agency.

(5) Defense Minerals Exploration Administration
Bureau of Mines, Dept. of Interior
Helen R. Miller, Adm. Asst.
P. O. Box 217
Norris, Tennessee

Depositor's title, Department or Agency and address. If deposit is made for another accounting entity, identify in (6).

(7) SPACE BELOW TO BE USED BY DEPOSITARY ONLY. I certify that the above amount has been received for credit in the account of the Treasurer of the United States on the date shown, subject to adjustment for uncollectible items included therein.

(Authorized signature)

JUL 30 1959

(Date of credit in Treasurer's account)

Depositary will date, sign and forward to depositor for his retained copy.

OFFICIAL FILE COPY
O. M. E.
RECEIVED AUG 7 1959

DATE	INITIALS	CODE
		800

Oak Ridge, Tennessee

THIS DEPOSIT IS NOT SUBJECT TO CHECK

For credit of 5369 Br. Trsy Regional Office, Oak Ridge, Ten 3/11/59
(Name, title, and disbursing o r identification symbol of accountable officer) (Date sent)

DEPOSIT NO. 14-23-070-58

deposited with Hamilton National Bank, Knoxville, Tennessee
(Name and location of depositary)

$ 60.78

for accounts listed below. SCHEDULE NOS.

ACCOUNT SYMBOL	TITLE OF ACCOUNT TO BE CREDITED	AMOUNT
14X4401	Idm-E1106 Homer Boone (Royalty Payment)	46.35
	Idm-E814 Thomas & Grindstaff (Royalty Payment)	11.43
	Idm-E687 Fox Mine (Royalty Payment)	3.00

(Depositor will insert below his name, title, Department or Agency concerned, and his address)

Defense Minerals Exploration Administration
Bureau of Mines, Dept. of Interior
Helen R. Miller, Adm. Asst.
P. O. Box 217
Norris, Tennessee

SPACE BELOW TO BE USED BY DEPOSITARY ONLY

I certify that the above amount has been received for credit in the account of the Treasurer of the United States on the date shown, subject to adjustment for uncollectible items included therein.

(Authorized signature)

MAR 11 1959
(Date of credit in Treasurer's account)

DEPOSITARY WILL DATE, SIGN, AND RETURN THIS TO DEPOSITOR FOR HIS RETAINED COPY

16—59686b-1 GPO

TRIPLICATE

STANDARD FORM 201 (Formerly Cert. of Deposit, Form 1)
Promulgated Oct. 1949 by Treasury Dept., Fiscal Service

OFFICIAL FILE COPY
O. M. E.
RECEIVED MAR 16 1959
DATE | INITIALS | CODE

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
ROOM 2-B POST OFFICE BLDG.
KNOXVILLE 2, TENN.

EXTRA COPY
O. M. E.
RECEIVED FEB 20 1959

DATE	INITIALS	CODE
		800

February 18, 1959

Mr. Nicholas A. Raschella, Sec'y -Treas.
Southeastern Mining & Development Co.
Minneapolis, North Carolina

Re: DMEA-3256-mica
Glenn C. Rathburn, Assignee
Fox (Brushy Creek) Mine
Yancey County, North Carolina
Contract Idm-8687

Dear Mr. Raschella:

A review of our records discloses that royalty in the amount of $10.53 is due the Government on production from the subject mine by your company.

Listed below are the sales on which the Government royalty is still due:

Date	Lot	Pounds	Preliminary Payment	Final Payment	Total
8-29-58	98	26.63	-	$154.41	$154.41
10-6-58	180	4.44	$29.36	26.80	56.16
				Total..	$210.57
					x.05
				Royalty due.....	$10.5285

Please send your check to the order of Defense Minerals Exploration Administration in the amount of $10.53 to this office at your earliest convenience.

Very truly yours,

V. J. Lynch, Acting
Executive Officer, OME-Region V

WAB/sm
cc
Opr. Gen-2
Lynch
Files

Mr. Fredricks

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
ROOM 2-B POST OFFICE BLDG.
KNOXVILLE 2, TENN.

EXTRA COPY
O. M. E.
RECEIVED FEB 20 1959
DATE | BY WHOM | CODE
800

February 18, 1959

Mr. Glenn C. Rathburn

Cane River, North Carolina

Re: DMEA-3256-mica
Glenn C. Rathburn, Assignee
Fox (Brushy Creek) Mine
Yancey County, N.C.
Contract Idm-8687

Dear Mr. Rathburn:

When Mr. Wm. A. Beck talked to you last September you told him you would try to make part payments of the $19.27 royalty you still owe the Government. To date we have not heard from you on this matter. Please give this your immediate consideration and mail us a payment.

Very truly yours,

V. J. Lynch, Acting
Executive Officer, OME
Field Team, Region V

WAB/sm
CC:
MurphCom-2
Files

TRIPLICATE

STANDARD FORM 201 (Formerly Cert. of Deposit, Form 1)
Promulgated Oct. 1949 by Treasury Dept., Fiscal Service

THIS DEPOSIT IS NOT SUBJECT TO CHECK

Oak Ridge, Tennessee

DEPOSIT NO. 14-23-070-26

For credit of 5369 Br. Trsy. Regional Office, Oak Ridge, Tenn. [redacted] 9/26/58
(Name, title, and disbursing or [redacted] identification symbol of accountable officer) [redacted] ate sent)

deposited with Hamilton National Bank, Knoxville, Tennessee
(Name and location of depositary)

$ 50.73

for accounts listed below. SCHEDULE NOS.

ACCOUNT SYMBOL	TITLE OF ACCOUNT TO BE CREDITED	AMOUNT
14X4401	Idm-F687 Glen C. Rathburn (Royalty Payment)	$50.73

(Depositor will insert below his name, title, Department or Agency concerned, and his address)

Defense Minerals Exploration Administration
Bureau of Mines, Dept. of Interior
Helen R. Willer, Personal Assistant
P. O. Box 217
Norris, Tennessee

SPACE BELOW TO BE USED BY DEPOSITARY ONLY

I certify that the above amount has been received for credit in the account of the Treasurer of the United States on the date shown, subject to adjustment for uncollectible items included therein.

Hyle S. Seller
(Authorized signature)

SEP 20 1958
(Date of credit in Treasurer's account)

DEPOSITARY WILL DATE, SIGN, AND RETURN THIS TO DEPOSITOR FOR HIS RETAINED COPY

16—59686b-1 GPO

SEP 29 1958

9/29	N.g.	225
		800

EXTRA COPY
DMEA
RECEIVED MAY 2 1958
DATE | INITIALS | NOTE
800

April 30, 1958

Memorandum

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

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

Subject: Docket No. DMEA-3256, Contract No. Idm-E687 (Mica)
Glenn C. Rathburn, assignee
Fox Mine, Yancey County, North Carolina

No reply has been received to the Executive Officer's letter of April 1, requesting payment of $19.27 overdue royalty.

Therefore we are referring it to you for appropriate action.

Robert A. Laurence
Executive Officer

V. J. Lynch, Member
Bureau of Mines

RAL/mg
cc - Operating Committee (2)
Mr. V. J. Lynch
File

3

800

April 1, 1958

Mr. Glenn C. Rathburn

Burnsville, North Carolina

Re: Docket No. DMEA-3256 (Mica)
Fox Mine
Yancey County, North Carolina
Contract No. Idm-E687

Dear Mr. Rathburn:

On February 19, 1958, you wrote that the balance of $19.27, due the Government as royalty on sales from the Fox mine would be sent to me within fifteen days, with the sales records. We have not yet received this payment, although it has now been more than a month since you wrote. Recently, we sent you a copy of the latest Report of Royalty Review.

Please send this overdue royalty payment immediately. If payment is not received within 30 days, the matter will be referred to our Washington office for appropriate action.

Very truly yours,

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

RAL/mg
cc
Operating Committee (2)
Lynch
file

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the records of the Executive Officer, DMEA Field Team, Region V, Knoxville, Tennessee, pertaining to Contract Idn-2687, Docket No. DMEA-3256 (Mica), dated July 22, 1954, with

Glenn C. Rathburn, Assignee
Cane River, North Carolina

for the purpose of determining the amount of royalty due the U. S. Government on sale of mica and feldspar from property referred to as Fox Mine, located in Yancey County, North Carolina, during the period July 22, 1954, to February 19, 1958.

A certification of discovery or development was issued on June 27, 1957, and, in accordance with the contract, royalty is payable on the net proceeds realized from production as a result of such discovery or development during a period of 10 years from the date of the contract or until the amount of the Government's contribution to exploration costs has been repaid, without interest, whichever occurs first. A report of review in lieu of final audit dated February 11, 1957, indicated accepted costs under the exploration contract amounting to $4,143.00 with the Government's contribution, on a 75 percent basis, being $3,107.25. The scope of the present royalty review and the reasons therefor are stated on Schedule "A" attached.

My review established the total sales of mica and feldspar to be $2,526.81. Royalty due the Government at the rates specified in the contract is $118.55. The royalty paid and balance due are as follows:

Total Royalty Due	$118.55
Total Royalty Paid	99.28
Balance of Royalty Due per Schedule "A"	$ 19.27

March 14, 1958

C. E. Fisher, Auditor

Schedule "A"

Contract Idm-5687, Docket No. DMEA-3256 (Mica)

Report of Royalty Review

This review was limited to the listing of sales of sheet mica to the Mica Purchase Depot, Spruce Pine, North Carolina, and sales of punch mica and feldspar to local dealers obtained from Fox Mine on which royalty was received by the DMEA Region V office. The list, which is filed with my audit work papers, was also checked with the purchase records of the Depot. A summary of the indicated production, sales, and royalty due the Government follows:

Item	Production (Pounds)	Sales	ROYALTY Due	Paid	Balance
Sheet mica	137.84	$2,240.39	$112.01	$86.76	$25.25
Punch mica	516.00	40.85	2.04	2.04	-0-
Totals - mica	653.84	$2,281.24	$114.05	$88.80	$25.25
	(Tons)				
Feldspar	30.62	245.57	4.50	10.48	(5.98)
Total sales and royalty		$2,526.81	$118.55	$99.28	$19.27

Detail of Royalty Balance

Sheet Mica

			Royalty Due
Lot 151	Final payment by Depot	$115.14	$ 5.76
" 301	"	137.24	6.86
" 445	Total payments by Depot	139.04	6.95
" 591	"	142.00	7.10
		$533.42	$26.67

Less: Overpayments

Lot 123	Final payment by Depot	$ 88.61	Royalty paid $5.43	
	Value of White Oak mica	(26.51)		(1.33)
	Net value Fox Mine mica	$ 62.10	Royalty due 3.10	
Lot 185	Final payment by Depot	$ 59.56	Royalty paid $3.07	
			Royalty due 2.98	(.09)
			Total	$25.25

Feldspar

Date Sold	Tons	Price	Proceeds	ROYALTY Paid	Due	Overpaid
July 1955	5.98	$6.50	$ 38.87	$ 1.94	$ .58	$1.36
Oct. 1955	19.15	8.50	162.78	8.14	3.26	4.88
Dec. 1955	5.49	8.00	43.92	.40	.66	(.26)
Totals	30.62		$245.57	$10.48	$4.50	$5.98

Under provisions of Article 6 of the contract the royalty rate is 1½ percent on sales at prices less than $8.50 per ton and 2 percent on

sales at prices between $8.50 and $8.99 per ton. Royalty due on feldspar sales has been computed on this basis.

An on-site royalty audit was not made at this time because the administrative cost to the Government would be excessive in relation to the amount of possible additional royalty which might be disclosed.

Check Sheet of Examining Engineer

Operator's Name Brown and Rathburn, Glenn C. Rathburn, Assignee

Address Cane River, North Carolina

Fox Mine, Yancey County, N.C.

