DMEA Form 9
Rev. 6/57

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE — Idm-E NO. 726 — DMEA NO. 3422

Application
- [ ] Denied
- [ ] Withdrawn

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

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

Folder No. 1:

Left Side

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

Right Side

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

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

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

Additional Folders:

Left Side

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

Right Side

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

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

Folders No._____: Settlement Sheets

Folders No._____: Drill Logs

Folders No._____: Royalty material

17963

Docket F
Surname:
Anderson
Houk
Ortri
"Appd. Sol. O
Channel
Kulsgaard
Hedge
Sell
J.E. John

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

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

To: Leb Buchanan and W. R. Johnson, Partners

Bakersville, North Carolina

Pursuant to the provisions of Exploration Project Contract No. Idm-E726, dated October 11,1954 (Docket No. DMM-3422), hereinafter called the "contract" between you and the United States of America, hereinafter called the "Government"; to establish and fix the Government's percentage royalty on production and its lien thereon and on the land described in the contract, the Government considers and therefore certifies that discovery or development from which production may be made has resulted from the exploration work.

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

A conformable, unzoned pegmatite in hornblende gneiss was exposed by an incline and drifts. Indicated and inferred reserves of mica may be calculated.

THE UNITED STATES OF AMERICA

By C C Mitkeudorf
Administrator, Defense Minerals
Exploration administration

Dated JUN 2 9 1955

WCAnderson:pk 6/20/55
Copy to: Mr. Clarence A. Fredell, EPS, GSA
Docket
Admr. R. File
Mr. Chambers
Mr. Johnson
Operating Committee
Finance Office
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

Condensed

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Zeb Buchanan and W. R. Johnson

Bakersville, North Carolina

pertaining to Exploration Project Contract No. Idm-E726, Docket No. DMEA-3422, including Amendment No. 1, for the months of October, 1954 to April, 1955, inclusive, covering a project for the exploration of mica on property, known as the R. B. Phillips Prospect located in Mitchell County, North Carolina.

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

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

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

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

Total cost as billed by Contractor		$4,016.00
Exceptions:		
By DMEA Finance Officer	$ -0-	
Horsmith	-0-	-0-
Total Accepted Cost		$4,016.00

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 twelve and no/100 Dollars

$3,012.00

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

E. D. Talbert

E. D. Talbert, Auditor

May 17, 1955

GOVERNMENT COPY

7

EXPLORATION PROJECT CONTRACT

DMEA-3422, Idm-E726 (mica)

AMENDMENT NO. 1

Contract Idm-E726, Docket No. DMEA-3422, dated 11th day of October 1954, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Zeb Buchanan and W. R. Johnson, partners, of Bakersville, North Carolina, hereinafter called the "Operator" is hereby amended as follows:

Article 3 is amended to provide that the Operator is to complete the subject project within a period of nine (9) months from date of contract, instead of six (6) months as written in the original contract.

March 30, 1955.

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

By Zeb Buchanan
Zeb Buchanan, Partner

By W R Johnson
W. R. Johnson, Partner

THE UNITED STATES OF AMERICA

By Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION V

Government's copy

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 19 1954

MF-200A
(Revised June 1954)

Docket No. DMEA - 3422

Commodity Mica

Contract No. Idm-E - 726

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
EXPLORATION PROJECT CONTRACT[1]
(Short Form)

It is agreed this 11th day of October, 1954, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2] Zeb Buchanan and W. R. Johnson, partners, whose mailing address is Bakersville, North Carolina, hereinafter called the "Operator," as follows:

ARTICLE 1. *This contract* is entered into under the authority of the Defense Production Act of 1950, as amended. It consists of this form (MF-200A), the attached Exhibit "A," Annex I, and

The Operator shall not transfer or assign this contract or any right thereunder without the written consent of the Government.

ARTICLE 2. *Operator's property rights.*—(a) The land which is the subject of this contract (hereinafter called "the land") is in the State of North Carolina, County of Mitchell, and is described in Annex I.[3]

(b) The Operator represents and undertakes that:

(1) The Operator is the [4] Lessee of [5] the mineral rights in the land, in possession and entitled to possession for all of the purposes of this contract, under and by virtue of a [6] lease, [7] un recorded in Book , page , official records of said County; and

(2) The Operator's right, title, or interest (whether as owner, lessee, or otherwise) is subject only to the following claims, liens, or encumbrances: None

(c) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above, and (if the Operator does not hold the legal title) the Consent to Lien of any holder of the legal title of the land (lessor, seller, optionor, etc.), are attached, as follows: an Owner's Consent to Lien signed by the lessor.

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] Insert name, and if an organization, its nature (corporation and place of incorporation, partnership with names of partners, etc.).
[3] State on a separate sheet marked "Annex I" the legal description or enough to identify the property, particularly excluding any areas from which the production is not to be subject to the Government's percentage royalty.
[4] Insert "owner," "lessee," "contract purchaser," "locator," etc.
[5] Insert "the entire interest," "the mineral rights," "an undivided one-third," etc.
[6] Insert "deed," "lease," "contract," "location notice," "patent," etc.
[7] If not recorded, so indicate by inserting "un."

(d) The Operator shall preserve and maintain his right, title, and interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. Until the lapse of the time within which the Government may make a certification of discovery or development without any such certification having been made, and after any such certification has been made, the Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof. If the Government makes no certification of discovery or development within the time limited in Article 7, it shall thereafter have no claim against the land or any production therefrom except for any production referred to in Article 7(b)(1).

ARTICLE 3. *The exploration project.*—The project is a search for indicated or undeveloped deposits of mica. The work to be performed is described in Exhibit "A." The Operator on or before November 1, 1954, shall commence the work, and on or before April 1, 1955 (unless the Operator's obligation to complete the work is terminated—see Article 8) shall complete the work.

ARTICLE 4. *Performance of the work.*—(a) *Operator's responsibility.*—The work shall be performed with reasonable diligence, efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for liability insurance covering employment; and with suitable and adequate equipment, facilities, materials, supplies, and labor, to bring it to completion within the time fixed.

(b) *Government may inspect.*—The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract, and also after a certification of discovery or development to inspect production operations and underground workings. The operator shall provide the Government with all reasonable means of access for such inspections.

ARTICLE 5. *Contribution by the Government.*—A fixed cost for each unit of work to be performed (per foot of drifting, per foot of drilling, per hour of operations, etc.) is hereby agreed upon, and is set forth in Exhibit "A" in connection with the estimated total cost of the project in the sum of $4,016.00. The Government will contribute 75 percent of the fixed unit costs as work is performed, in a total sum not in excess of $3,012.00: *Provided,* That until the Operator has rendered to the Government his final report, and any final 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 10 percent of the estimated total cost of the work. The Government will make its contribution on the basis of the monthly vouchers referred to in Article 6(b), but all payments by the Government are provisional only, subject to audit, until the account between the Operator and the Government is finally audited and settled. To the extent that excesses over fixed unit costs or any excess over the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such excesses for his own account without contribution by the Government. The Government may make payments directly to independent contractors and suppliers for the account of the Operator rather than to the Operator.

ARTICLE 6. *Reports, accounts, audits.*—(a) *Operator's records.*—The Operator shall keep suitable records and accounts of the units of work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine any pertinent books, documents, papers, and records of the Operator. All of the Operator's vouchers and records and accounts relating thereto and the Government's payments thereof remain subject to adjustment until final audit by the Government.

(b) *Progress reports and vouchers.*—The Operator shall provide the Government with five copies of monthly progress reports in three sections as follows: (1) Operator's Monthly Report and Voucher showing a detailed statement of units of work performed during the reporting period; (2) Operator's Unit Cost and Progress Report showing the various types of work performed during the reporting period and the fixed unit costs incurred for each type of work; and (3) a Narrative Report of the work

performed during the reporting period including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground. (Forms for reporting under (1) and (2) above will be provided by the Government.)

(c) *Final report.*—Upon completion of the work or termination of the Government's obligation to contribute to costs, the Operator shall furnish the Government with five copies of a final report (in addition to the final progress report and voucher). This final report shall include a geological and engineering evaluation of the results of the work performed under the contract with an estimate of the ore reserves resulting from such work, complete assay data, adequate geological and engineering maps or sketches, and a summary of the work performed and the unit costs thereof.

(d) *Report of sales.*—The Operator shall provide the Government with suitable accounting and documentary evidence covering all production to which the Government's percentage royalty relates, such as copies of smelter or concentrator settlement sheets, and certified accounts of production and sale or other disposition of production.

(e) *Compliance with requirements.*—If in the opinion of the Government any of the Operator's reports, records, or accounts are insufficient or incomplete, or if the Operator fails to make them, the Government may procure the making or completion of such with suitable attachments as an expense of the work to which the Operator shall contribute. The Government may withhold approval and payment of any vouchers relating to insufficient or incomplete reports, records or accounts.

ARTICLE 7. *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 a sufficient final report and final account (see Article 6) has been rendered, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

(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, within 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 crude 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 (1½) 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 (½) 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 (1½) percent; on an amount of ten dollars ($10.00) per ton, three and one-half (3½) percent.)

(f) *Time for computation and payment.*—The Government's royalty shall be computed and paid currently upon each lot sold, held, or used in integrated operations, as the case may be, as above provided in this article.

(g) *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.

(h) *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.

(i) *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 production operations.

(j) *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.

ARTICLE 8. *Termination of the Government's obligations.*—(a) If in the opinion of the Government operations at any time have failed to achieve anticipated results that indicate the probability of making a worthwhile discovery, and in the opinion of the Government further operations are not justified, the Government may give the Operator written notice thereof, and thereupon the Government shall be free of all obligation to pay on account of units of work not then performed, and the Operator shall be free of all further obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting.

(b) If in the opinion of the Government the Operator is in any manner in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon the Government shall be relieved of all obligation to pay on account of units of work not performed when the notice was given, and the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting. The remedy provided for the Government in this paragraph "(b)" is in addition to any other remedy provided in this contract, and in addition to any other remedy the law may provide for breach of contract.

(c) The giving of any notice by the Government under the provisions of this Article 8 shall not affect the Government's rights as provided for in the contract with respect to a percentage royalty, and such rights shall be fully preserved.

ARTICLE 9. *Notices to be given by the Government* may be delivered to the Operator, or may be sent by registered mail addressed to the Operator at his mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 10. *Officials not to benefit.*—No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 11. *Changes and added provisions.*—

Executed in sextuplicate the day and year first above written.

ZEB BUCHANAN and W. R. JOHNSON
(Operator)

By Zeb Buchanan (Partner)

W. R. Johnson (Partner)

THE UNITED STATES OF AMERICA

By C O Mathewson
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—70618-1

RECEIVED
OCT 19 1954

EXPLORATION PROJECT CONTRACT
ZEB BUCHANAN and W. R. JOHNSON
DOCKET NO. DMEA-3422

ANNEX I

The land referred to in Article 2 of the contract is known as the R. B. Phillips Prospect and was leased for mining purposes to Zeb Buchanan and W. R. Johnson for a period of five years by R. B. Phillips, by an instrument dated July 20, 1954. The R. B. Phillips Prospect is located on the northeast side of Burns Mountain, is 2.75 airline miles S.5° East of Bakersville, Mitchell County, North Carolina, and is described in the lease as follows:

> Beginning at the center of what is known as the R. B. Phillips Prospect #1, and running North 250 feet, thence East 2800 feet, thence South 500 feet, thence West 3050 feet, thence North 500 feet, thence East 250 feet to the beginning.

Department of the Interior
Defense Minerals Administration
RECEIVED
OCT 19 1954

EXPLORATION PROJECT CONTRACT
ZEB BUCHANAN and W. R. JOHNSON
DOCKET NO. DMEA-3422

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 R. B. Phillips Pros., Mitchell Co., N. C. DMEA-3422 (mica)," as follows:

1. Construct a toolhouse, 10 feet by 12 feet; a powder magazine; and an exploder magazine. The powder and exploder magazines shall be of adequate sizes for the purposes of the project.