Exploration Contract No. Idm-E687 Docket No. DMEA-3256

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

8. Comment on any item 2 (b) to 6 if answer is No.

6. Operator is not too literate and has been confused about royalty payments from the start.

W A Beck

Wm. A. Beck, Mining Engineer

Date 2-20-58

82448

MAR 18 1958

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

Re: Docket No. DMEA-3256 (Mica)
Glenn C. Rathburn
Fox Mine
Yancey County, North Carolina
Contract No. Idm-E687

Dear Mr. Laurence:

I am enclosing the original and two copies of Mr. Fisher's report of royalty review dated March 14, 1958, pertaining to the subject contract.

If you concur with the findings, the original should be forwarded to the Regional Finance Officer, a copy should be retained in your files, and a copy should be sent to the Operator.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Director
Contract Administration
and Audit Division

Enclosures

CFFisher/ama
March 18, 1958

Copy to: Docket
Admr. Reading File
Helen R. Miller
Mr. Chambers

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

EXTRA COPY
RECEIVED
DATE | CODE
800

January 14, 1958

Mr. Glenn C. Rathburn

Cane River, North Carolina

Re: DMEA-3256-mica
Glenn C. Rathburn, Assignee
Fox Mine, Yancey County, N.C.
Contract-Idm-E687.

Dear Mr. Rathburn:

On December 9, 1957, I wrote you pointing out that a balance of $19.27 is due the Government on sales which you made from the Fox Mine, as well as possible additional royalties which are due if you have sold any scrap mica from the Fox. Payment has not yet been received.

We cannot postpone indefinitely the collection of royalties due the Government. If payment is not received within 30 days of the date of this letter, the matter will be referred to our Washington office for appropriate action.

Very truly yours,

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

RAL/sm
cc
Opr. Com-2
Lynch
Files

TRIPLICATE

STANDARD FORM 201 (Formerly Cert. of Deposit, Form 1)
Promulgated Oct. 1949 by Treasury Dept., Fiscal Service

THIS DEPOSIT IS NOT SUBJECT TO CHECK

Oak Ridge, Tennessee

DEPOSIT NO. 14-23-070-49

For credit of 5369 Br.Trsy. Regional Office, Oak Ridge, Tenn. 10/5/57
(Name, title, and disbursing office or identification symbol of accountable officer) (Date sent)

deposited with Hamilton National Bank, Knoxville, Tennessee
(Name and location of depositary)

$ 2.40

for accounts listed below. SCHEDULE NOS.

ACCOUNT SYMBOL	TITLE OF ACCOUNT TO BE CREDITED	AMOUNT
14X4401	Idm-E687 Glenn C. Rathburn (Royalty Payment)	$2.40

(Depositor will insert below his name, title, Department or Agency concerned, and his address)

Defense Minerals Exploration Administration
Bureau of Mines, Dept. of Interior
Helen R. Miller, Personal Assistant
P. O. Box 217
Norris, Tennessee

SPACE BELOW TO BE USED BY DEPOSITARY ONLY

I certify that the above amount has been received for credit in the account of the Treasurer of the United States on the date shown, subject to adjustment for uncollectible items included therein.

(Authorized signature)

(Date of credit in Treasurer's account)

DEPOSITARY WILL DATE, SIGN, AND RETURN THIS TO DEPOSITOR FOR HIS RETAINED COPY

16—59686b-1 GPO

OFFICIAL FILE COPY
DMEA
RECEIVED DEC 12 1957

DATE	[illegible]	CODE
12/12/	J.H.	225
		800

For Certificate of Deposit No. 45, dated November 26, 1957, giving royalty payment of $1.54, see E-98.

TRIPLICATE

STANDARD FORM 201 (Formerly Cert. of Deposit, Form 1)
Promulgated Oct. 1949 by Treasury Dept., Fiscal Service

THIS DEPOSIT IS NOT SUBJECT TO CHECK

Oak Ridge, Tennessee

DEPOSIT NO. 14-23-070-35

For credit of 5369 Br. Trsy. [redacted]tional Office, Oak Ridge, Tenn. [redacted] 10-22-57
(Name, title, and disbursing or [redacted] identification symbol of accountable officer) [redacted]ate sent)

deposited with Hamilton National Bank, Knoxville, Tennessee
(Name and location of depositary)

$ 18.26

for accounts listed below. SCHEDULE NOS.

ACCOUNT SYMBOL	TITLE OF ACCOUNT TO BE CREDITED	AMOUNT
14X4401	Idm-E687 Glen C. Rathburn (Royalty Payment)	11.30
	Idm-E1089 S. L. Phillips (Royalty Payment)	6.96

(Depositor will insert below his name, title, Department or Agency concerned, and his address)

Defense Minerals Exploration Administration
Bureau of Mines, Dept. of Interior
Helen R. Miller, Personal Assistant
P. O. Box 217
Norris, Tennessee

SPACE BELOW TO BE USED BY DEPOSITARY ONLY

I certify that the above amount has been received for credit in the account of the Treasurer of the United States on the date shown, subject to adjustment for uncollectible items included therein.

(Authorized signature)

OCT 24 1957
(Date of credit in Treasurer's account)

DEPOSITARY WILL DATE, SIGN, AND RETURN THIS TO DEPOSITOR FOR HIS RETAINED COPY

16—59686b-1 GPO

10/25/	N.Y.	225 800

E-687

For Certificate of Deposit No. 28, dated September 24, 1957, giving royalty payment of $16.73, see E-561.

E-687

For Certificate of Deposit No. 43, dated October 29, 1956, giving royalty payment of $3.07, see E-98.

E-687

For Certificate of Deposit No. 40, dated October 9, 1956, giving royalty payment of $7.35, see E-392.

Oak Ridge, Tennessee

THIS DEPOSIT IS NOT SUBJECT TO CHECK

DEPOSIT NO. 14-23-070-28

For credit of 428 Br. Trsy. R[redacted]ional Office, Oak Ridge, Tenn. [redacted]6-56
(Name, title, and disbursing or[redacted]r identification symbol of accountable officer) [redacted]Date sent)

deposited with Hamilton National Bank, Knoxville, Tennessee
(Name and location of depositary)

$ 8.60

for accounts listed below. SCHEDULE NOS.

ACCOUNT SYMBOL	TITLE OF ACCOUNT TO BE CREDITED	AMOUNT
14X4401	Idm-E687 Glen C. Rathburn (Royalty Payment)	8.60

(Depositor will insert below his name, title, Department or Agency concerned, and his address)

Defense Minerals Exploration Administration
Bureau of Mines, Dept. of Interior
Helen R. Miller, Adm. Asst.
P. O. Box 217
Norris, Tennessee

SPACE BELOW TO BE USED BY DEPOSITARY ONLY

I certify that the above amount has been received for credit in the account of the Treasurer of the United States on the date shown, subject to adjustment for uncollectible items included therein.

(Authorized signature)

SEP 6 [illegible]

(Date of credit in Treasurer's account)

DEPOSITARY WILL DATE, SIGN, AND RETURN THIS TO DEPOSITOR FOR HIS RETAINED COPY

16—59686b-1 GPO

TRIPLICATE

STANDARD FORM 201 (Formerly Cert. of Deposit, Form 1)
Promulgated Oct. 1949 by Treasury Dept., Fiscal Service

For Certificate of Deposit No. 27, dated September 5, 1956, giving royalty payment of $15.86, see E-626.

E-687

For Certificate of Deposit No. 60, dated January 12, 1956, giving royalty repayment of $5.08, see E-686.

TRIPLICATE

STANDARD FORM 201 (Formerly Cert. of Deposit, Form 1)
Promulgated Oct. 1949 by Treasury Dept., Fiscal Service

THIS DEPOSIT IS NOT SUBJECT TO CHECK

Oak Ridge, Tennessee

DEPOSIT NO. 14-23-070-36

For credit of BR TRSY Regional Office, Oak Ridge, Tennessee (Name, title, and disbursing or other identification symbol of accountable officer) 10/25/55 (Date sent)

deposited with Hamilton National Bank, Knoxville, Tennessee (Name and location of depositary)

$ 11.02

for accounts listed below. SCHEDULE NOS.

ACCOUNT SYMBOL	TITLE OF ACCOUNT TO BE CREDITED	AMOUNT
14X4401	Idm-E-687 Glen C. Rathburn (Fox Mine) (Royalty Payment)	11.02

(Depositor will insert below his name, title, Department or Agency concerned, and his address)

Defense Minerals Exploration Administration
Bureau of Mines, Department of Interior
Helen R. Miller, Adm. Asst.
P. O. Box 217
Morris, Tennessee

SPACE BELOW TO BE USED BY DEPOSITARY ONLY

I certify that the above amount has been received for credit in the account of the Treasurer of the United States on the date shown, subject to adjustment for uncollectible items included therein.

(Authorized signature)

(Date of credit in Treasurer's account)

DEPOSITARY WILL DATE, SIGN, AND RETURN THIS TO DEPOSITOR FOR HIS RETAINED COPY

16—59686b-1 GPO

TRIPLICATE

STANDARD FORM 201 (Formerly Cert. of Deposit, Form 1)
Promulgated Oct. 1949 by Treasury Dept., Fiscal Service

THIS DEPOSIT IS NOT SUBJECT TO CHECK

Oak Ridge, Tennessee

DEPOSIT NO. 14-23-070-8

For credit of 428 DR TRSY Re[illegible]nal Office, Oak Ridge, Tenn. [illegible]18/55
(Name, title, and disbursing or other identification symbol of accountable officer) (Date sent)

deposited with Hamilton National Bank, Knoxville, Tennessee
(Name and location of depositary)

$ 15.96

for accounts listed below. SCHEDULE NOS.

ACCOUNT SYMBOL	TITLE OF ACCOUNT TO BE CREDITED		AMOUNT
1/X4401	Idm-E-687 Glen C. Rathburn	2.63	
	Idm-E-757 Phillips, Huskins and Phillips	13.33	15.96

(Depositor will insert below his name, title, Department or Agency concerned, and his address)

Defense Minerals Exploration Adm.
Bureau of Mines, Dept. of Interior
Helen R. Miller, Adm. Asst.
P. O. Box 217
Norris, Tennessee

SPACE BELOW TO BE USED BY DEPOSITARY ONLY

I certify that the above amount has been received for credit in the account of the Treasurer of the United States on the date shown, subject to adjustment for uncollectible items included therein.

[illegible] (Authorized signature)

[illegible] 8 [illegible]

(Date of credit in Treasurer's account)

DEPOSITARY WILL DATE, SIGN, AND RETURN THIS TO DEPOSITOR FOR HIS RETAINED COPY

16—59686b-1 GPO

QUADRUPLICATE

STANDARD FORM 209c (Formerly Cert. of Deposit, Form 6599)
Promulgated August 1951 by Treasury Department, Fiscal Service

CERTIFICATE OF DEPOSIT FOR CHECKING ACCOUNT

Deposited with Hamilton National Bank, Knoxville, Tennessee (Name and location of depositary) 2/16/55 (Date sent)

DEPOSIT NO. 1h-23-070-81

$ 2.60

SYMBOL NO. 1h28

the sum shown opposite for credit, subject to check, in the disbursing account of—

R. A. Hudson, Oak Ridge, Tennessee
(Name and address of officer to be credited)

On account of—

1h28h01 $2.60 Royalty Payment Ith-E-687, Glenn C. Rathburn

(Depositor will insert below his name, title, Department or Agency concerned, and his address)

Helen R. Miller, Administrative Asst.
Department of Interior, Bureau of Mines
P. O. Box 1907
Knoxville 1, Tennessee

SPACE BELOW TO BE USED BY DEPOSITARY ONLY
I certify that the above amount has been received for credit in the account of the Treasurer of the United States on the date shown, subject to adjustment for uncollectible items included therein.

(Authorized signature)

(Date of credit in Treasurer's account)

DEPOSITARY WILL DATE, SIGN, AND RETURN THIS TO DEPOSITOR FOR HIS RETAINED COPY

RECEIVED
MAR 1 8 1955
DIRECTION OF DISBURSEMENT
TREASURY
DEPARTMENT

RECEIVED
EXECUTIVE
LEGISLATIVE REF.
MAR 23 1955

QUADRUPLICATE

STANDARD FORM 209c (Formerly Cert. of Deposit, Form 6599)
Promulgated August 1951 by Treasury Department, Fiscal Service

CERTIFICATE OF DEPOSIT FOR CHECKING ACCOUNT

DEPOSIT NO. 11-23-070-46

Deposited with Hamilton National Bank, Knoxville, Tennessee (Date deposited) 12-15-51
(Name and location of depositary)

the sum shown opposite for credit, subject to check, in the disbursing account of—

$ 11.10

SYMBOL NO. 1120

E. A. Hudson, Oak Ridge, Tennessee
(Name and address of officer to be credited)

On account of—

11X1101	$11.10	Royalty Payment	Idn-C-687 Brown & Rathbone

(Depositor will insert below his name, title, Department or Agency concerned, and his address)

Helen R. Miller, Administrative Officer
Interior Dpt., Bureau of Mines
P. O. Box 1909
Knoxville 1, Tennessee

SPACE BELOW TO BE USED BY DEPOSITARY ONLY
I certify that the above amount has been received for credit in the account of the Treasurer of the United States on the date shown, subject to adjustment for uncollectible items included therein.

(Authorized signature)

DEC 15 1951
(Date of credit in Treasurer's account)

DEPOSITARY WILL DATE, SIGN, AND RETURN THIS TO DEPOSITOR FOR HIS RETAINED COPY

TREASURY DEPARTMENT
Division
Oak

RECEIVED
DIVISION OF DISBURSEMENT
TREASURY DEPARTMENT

TREASURY DEPARTMENT
Division of Disbursement
Oak Ridge, Tenn.

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

DEC 10 1954

Registered Mail

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

Re: Docket No. DMEA-3256 (Mica)
Brown and Rathburn
Yancey County, North Carolina
Contract No. Idm-E687

Dear Mr. Laurence:

Enclosed herewith is a U. S. Postal Money Order No. 5-30,717,709, dated December 2, 1954, in the amount of $11.10, received from the Operator of the referenced project. Also enclosed are a General Services Administration Settlement Sheet and a commercial sales slip which accompanied the money order. This office had copies made of these papers so it will not be necessary for you to forward the usual two copies to the Administration.

It is suggested that you contact the Operator and advise him to address his remittances to your office in the future.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

Enclosure

EDTalbert/wb
December 9, 1954

Copies to: Docket
Admr. Reading File
Mr. Chambers
Mr. Houk

REPORT
OF REVIEW

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Charles L. Brown and Glenn C. Rathburn
Burnsville, North Carolina
and the assignee
Glenn C. Rathburn
Cane River, North Carolina

pertaining to Exploration Project Contract No. Idm-7687, Docket No. DMTA-3256, including Amendment Nos. 1, 2, 3, and 4, for the period of August 11, 1954, to November 22, 1956, inclusive, covering a project for the exploration of mica on property, known as the Fox Mine located in Yancey County, North Carolina.

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

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

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

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

Total cost as billed by Contractor		$4,143.00
Exceptions:		
By DMTA Finance Officer	$ -0-	
Herewith	-0-	-0-
Total Accepted Costs		$4,143.00

The contract calls for a 75 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Three thousand one hundred seven and 25/100 Dollars

$3,107.25

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

E. D. Talbert, Auditor

February 11, 1957

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

OFFICIAL FILE COPY
DMEA
RECEIVED FEB 8 1957

DATE	INITIALS	CODE
2-8	C	220
		800

February 6, 1957

Memorandum

To: Jay L. Chambers, Chief Contract Admin. & Audit Div.

From: Executive Officer, DMEA- Region V

Subject: Reports of Review.

Reference is made to your letter of January 28.

Idm-E687, DMEA-3256, Glenn C. Rathburn

Construction of the powder magazine and cap magazine were reported in the interim report for September 24, 1954. Verification of the 28-feet of drifting claimed by the Operator is reported in my memorandum to you dated January 25, 1957. The Operator's final report and final MF-104 were forwarded on January 28.

Idm-E975, DMEA-4145, Ed Huskins

Total amount of excavation, as verified by our field examiners, was 100 cubic yards for the road and 475 cubic yards in portal site preparation. The excess over the contract amounts was at the Operator's own expense.

Idm-E914, DMEA-3855, Wm. G. Reynolds, will be discussed in a separate memorandum.

Robert A. Laurence

Robert A. Laurence

JAN 2 8 1957

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

Dear Mr. Laurence:

Enclosed are the original and two copies of Reports of Review, in lieu of final audits, covering the following completed or terminated exploration project contracts:

Contract No.	Docket No.	Operator
Idm-E1014	DMEA-4237	Huskins & Gage
" E1016	" 4248	Grover Grindstaff
" 1029	" 4399	Mack Gouge, et al
" 1040	" 4463	Jeter Boone

Your memorandum of January 22, 1957, which stated that Reports of Review are now in order for these four contracts and three others, did not specifically confirm the number of units of work acceptably performed (as required by the last sentence of the first paragraph of my January 9, 1957, memorandum). However, copies of Field Team reports received in this office have provided specific verification of the units of work performed under these four contracts.

If you concur with the facts stated therein, the original and one copy of each report should be forwarded to the Certifying Officer and one copy of each should be retained in your files. If, for any reason, a report does not have your concurrence please return all copies to this Division.

This Division cannot issue Reports of Review at the present time for the other three contracts for the reasons stated below:

Idm-F687, DMEA-3256, Glenn C. Rathburn — No confirmation of drift footage or magazine construction is given in Field Team reports; also, (as you confirmed in your telephone conversation with me on January 25, 1957) the final MF-104 and Operator's final report have not been received by us.

Idm-E914, DMEA-3855, William G. Reynolds — No verification of units of work completed, other than cubic yards of excavation, is given in Field Team reports received to date; also, Field Team memorandum of September 17, 1956, to Operating Committee indicates possibility of further assaying and a supplemental MF-104.

Idm-E975, DMEA-4145, Ed Huskins — No confirmation of cubic yards of excavation for either road construction or portal site preparation is contained in Field Team reports.

Your further advice on these three contracts will expedite the preparation of Reports of Review.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

Enclosure

EDTalbert/wb
January 25, 1957

Copy to: Docket
Admr. Reading File
Helen Miller
Mr. Houk
Mr. Chambers
Mr. Talbert

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

OFFICIAL FILE COPY
DMEA
RECEIVED JAN 28 1957

DATE	INITIALS	CODE
1-28	C	220
		800
January	25, 1957	

Memorandum

To: Jay L. Chambers, Chief
Contract Administration and Audit Division
Defense Minerals Exploration Administration, Washington, D.C.

From: Executive Officer, DMEA Field Team, Region V

Subject: DMEA-3256, Idm-E687 (Mica)
Glenn C. Rathburn, assignee
Fox Mine, Yancey County, North Carolina

Reference is made to my memorandum of January 22, 1957:

This project has been terminated, final report received, and final voucher approved. The Operator claimed 28 feet of drifting, which amount was verified by our field examiners on November 13, 1956. The Operator is not claiming anything for the "limited drift work reported for the interim November 13 to November 22, 1956" mentioned in the November 26 interim report. As the mine is now flooded and inaccessible, and probably will not be accessible before next summer, we are accepting 28 feet as the approved total of drifting. A Report of Review is therefore in order.

Robert A. Laurence

Robert A. Laurence

C
O
P
Y

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

January 22, 1957

Memorandum

To: Jay L. Chambers, Chief
Contract Administration and Audit Division
Defense Minerals Exploration Administration, Washington, D. C.

From: Executive Officer, DMEA Field Team, Region V

Subject: Completed and Terminated Contracts

Reference is made to your memorandum of January 9, 1957:

Work on the following contracts has been completed or terminated, and final reports have been received from the Operators. Final vouchers have been approved for payment, and reports of review are now in order.

DMEA-3256,	Idm-E687	Glenn Rathburn, assignee
DMEA-3855,	Idm-E914	Wm. G. Reynolds
DMEA-4145,	Idm-E975	Ed Huskins
DMEA-4237,	Idm-E1014	Ed Huskins and Fred Gage
DMEA-4248,	Idm-E1016	Grover Grindstaff
DMEA-4399,	Idm-E1029	Mack Gouge, et al.
DMEA-4463,	Idm-E1040	Jeter Boone

All the above are "short-form" contracts, and the units of work claimed have been acceptably performed.

/s/ Robert A. Laurence

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-2

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of Oct. 15 to Nov. 22, 1956 Docket No. DMEA 3256 Contract No. IDM-E687

Operator's Name Glen C. Rathburn Minerals Mica

Address Cane River, N. C.

Contract Amount, $ Government Participation: % Amount, $

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting 3'	105.00	875.00	980.00			
Shaft sinking	-	2500.00	2500.00			
(2) Labor and Supervision:						
Roads	-	500.00	500.00			
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Powder Mag.	ea	25.00	25.00			
Explosives magazine	ea	13.00	13.00			
Tool & Bunk house	ea	125.00	125.00			
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	105.00	3	4143.00	105.00	4038.00	4143.00

RECEIVED JAN 30 1957 D.M.E.A.

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

Date 11/22/56 *Payee Glenn C. Rathburn

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:

$ 78.75

Signature Helen R. Miller (Authorized Certifying Officer)

Date JAN 28 1957 Vou. No.

(See other side)

8+7

C 11/23/56

26.25

(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. E-687 in accordance with the terms of the contract.

Signature [illegible] Title MINING ENGINEER U. S. BUREAU OF MINES Date JAN 25 1957

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Kennemer Title EXECUTIVE OFFICER DMEA REGION Date JAN 25 1957

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 872893

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

RECEIVED JAN 30 1957 D.M.E.A.

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

Month of Oct. 15 to Nov. 22 1956 Docket No. DMEA 3256 Contract No. Idm-E687

Operator's Name Glen C. Rathburn Minerals Mica

Address Cane River, 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.	105.00	3	980.00	28	35.00	75	35.00
Crosscutting								
Raising								
Shafts	Ft.	-	-	2500.00	50	50.00	50	50.00
Winzes								
Ponder ~~Drilling~~: Core Magazine	ea		-	25.00	1	25.00	1	25.00
Exploder Churn "	ea		-	13.00	1	13.00	1	13.00
Tool & A Bunk House	ea		-	125.00	1	125.00	1	125.00
Stripping								
Trenching								
Test Pits								
Roads and Trails	hrs.		-	500.00	50	10.00	50	10.00
TOTAL DISTRIBUTED COSTS		105.00	3	4143.00				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 11/22/56 Operator Glenn C. Rathburn

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)

W. J. Lynch
MINING ENGINEER
U. S. BUREAU OF MINES

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

PROGRESS REPORT FROM OCT. 15, 1956 TO
NOVEMBER 22, 1956

RECEIVED
JAN 30 1957
D.M.E.A.

Oct. 15 - 25	-	Pumping water
29 - 31	-	Drilled 1 round, 30holes, used 125 joints powder. Shot round.
Nov. 1 - 3	-	Smoke time
Nov. 5 - 7	-	Bucked out - 1000 lbs. feldspar, 105 lbs. black mica.
Nov. 8 -10	-	Drilled 9 holes, used 48 joints powder and shot round.
Nov. 12 -14	-	Smoke time
Nov. 15 -17	-	Bucked out - recovered no feldspar, 75 lbs. black mica.
Nov. 19	-	Drilled 8 holes, used 37 joints powder. Shot round.
Nov. 20	-	Smoke time
Nov. 21-22	-	Bucked out. Recovered no feldspar, 150 lbs. black mica.

Glenn C Pattiborn

Form DMF-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-

RECEIVED
OCT 22 1956

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of Aug.20-Sept.19, 1956 Docket No. DMEA 3256 Contract No. IDM-E687

Operator's Name Glen C. Rathburn Minerals Mica

Address Cane River, N. C.