2. Extend the existing incline on the pegmatite an additional 40 feet, with two compartments, to an over-all depth of 65 feet.

3. From the bottom of the incline, explore the pegmatite with not more than 60 feet of drifts and/or crosscuts.

The incline, drifts, and crosscuts shall be timbered as necessary and shall have cross-sectional dimensions of not less than 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.

Fixed Unit Costs

Constructing - Toolhouse 1/	$ 78.00	
Powder Magazine 1/	25.00	
Exploder Magazine 1/	13.00	
Sinking 40 feet of incline @ $45.00/ ft.	1,800.00	
Driving 60 feet of drifts and/or crosscuts @ $35.00/ft.	2,100.00	
Estimated total cost of project		$4,016.00
Government participation @ 75%		$3,012.00

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 Mitchell, described as follows:1/

Beginning at the center of what is known as the R. B. Phillips Prospect # 1 and running North 250', thence East 2800', thence South 500', thence West 3050', thence North 500', thence East 250' to the beginning.

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/ Zeb Buchanan and W. R. Johnson

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 _____

_____

_____

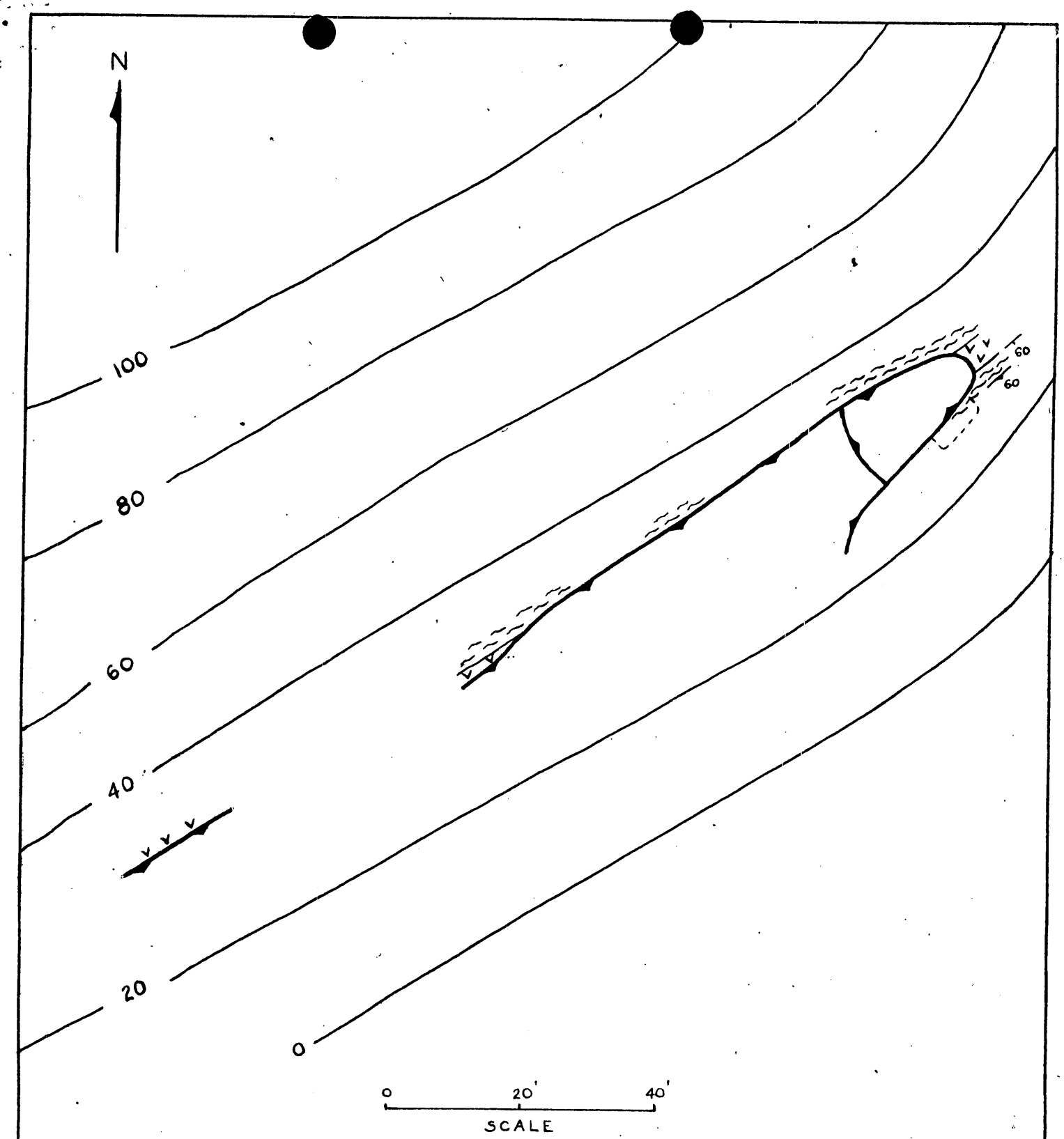
_____

Dated this 20th day of July, 1954.

R. B. Phillips [Seal]

_____ [Seal]

_____ [Seal]



SKETCH OF
R.B. PHILLIPS PROS.
MITCHELL CO., N.C.

DMEA-3422 (mica)

R. B. Phillips, DMEA-3422. This is a prospect. Contract called for extending existing 12 ft. incline an additional 40 ft. with 60 ft. of drifting at a cost of $4,016.00. The incline has been bottomed and 45 ft. of drifting accomplished. About $25,000 worth of mica has been produced and sold from the property to date. The pegmatite is 8 ft. thick in the bottom. This is one of our best discoveries and will probably make a worthwhile mine. The operator may drive a crosscut to the pegmatite at about 120 ft. below the outcrop to facilitate mining.

Looking NE almost along strike of peg that crops out at corner of shed and continues beyond shaft.

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

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

Not to be filled in by applicant

Docket No. 3422
Metal or Mineral MICA
Date Received
Estimated Cost $6,800
Participation (Government %)

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address: Zeb Buchanan and W. R. Johnson, both of Bakersville, N. C. Partners

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

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

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

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

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract Legal description given on attached lease.

(*b*) State any mine name by which the property is known. R. B. Phillips Prospect

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

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

(*e*) If you own the land, describe any liens or encumbrances on it Not owner

(*f*) If the land consists of unpatented claims, add to the description above, the book and page numbers for each recorded location notice. None

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

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

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

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

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

5. *The exploration project.*—(*a*) State the mineral or minerals for which you wish to explore Mica

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

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

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

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

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

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

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

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

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

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

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

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

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

7. (*a*) Are you prepared to furnish your share of the cost of the proposed project in accordance with the regulations on Government participation (Sec. 7, DMEA No. 1)? Yes. Will furnish 25% as required.

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

[X] Money [ ] Use of equipment owned by you [ ] Other

Explain in detail on acompanying paper.

CERTIFICATION

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

Dated July 20, 1954

Zeb Buchanan & W. R. Johnson
(Applicant)

By Zeb Buchanan
Zeb Buchanan, Partner

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

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

MF-103 (continuation sheet)

4. (a) There is an existing shaft 25' deep which was sunk as a test. (Prior to the Government program of purchasing non-ruby mica). Present applicants have no interest in this former operation.

(b) When the 25' shaft was sunk, some very high grade non-ruby mica was recovered. The Government was not buying non-ruby mica at that time and the prospect was abandoned.

(c) Map attached. It is believed that the pegmatite contains large quantities of non-ruby mica of strategic quality.

(d) Prospects are accessible to roads, shipping, etc. with bulldozing.

(e) Manpower is available; supplies and equipment easily obtained; and power is within 300 yards.

5. (b) We propose to bulldoze road access and shaft site, rehabilitate existing shaft and deepen shaft 75'; then drift 100 feet on the Prospect #1.

On Prospect #2, we propose to bulldoze a total of 100 hours to remove overburden from the pegmatite in order to locate best place for exploring the pegmatite. We also propose to sink a 5x7 shaft 60 feet, then drift 80 feet.

6. Estimate of Costs:

Prospect # 1

Bulldozing road access & shaft site 10 hours @ $ 10.00 per hour	$ 100.00
Rehabilitating 25' shaft @ $25.00 ft.	625.00
Deepening shaft 75' @ $50.00 ft.	3750.00
Drifting 100' @ $35.00 ft..	3500.00
Total cost, Prospect # 1	$ 7975.00

Prospect # 2

100 hrs. Bulldozing @ $10.00 hr..	1000.00
Sinking 5x7 shaft 60' @ 50.00 ft.	3000.00
Drifting 80' @ $35.00 ft.	2800.00
Total cost, Prospect #2	$ 6800.00

14,775

MINING LEASE

State of North Carolina Mitchell County:

This indenture made this 20th day of July, 1954, ~~1953~~,

between R. B. Phillips

of Mitchell County and State of North Carolina as party of the first part, and known as lessor, and Zeb Buchanan and W. R. Johnson

of Mitchell County and State of North Carolina, party of the second part and known as lessee.

WITNESSETH, That the party of the first part in consideration of One Dollar in hand received and hereby acknowledged by the lessor, and in consideration of the agreements hereinafter contained, on the part of the party of the second part to be performed, hereby bargains, leases and grants to the party of the second part, and his heirs and assigns, for the period of five years from the date of this agreement, the following described real property, for mining purposes, in the County and State first above written to wit:

Beginning at the center of what is known as the R. B. Phillips Prospect #1, and running North 250', thence East 2800', thence South 500', thence West 3050', thence North 500', thence East 250' to the beginning.

TO HAVE AND TO HOLD the said lands to him, for mining purposes, the said lessee and his heirs and assigns for the aforesaid period of five years in compliance with the condition of this instrument, for the purpose and with the right to dig, quarry, search, explore for, obtain, and remove any kind of minerals, metals or fossils, and particularly mica, and to conduct the same to any extent the said party of the second part, the lessee, may desire. And it is hereby agreed between the parties to this agreement that the party of the second part is to have the use of any unoccupied buildings on said lands for mining purposes, and that he shall have the right to erect such buildings as he needs to carry on such mining operatins during the period of this lease, and that the party of the second part shall keep the same in as good condition as when received, unavoidable accidents excepted. And it is also agreed by the party of the second part that no unnecessary damage is to be done to the lands herein leased during the period of this lease and the continuance of said lease, but the said party of the second part shall have the right to take from said lands leased to the party of the second part any wood or timber the party of the second part may need to carry on said mining operations or which may be needed to carry on the addition to existing buildings or to erect new buildings or sheds on said lands. (Timber of high or special market value is excepted and shall not be used by the lessee.) And it is hereby agreed that the party of the second part, the lessee, is to have right-of-way of ingress and egress to said mines or land upon which exploration is being conducted.

AND IT IS FURTHER AGREED That the party of the second part, the lessee hereby agrees to pay to the said part of the first part, or his or their heirs or assigns, a rental royalty of 1/8

on the minerals taken and sold from said mines which shall be for the use of the said lands for the aforesaid period of five years. The said amounts shall be payable on the computation of selling bills on the tenth day of each month covering sales made during the previous month. Any minerals other than those set forth above which may be taken and sold shall be paid for and at the usual royalty rate of the minerals taken.

AND IT IS FURTHER AGREED That the lessee, the party of the second part, his heirs or assigns, shall have the option to renew this lease and to extend the period of its running for an additional five years from the date of its present termination. The option shall be exercised by giving formal written notice to the party of the first part or by the continuation of any mining operations then being conducted. The lessor reserve the right to use the land, or convey the same not conflicting with this lease, but under any conveyance the terms of this lease must be recognized by the grantee, purchaser, or assigns thereof. And it is agreed that the lessee may assign this mining lease or any part thereof and that he may sublease.

AND IT IS FURTHER AGREED That the lessee, the party of the second part, his heirs or assigns, is hereby given an option to purchase all the right, title and interest, legal and equitable to and in the real estate described and set forth in this lease for a total purchase price of _____, said purchase price to be paid in full within three years from the date of this instrument and it is agreed that all rental royalties paid to the party of the first part shall apply toward and be a part of the total purchase price above set forth, and that at such time that the total purchase price is paid in the form of royalties or a lump sum payment or a combination of both, the party of the first part will execute a special warranty deed to the party of the second part and that a tender of the remaining purchase price at any time within the next three years shall entitle the party of the second part to specific performance of this option contract.

BUT IT IS EXPRESSLY AGREED That unless mineral or fossil material of practical value for mining purposes shall be found within a period of two years from the date of this instrument, the lease may be terminated by the lessee at any time thereafter on thirty days notice to the lessor. The lessee agrees that during the period of this lease or the continuance of this lease work in said mines or exploration for new mines within the area leased shall not cease longer than ninety days at any one time, unavoidable accidents excepted.

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

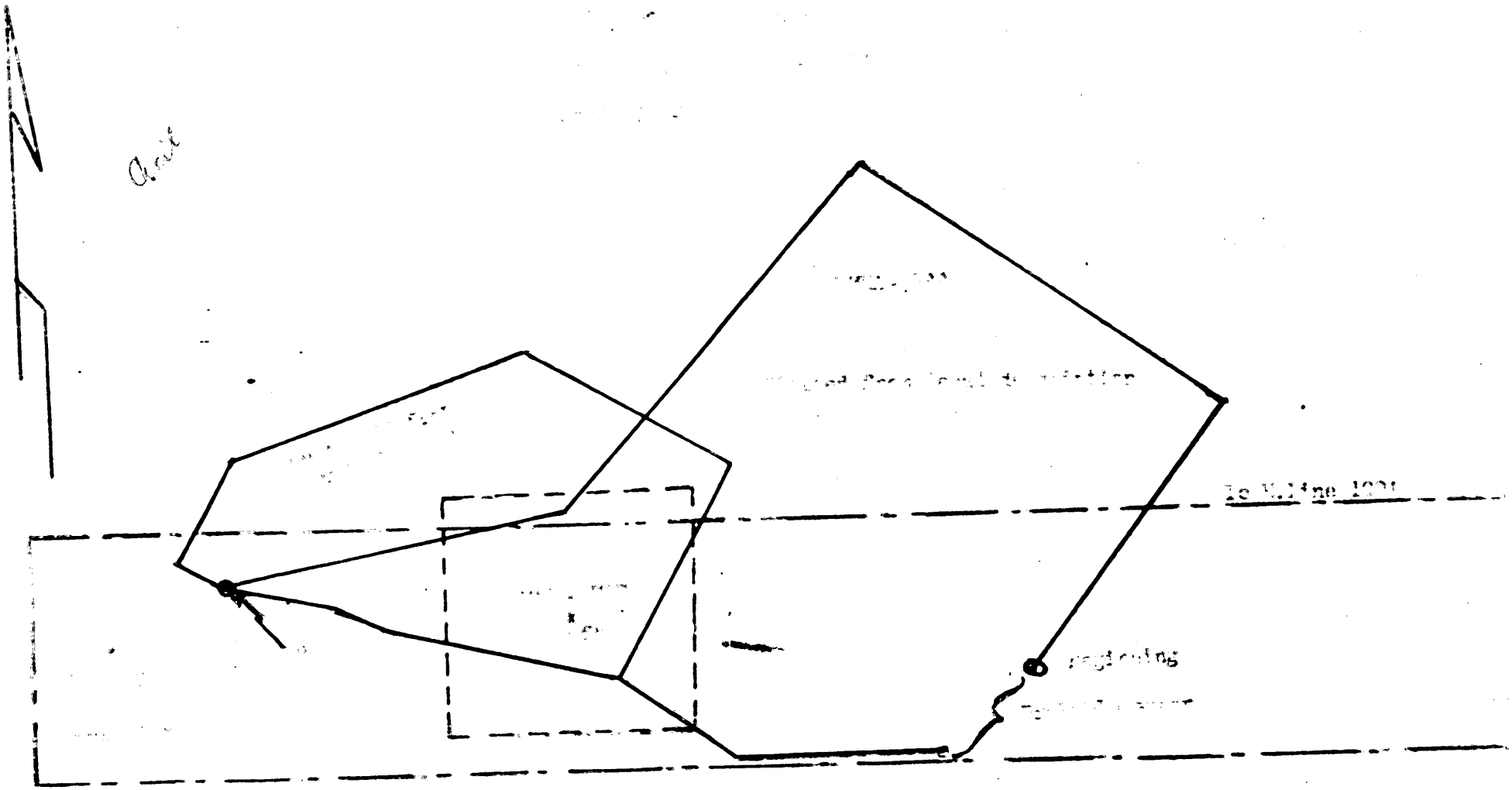
Witness: R. B. Phillips (Seal)

_____ _____ (Seal)

Kenneth R McKinney
Notary Public

_____ (Seal)

My Comm. Expires: 8/11/55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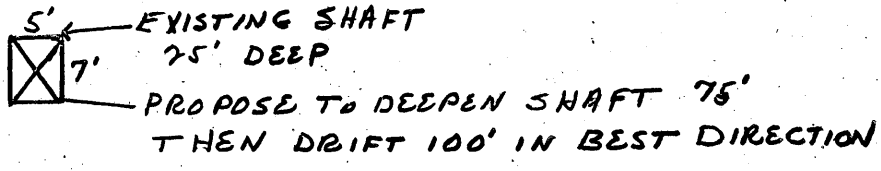
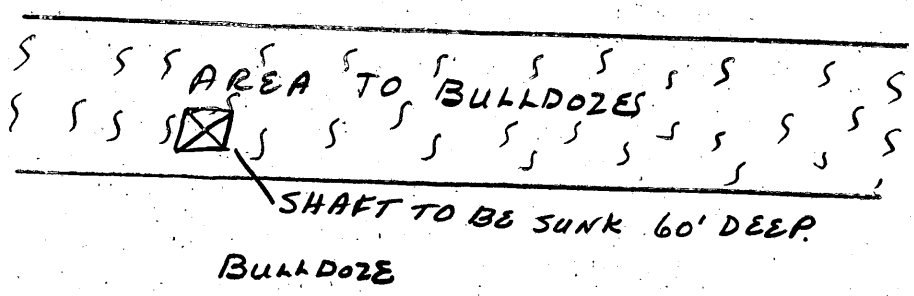
R. B. PHILLIPS PROSPECTS

PROSPECT #1



PROSPECT #2



PROPOSE TO BULLDOZE 100 HR. TO REMOVE OVERBURDEN FROM PEGMATITE AND FIND BEST SHAFT SITE.

PROPOSE TO SINK SHAFT AT MOST PROMISING LOCATION AND DRIFT 80' BEST WAY.

Project Summary Report

By: Walter C. Anderson June 20, 1955

1. Docket No. DMEA-3422 - Mica
Contract No. Idm-E726
R. B. Phillips Prospect
Mitchell County, North Carolina

Operator: Zeb Buchanan and W. R. Johnson, Partners
Bakersville, North Carolina
Application: Form MF-103 (April, 1952) received July 22, 1954
Work proposed: Two prospects.
Prospect No. 1: Bulldoze access road and shaft site, rehabilitate 25 feet of shaft, deepen shaft 75 feet and 100 feet of drifts.
Prospect No. 2: Bulldoze to remove overburden, 60 feet of shaft and 80 feet of drifts.
Amount Requested: $14,775.00
Operator's Property rights:
Mining lease on R. B. Phillips land covering 6 acres more or less for 5 years, dated July 20, 1954.
Owner's Consent to Lien, dated July 20, 1954.

2. Contract: Form MF-200A (June, 1954) dated October 11, 1954
Work Authorized:

Construct toolhouse, powder and exploder magazines	$116.00
Sink 40 feet of incline @ $45.00/ft.	1,800.00
Drive 60 feet of drifts and/or crosscuts @ $35.00/ft.	2,100.00
Estimated total cost of project	$4,016.00
Government participation @ 75%	$3,012.00

Amendments: No. 1, 3/30/55. Extends completion date from 6 months to 9 months.

Work completed: Same as authorized.

Work began on October 25, 1954, and was completed April 29, 1955.
Following are mica sales during the project:

Trimmed sheet mica	2,029.09 lbs.	$34,880.24
Punch mica	4,650 lbs.	231.50
Scrap mica	66,977 lbs.	285.97
Hand cobbed mica	8,049 lbs.	2,932.20

Field Team Final Report received May 13, 1955

Operator's Final Report received May 13, 1955

No equipment purchased under the contract.

3. Audit:

Report of Review issued May 17, 1955

Accepted cost	$4,016.00
Government participation	$3,012.00

#1004

4. Certification of Discovery issued June 29, 1955

Reserves – Indicated : 180,000 pounds "mine run" mica
Interred : 500,000 pounds "mine run" mica

5. Comments:

How conducted: All of the work in which the Government was conducted in a very satisfactory manner.

Operation: Good

Engineering: Reporting by Operator was good. The final Operator's report gave a well detailed and accurate account of the project.

Geological Premise: The premise that the pegmatite was large enough and sufficiently rich in mica to warrant exploration assistance proved correct as at the time of this writing, the Government participation has been repaid in royalties.

Geological Criteria upon which work was based:

1. Unzoned, conformable pegmatite 4 to 6 feet thick and 150 feet long.
2. Mica - green, hard, flat and splits well.
3. Past production

Geological Criteria developed during project:

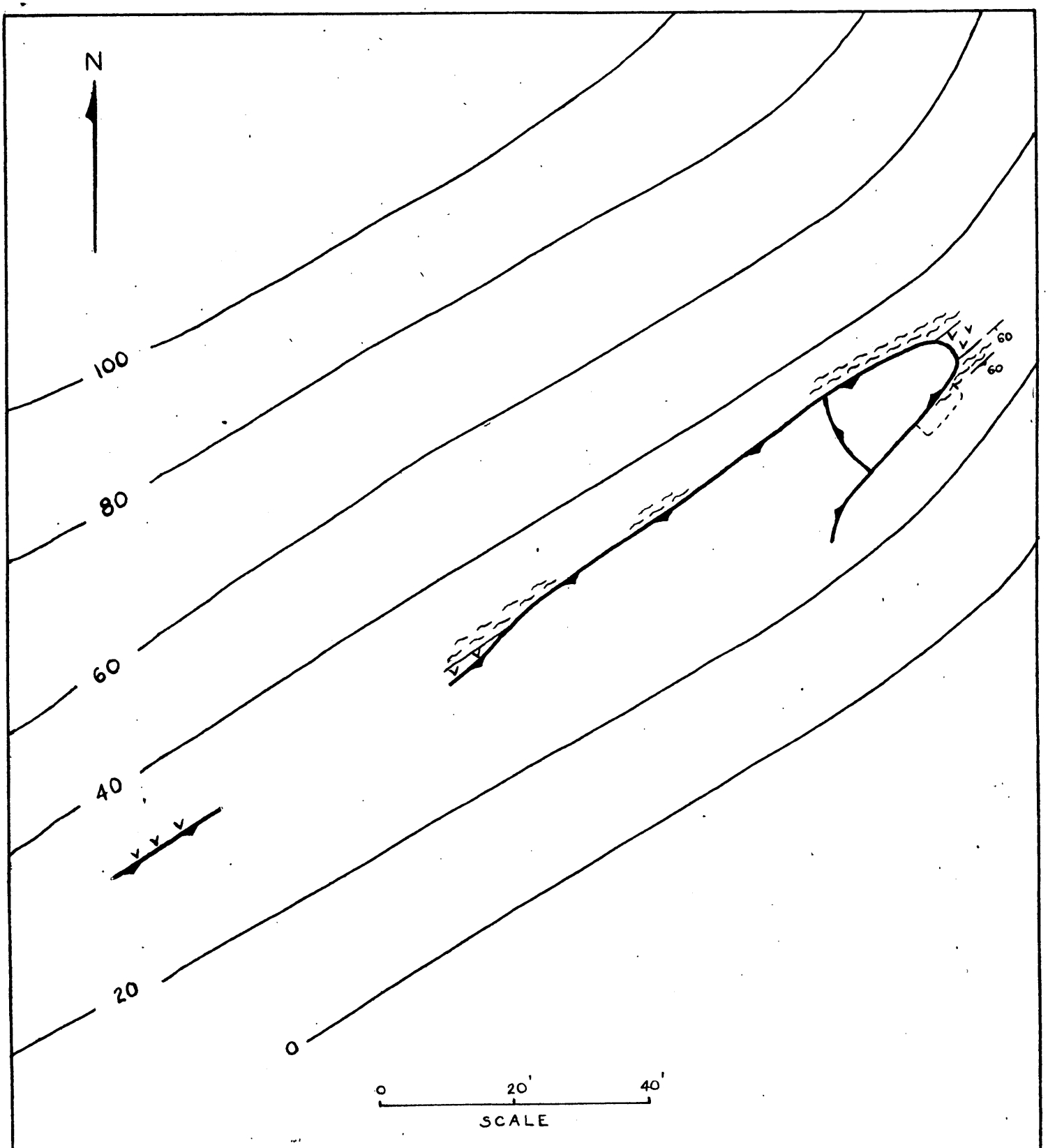
1. Unzoned, conformable pegmatite 4 to 6 feet thick and at least 150 feet long.
2. Mica - abundant, green, flat and "flat-A", relatively clear of staining. Defects - reeves, cracks, tied character and mineral inclusions.
3. Sales of mica during project