Contract Amount, $5,788.00 Government Participation 75 % Amount, $4341.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent / Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting 10 ft.	350.00	525.00	875.00			
Shaft sinking	-	2500.00	2500.00			
(2) Labor and Supervision:						
~~xxxx~~ Roads	-	500.00	500.00			
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
~~xxxx~~ Powder Mag.	-	25.00	25.00			
Explosives mag.	-	13.00	13.00			
~~xxx~~ Tool & Bunk Hse.	-	125.00	125.00			
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	350.00		4038.00	350.00	3688.00	4038.00

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

Date 10/6/56 *Payee Glenn C. Rathburn

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:

$ 262.50

Signature Helen R. Miller
(Authorized Certifying Officer)

Date OCT 18 1956 Vou. No. 58

(See other side)

87.50

(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. E687 in accordance with the terms of the contract.

Signature [illegible] Title Mining Eng. Date 10-15-56

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA ~~REGION V~~ Date OCT 16 1956

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).

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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).

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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
OCT 22 1956

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Aug. 20-Sept. 19 1956 Docket No. DMEA 3256 Contract No. IDm.E-687
Operator's Name Glen C. Rathburn Minerals Mica
Address Cane River, 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.	350.00	10	875.00	10	35.00	75	35.00
Crosscutting								
Raising								
Shafts	ft.	-	-	2500.00	50	50.00	50	50.00
Winzes								
Powder Mag.	ea	-	-	25.00	1	25.00	1	25.00
Exploder Magazine	ea	-	-	13.00	1	13.00	1	13.00
Tool & Bunk Hse.	ea	-	-	125.00	1	125.00	1	125.00
Stripping								
Trenching								
Test Pits								
Roads and Trails	hrs.	-	-	500.00	50	10.00	50	10.00
Total Distributed Costs		350.00	10	4038.00				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 10/6/56 Operator Glenn C. Rathburn

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.

(Instructions on reverse)

Remarks:

(For Government use only)

V. J. Lynch
Bureau of Mines
10-15-56

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

PROGRESS REPORT FROM AUGUST 20, 1956 to
SEPTEMBER 19, 1956

RECEIVED
OCT 22 1956

August 20 - Drifting - drilled 1 round, 22 holes
21 - Shot 1 round, used 75 joints powder
22 - Smoke time
23 - " "
24 - Mucked out - no feldspar, 30 lbs. block mica
25 - " "

27 - Drilled 1 round, 22 holes
28 - Shot 1 round, used 75 joints powder
29 - Smoke time
30 - Smoke time
31 - Mucked out - no feldspar, 40 lbs block mica

Sept. 3 - Drilled 1 4-ft round.
4 - Shot - used 50 joints powder
5 - Smoke time
6 - Smoke time
7 - Mucked
8 - Mucked out - no feldspar, 20 lbs. mica.

TOTAL ADVANCE 10'

William A. Rathbun Opr.

Form ME-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-

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of July 9-Aug. 17, 1956 Docket No. DMEA 3256 RECEIVED Contract No. IDM-3687

Operator's Name Glen C. Rathburn Minerals Mica

Address Coro River, N. C. SEP 19 1956

Contract Amount, $ Government Participation: % Amount, $

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting, tunneling & shaft	1037.50	2525.00	3562.50	525.00 475.00	— 2,025.00	525.00 2,500.00
(2) Labor and Supervision:						
Labor Roads	—	500.00	500.00		500.00	500.00
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber & Tool Shed	—	125.00	125.00		125.00	125.00
Explosives Mag.		13.00	13.00		13.00	13.00
Powder Mag. Pipe		25.00	25.00		25.00	25.00
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	1037.50	3188.00	4225.50	1,000.00	2,688.00	3,688.00

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

Date 8/25/56 *Payee Glenn C. Rathburn

Per Title Opr.

*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:

$750.00

Signature Helen R. Miller
(Authorized Certifying Officer)

Date SEP 14 1956 Vou. No. 38

(See other side)

6

250.00

(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. E687 in accordance with the terms of the contract.

Signature S. C. Bergman Title Geologist, USGS Date 8/30/56

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: Alternate ACTING EXECUTIVE OFFICER

Signature W. A. Beck Title DMEA REGION V Date SEP 6 1956

MONTHLY REPORT OF OPERATOR

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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.

[redacted] 104A
62)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
SEP 10 1956

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of July-Aug. 17 1956 Docket No. DMEA 3056 Contract No. 30[illegible]-5[illegible]7
Operator's Name Glenn C. Rathbun Minerals Mica
Address Cave Springs, Ga.

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.	562.50	15	562.50	15	37.50		32.50
Crosscutting								
Raising								
Shafts	ft	475.00	9½	3000.00	60	50.00		50.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails	hrs.	-	-	500.00	50	10.00	50	10.00
Total Distributed Costs		1037.50	24½	4062.50				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		1037.50	24½	4062.50				

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 8/25/56 Operator Glenn C. Rathbun

Per Title opr.

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)

— Total "units to date" should be 50 ft. of shaft instead of 60 feet.

— Drift units should be @ 35.00/ft. instead of 37.50

— Drift "cost this month" & "cost to date" should be 525.00 instead of 562.50

S. C. Bergman - Geologist, USGS
8/30/56

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

PROGRESS REPORT FROM JULY 9, 1956 TO AUGUST 17, 1956

RECEIVED

SEP 1 9 1956

July 9 - Pumped water.
16 - Drilled and shot 150 ft. holes, used 75 joints powder
19 - Mucked out - 2 tons feldspar and 150 lbs. block mica
23 - Drilled 150 ft. holes and used 75 joints powder
26 - Mucked out - 1 ton feldspar and 450 lbs. block mica
30 & 31 drilled

Aug. 1 Shot 150 ft. holes and used 75 joints powder
3-4 Mucked out - no feldspar - 500 lbs. block mica
6-7 drilled and shot 1 round, 22 holes, in the drift
8-9 Mucked out - no feldspar, 250 lbs. block mica
13 drilled one 6 ft. round
14 finished drilling and shot. Mucked out - no feldspar 200 lbs. block mica
16 Drilled 4 ft. round, used 60 joints powder
17 Shot and mucked out. No feldspar, 150 lbs. block mica

By: Glen C. Rathburn

Glen C. Rathburn

RECEIVED
SEP 10 1956

September 7, 1956

Mr. Glenn C. Rathburn

Cane River, North Carolina

Re: DMEA-3256 (mica) Fox Mine
Idm-E687-Yancey County, N.C.

Dear Mr. Rathburn:

Your Operator's Monthly Report and Voucher for July 9 to August 17 is being sent to the Finance Office for payment with a deletion of $37.50. The contract calls for drifting at $35.00 per foot and you charged $37.50 per foot for the 15 feet of drift driven.

On December 23, 1955, Mr. L. E. Shirley wrote you about numerous changes in your voucher and sent you a corrected copy of each form. You did not follow his instructions in making out this voucher. Sample copies of the corrected forms are enclosed. Please follow this form in making out your next voucher.

Very truly yours,

Wm. A. Beck, Alternate Acting
Executive Officer, DMEA-Region V

WAB/zm
cc:
Finance -3
Lynch
Shirley
Files

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

D ON VOUCHER & SCHEDULE OF PAYMENTS
RECEIVED
DEC 27 1955

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of 9/10-12/10, 1955 Docket No. DMEA 3256 Contract No. IDM-2687
Operator's Name Glen C. Rathburn Minerals Mica
Address Cane River, N. C.
Contract Amount, $ 5820.00 Government Participation: 75 % Amount, $

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting Incline	225.00	2300.00	3025.00.00	225.00	1800.00	2025.00
Roads & Trails		500.00			500.00	500.00
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Bunk House & Tool shed		125.00			125.00	125.00
Explosives mag.		13.00			13.00	13.00
Powder mag.		25.00			25.00	25.00
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		3180.00	225.00	2463.00	2688.00

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

Date 12/10/55 *Payee Glenn C. Rathburn

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:

$ 168.75

Signature Helen R. Mulli
(Authorized Certifying Officer)

Date DEC 23 1955 Vou. No. 39
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. DM-E617 in accordance with the terms of the contract.

Signature Lawrence E. Shurley Title Mining Engr. U.S.B.M. Date Dec. 21, 1955

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title Executive Officer Date DEC 21 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

RECEIVED
DEC 27 1955

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Sept. 10 to Dec. 10 195 5 Docket No. DMEA 3256 Contract No. DM-E-687

Operator's Name Glen C. Rathburn Minerals Mica

Address Cane River, N. C.

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts Incline	Ft.	225.00	4½	2525.00	50½	50.00	50	50.00
Winzes								
Drilling: Core								
Powder ~~Cmtn~~ Magazine	ea	-	-	25.00	1	25.00	1	25.00
Exploding "	ea	-	-	13.00	1	13.00	1	13.00
Bunk hse.& tool shed	ea	-	-	125.00	1	125.00	1	125.00
Trenching								
Test Pits								
Roads	hrs.	-	-	500.00	50	10.00	50	10.00
Total Distributed Costs		225.00	4½	3188.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		225.00	4½	3188.00				

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 12/10/55 Operator Glenn C Rathburn

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)

Total units todate should be 40 ½ feet instead of 50 ½.

L. E. Shirley - Mining Engr.
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

OPERATOR'S PROGRESS REPORT FROM SEPTEMBER 10, 1955 TO NOVEMBER 10, 1955

RECEIVED
DEC 27 1955

2 men worked 12 hour shifts at $2.00 per hour

Aug. 10 to
Sept. 10 continued timbering of mine in accordance with instructions from State mine inspectors.

Sept. 10 to October 10 - cobbed spar and prepared mica for sale.
Placed derrick and other mine equipment in preparation for continued work.

October 10th to 18th - drilled first round of holes, in shaft; used 50 joints powder, sinking shaft 3 ft.

October 18th to 31st. mucked and cleared debris obtaining approx. 3 tons feldspar and 150 lbs. mica

November 1st to 15th. drilled 4 ft. round of holes, using 60 joints powder. mucked and prepared for sale 350 lbs. mica and approx. 4 tons feldspar.

November 16th to Dec. 10th - Mucked and cleared mine of debris from previous work. drilled 6 - 4 ft. holes; used 30 joints powder. No recovery of mica or feldspar (Break shot)

By: Glen C Rathburn

Glen C. Rathburn, Operator

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D. C.~~
ROOM 131 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

RECEIVED
DEC 27

December 22, 1955

Mr. Glen C. Rathburn

Cane River, North Carolina

Re: DMEA-3256, Idm-5687
Fox Mine

Dear Mr. Rathburn:

Your vouchers covering work completed on the above contract for the period September 1955 to December 10, 1955 have been processed by this office and forwarded for payment.

Several changes in both forms were necessary. One copy each of the corrected forms MF-104 and 104(a) as they should have been made out are attached. Please change your figures on your forms to conform to the ones attached.

Very truly yours,

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

LES/mg
Enclosure 2
cc - To accompany Reports (5)
Lynch
Shirley
Files

Form 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

FILE OR VOUCHER & SCHEDULE OF PAYMENTS K- 1

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of June, 1955 Docket No. DMEA 3256 Contract No. IDM-E687
Operator's Name Glen C. Rathbone Minerals Mica
Address Burnsville, N. C.
Contract Amount, $ 5820.00 Government Participation: 75 % Amount, $

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting incline	500.00	1300.00	1800.00			
Roads & Trails		500.00	500.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber Bunk H. & Tool shed		125.00	125.00			
Explosives Mag.		13.00	13.00			
~~Pipe~~ Powder Mag.		25.00	25.00			
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	500.00		$2463.00	500.00	1963.00	2463.00

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

Date July 2, 1955 *Payee Glen C. Rathbone

Per Glenn C. Rathbone 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:

$ 375.00

Signature Helen R. Mullin
(Authorized Certifying Officer)

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

4

125.00

(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. E687 in accordance with the terms of the contract.

Signature Keyton H. Teague Title Geologist, USGS Date 7/5/55

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A Lauer 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-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of June 1955 Docket No. DMEA 3256 Contract No. IDM E687

Operator's Name Glen C. Rathburn Minerals Mica

Address Burnsville, N. C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts Incline	ft.	500.00	10	1800.00	36	050.00	50	$50.00
Winzes								
Drilling: Core								
Powder Mag.	each	-	-	25.00	1	25.00	1	25.00
Exploden Mag.	each	-	-	13.00	1	13.00	1	13.00
building	each	-	-	125.00	1	125.00	1	125.00
Roads	hrs.	-	-	500.00	50	10.00	50	10.00
TOTAL DISTRIBUTED COSTS		500.00	10	2463.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		500.00	10	2463.00				

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 July 2, 1955 Operator Glen C. Rathbone

Per Glenn C. Rathburn 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)

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

OPERATORS MONTHLY PROGRESS REPORT FOR THE MONTH OF JUNE, 1955.

IDM-E 687
DEMA No. 3256

WORK ACCOMPLISHED - 2 Men working 12 hour shifts at the rate of $1.00 per hour.

June 8 - Moved in Compressor
9 - Installed pipelines, set in pump.
10 - Mucked out mine
11 - Drilled 50 ft. holes
13 - Drilled 65 ft. holes - used 75 sticks powder.
14 - Mucked 125 lbs. crude mica and 2 tons feldspar.
15 - Mucked 40 lbs. crude mica and 1 ton feldspar.
16 - Mucked no mica and 1 ton feldspar.
17 - Mucked no mica and ½ ton feldspar.
18 - Drilled 80 ft. holes

20 - Drilled 85 ft. holes
21 - Drilled 10 ft. holes and used 90 sticks powder in 6 ft. rounds.
22 - Mucked 45 lbs. mica and 1½ tons feldspar.
23 - Mucked 75 lbs. mica and 2 tons feldspar.
24 - Mucked 20 lbs mica and ½ ton feldspar.
25 - Mucked no mica and ½ ton feldspar.

27 - Drilled 10 ft. frontage, 2 rounds holes
28 - Mucked 50 lbs. mica
29 - Mucked no mica, ½ ton feldspar
30 - Mucked no mica, 1 ton feldspar.

By: Glen C Rathburn
Glen C. Rathburn

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- 28

OPERATOR'S MONTHLY REPORT AND VOUCHER

November 195 Docket No. DMEA

Month of

Operator's Name Brown & Rathbone

Address Turnerville, N. C.

Contract No. 100

Minerals

Contract Amount, $ 5820.00

Government Participation: 75 %

Amount, $

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent / Short Form Contracts:						
Drilling						
Bulldozing	$400.00	$100.00	$1100.00			
Crosscutting Incline						
Drifting Roads & Trails		$500.00				
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies: Junk H. & Tool Shed		125.00	125.00			
Timber Misc.		13.00	13.00			
Explosives Yonder Mac.		25.00	25.00			
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):						
	$400.00		$1963.00			
TOTALS				400.00	1,563.00	1,963.00

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

Date Dec. 7 54 *Payee Brown & Rathbone

Per Glenn A. Rathbone Title Partner

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

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

(Instructions on reverse)

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

$300.00

Signature Helen R. Miller
(Authorized Certifying Officer)

Date Vou. No. 104

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E687 in accordance with the terms of the contract.

Signature Lawrence E. Shirley Title Mining Engr. U.S.B.M. Date Dec. 10, 1954

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION VII Date DEC 13 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 872893

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

Month of November 1954 Docket No. DMEA 3256 Contract No. DMX 3687
Operator's Name Brown & Rathbone Minerals Mica
Address Burnsville

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 Inclined	ft	400.00	8	1300.00	26	50.00	30	$50.00
Winzes								
Drilling: Core								
Power Churn	each	-	-	25.00	1	25.00	1	25.00
Power Auger	each	-	-	15.00	1	15.00	1	15.00
Stripping Bulldozing	each	-	-	125.00	1	125.00	1	125.00
Trenching								
Test Pits								
Roads and Trails	Trips	-	-	500.00	50	10.00	50	10.00
Total Distributed Costs		400.00	8	1965.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		400.00	8	1965.00				

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 Dec 7 54 Operator Brown & Rathbone

Per Glenn C Rathbone Title Partner

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

(Instructions on reverse)

Remarks:

(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

OKLAHOMA: MONTHLY PROGRESS REPORT FOR
THE MONTH OF NOVEMBER, 1954

IEM-E 687

DMA No. 3256

Work Accomplished

Drilled one (1) round of holes per week, 12 holes per round.

Used five (5) joints powder to each hole, or 60 joints powder.

Three men worked at the rate of $1.00 per hour.

Approximately 75 pounds of mica per round was recovered, and about 5½ to 6 tons feldspar per round, the latter being stockpiled at mine due to inaccessible condition of roads during winter weather.

The material is a 4-ft. vein of pegmatite from which was removed 2-ft. of country rock.

BROWN & RATHBONE

BY Charles L. Brown Partner

BY Glenn C. Rathbone Partner

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- 28

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of October, 1954 Docket No. DMEA 3256 Contract No. DM 3687
Operator's Name Brown & Rathbone Minerals Mica
Address Dayton, Ill. O.
Contract Amount, $ Government Participation: 75 % Amount, $

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting Leitz	$400.00	500.00	$900.00			
Roads & Trails		500.00				
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber Posts & Tail Shed		185.00	185.00			
Explosives-Dyn.		13.00	13.00			
Fuse Powder Dyn.		25.00	25.00			
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	$400.00		$1163.00	400.00	1,163.00	1,563.00

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

Date Dec 7-54 *Payee Brown & Rathbone

Per Glenn C. Rathbone Title Partner

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

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

(Instructions on reverse)

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

$ 300.00

Signature Helen R. Miller
(Authorized Certifying Officer)

Date DEC 16 1954 Vou. No. 104

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Tdm-E687 in accordance with the terms of the contract.

Signature Lawrence E. Shirley Title Mining Engr. U.S.B.M. Date Dec. 10, 1954

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION VII Date DEC 13 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-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

Month of October 1954 Docket No. DMEA 3256 Contract No. IDM-3687
Operator's Name Brown & Rathbone Minerals Mica
Address Burnsville, N. C.

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts incline	ft.	$400.00	8	$900.00	18	$50.00	50	$50.00
Winzes								
Drilling: Core								
Churn								
Powder Mag.	each	-	-	25.00	1	25.00	1	25.00
Auger								
Explosives Mat.	each	-	-	13.00	1	13.00	1	13.00
Stripping	each	-	-	125.00	1	125.00	1	125.00
Trenching								
Test Pits								
Roads and Trails	hrs.	-	-	500.00	50	10.00	50	10.00
Total Distributed Costs		$400.00	8	1563.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		$400.00		1563.00				

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 Dec 7, 54 Operator Brown & Rathbone

Per Chas L Brown / Helen C Rathbone Title Partner

Remarks:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 872894

[illegible] 1954

[illegible] 687

[illegible] No. 3236

Work Accomplished

Drilled One (1) round of holes per week, 12 holes per round.

Used Five (5) joints powder to each hole, or 60 joints powder.

Three men worked at the rate of $1.00 per hour.

Approximately 75 pounds of mica per round was recovered, and about 5½ to 6 tons feldspar per round, the latter being stockpiled at mine due to inaccessible condition of roads during winter weather.

The material is a 4-ft. vein of pegmatite from which was removed 2-ft. of country rock.

BROWN & RATTEBONE

BY Charles L Brown Partner

BY Glenn C Rattebone Partner

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 Sept., 1954 Docket No. DMEA 3256 Contract No. Idm-E687
Operator's Name Brown & Rathbone Minerals Mica
Address Burnsville, N. C.
Contract Amount, $5788.00 Government Participation: 75% Amount, $4341.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing 5000' of Road		$500.00	$500.00			
Crosscutting						
Drifting						
Incline Shaft (10')	500.00	-	500.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental xxxxxxxxxxxx						
xxxxxExploding Mag.		13.00	13.00			
Purchase xxxxxxxPowder Mag.		25.00	25.00			
Depreciation						
(5) Initial Rehabilitation and Repairs		125.00	125.00			
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	500.00	663.00	1163.00	500.00	663.00	1163.00

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

Date Sept. 1954 *Payee Brown & Rathbone

Per Helen C. Rathbone Title Partner

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

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

(Instructions on reverse)

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

$375.00

Signature Helen R. Miller
(Authorized Certifying Officer)

Date NOV 23 1954 Vou. No. 84

(See other side)

7

125.00

(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-E687 in accordance with the terms of the contract.

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

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title DMEA 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-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

Month of Sept. 1954 Docket No. DMEA 3256 Contract No. Idm-~~3~~687
Operator's Name Brown & Rathbone Minerals Mica
Address Burnsville, N. C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts Incline (10)	Ft.	$500.00	10 ft.	$500.00	10 ft.	$50.00	50	$50.00
Winzes								
Drilling: Core	each	-	-	25.00	1	25.00	1	25.00
Explosives	each	-	-	13.00	1	13.00	1	13.00
Auger								
Stripping: Bulldozing	each	-	-	125.00	1	125.00	1	125.00
Trenching								
Tests								
Roads and Trails	Mo.	-	-	500.00	50	10.00	50	10.00
TOTAL DISTRIBUTED COSTS		$500.00		[illegible]				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased				125.00				
Initial Rehabilitation and Repairs				13.10				
New Buildings, Improvements, etc.				25.00				
TOTAL COSTS		$500.00		$1163.00				

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 October 18, 1954 Operator Brown & Rathbone
Per Glen C. Rathbone Title Partner
Glen C Rathbone

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 872894

TDM-EC87

OPERATORS' MONTHLY PROGRESS REPORT
For The Month

DEMA No. 3256

September, 1954

Work Accomplished:

Drilled two (2) rounds of holes per week, 12 holes per round.

Used five (5) joints powder to each hole, or 120 joints powder per week.

Three men worked at the rate of $1.00 per hour.

Approximately 150 lbs. mica was recovered per round and about 5½ to 6 tons feldspar per round.

The material is a 3-foot vein of pegmatite from which was removed 3-feet of country rock.

Charles L Brown
Glen C Rathbone

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of August 4 1954 Docket No. DMEA 3256 Contract No. Idm-2667
Operator's Name Brown and Rathburn Minerals Mica
Address Cane River, North Carolina
Contract Amount, $ 5788.00 Government Participation: 75 % Amount, $ 4341.00

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 6000' road	500.00		500.00			
Bulldozing						
Crosscutting						
Drifting						
(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	125.00		125.00			
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Exploder Marine	15 00		15.00			
Powder "	25 00		25 00			
(8) Contingencies (specify):						
TOTALS	663.00		663.00	663.00	—	663.00

PAID ON VOUCHER & SCHEDULE OF PAYMENTS No. 13

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

Date August 4, 1954 *Payee Brown and Rathburn

Per Glenn C. Rathburn Title Partner

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

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

(Instructions on reverse)

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

$ 497.25 cr.

Signature Conn A. Pipes (Authorized Certifying Officer)

Date SEP 7 1954 Vou. No. 45

(See other side)

1st 8/17 165.70

(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-E687 in accordance with the terms of the contract.

Signature Henry H. Amos Title Geologist USGS Date Sept. 2, 1954

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lamem Title EXECUTIVE OFFICER DMEA REGION VII Date SEP 3 1954

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

RECEIVED
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 8250 Contract No. Idm R-667
Operator's Name Brown and Rathburn Minerals Mica
Address Cane River, 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	hours	500.00	50 hrs	500.00	50	$10.00	50	$10.00
TOTAL DISTRIBUTED COSTS		500.00		500.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.		125.00	1	125.00				
Exploder Magazine		13.00	1	13.00				
Powder		25.00	1	25.00				
TOTAL COSTS		663.00		663.00				

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 1954 Operator Brown and Rathburn
Per Glenn C. Rathburn Title Partner

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

Cane River, North Carolina
August 30,1954

NARRATIVE REPORT

OPERATORS
MONTHLY PROGRESS REPORT
for the
Month of August, 1954

Date Work began _____
DMEA no. 3266
Idm E 687

This job was started on the above date and the following work was completed.

Road has been completed to the mine. Tool house has been completed. Powder and cap magazine has been completed and the entire area cleaned off.