Future Prospects: Good; mining currently conducted on a 2-shift basis. Daily production - 2000 lbs "mine run" mica.

Recommendations: The Nonmetallic Minerals Division concurs in field team's recommendation that a certification of discovery or development should be issued. The commodity specialists of the Geological Survey and Bureau of Mines are in agreement.

Walter C. Anderson

Walter C. Anderson, Mining Engineer



SKETCH OF
R.B. PHILLIPS PROS.
MITCHELL CO., N.C.

DMEA-3422 (mica)

☑ Audited 5/17/55 ANALYSIS SHEET - DMEA PROJ ☐ Actual Cost

☑ Certified 6/29/55 Analysis as of 5/13/55 ☐ Agreed Unit Costs

Incl. Voucher for Apr. 55

Name Zeb Buchanan & R.R. Phillips Docket No. 3422

State North Carolina Commodity Mica Idm-E No. 726

OPERATION	AUTHORIZED Units	AUTHORIZED Cost	COMPLETED Units	COMPLETED Cost	NET COST
Drifting & Crosscutting	60	2100.00	60	2100.00	2100.00
Raising					
Shafts	40	1800.00	40	1800.00	1800.00
Winzes					
Drilling (Specify)					
Surface Excavation					
Underground Excavation					
Roads and Trails					
Operating Equipment Purchased					
Surface Rehabilitation & Repairs					
Underground Rehabilitation					
New Building, Improvements, etc.		116.00		116.00	116.00
Other (Specify)					
Totals		4,016.00		4016.00	4016.00

Prepared by [signature]

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

RECEIVED JAN 25 1960

DATE		
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"	[illegible]	[illegible]
		[illegible]
		[illegible]

[illegible] 1960

Memorandum

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

From: OME Field Team, Region V - Knoxville, Tennessee

Subject: Mica production of certain DMEA projects.

As requested in Mr. Johnson's memorandum of January 13, the best available data on production of 14 DMEA projects have been compiled, and are presented in the table which accompanies this memorandum.

We would suggest addition of three more projects to the list, as they made significant contribution to the total purchased by DMEA. These are: -

DMEA No.	Mine	Trimmed Mica Pounds	Trimmed Mica Value	Hand cobbed Pounds	Hand cobbed Value
1876	Cattail	9820.[illegible]	$149,957.57	----	---
2377	Self	1814.10	35,195.34	65,493.00	*
2917	Gilman Cove	3764.52	64,526.99	—	—
4337	Hawk	3689.30	68,589.12	—	—

* Value included with trimmed mica; not available separately.

Robert A. Laurence
Robert A. Laurence,
Executive Officer, OME-Region V

W. J. Lynch
W. J. Lynch, Member
Bureau of Mines

MICA PRODUCTION OF CERTAIN [illegible] PROJECTS

[illegible] No.	[illegible] Name	Trimmed Mica Pounds	Trimmed Mica Value	Hand Cobbed Pounds	Hand Cobbed Value	REMARKS
1388	[illegible]ins	1365	$20,377	533,869	$122,724	Not operating
[illegible]	[illegible] Hill	18,622	$37,004	---	---	Not a certified project. No hand cobbed mica sales reported.
[illegible]	Sinkhole	73,820	$1,144,881	15,266	---	Mine still operating
[illegible]	Elk	8,132	$1[illegible],628	14,461	$19,694	Not operating.
[illegible]	[illegible]la Bowers	20,595	$207,101	---	---	No hand cobbed sales reported
[illegible]	[illegible]. Thad[illegible] [illegible]rsons	2,257	$ 37,947	2,000	---	Value of hand cobbed mica included in trimmed mica.
	[illegible]	[illegible]	$2,[illegible]	[illegible],930	$1,118	Not operating
	[illegible]. Roop[illegible]	11,506	$138,087	180,932	$152,946	Not operating
[illegible]22	[illegible]. H. Phillips	48,868	$841,104	145,169	---	Value of hand cobbed included in with trimmed.
[illegible]	[illegible]. Howell	14,750	$240,667	56,214	$176,772	Not operating
[illegible]74	[illegible]gus	5,018	$ 67,678	95,114	$ 25,055	Not operating
[illegible]56	[illegible]arris	15,039	$192,8[illegible]8	8,240	1,475	Not operating
[illegible]	[illegible]ylor	9,281	$116,254	158,717	---	Still operating. Value of hand cobbed included with trimmed.
[illegible]	[illegible]anner	38,540	$624,734	---	---	Still operating. Only trimmed mica sold.

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O. M. E.
RECEIVED FEB 26 1959

DATE	INITIALS	CODE
2/26	C	220
"		110
"		800
2/27		600
		225

EXPLORATION PROJECT CONTRACT

SEMI-ANNUAL REPORT OF CERTIFIED PROJECT

DMEA-3422, Idm-E726-mica

R. B. Phillips Mine, Mitchell County, N. C.

Reporting Period: 7-1-58 to 1-1-59. Date Examined: ~~1-29-59~~.

Operator: Zeb Buchanan and W. R. Johnson, Partners
Bakersville, North Carolina

Repayment of the Government's participation in this contract amounting to $3,012.00 was completed June 2, 1955.

It is reported that the Operators are presently robbing the pillars in preparation to abandoning the mine.

Tabulation of the sales this period and total to date are listed below:

Production DMEA ore (this period)	Type Mica	Pounds	Value
	Sheet	1,270.35	$20,550.38*
	Hand cobbed	26,107.00	4,971.37**
	Punch	3,400.00	102.00
	Scrap	12,455.00	174.36
	Total.....	43,232.35	$25,798.11
Production DMEA Ore (Previous)			
	Sheet	21,855.80	356.758.13
	Hand cobbed	416,430.00	322,265.00
	Punch	44,632.50	2,779.26
	Scrap	260,077.00	3,543.10
		742,995.30	$685,345.49
Production DMEA ore (to date)			
	Sheet	23,126.15	377,308.51*
	Hand cobbed	442,537.00	327,236.37**
	Punch	48,032.50	2,881.26
	Scrap	272,532.00	3,717.46
	Total.....	786,227.65	$711,143.60

* Includes final settlement on two sales not reported on last interim report and does not include final settlement on last four sales.

** Includes final settlement on two sales not reported on last interim report and does not include final settlement on five sales

W A Beck

Wm. A. Beck, Mining Engineer
Bureau of Mines (OME)

DMEA

SEMI-ANNUAL REPORT OF CERTIFIED PROJECT

on Phillips

DMEA-3422, Idm-E726 (mica)

R. B. ROBINSON MINE, Mitchell County, N. C.

Reporting Period: January 1, 1958 to July 1, 1958.

Date of Examination: July 31, 1958.

Operator: Zeb Buchanan and W. R. Johnson, Ptnrs. Bakersville, N. C.

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DMEA
RECEIVED AUG 25 1958

DATE	INITIALS	CODE
8/25	C	220
8/26	Com	100
	JJ	110
8/27	EEF	800
8/28	Hook	600

Repayment of the Government's participation in this contract amounting to $3,012.00 was completed June 2, 1955.

When the mine was visited on July 31, 1958 operations were being conducted to the northeast from the 40-foot level of shaft No.2. They were then about 80 feet from the Arnold Young line. In the near future it is planned to sink shaft No.3 to a greater depth.

Below are the production figures from this mine to date. These figures include mica sold by the Operators and that sold to the Government Mica Buying Depot by people working the dumps.

	Type mica	Pounds	Value
Production DMEA Ore (this period)	Sheet	2,956.86	$45,443.49*
	Hand cobbed	43,335.00	11,145.05**
	Punch	7,498.00	410.60
	Scrap	28,505.00	399.06
	Total....	82,294.86	$57,398.20
Production DMEA Ore (Previous)	Sheet	18,898.94	$311,314.64
	Hand cobbed	373,095.00	311,119.95
	Punch	37,134.50	2,368.66
	Scrap	231,572.00	3,144.04
	Total...	660,700.44	$627,947.29
Production DMEA Ore (to date)	Sheet	21,855.80	$356,758.13*
	Hand cobbed	416,430.00	322,265.00**
	Punch	44,632.50	2,779.26
	Scrap	260,077.00	3,543.10
	Total...	742,995.30	$685,345.49

* Does not include final settlement on last two sales of sheet mica.
** Includes final settlement on one sale not reported on last interim and does not include final settlement on two sales of hand cobbed mica.

W. A. Beck

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

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DMEA Project Blossoms into Best U.S. Mica Mine

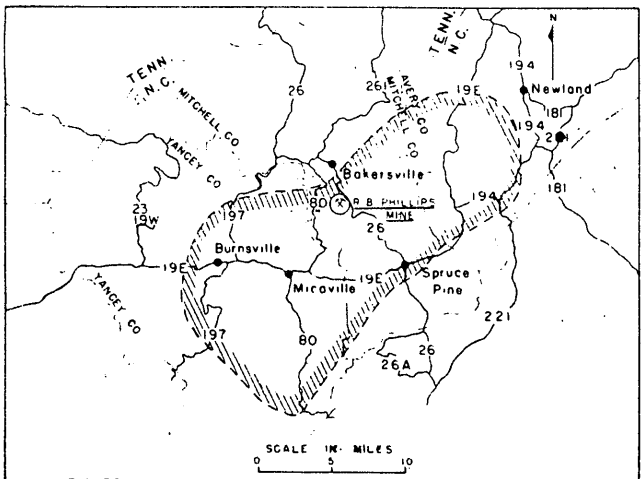


FIGURE 1 LOCATION MAP OF SPRUCE PINE DISTRICT SHOWING R B PHILLIPS MINE PROPERTY

These Were the Guides . . . . . .

Known but unexplored pegmatites may contain significant amounts of sheet mica.

Mica-rich shoots have the same attitude as major linear features of country rock.

Favorable areas are those underlain by hornblende gneiss and mica schist.

Drag-folded and faulted layers are logical places to search for blind pegmatites.