Charlie L. Brown
James R. Robinson
Partner

Government Copy

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

[illegible]

To: [illegible]

[illegible], North Carolina

[illegible]

[illegible]

[illegible] were [illegible]

[illegible]

Administrator, [illegible]

JUN 27 1957

Mr. George A. Brown
Mr. Robert L. Brown
Alice S. Byrd
Nora Belle Brown
Mr. and Mrs. Charles L. Brown

Field Team, Region V
Finance Office
Mr. Killsgaard, 5222
Mr. Lamb, 3649
Mr. Houk

[illegible]Anderson:rsi 6/19/57
Copy to: Admr. R. File
Mr. Johnson
Operating Committee
Mr. Chambers
Mr. Fredell, GSA

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

JUN 27 1957

Mr. Glenn C. Rathburn

Cane River, North Carolina

Re: Docket No. DMEA-5256-Nice
Brown and Rathburn
Glenn C. Rathburn, Assignee
Fox Mine
Yancey County, North Carolina
Contract No. Iim-2687

Dear Mr. Rathburn:

Enclosed is a certification of discovery or development under Contract No. Iim-2687 on the Fox Mine, Yancey County, North Carolina.

By the terms of the Exploration Project Contract, all minerals mined or produced from July 22, 1954, to July 22, 1966, are subject to the Government's percentage royalty as set forth in the contract until the sum of $3,187.25 is repaid to the Government.

You should continue to make royalty payments to Mr. Robert A. Laurence, Executive Officer, DMEA Field Team, Region V, Room 13, Post Office Building, Knoxville 2, Tennessee, as you have in the past and checks should be drawn payable to the Defense Minerals Exploration Administration.

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

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

Sincerely yours,

G. O. Mittendorf

Administrator

Enclosure

WCAnderson:gad 6/20/57

Copy to: Admr. R. File
Operating Committee
Mr. Johnson
Mr. Chambers
Field Team, Region V
Mr. Killsgaard, 5222
Mr. Lamb, 3649
Mr. Houk
Mr. and Mrs. Charles L. Brown
George A. Brown
Robert L. Brown
Nora Belle Brown
Alice S. Byrd

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

JUN 27 1957

Mr. Clarence A. Fredell, Acting Director
Technical Services Division
Defense Materials Service
General Services Administration
7th and D Streets, S. W.
Washington 25, D. C.

Re: Docket No. DMEA-256-Mica
Brown and Rathburn
Glenn C. Rathburn, Assignee
Fox Mine
Yancey County, North Carolina
Contract No. Lm-1667

Dear Mr. Fredell:

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

The exploration contract was signed on July 22, 1954, with the Government participating to the extent of 75 percent of $5,738.00 or $4,341.00. The project was started on August 11, 1954, and terminated by mutual consent on November 26, 1956, after the expenditure of $4,143.00, which is the total net accepted cost according to the Audit Division. The Government paid 75 percent of the total accepted cost or $3,107.25.

The work performed on this project consisted of building an access road, constructing a toolhouse and powder and exploder magazines, sinking 50 feet of inclined shaft on the pegmatite and driving 28 feet of drifts on the 50 foot level.

About 4,735 pounds of mine-run block mica was recovered under the contract. The project work furnished sufficient data to calculate the following strategic mica reserves:

Indicated - 1,530 pounds of sheet mica
Inferred - 1,575 pounds of sheet mica

The DMEA concurs in the Field Team's evaluation of the work performed and has, therefore, certified that a discovery or development has resulted from the work under the contract.

Sincerely yours,

C. O. Mittendorf

Administrator

Enclosure

WCAnderson:gad 6/20/57

Copy to: Admr. R. File
Mr. Johnson
Mr. Chambers
Mr. Killsgaard, 5222
Mr. Lamb, 3649
Operating Committee
Field Team, Region V
Mr. Houk

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

JUN 27 1957

Mr. Robert [illegible] Laurence
Executive Officer, DMEA
Field Team, Region 4
Room 13, Post Office Bldg.
Knoxville 2, Tennessee

Re: Test at [illegible]-3258-Ice
Brown and Bathburn
Glenn C. Bathburn, Assignee
Fee Line
Yancey County, North Carolina
Contract No. [illegible]-1957

Dear Mr. Laurence:

Enclosed are five letters to be forwarded to the signers of the Owner's Consent as then under the subject contract.

Kindly complete the addresses and forward, retaining your copies and returning the remaining copies.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

P. F. Yopes
Director, Bureau of Mines

N. E. Nelson
Director, Geological Survey

Enclosures 5

M.CAnderson:gad 6/20/57
Copy to: Admr. R. File
Operating Committee
Mr. Johnson
Mr. Chambers
Mr. Hillsgaard, 5222
Mr. Lamb, 3649
Mr. Houk

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

JUN 27 1957

Mr. Elmo [illegible]

177 Cumberland Avenue
Asheville, North Carolina

Re: Lease No. [illegible]-[illegible]-[illegible]
Brown and Hilliard
Glenn A. Hilliard, Assignee
Fox Mine
Yancey County, North Carolina
Contract No. [illegible]-[illegible]

Dear Mr. [illegible]:

Enclosed is a copy of a certification of discovery or development with copy of covering letter to the Operator, which has been issued pursuant to the terms of the above-cited contract.

This correspondence relates to the Secretary's Consent to Plan signed by you on July 1, 1954. The Government's prior lien on the land and/or any production therefrom will continue in existence for the length of time mentioned in the enclosed copy of the letter to the Operator. You are obligated during that period to commit no act and to assert no claim in conflict with the Government's rights under the agreement signed by you, and to give advance notice of the Government's rights to any transferee or lessee of any part of your interest in the land or the production therefrom.

Sincerely yours,

C. O. Entenden

Administrator

Enclosures 2

[illegible]Anderson:rsi 6/20/57
Copy to: Mr. R. File
Mr. Johnson
Mr. Chambers
Operating Committee
Field Team, Region V
Mr. Hillegaard, 5222
Mr. Lamb, 3649
Mr. Houk

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

JUN 24 1957

Mr. and Mrs. Charles L. Brown

Burnsville, North Carolina

Re: Docket No. D-[illegible]-125c-Mica
Brown and Rathburn
Glenn C. Rathburn, Assignee
Fox Mine
Yancey County, North Carolina
Contract No. Idm-[illegible]

Dear Mr. and Mrs. Brown:

Enclosed is a copy of a certification of discovery or development with copy of covering letter to the Operator, which has been issued pursuant to the terms of the above-cited contract.

This correspondence relates to the Owner's Consent to Lien signed by you on July 3, 1954. The Government's prior lien on the land and upon any production therefrom will continue in existence for the length of time mentioned in the enclosed copy of the letter to the Operator. You are obligated during that period to commit no act and to assert no claim in conflict with the Government's rights under the agreement signed by you, and to give advance notice of the Government's rights to any transferee or lessee of any part of your interest in the land or the production therefrom.

Sincerely yours,

C. O. Mittendorf

Administrator

Enclosure

WC Anderson:rsi 6/20/57
Copy to: Admr. R. File
Mr. Johnson
Mr. Chambers
Operating Committee
Field Team, Region V
Mr. Killagsard, 5222
Mr. Lamb, 3649
Mr. Houk

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 6[illegible]

JUN 27 1957

Mr. George [illegible] Roan

Burnsville, North Carolina

[illegible] Contract [illegible]-3[illegible]-[illegible]
Brown [illegible]thburn
Glenn [illegible]. [illegible]thburn, [illegible]
[illegible] Mine
Yancey County, North Carolina
Contract No. [illegible]

Dear Mr. Brown:

[illegible] enclosed is a copy of a certification of discovery or development with copy of covering letter to the Operator, which has been [illegible] pursuant to the terms of the above-cited contract.

The correspondence relates to the owner's consent to lien signed by you on July 2, 1954. The Government's prior lien on the land and [illegible] production therefrom will continue in existence for a [illegible] length of time mentioned in the enclosed copy of the letter to the Operator. [illegible] obligation during this period to consult no [illegible] assert no claim in conflict with the Government's rights under the agreement signed by you, and to give advance notice of the Government's rights to any transferee or lessee of any part of your interest in the land or the production therefrom.

Sincerely yours,

C. D. Fitzsimmons

Director

Enclosures 2

[illegible]anderson:rsl 6/20/57
Copy to: Admr. [illegible] File
Mr. Johnson
Mr. Chambers
Operating Committee
Field Team, Region V
Mr. Hillsgard, 5[illegible]2
Mr. [illegible], 3049
Mr. Houk

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

Mrs. Mary Belle Brown

Burnsville, North Carolina

Re: Contract No. [illegible]-Ice
Brown [illegible] Auburn
Glenn E. Auburn, Designee
Fox Mine
Yancey County, North Carolina
Contract No. [illegible]-127

Dear Mrs. Brown:

Enclosed is a copy of a certification of discovery or development with copy of covering letter to the Operator, which has been issued pursuant to the terms of the above-cited contract.

The correspondence relates to the owner's consent to lien signed by you on July 3, 1954. The Government's prior lien on the land and upon any production therefrom will continue in existence for the length of time mentioned in the enclosed copy of the letter to the Operator. You are obligated during that period to commit no act and to assert no claim in conflict with the Government's rights under the agreement signed by you, and to give advance notice of the Government's right to any transferee or lessee of any part of your interest in the land or the production therefrom.

Sincerely yours,

G. O. Mittenderf

Administrator

Enclosures 2

Anderson:rsl 6/20/57
Copy to: Mr. A. Fife
Mr. Johnson
Mr. Chambers
Operating Committee
Field Team, Region V
Mr. Hildsgard, 5222
Mr. Lamb, 3649
Mr. Hook

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

JUN 27 1957

Mr. Albert L. Brown

Burnsville, North Carolina

Re: Account No. [illegible]-3.5-[illegible]
Brown and Auburn
Glenn C. Auburn, Assignee
Lot Line
Yancey County, North Carolina
Contract No. [illegible]-[illegible]87

Dear Mr. Brown:

Enclosed is a copy of a certification of discovery or development with copy of covering letter to the Operator, which has been issued pursuant to the terms of the above-cited contract.

This correspondence relates to the Owner's consent to lien signed by you on July 3, 1956. The Government's prior lien on the land and on any production therefrom will continue in existence for the length of time mentioned in the enclosed copy of the letter to the Operator. You are obligated during this period to commit no act nor to assert no claim in conflict with the Government's rights under the agreement signed by you, and to give advance notice of the Government's rights to any transferee or lessee of any part of your interest in the land or the production therefrom.

Sincerely yours,

C. C. Rittenhouse

Administrator

Enclosure 1

Memorandum 6/26/57
Copy to: Mr. A. File
Mr. Johnson
Mr. Chambers
Operating Committee
Field Team, Region V
Mr. Hillsgard, 5322
Mr. Lamb, 3420
Mr. Leab

DMEA-3254

Burnsville, North Carolina
oct 4, 1957

Mr. Robert A. Laurence,
Executive Officer, DMEA
Field Exploration V

RECEIVED
OCT 9 - 1957
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

Dear Sir,

On October 28, 1957, Mr Glenn C. Rathburn sold out his holdings of the Jay mine of Brush Creek.
For future information contact Mr Robert Felton Burnsville, North Carolina Box 11,
Mrs Edna W. Morris 1117 Cordova Road. Ft. Lauderdale, Florida.

Thank you
Mrs Glenn C. Rathburn

Government's copy

RECEIVED DEC 13 1956

TERMINATION AGREEMENT

It is agreed this 26th day of November, 1956, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Glenn C. Rathburn, Assignee, hereinafter called the "Operator," parties to that certain Exploration Project Contract No. Idm-E687 (Docket No. DMEA-3256), dated July 22, 1954, as amended, hereinafter called the "Contract," that:

1. Effective November 23, 1956, the Contract and all obligations of the parties thereunder, except as otherwise herein expressly provided, shall be and are hereby terminated.

2. The Government shall contribute only to the fixed unit costs of work performed prior to said effective date.

3. The Operator shall promptly perform all winding-up and settlement actions provided for in the Contract, including the rendering of the final report and final account.

4. All rights of the Government with respect to certification of discovery or development, percentage royalty, and liens for its payment; and all rights of the Government with respect to records, audits, and recovery of any overpayment, as provided in the Contract, are preserved.

5. The Operator hereby releases and agrees to save the Government harmless from all claims or demands under or arising out of said Contract, except as otherwise provided in this termination agreement.

IN WITNESS WHEREOF, these parties have executed this agreement as of the day and year first above written.

THE UNITED STATES OF AMERICA

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

Glenn C. Rathburn
Glenn C. Rathburn, Assignee

Government's copy

RECEIVED
JUL 26 1956

EXPLORATION PROJECT CONTRACT
GLENN C. RATHBURN, Assignee
DOCKET NO. DMEA-3256

AMENDMENT NO. 4

It is agreed this _____ day of JUL 17 1956, 1956, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Glenn C. Rathburn, Assignee, that Exploration Project Contract Idm-E687 (Docket No. DMEA-3256), dated July 22, 1954, as amended, is further amended as follows:

1. The time for completion of the work specified in the Contract, which was extended to July 22, 1956, by Amendment No. 3, dated January 24, 1956, is hereby further extended to November 22, 1956.

2. The maximum period for royalty payments and lien to secure the payment thereof is hereby extended to twelve years from the date of the Contract.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be required to contribute, nor the agreed unit cost of any item of work.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By Robert A. Lauer
Executive Officer, DMEA
Field Team, Region V

Glenn C. Rathburn
Glenn C. Rathburn, Assignee

MF-205
(Combines and supercedes MF-201 [redacted] MF-203)
June 1956

For Government's Use Only
EXPLORATI[redacted] PROJECT CONTRACT
Operator
Docket No. DMEA- 3256
Contract No. Idm-E 687
Contract Date

Amend #4

RECEIVED NOV 16 1956 D.M.E.A.

CONSENT TO LIEN
and
SUBORDINATION AGREEMENT 1/

To the United States of America:

Referring to that certain land in the County of Yancey State of North Carolina, described as follows: 2/ Beginning on a stake located on the property of Charles L. Brown, Alice S. Byrd and W. A. Brown 200 feet S. 36 W. from the center of the excavated shaft known as the Fox Mine and runs through said property N. 54 W. 400 feet to a stake in said property; thence N. 36 E. 600 feet to a stake in said property; thence S. 54 E. 1754 feet to a stake in line and fence of James Riddlee; thence due S. up the hill with said Riddle's old line 746 feet to a stake in the line of said property; thence N. 54 W. 1794 feet to the beginning.

which is the subject of a proposed exploration project contract, hereinafter called the "contract," with the United States of America, hereinafter called the "Government;" in consideration of the contract and as an inducement to the Government to enter into it, the undersigned hereby--

1. Undertakes and agrees that property in which the Government may acquire an interest or equity under the contract may be dismantled, severed from the land, and removed, as may be provided in the contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned;

2. Grants to the Government a lien upon all of the undersigned's right, title, and interest in the land and upon any production of minerals therefrom, to secure the payment to the Government of a percentage royalty on production as may be provided for by the Contract;

3. Subordinates the undersigned's right, title, claim, or interest in or against the land and in any production therefrom to the rights of the Government under the contract with respect to royalty on production and liens to secure same;

4. Represents and undertakes that there is no claim, lien, or encumbrance upon the undersigned's right, title, claim, or interest in or against the land other than the following: (If "none" insert the word "none." Do not leave lines blank.)

NONE

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

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

5. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflict with the provisions of this Agreement; and (b) to give advance notice of the Government's rights under this Agreement to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, claim, or interest in or against the land, or any production therefrom furnishing the Government with two copies of such notice; and

6. Consents to all amendments (including an agreement of termination) and assignments of the contract without notice thereof, and undertakes and agrees that this Agreement shall extend and apply thereto.

7. Added provision: _____ (State "None" or "See Annex No.____")

Dated this _____ day of _____, 195__.

Alice S. Byrd	[Seal]	Burnsville N.C.	[Address]
Robert J. Brown	[Seal]	Burnsville N.C.	[Address]
Andrew E. Brown	[Seal]	Burnsville N.C.	[Address]
Charles L. Brown	[Seal]	Burnsville N.C.	[Address]
	[Seal]		[Address]
	[Seal]		[Address]

I, _____ certify that I am the _____ _____ (Secretary, etc.) of the corporation named herein; that _____ _____ who signed this agreement was then _____ (President or Vice-President, etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

_____

[Corporate Seal]

Government Copy

RECEIVED
FEB - 2 1956

EXPLORATION PROJECT CONTRACT

DMEA-3256, GLEN C. RATHBURN, Assignee

AMENDMENT No. 3

It is agreed this 24th day of January 1956, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Glen C. Rathburn, Assignee, hereinafter called the "Operator," party to that certain Exploration Project Contract Idm-E687, Docket No. DMEA-3256, dated July 22, 1954, hereinafter called the "Contract," be further amended as follows:

Article 3. The time for completion of the work is extended to July 22, 1956, instead of February 15, 1956 as indicated in Amendment 2, dated October 10th 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 contribute, nor the agreed unit cost of any item of work.

Glen C. Rathburn
Glen C. Rathburn, Operator

THE UNITED STATES OF AMERICA

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

January 24, 1956

z

Government Copy

RECEIVED
OCT 2 0 1955

EXPLORATION PROJECT CONTRACT

DMEA-3256, GLENN C. RATHBURN, Assignee

AMENDMENT No. 2

It is agreed this 10th day of October 1955, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Glenn C. Rathburn, Assignee, hereinafter called the "Operator", party to that certain Exploration Project Contract Idm-E687, Docket No. DMEA-3256, dated July 22, 1954, hereinafter called the "Contract," be further amended as follows:

Article 3. The time for completion of the work is extended to February 15, 1956, instead of October 15, 1955 as indicated in Item 2 of Amendment No. 1, dated February 27, 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 contribute, nor the agreed unit cost of any item of work.

Glenn C. Rathburn
Glenn C. Rathburn, Operator

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

Z

Government's copy

EXPLORATION PROJECT CONTRACT
CHARLES L. BROWN AND GLENN C. RATHBURN
DOCKET NO. DMEA-3256

AMENDMENT NO. 1

It is agreed this 27 day of February, 1955, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Charles L. Brown and Glenn C. Rathburn, hereinafter called the "Operator," parties to that certain Exploration Project Contract Idm-E687, Docket No. DMEA-3256, dated July 22, 1954, hereinafter called the "Contract," that:

1. (a) Work under the Contract shall be suspended during the period beginning December 1, 1954, and ending not later than May 15, 1955.

(b) The Operator at his own cost and expense, without contribution by the Government, during the period of suspension shall preserve and protect the project work and any property in which the Government has an interest, and the Government shall not contribute to any costs of rehabilitation.

2. The time fixed for the completion of the work is extended to October 15, 1955.

3. In Article 7 of the Contract, that part of the second sentence which begins with the word "Provided" is deleted.

4. In Annex II attached to the Contract, paragraph b, substitute the words "eleven years" for the words "ten years."

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be required to contribute, nor the agreed unit cost of any item of work.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

Glenn C. Rathburn
Glenn C. Rathburn

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

Charles L. Brown

Government's Copy

Colorado Minerals
RECEIVED
FEB 16 1955

ASSIGNMENT OF CONTRACT

WHEREAS, Charles L. Brown and Glenn C. Rathburn, partners, entered into Exploration Project Contract Idm-E687 (Docket No. DMEA-3256), dated July 22, 1954, hereinafter called the "Contract"; and

WHEREAS, Charles L. Brown, hereinafter called the "Assignor," assigned his one-half interest in a lease dated February 6, 1953, to Glenn C. Rathburn, hereinafter called the "Assignee", covering the land which is the subject of the contract and the Assignee desires to complete the work under the contract;

NOW THEREFORE, the Assignor, in consideration of the sum of One Dollar ($1.00) and other good and valuable consideration received from the Assignee, does hereby assign, transfer, and convey to the Assignee all of his right, title, and interest in the Contract. The Assignor consents to all future amendments of the Contract, and hereby releases the Government from any and all claims, past, present, or future, arising out of the Contract.

This Assignment is subject to the written acceptance by the Assignee of the terms, provisions, and conditions of the Contract and to the written consent of the Government.

Dated this 8th day of February, 1954.

Charles L. Brown

Charles L. Brown

ASSIGNEE'S ACCEPTANCE

The Assignee, Glenn C. Rathburn, hereby accepts the above assignment and agrees to be bound by the terms, provisions, and conditions of the Contract.

Dated this 8th day of February, 1954.

Glenn C. Rathburn

Glenn C. Rathburn

GOVERNMENT'S CONSENT

The Government, this 17th day of December, 1954, hereby consents to the above Assignment without releasing the Assignor, Charles L. Brown, from any of the terms, provisions, and conditions of the Contract.

THE UNITED STATES OF AMERICA

By O. Meuthendorf
Administrator, Defense Minerals
Exploration Administration

Contract No. Idm-E 687

Docket No. 3296

DEPARTMENT OF THE INTERIOR

Terminated contract

DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

Please make the following entry on the records of the Defense Minerals Exploration Administration under the Strategic and Critical Minerals Exploration Program.

Date of Contract	Region	State	Commodity
July 22, 1954	V	North Carolina	Mica

Name and Address of Operator: Brown & Rathburn
Fox Mine
Yancey, N. C.

	Reserve	Obligation
Prior Amount	0	04,341.00
Increase	0	0
Decrease	0	1,233.75
Revised Amount	0	03,107.25

Remarks:

ALLEN S. DAKAN
(Name)
Allen S. Dakan, Chief
Operations Control and
Statistics Division
(Title)

Date Delivered to Bureau of Mines, Washington 2/20/57

989

Docket No. ~~DMEA - 3256~~

Commodity ~~Mica~~

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

STRATEGIC AND CRITICAL MINERALS EXPLORATION PROGRAM

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

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

Contract No. Idm-E 687

Date of Contract ~~or Amendment:~~ July 22, 1954

Name and Address of Operator:
Brown and Rathburn
Fox Mine
Yancey, N. C.

Amount of Government participation $ 4,341.00

Percent of Government participation 75 %

Region: VII State: N. C.

(Name)
J. W. Chambers
Chief, Contract Administration and Audit Division

(Title)

Date Delivered to Bureau of Mines, Washington.

7/22/54

54458

MF-200 (A)
(February 1952)

DOCKET NO. D[illegible]A 3256

COMMODITY Mica

Government copy
IDM * E - 687

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

EXPLORATION PROJECT CONTRACT[1]

(Short Form)

IT IS AGREED this 22nd day of July, 1954, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] Charles L. Brown and Glenn C. Rathburn, partners
Burnsville, North Carolina

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

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

ARTICLE 2. *Operator's property rights.*—With respect to that certain land situated in the State of North Carolina, County of Yancey, described[3] as set forth in Annex I

the Operator represents and undertakes:[4]

(*a*) That Charles L. Brown is the owner of a 1/4 interest in the mineral rights

Glenn C. Rathburn

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

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

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

in or upon the described land; and shall bring the project to completion within a period of six (6) months from the date of this contract. The work to be performed is more fully described in Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, are made a part of this contract. The Government will contribute to the cost of this work as hereafter provided. 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 75 percent of these agreed, estimated costs, as they accrue, for units of work actually performed that conform with the description or specifications for the work set forth in this contract, in an aggregate total amount not in excess of $4,341.00, which is 75 percent of $5,788.00, the agreed, estimated total cost of the project in which the Government will participate: *Provided,* That until the Operator's final report and final accounting have been rendered to the Government and any final check or auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of ten (10) percent of the maximum total which the Government might have been called upon to pay under the terms of the contract. The Government may, as it sees fit, make payments direct to the Operator's independent contractors, if any, for the account of the Operator, rather than to the Operator.