By Dewey H. Amos

A successful project for the exploration of strategic mica conducted under the Defense Minerals Exploration Administration program was completed by a partnership of Messrs. Zeb Buchanan and W. R. Johnson. It was done on a relatively unexplored pegmatite exposed on the R. B. Phillips property in the Spruce Pine district of western North Carolina.

Mining subsequent to and as a direct result of the exploration has yielded the largest production of strategic sheet mica from any single mine in the United States in recent years.

The R. B. Phillips mine is in Mitchell County near the central part of the northwestern margin of the Spruce Pine pegmatite district. The location of the mine is shown in Figure Nos. 1 and 2.

Mica In The Pegmatites

Muscovite generally constitutes two to eight percent of the pegmatite. In some, the individual crystals of muscovite when trimmed may be too small to yield commercial trimmed sheet mica. The minimum size acceptable must have an area of 1.0 square inch and a minimum one side dimension of at least three-fourths of an inch. In other bodies most of the muscovite is large enough to yield sheet mica. The crystals are generally larger in the thicker portions of a body than in the thinner parts.

Pegmatites within a limited area in the district commonly contain muscovite of the same prevailing color (Olson, 1944, pl. 2). Commercially, two colors are recognized, ruby (red rum), and nonruby (green, rum, light brown). Rarely are micas of two colors present in the same pegmatite. Those containing nonruby mica generally have a greater percent of potash feldspar and more sodic plagioclase than those that contain ruby mica. Pegmatites closely associated with alaskite invariably contain green muscovite.

What Makes Mica Commercial

The quality of sheet mica for commercial purposes depends largely on the amount of mineral inclusions (staining), air inclusions, the degree of flatness, and the color. Mineral inclusions occur intergrown with the muscovite or between cleavage planes. The most common minerals which occur as inclusions are biotite, quartz, magnetite, hematite, garnet, plagioclase, apatite, clay minerals and the alteration products of biotite, and the iron oxides. Stained muscovite is more prevalent in pegmatites which occur in the peripheral areas of the district, especially in bodies having alaskite or hornblende gneiss wall rock. Ruby muscovite is currently of more value than nonruby varieties of equivalent quality and size. Muscovite which does not split into flat cleavage surfaces cannot be fabricated and can be marketed only as scrap mica.

Curved cleavage surfaces result from post-pegmatite movement and are most common in bodies at the northeast and southwest ends of the district. Distortion of the muscovite by rock movement may also produce ruling of the crystals into many ribbon-like strips parallel to glide cleavages. If these strips are too narrow, sheet mica cannot be recovered.

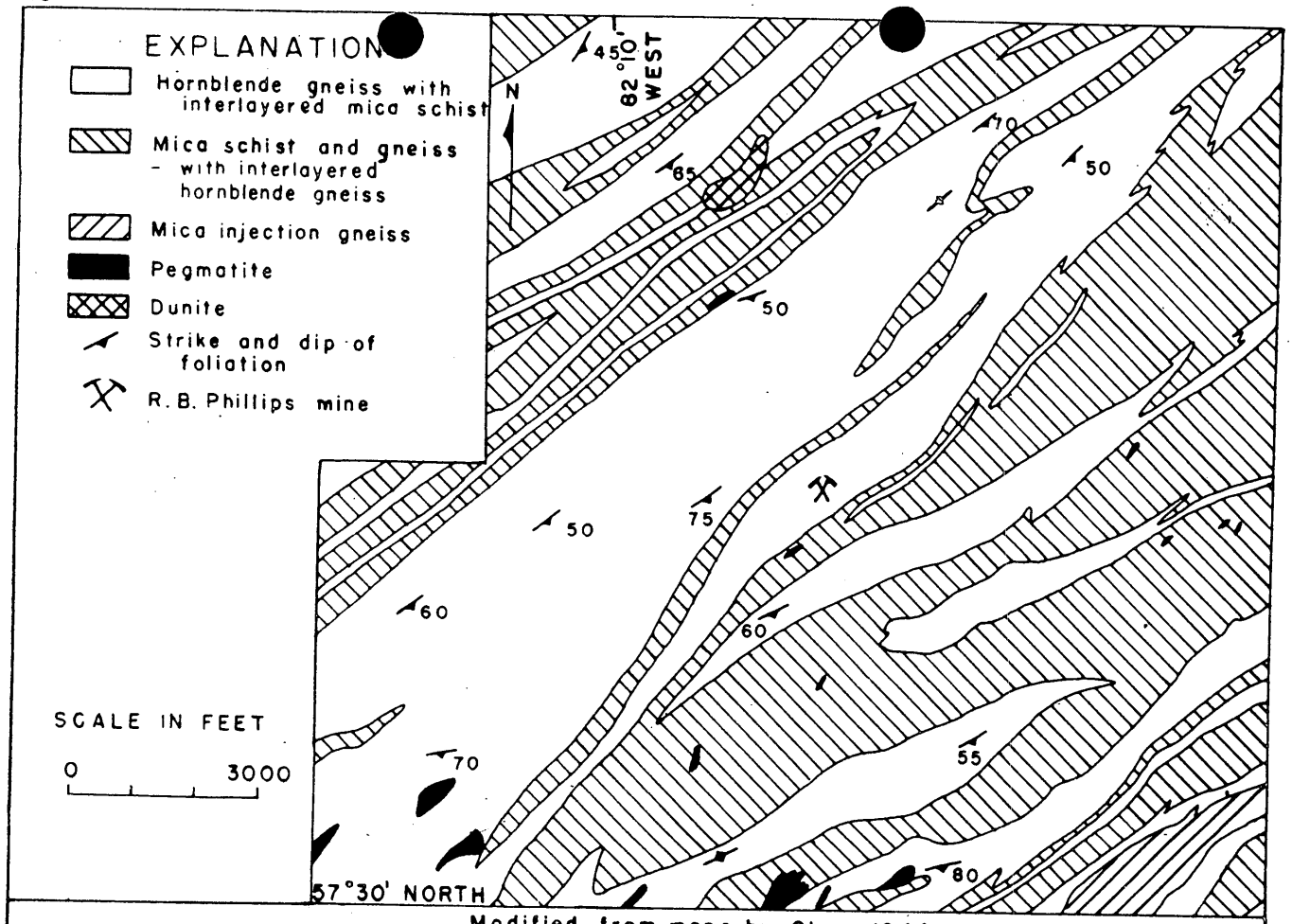
Other features possessed by muscovite which greatly lower the value of "mine-run" mica are A-structure and wedge-structure. Such structures originated at the time of crystallization. A-structure refers to cleavage imperfections called reeves or ridges that intersect at an angle of about 60°. Such a feature is probably a twinning phenomenon. Crystals with A-structure which are thicker at one end than at the other are said to possess a wedge-structure. The presence of A- or wedge-structure greatly reduces the yield of sheet mica. Normally most of the muscovite in an individual body is of one habit, either it does or does not possess these structures. They are more common in green muscovite than in mica of other colors.

Favorable Exploration Target

Privately financed prospecting of the R. B. Phillips mine was undertaken in early 1954. Natural outcrops were enlarged by excavations several

Mr Amos is a geologist for the United States Geological Survey with headquarters in Carbondale, Illinois. He is also an assistant professor of geology at Southern Illinois University. Publication of this article has been authorized by the director of the Survey.

This article was prepared in cooperation with the Defense Minerals Exploration Administration.



Modified from maps by Olson, 1944 and Parker, 1952.

FIGURE 2. GEOLOGIC MAP OF THE R. B. PHILLIPS MINE AREA

shallow trenches and pits were made at places along the strike, and a 25-foot incline was sink down the dip. These prospect openings and the outcrops gave discontinuous exposures for about 200 feet along the strike and showed that the width of the pegmatite ranged from four to six feet.

In July 1954 the operators obtained a lease on the prospect and applied to the Defense Minerals Exploration Administration for assistance in financing exploration. The application proposed that an exploratory incline be sunk and that exploratory drifts be driven from the bottom of the incline.

Field examiners of DMEA, after an inspection of the property and a study of the local geological features, recommended that financial assistance for exploration be granted. This recommendation was based largely on a consideration of the detailed local geology and on a knowledge of the characteristics of the sheet mica pegmatites of the district. Several features indicated the possible presence of a deposit of strategic sheet mica whose feasibility for mining could be determined at a very modest cost. Features which indicated that the pegmatite offered a favorable exploration target were:

1. Location of the pegmatite in one of the most favorable areas of the leading strategic mica district in the country.

2. Exposure along strike for about 200 feet, which probably indicated considerable continuity with depth.

3. Concordance with layering and foliation of the enclosing country rock. Concordant pegmatites generally have greater length, depth and regularity of shape than discordant bodies.

4. Presence of mica schist wall rock immediately adjacent to the body. Mica in pegmatites with hornblende-bearing wall rock is commonly badly stained.

5. Exposed thickness (four to six feet) of minable width. Such a thickness enables mining without the expense of blasting and handling large amounts of wall rock.

6. Presence of muscovite of excellent quality in the surficial exposures. Flatness of the cleavage surface, relative absence of mineral staining, and unusual thickness of the crystals normal to the basal cleavage indicated that processing losses would be much less than normal.

7. Mineral composition and texture identical to that of other pegmatites in the district which are large producers of sheet mica. Abundance of perthite, not albite-oligoclase, and the coarse crystals, or absence of potash feldspar, are characteristic of the major sheet mica producing bodies of the district. The absence of mineralogical or textural zoning other than a very thin border zone (Cameron and others, 1949, p. 24) of fine-grained pegmatite indicated that the entire width of the body might be productive and that selective mining of certain zones would not have to be undertaken in any thick portions of the body.

8. Lack of any evidence of post-

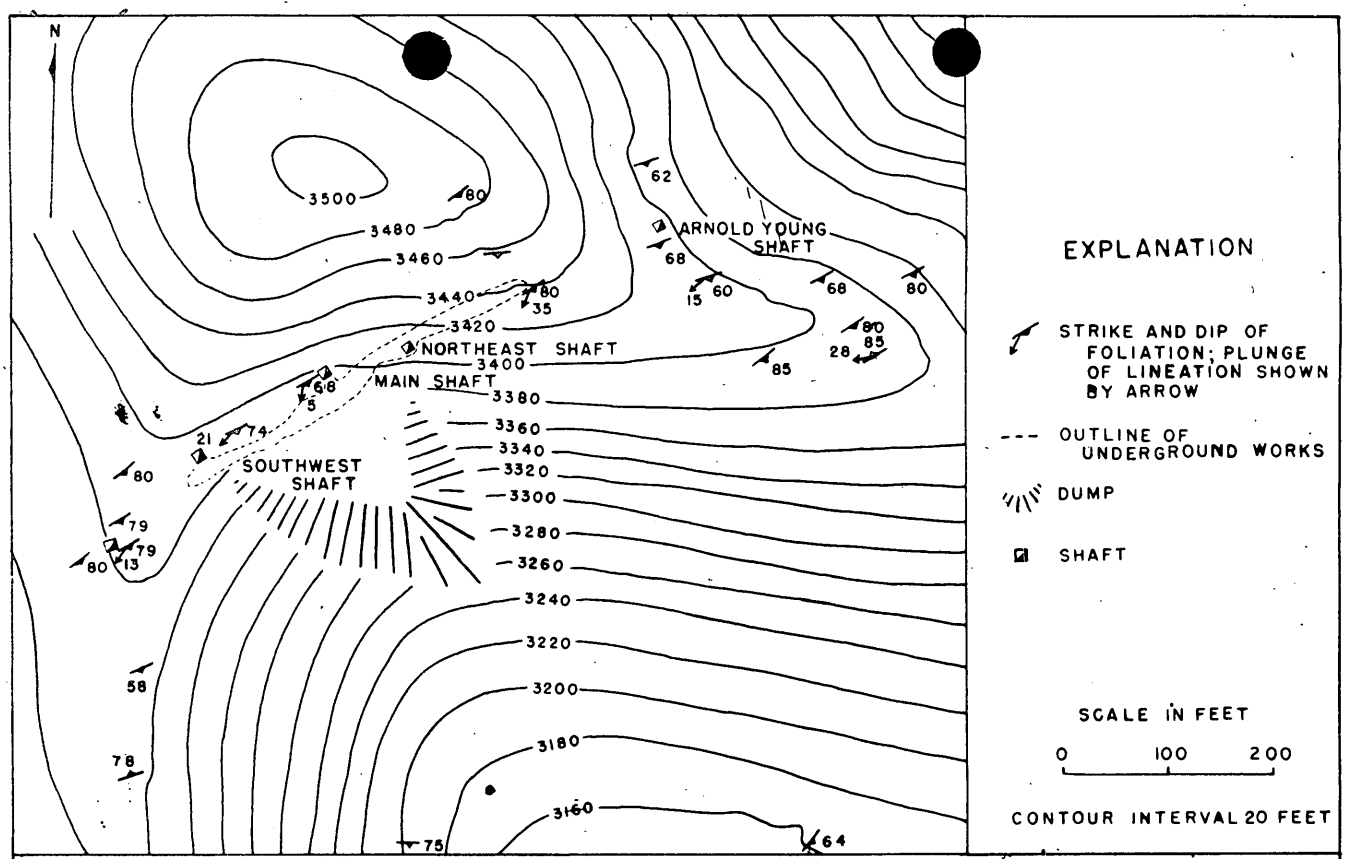


FIGURE 3. MAP OF R. B. PHILLIPS MINE AREA

pegmatite deformation and faulting. Such deformation and faulting is responsible for curved cleavage surfaces and ribboned (ruled) mica. In addition, the extent at depth of some pegmatites is limited by faults which may displace part of the bodies.