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

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

Charles L. Brown
(Operator)
Charles L. Brown

By Glenn C. Rathburn
Glenn C. Rathburn

THE UNITED STATES OF AMERICA

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

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

_____ [CORPORATE SEAL]

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

EXPLORATION PROJECT CONTRACT
CHARLES L. BROWN AND GLENN C. RATHBURN
DOCKET NO. DMEA-3256

ANNEX I

The land referred to in Article 2 of the contract form and in Annex II is known as the Fox Mine and was leased for mining purposes for a period of 10 years to Glenn C. Rathburn, by Alice S. Byrd, Andrew Brown, Laura Brown and husband, Charles L. Brown, he being a partner of the lessee, by an instrument dated February 6, 1953. It is located one-half mile east of Pigpen Bluff, 4.3 airline miles N. 45° E. of Burnsville, and 3.8 airline miles N. 18° W. of Micaville, Yancey County, North Carolina, and is bounded as follows:

> Beginning on a stake located on the property of Charles L. Brown, Alice S. Byrd, and W. A. Brown 200 feet S. 36° W. from the center of the excavated shaft known as the Fox Mine and runs thence through said property N. 54° W. 400 feet to a stake in said property; thence N. 36° E. 600 feet to a stake in said property; thence S. 54° E. 1754 feet to a stake in line and fence of James Riddle; thence due south up the hill with said Riddle's old line 746 feet to stake in the line of said property; thence N. 54° W. 1794 feet to the beginning, containing 26.2 acres more or less.

EXPLORATION PROJECT CONTRACT
CHARLES L. BROWN AND GLENN C. RATHBURN
DOCKET NO. DMEA-3256

ANNEX II

The following provisions are in lieu of Article 6 :

Repayment by Operator.--a. Certification.--If the Government considers that a discovery or development from which production may be made has resulted from the 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. Royalty on production.--The Operator, as principal, if the Operator is the producer, or as surety, if the Operator is not the producer, shall pay to the Government a royalty on all minerals mined or produced from the land, as follows: (1) regardless of any certification of discovery or development, from the date of the contract until the lapse of the time within which the Government may make such certification, or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first; or (2) if the Government makes a certification of discovery or development, for a period of ten years from the date of the contract, or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first.

c. Basis for computation.--The Government's royalty shall be a percentage of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrates, metal, or equivalent), at the point of delivery (the f.o.b. point); except, that charges of the buyer arising in the regular course of business, and shown as deductions on the buyer's settlement sheets, on account of the cost of treatment processes performed by the buyer, sampling and assaying to determine the value of the production sold, and freight paid by the buyer to a carrier (not the Operator), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. Any costs of treatment processes, sampling or assaying, or transportation, performed or paid by the

Operator or by anyone other than the buyer, are not deductible in arriving at the "gross proceeds" as that term is here used. The term "treatment processes," as here used, means those processes (such as milling, concentrating, smelting, refining, or equivalent) applied to the raw ore or other production after it is extracted from the ground, to put it into a commercially marketable form; excluding fabricating or manufacturing.

d. Unsold production.--If any production (ore, concentrates, metal, or equivalent), after the lapse of six months from the date the ore was extracted from the ground, remains neither sold nor used by the Operator in integrated manufacturing or fabricating operations (for instance, if it is stockpiled), the Government, at its option, as long as it so remains, may require the computation and payment of its royalty on the value of such production in the form (ore, concentrates, metal, or equivalent) it is in when the Government elects to require computation and payment. If any production is used by the Operator in integrated manufacturing or fabricating operations before the Government makes its election, the Government's royalty on such production shall be computed on the value thereof in the form in which and at the time when it is so used. "Value" as here used means what is or would be gross income from mining operations for percentage depletion purposes in Federal income tax determination, or the market value, whichever is greater.

e. Percentages of royalty.--The percentages of the Government's royalty shall be as follows:

> One and one-half ($1\frac{1}{2}$) percent of amounts ("gross proceeds" or "value") not in excess of eight dollars ($8.00) per ton of production in the form in which sold, held, or used, plus one-half ($\frac{1}{2}$) percent for each additional full fifty cents ($0.50) by which such amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such amounts.
>
> (For instance: the royalty on an amount of five dollars ($5.00) per ton, would be one and one-half ($1\frac{1}{2}$) percent; on an amount of ten dollars ($10.00) per ton, three and one-half ($3\frac{1}{2}$) percent.)

f. Lien for payment.--To secure the payment of its percentage royalty, there is hereby granted to the Government a lien upon the land or the Operator's interest in the land and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

g. Notice to purchasers.--The Operator shall give notice of the Government's claim for royalty to any purchaser of the production, and shall authorize and direct such purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets. If the records of any production and sales or other disposition of production, whether the production is by the Operator or by others, are not made available to the Government, the amount of the royalty may be estimated by the Administrator, Defense Minerals Exploration Administration, or his successor, and his estimate thereof shall be final and binding upon the Operator.

h. No obligation to produce.--Nothing in this contract is 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.

i. Government not obligated to buy.--Nothing in this contract shall be construed as imposing any obligation on the Government to purchase any minerals mined or produced from the land.

58694

EXPLORATION PROJECT CONTRACT
CHARLES L. BROWN AND GLENN C. RATHBURN
DOCKET NO. DMEA-3256

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 Fox Mine, Yancey Co., N.C. DMEA-3256 (mica)," as follows:

1. Construct 3,000 feet of access road by bulldozing method.

2. Construct a combination toolhouse-bunkhouse, a powder magazine, and an exploder magazine.

3. Sink 50 feet of incline on the pegmatite with partitioned manway.

4. Explore the pegmatite by driving 75 feet of drift and/or crosscut.

The shaft and the drift and/or crosscut shall be timbered where necessary and they shall have cross-sectional dimensions of 5 feet by 7 feet in the clear of timber.

The location, inclination, direction, and extent of all work are subject to the approval of the Government.

AGREED UNIT COSTS

Constructing access road by Bulldozer, 50 hours @ $10.00/hr.	$500.00	
Constructing - toolhouse-bunkhouse 1/	125.00	
powder magazine 1/	25.00	
Exploder magazine 1/	13.00	
Sinking 50 feet of incline @ $50.00/ft.	2,500.00	
Driving 75 feet of drift and/or crosscut @ $35.00/ft.	2,625.00	
Agreed Estimated Total Cost of Project		$5,788.00
Government Participation @ 75%		$4,341.00

1/ The completed work constitutes the unit.

MF-203
(Revised July 1, 1954)

OWNER'S CONSENT TO LIEN

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

Beginning on a stake located on the property of Charles L. Brown, Alice S. Byrd and V. A. Brown 200 feet S. 3° W. from the center of the concreted septic tank on the Rex line and runs through said property N. 65° 54' W. 400 feet to a stake in said property; thence N. 33° E. 600 feet to a stake in said property; thence S. 54° E. 175 feet to a stake in line of and fence of James Middle; thence due S. up the hill with the said Middle's old line 750 feet to a stake in the line of said property; thence W. 75 feet to the

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/ Charles L. Brown and Gloria S. Rothman

hereinafter called the "Operator"; and

WHEREAS, under the provisions of said contract the Government is entitled to a percentage royalty on production 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.

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

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

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

(OVER)

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 _____

Dated this 3 day of July, 1954

Charles L. Brown [Seal]

Laura B. Brown [Seal]

George A. Brown [Seal]
Commissioner

Robert J. Brown (SEAL)

Nora Belle Brown (SEAL)

Alice S. Byrd. (Seal)

NORTH CAROLINA
YANCEY COUNTY

I, Mildred L. Roberts, Notary Public, do hereby certify that Charles L. Brown, Laura Brown, Robert J. Brown and Nora Belle Brown, personally appeared before me this day and acknowledged the due execution of the foregoing instrument for all the purposes therein expressed.

Witness my signature and official this the 2nd day of August, 1954.

Mildred L. Roberts
Notary Public

My comm. expires: 1-17-55.

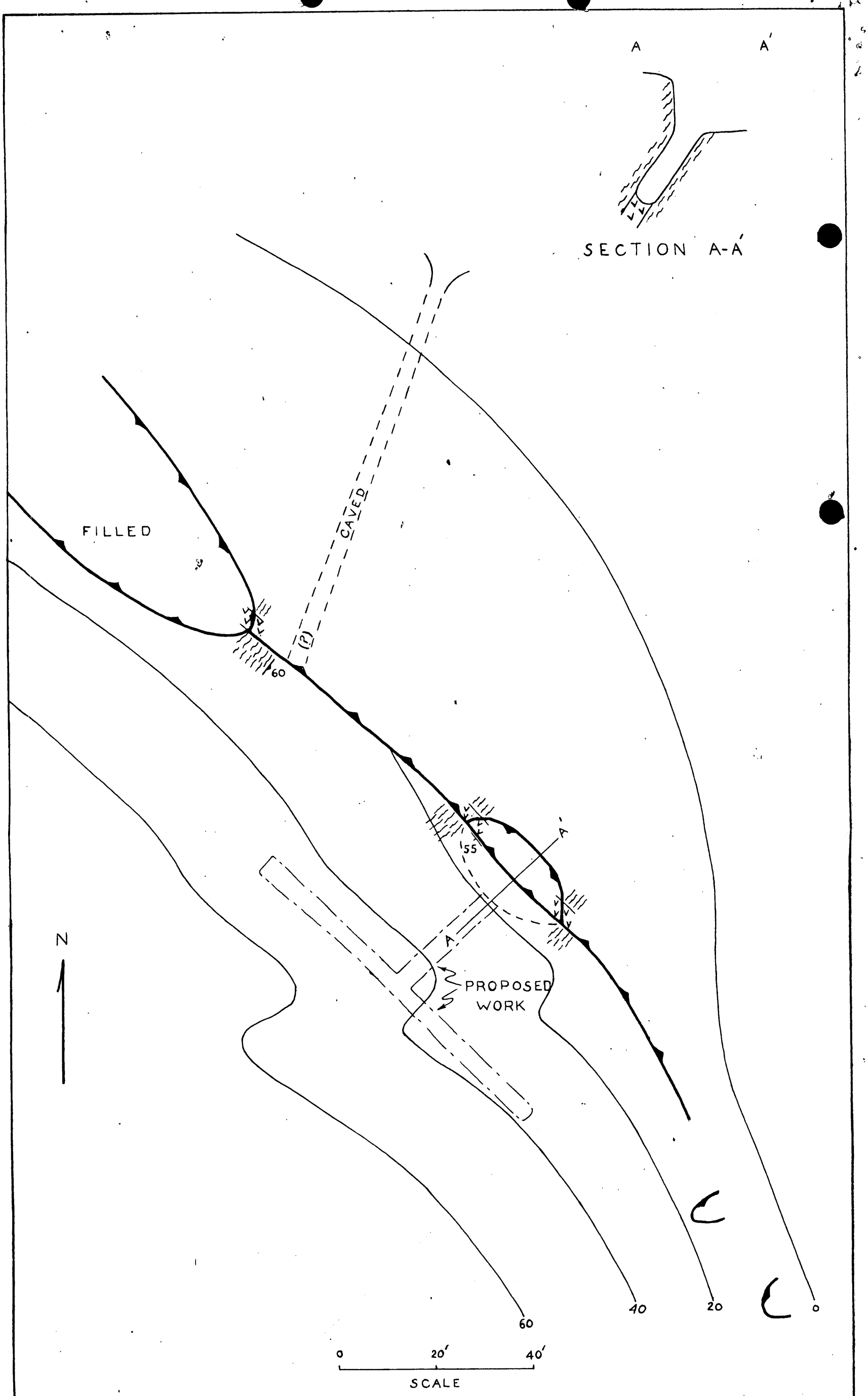
North Carolina
Yancey County

G. M. Angel, a notary public, hereby certifies that on this day personally came before him George A. Brown, commissioner, and Alice S. Byrd, who each acknowledged the due execution of the foregoing consent to lien hereto attached, for the purposes therein set forth.

This August 3, 1954.

G M Angel
Notary Public

My Commission Expires on the 5 day of April, 1955.



SKETCH OF
FOX MINE
YANCEY CO., N.C.

DMEA-3256 (mica)