Alternative methods of exploration were considered but were rejected in favor of driving underground openings on the pegmatite as proposed in the application. In any appraisal of an untested pegmatite for its sheet mica value, bulk samples of "mine-run" mica are required to determine quality and processing characteristics. The necessity of determining quality as a part of exploration precluded exploratory drilling which would give little indication of quality. Omission of the incline and substitution of an adit which could be driven in a northwest direction from the steep slope southeast of the pegmatite was considered (figure No. 3). Such an adit would not permit a three dimensional sampling of the body. This sampling was regarded as very important, as the attitude of the linear features of the country rock suggested that any shoots or thickened portions would probably have very small angles of rake. The possible presence of mica-rich shoots could be most effectively investigated by an exploratory incline down the dip of the body.

Exploration Yielded Profit

Work under the DMEA contract began on October 25, 1954 and was completed on April 29, 1955. It consisted of extending the existing 25-foot incline an additional 40 feet and driving a total of 60 feet of drifts from the bottom of the incline. The incline, 5 by 12 feet in cross section, was sunk with the long dimension parallel to the strike of the pegmatite; drifts were driven 5 by 7 feet in cross section. The openings were confined entirely to pegmatite where possible. Hoisting of broken rock was done with a temporary boom and straight leg. Timbering was not required in any of the underground openings and it was necessary to pump only about 500 gallons of water per day. The exploratory work was accomplished with a crew of four to five men (two to three underground) working one shift per day. Work was curtailed during parts of the winter season. As considerable mica could be recovered while driving exploratory openings, the advance per shift was purposely slowed in order to prevent damage to the muscovite by blasting.

The DMEA contract specified that the operator was to accomplish the incline sinking at a cost of $45.00 per foot and the drifting at a cost of $35.00 per foot. The government reimbursed the operators for 75 percent of this cost. The government's contribution was to be repaid as royalty from production at a rate of 5.0 percent of gross sales if the exploration resulted in a discovery.

During exploration, mica was recovered as the openings were advanced and was processed and sold in small lots in order to determine quantity and quality distribution. The mica recovered from the exploratory work (about 12,000 pounds of "mine-run" mica) had a value, when processed, in excess of $25,000; thus, exploration alone actually yielded a considerable profit.

After completion of the exploration contract, mining operations were undertaken. The exploratory drifts were extended and stoping was conducted from the drift level. Underhand stoping (by benching) and overhand stoping were conducted simultaneously (see Figure Nos. 4 and 5). Concurrent use of underhand and overhand stoping is possible because all

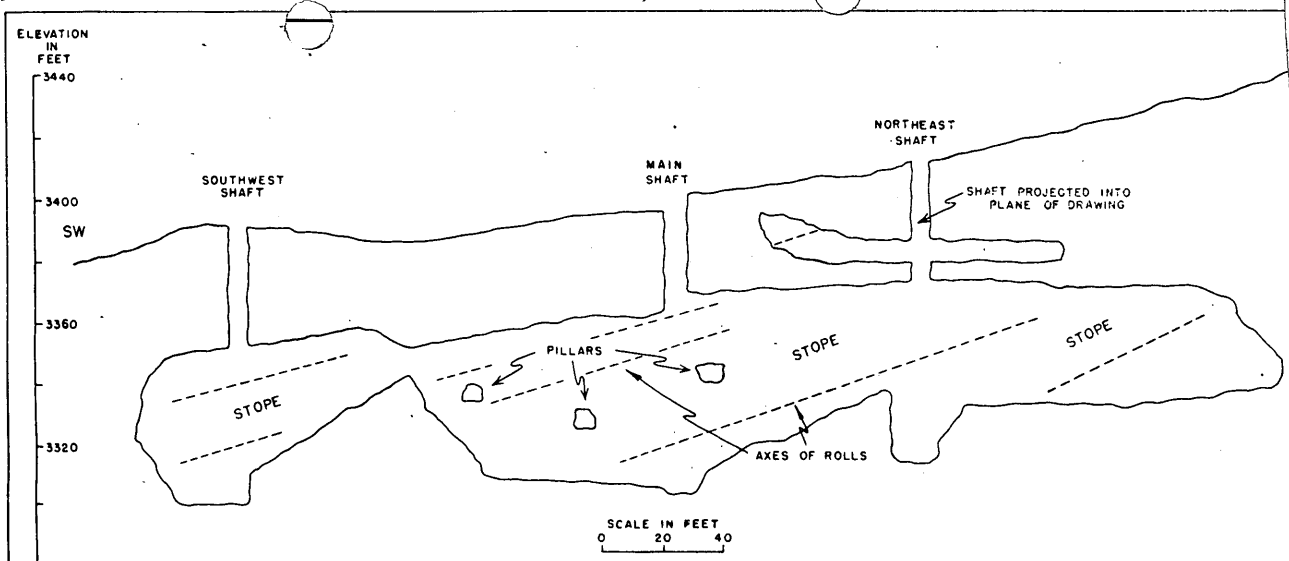


FIGURE 4. LONGITUDINAL SECTION OF R.B. PHILLIPS MINE

broken rock is moved to the surface in order to separate the mica by hand. The entire pegmatite, except for pillars, is stoped. The minimum stope width possible is about four feet; where the pegmatite is less than this width adjacent wall rock is removed, preferably from the footwall. An irregular pattern of pillars is left for support; normally these are in areas of mica-poor pegmatite.

Two additional shafts have been sunk northeast and southwest of the exploratory incline (Figure No. 3) to improve ventilation and to facilitate handling of broken rock.

Mining operations have been conducted continuously since completion of the work done under the DMEA contract. Operations have been on a one-shift basis with five or six men, including two surface workers. A total of 737,555 pounds of "mine-run" mica having a value of $678,694 was recovered to June 1, 1958 from the exploratory work and from the subsequent mining. A breakdown of the amount of each type of mica produced in this period is shown in Table No. 1.

The sheet and hand-cobbed production were sold to the local United States government Mica Purchase Depot and the punch and scrap mica was disposed of through local commercial outlets. The quality and size of the sheet mica production sold as full-trimmed mica are given in Table No. II.

During this same period about 53 percent of the trimmed sheet mica produced from the Spruce Pine district was a "good stained" and "better" quality and about 39 percent was of "stained" grade. Also, about one percent of all trimmed sheet mica in this period was No. 3 and larger in size and approximately 15 percent was No. 4 and No. 5 in size.

A breakdown of the qualities of the hand-cobbed mica after processing by the government is given in Table No. III.

Table No. I

Phillips Mine Mica Production by Types[1]

Type	Number of Pounds
Sheet, full trimmed	21,426
Hand cobbed	406,915
Punch	41,899
Scrap	267,315
TOTAL	737,555

1. The sheet, punch, and scrap mica obtained from the processing of the hand-cobbed mica is not included, as complete figures are not available.

Geologic Results

The country rock at the mine is largely thinly layered hornblende

Table No. III

Quality of Full-Trimmed Mica Processed from Hand-Cobbed Mica Mined at R. B. Phillips Mine

Quality	Percent 3-Quality Program	Percent 2-Quality Program
Good stained and better	53.2	81.9
Stained	33.3	18.1
Heavy stained	13.5	N.A.

N.A. Not available.

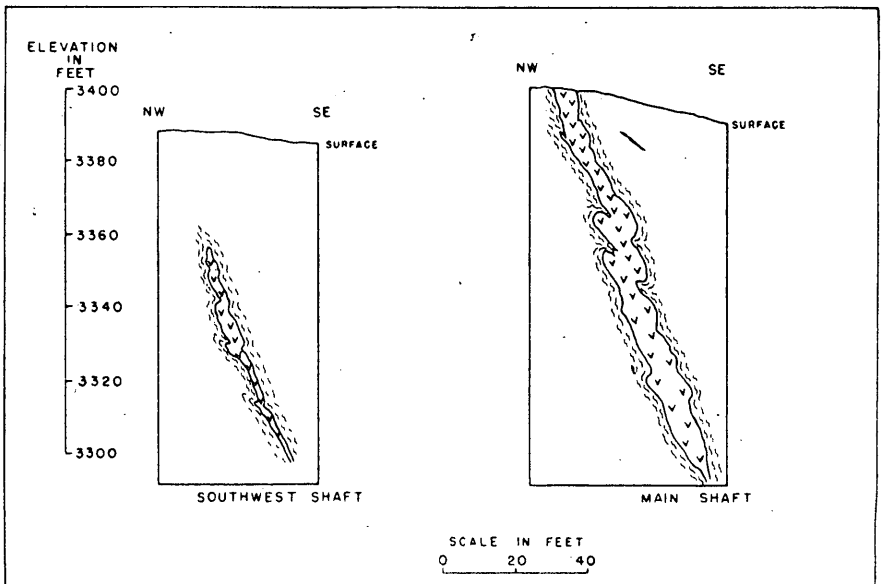


FIGURE 5. CROSS SECTIONS OF R B. PHILLIPS PEGMATITE

Table No. II

Quality and Size of Sheet Mica Sold as Full-Trimmed Mica from R. B. Phillips Mine

Quality	Grade: Number 3 and Larger, Percent	Numbers 4 and 5, Percent	Numbers 5½ and 6, Percent	Total Percent
Good stained and better	0.3	10.9	57.9	69.1
Stained	0.1	3.1	21.7	24.9
Heavy stained	0.0	0.2	5.8	6.0

Grade	Area of Minimum Rectangle, Square Inches	Minimum Side Dimension, Inches
No. 6	1	¾
No. 5½	2¼	⅞
No. 5	3	1
No. 4	6	1½
No. 3 and larger	10	2

gneiss (Figure No. 2). Thin bands of mica schist and gneiss are interlayered with the hornblende-bearing rock. A layer of mica schist about 18 inches wide occurs along both walls. It is coarser grained than rock of similar mineralogical composition in the area which is not in direct contact with any pegmatite body. Foliation, generally well developed, is parallel to the layering which strikes N. 55 to 60° E. and dips 65 to 80° southeast. Several linear features are persistent in the country rock of the area. Most common are parallelism of the axes of minor folds, parallelism of axes of crinkles on foliation planes, orientation of the long direction of quartz pods, and orientation of the long dimension of certain mineral grains, especially hornblende. The more pronounced linear features plunge at low angles (15 to 35°) to the southwest. Locally, poorly developed lineation which plunges at high angles (60 to 75°) to the southwest occurs associated with the prominent gently plunging linear features.

Sharp contacts which are not frozen occur between the pegmatite body and the wall rock. Thickness of the body ranges from about six inches to approximately 20 feet. The thicker portions ("rolls") are cigar-shaped and plunge at low angles (12 to 20°) to the southwest (Figure Nos. 4 and 5). They are parallel to the main lineation of the enclosing country rock. At least five prominent "rolls" and two poorly-developed ones are recognizable in the present underground openings. All tend to pitch out down the long axis about 100 feet from the surface.

The body has a medium-grained pegmatitic texture (grains one to four inches in longest dimension) which is of a uniform character except for a thin, fine-grained border zone along both walls. Thicker portions tend to be slightly coarser grained than the remainder. Oligoclase (An_{23-28}), quartz, muscovite, and microcline-perthite are the main mineral constituents. Oligoclase constitutes about 55 to 70 percent; quartz, 20 to 30 percent; and muscovite, two to eight percent. Sparse amounts of apatite, garnet (probably almandite), and greenish sericite occur rather uniformly disseminated throughout all of the body except in the border zone.

The muscovite is green and relatively free from mineral inclusions; most of the books are flat. Individual crystals are much thicker than those normally present in the other pegmatites of the district; the dimension normal to the basal cleavage is often equal to or greater than the diameter measured parallel to the cleavage. A- and wedge-structure are not present. Some muscovite in the southwestern end of the main stope (Figure No. 4) is ruled and some has curved cleavage surfaces which indicates that it has, in part, undergone post-pegmatite deformation. Crystals tend to be oriented especially in thin parts of the body, where the basal cleavage is normal to the contact. Muscovite is much larger and slightly more abundant (four to eight percent) in the "rolls" than elsewhere in the pegmatite (two to six percent). A little more than one-half of the mica in the body between the "rolls" is too small to yield sheet mica when trimmed. Even though mica of sheet quality and size shows a marked concentration in the "rolls," the remainder of the body also contains mica of economic value.

Drag-type folds occur in the mica schist adjacent to the larger "rolls" of the pegmatite. (Figure No. 5). Small inclusions and thin septae of the wall rock are present in the pegmatite near such folds. The thickness of the "rolls" and of the drag-type folds have been accentuated by post-pegmatite shearing. These displacements are parallel the strike but dip at a lower angle (about 45°) than the body. Only minor ruling and deformation of the mica near the shearing is evident.

The presence of sharp contacts which are not frozen suggests that the pegmatite body may have been emplaced along a fault. This is further indicated by the drag-type folds present in the wall rock. Orientation of the folds suggests a gravity-type displacement along the fault. The thicker portions "rolls" probably represent filling of the larger openings formed by movement along an irregularly curved fault plane. Consistent parallelism of the long axes of the "rolls" and the major linear features of the country rock suggests both are a result of the same forces. As the orientation of the drag-type folds denotes tensional stresses, the faulting apparently occurred during relaxation of the forces responsible for the major lineations present in the country rock. The pegmatite was probably emplaced during the period of faulting. The similarity of the R. B. Phillips pegmatite to many others in the north-central part of the Spruce Pine district suggest that most were emplaced along faults. Such faulting was apparently restricted chiefly to the less competent mica schist and gneiss interlayered with the hornblende gneiss country rock and explains the presence of mica-bearing wall rock along most of the pegmatites of the district which occur in metamorphic rocks.

END

Acknowledgments

The writer is grateful to Messrs. Zeb Buchanan and W. R. Johnson, operators of the R. P. Phillips mine for permission to use production data published in this paper. Thanks are due to Mr. Victor J. Lynch, U. S. Bureau of Mines member of the DMEA field team, Region V, and to the following persons associated with DMEA who contributed to the mapping and the accumulation of geologic data: Messrs. Kefton H. Teague, Lawrence E. Shirley, Frank G. Lesure, Sheldon C. Bergman, Alfred R. Taylor, Stanley Feitler, and Juan Pilac.

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Operating Comm.

FILE COPY
DMEA
RECEIVED AUG 18 1958

DATE	INITIALS	CODE
8-18	J.G.	225
8/18	[illegible]	810
8/19	[illegible]	600

August 15, 1958

Mr. Zeb Buchanan

Bakersville, North Carolina

Re: DMEA-3422 (Mica)
Zeb Buchanan and W. R. Johnson
R. B. Phillips Mine
Mitchell County, North Carolina
Contract No. Idm-E726

Dear Mr. Buchanan:

On May 3, 1957, Mr. C. O. Mittendorf wrote you, suggesting that you might wish to prepare an article for publication in "Mining World" describing the DMEA exploration contract at the R. B. Phillips mine. It is my understanding that, while you and your partners did not wish to prepare such an article, you would have no objection to publication of the data concerning the project.

Because the R. B. Phillips project was one of DMEA's more successful projects, I think a published description of the work and its results, would be of special interest to the mining industry.

Therefore, Mr. Dewey Amos, of this office, has prepared a brief article describing the geology and the exploration project, which we plan to submit to the editor of "Mining World" for publication, crediting Mr. Amos with authorship, providing that you approve of the release of the data.

I am enclosing a copy of the portions of the report which are derived from the DMEA project and which specifically refer to the R. B. Phillips property. Two cross-sections are included. Please let me know at your earliest convenience, if you are agreeable to the release of this information in the magazine. If there are any data which you prefer to keep confidential, please indicate which items they are.

If we receive a favorable reply from you, we will then submit this manuscript to our Washington office for approval and transmittal to the magazine.

Sincerely yours,

Robert A. Laurence
Executive Officer, Region V

RAL/mg
cc - Operating Committee (2)
Mr. Kiilsgaard - Mr. Lynch
Files

RA COPY
D M E
CODE

August 15, 1958

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Sincerely yours,

Robert A. Laurence
Executive Officer, Region V

RAL/mg
- Operating Committee (2)
Mr. Kiilsgaard - Mr. Lynch
Files

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DMEA EXPLORATION PROJECT

Semi-Annual Report of Certified Project-Region V

DMEA-3422, Idm-E726, R. B. PHILLIPS MINE - mica
Mitchell County, North Carolina

Reporting Period: 7-1-57 to 1-1-58

Operator: Zeb Buchanan and W. R. Johnson, Partners
Bakersville, North Carolina

When this mine was visited on March 25, 1958, operations were being conducted in the area northeast of shaft No.2. They had recently reached the Arnold Young property line, so can go no further in that direction.

The Operators have acquired the property to the southwest and have applied to DMEA for assistance in exploring in that direction.

Repayment of the Government's participation in the DMEA contract amounting to $3,012.00 was completed June 2, 1955.

Below are the production figures from this mine to date. These figures include mica sold by the Operators and that sold to the Government Mica Buying Depot by people working the dumps.

Production DMEA Ore (this period)	Type	Pounds	Value
	Sheet	3,501.83	$56,566.63
	Hand cobbed	54,692.00*	10,662.58
	Punch	5,569.50	308.20
	Scrap	32,125.00	441.30
	Total	95,888.33*	$67,978.71

* Includes one sale on which final settlement has not been received.

Production DMEA Ore (Previous)			
	Sheet	15,397.11	254,748.01
	Hand cobbed	318,403.00	300,457.37
	Punch	31,570.00	2,060.46
	Scrap	199,447.00	2,702.74
	Total	564,817.11	$559,968.58

Production DMEA Ore (to date)			
	Sheet	18,898.94	311,314.64
	Hand cobbed	373,095.00*	311,119.95
	Punch	37,139.50	2,368.66
	Scrap	231,572.00	3,144.04
	Total	660,705.44*	$627,947.29

WA Beck 1047

Wm. A. Beck, Mining Engineer
Bureau of Mines (DMEA)

z

April 9, 1958

Resume of telephone conversation with Mr. Robert A. Laurence, Knoxville 2, Tennessee, April 9, 1958

By: Lawrence G. Houk

Mr. Sam Phillips' application on the R. B. Phillips Mine (DMEA-3422) was discussed and Mr. Laurence stated that they were dubious at present.

OFFICIAL FILE COPY
DMEA
RECEIVED NOV 21 1957

DATE	INITIALS	CODE
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		225

DMEA EXPLORATION PROJECT

SEMI-ANNUAL REPORT OF CERTIFIED PROJECT

DMEA-3422, Idm-E726 (mica)

R. B. PHILLIPS MINE
Mitchell County, North Carolina

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

Operators: Zeb Buchanan and W. R. Johnson, Ptnrs. Bakersville, N.C.

This mine was visited October 24, 1957. At the time of the visit the Operators were in the process of sinking their third shaft and had it down 60 feet. This shaft was 150 feet southwest of shaft No. 1. Number 1, the original DMEA shaft, was sunk to a depth of 140 feet. No. 2, located 80 feet northeast of shaft No. 1 is now 120 feet deep.

This mine continues to be one of the better producers in the district, having passed the half million dollar mark in production during this period.

Repayment of the Government's participation in the DMEA contract amounting to $3,012.00 was completed June 2, 1955.

Below are the production digures to date:

	Type	Pounds	Value
Production DMEA Ore (this period)	Sheet	5,130.84	$76,976.82
	Hand cobbed	24,195.00	6,840.23
	Punch	7,004.00	541.47
	Scrap	60,818.00	838.36
	Total	97,147.84	$85,196.88
Production DMEA Ore (Previous)	Sheet	10,266.27	$177,771.19
	Hand cobbed	294,208.00	293,617.14
	Punch	24,566.00	1,518.99
	Scrap	138,629.00	1,864.38
	Total...	467,669.27	$474,771.70
Production DMEA Ore(todate)	Sheet	15,397.11	254,748.01
	Hand cobbed	318,403.00	300,457.37
	Punch	31,570.00	2,060.46
	Scrap	199,447.00	2,702.74
	Total	564,817.11	$559,968.58

Wm. A. Beck, Mining Engineer
Bureau of Mines

November 19, 1957

DMEA Form 7
(12-56)

3422

3422

JUN 19 1957

OFFICIAL FILE COPY		
Date	Surname	Code
6/19	Mittendorf	100
6/19	C	220
		225

Mr. Zeb Buchanan, Partner
R and B Mining Company
Bakersville, North Carolina

Dear Mr. Buchanan:

[Retained by Mr. Mittendorf]

Thank you for your letter of May 8, which expresses your willingness to cooperate with Mr. Argall in his present plan to record some DMEA case histories. I passed your name on to Mr. Argall, and I am of the opinion that he will contact you directly in due time.

Your expression of appreciation of our interest and assistance in your project is highly valued.

Sincerely yours,

C. O. Mittendorf (fw)

Administrator

COMittendorf/fw
6/18/57

cc: Mails & Files
Admr. Read. File
Mr.Mittendorf

8623

May 15, 1957

Memorandum

To: Mr. C. O. Mittendorf, Administrator

From: L. G. Houk, Chief, Nonmetallic Minerals Division

Subject: Production record - certified project.

Docket No. DMEA-3422-Mica
Zeb Buchanan and W. R. Johnson
R. B. Phillips Mine
Mitchell County, North Carolina
Contract No. Idm-E726

1. Operators: Both of the subject operators are native North Carolinians of middle age, who have been recommended as reliable citizens of the community of Bakersville, North Carolina.

2. Contract - dated October 11, 1954.

3. Certification of discovery issued March 30, 1955.

4. Reserve estimate - "mine-run" mica:
   Indicated - 180,000 pounds
   Inferred - 500,000 pounds

5. Operation - started October 10, 1954.
   Contract of work completed on April 25, 1955, consisting of 40 feet of inclined shaft and 60 feet of drifts, costing $4,016.00. Government participation, $3,012.00. Mining operations still continue.

6. Royalty paid $3,012.00, total amount of Government participation.

7. Total production from the beginning of the project to January 1, 1957, amounts to 467,669.27 pounds valued at $474,771.70. This includes sheet, hand cobbed, punch and scrap mica. This mine continues to be one of the best mica producers in the district. Weekly sales of mica average between $4,000.00 and $5,000.00.

DEFENSE MINERALS ADMINISTRATION

97023

PRODUCTION EXPANSION DIVISION

PROCUREMENT APPLICATIONS

Name of Company and Address _____

Name of Mine and Location _____

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

Metals or Minerals involved _____

Length of Contract (preproduction plus production) _____

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

Floor price or Guaranteed price and whether or not escalated _____

Maximum Government Commitment _____

Comments on Contract: _____

_____

_____

_____

_____

_____

Date sent to Legal Division _____

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

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

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

Additional Remarks: _____

_____

_____

_____

_____

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

Interior—Duplicating Section, Washington, D. C.

Signed _____

DMEA F[illegible] 7
(12-56)

DMEA-3422

Mr. Cofatt
[illegible]

600

MAY 3 - 1957

OFFICIAL FILE COPY

Date	Surname	Code
5/3	Mottaudy	100
5/7	C	220
		225

Messrs. Zeb Buchanan and W. R. Johnson

Bakersville, North Carolina

Gentlemen:

I have had an exchange of correspondence recently with Mr. George O. Argall, Jr., Editor of the Mining World, who desires to publish an article in the nature of a review of some significant achievements of the DMEA program. He expresses his thoughts as follows:

> "I am thinking that a series of five or six case histories might prove exceptionally interesting to the entire geological and mining world. The examples should be carefully selected, perhaps one from each of the major regions, to illustrate how good geologic mapping or careful company analysis of structures, or an interpretation of geology on a district basis and applied to one deposit, contributed to major ore discoveries.
>
> "The purpose of this article would be to indicate that the DMEA has been worthwhile, that properly directed exploration is warranted, and that opportunity for exploration continues."

Mr. Argall hoped that my staff, together with a key engineer and key geologist in each of the regions, would cooperate with him in writing the article.

I have explained to Mr. Argall that it would be contrary to our policy to disclose any information about individual participants in the DMEA program. We do, of course, disclose the identity of a contract recipient at the time the contract is executed. After a contract is executed we conceal the percentage of committed funds actually spent, the results of the work accomplished, and whether a certification of discovery or development was issued. Likewise, we do not reveal the identity of those who have been denied DMEA assistance or of the applicants generally. I know you will readily appreciate the wisdom of this policy.

I also told Mr. Argall that we of DMEA would like to see more articles of the type he has in mind, but that they must be initiated by the publishing medium and the individual operator working in cooperation with each other. He has expressed his willingness to proceed on that basis and appears anxious to get started as soon as possible.

One approach to the project would be to have Mr. Argall send out a fairly lengthy questionnaire to all of the 1013 operators who have received DMEA contracts, requesting certain specific information. The names, as you know, have already been made public through our regular press releases issued over the years. Such an approach would entail a long and tedious screening expedition with doubtful end results.

The general idea could be more effectively implemented if I furnished the Mining World with the names of several operators who have participated with DMEA in projects which I thought might provide interesting subject matter for case histories. In this connection it occurs to me that your project, DMEA-3422, R. B. Phillips Mine, might be of special interest to the mining industry, but, of course, I would not even suggest your name without your prior approval. If granted, then I would expect the editorial staff of Mining World to assume responsibility for working up the details of the story, in cooperation with you or your representatives. I should appreciate your early reactions to this idea, and if favorable I will do no more than mention your name to Mr. Argall as one whom he might contact. If you do not approve, your reply will be kept confidential in my personal files.

Incidentally, Mr. Argall indicates to me that he will keep the name of the operator and the identity of the property confidential, by referring to case "A" or case "B", if the operator so desires.

With kindest personal regards,

Sincerely yours,

C. O. Mittendorf

Administrator

COMittendorf/gad
5/3/57
cc: Mails and Files
Admr. Reading File
Administrator
Field Team, Region V

3422

ACTION ON INTERIM
OR FINAL FIELD TEAM REPORT
Date 2/4

Referred to:

1. ~~Mr. Milwandorf~~
2. ~~Mr. Johnson~~
3. ~~Mr. Chambers~~
4. ~~Docket Control Mails and Files~~
5. Mon Michter Division
6. Docket Control Mails and Files

Note comments in report regarding:

1. Format?
2. Investment date?
3.
4.

and take appropriate action.

- - - - - - - - - -

Action taken by Division:

Robert E. Adams

RECEIVED
FEB 4 1957
D.M.E.A.

DMEA EXPLORATION PROJECTS

Semi-Annual Report of Certified Projects

Reporting Period 2/14/56-12/31/56 Date of Examination: 1-24-57

Mine Name: R. B. Phillips. Operator: Zeb Buchanan & W. R. Johnson, ptner

County: Mitchell State: North Carolina

DMEA 3422 Contract No. Idm-E 726 Commodity: mica

Date of Contract: October 11, 1954 Date of Certification June 29, 1955

Expiration Date of Royalty Payments: October 11, 1964

Total Amount of Contract: $4016.00

Total Expenditures under contract: $4016.00

Amount of Government Participation at 75 % $3012.00

Royalty Payments this Period: None Previously Paid ?

Previous Royalty Payments : $3012.00

Total Royalty paid to Date : $3012.00

Percent Government Participation Repaid: 100%

Royalty Due on Production to Date: None

Royalty Remarks: Paid in full June 2, 1955.

Original Estimate of Reserves (from final Engr-Geol. Report)

Indicated - 180,000 lbs of "mine-run" mica above the 55 ft. level

Inferred 500,000 lbs of "mine-run" mica extended 25 ft along strike from working faces at time of report and 55-80 foot level.

DMEA-3422, cont'd

Production this Period:

Kind	Pounds	Value
Sheet	7,020.35	$121,577.05
Hand cobbed	99,880.00	30,892.34
Punch	18,486.00	1,214.99
Scrap	99,394.00	1,356.42
Total	224,780.35	$155,040.80

Previous Production:

Sheet	3,245.92	$56,194.14
Hand Cobbed	194,328.00	262,724.80
Punch	6,080.00	304.00
Scrap	39,235.00	507.96
Total	242,888.92	$319,730.90

Total DMEA Production to Uanuary 1, 1957:

Sheet	10,266.27	$177,771.19
Hand Cobbed	294,208.00	293,617.14
Punch	24,566.00	1,518.99
Scrap	138,629.00	1,864.38
Total	467,669.27	$474,771.70

Production Remarks: This mine continues to be one of the best producers of mica in the district and has produced close to a half million dollars worth of mica since it was opened up with a DMEA contract dated October 11, 1954. Sales of mica averaging between $4,000 and $5,000 were made weekly during this reporting period. Most of this mica was sold under the Amended "A" program. However, they are selling their poorer grades of mica on the hand cobbed program.

The hand cobbed mica reported as being produced during this period includes about 14,00 pounds that was produced by persons working the dumps. Several people have been allowed to cob the dumps for mica. They are required to pay the property owner 12 1/2 percent royalty on the mica they sell. Since the mine was opened $10,712.50 worth of mica has been sold to the Mica Depot by these operators.

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

z

3422

[illegible]

Date 3-19

Referred to:

1. ~~Mr. Mittendorf~~
2. ~~Mr. Johnson~~
3. ~~Mr. Chambers~~
4. ~~Docket Control Mails and Files~~ Division
5.
6. Docket Control Mails and Files

Note comments in report regarding:

1. Have produced an
2. excess of "Indicated" reserves.
3.
4.

and take appropriate action.

- - - - - -

Action taken by Division:

ROBERT E. ADAMS

Initials

RECEIVED
MAR 19 1956

SEMI-ANNUAL REPORT OF CERTIFIED PROJECT

Reporting Period: July 1, 1955 - February 14, 1956- Date of Exam: 2/14/56

Operator: Zeb Buchanan and W. R. Johnson, Ptnrs.

Mine Name: R. B. Phillips Mine

County and State: Mitchell County, North Carolina

Docket Number and Commodity: DMEA-3422 - Mica

Contract No. Idm-E726.

Date of Contract: October 11, 1954

Date of Certification: June 29, 1955

Expiration date of Royalty Payments: October 11, 1964

Total Amount of Contract: $4016.00

Total Expenditures under Contract: $4016.00

Amount of Government Participation; at 75%, $3012.00

Royalty payments this period: None

Previous Royalty Payments: $3012.00

Total Royalty Payments to date: $3012.00

Percent Government Participation Repaid: 100%

Royalty Due on Production: None

Royalty Remarks: Paid in full June 2, 1955.

Original Estimate of Reserves (final Engr-Geol. Report):

Indicated- 180,000 lbs. of "mine-run" mica above the 55 ft level.

Inferred - 500,000 lbs of "mine-run" mica extended 25 feet along strike from present working faces and 55-80 foot level.

No additional reserves have been developed. The Operators have continued to mine and have been in continuous operation since the start of the DMEA contract; To February 14, 1956 the following sales have been made from production at the deposit:

	Pounds	Value
Sheet	3,245.92	$262,724.80
Hand Cobbed	194,328.00	56,194.14
Punch	6,080.00	303.80
Scrap	39,235.00	507.96
Total	242,888.92	$319,730.70

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

z

Alley
Talbert
Anderson
T. Kusano
Selfridge
Johnson

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

JUL 11 1955

Messrs. Zeb Buchanan and W. R. Johnson

Bakersville, North Carolina

Re: Docket No. DMEA-3422 (Mica)
Zeb Buchanan and W. R. Johnson
R. B. Phillips Prospect
Mitchell County, North Carolina
Contract No. Idm-E726

Gentlemen:

Under the contract cited above the Government allotted a total of $4,016.00 for exploration of mica and agreed to share 75 percent of the cost as approved and accepted by this Administration. The Contract Administration and Audit Division of this Administration in its final audit report of May 17, 1955, determined the total allowable cost of the project to be $4,016.00, and the Government's share at 75 percent participation to be $3,012.00.

Since the exploration work resulted in a discovery, you were to pay the Government a royalty at a rate stipulated in the contract for a period of 10 years or until the amount advanced by the Government was liquidated, whichever occurred first. You started to pay royalty in November 1954 and have consistently paid royalty until May 1955, at which time you liquidated the amount advanced by the Government.

I wish to congratulate you for a successful exploration and to thank you for the payment of your account under the contract. It has been a pleasure to participate with you in this very fine undertaking.

Sincerely yours,

C. O. Mittendorf

Administrator

AMAlley/ama
July 8, 1955

Copy to: Docket
Admr. Reading File
Administrator
Region V Field Team (2)
Mr. Johnson
Mr. Kiilsgaard
Mr. Dietrich
Mr. Knouse
Mr. Chambers

R.G.H.

Docket File
Surname:
Anderson
Houk
Chambers
Kiilsgaard
Hedges
Selfridge
H. Johnson

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

JUN 3 0 1955

Messrs. Zeb Buchanan and W. R. Johnson

Bakersville, North Carolina

Re: Docket No. DMEA-3422 - Mica
Zeb Buchanan and W. R. Johnson
R. B. Phillips Prospect
Mitchell County, North Carolina
Contract No. Idm-E726

Gentlemen:

Transmitted herewith is a certification of discovery or development on Contract No. Idm-E726 on the R. B. Phillips Prospect, Mitchell County, North Carolina.

By the terms of the Exploration Project Contract and of the certification, all production from the property from the date of the E Exploration Project Contract, October 11, 1954, is subject to the Government's percentage royalty as set forth in the contract until the sum of $3,012.00 is paid or until October 11, 1964, whichever occurs first.

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

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

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

Sincerely yours,

C. O. Mittendorf

Administrator

Enclosure

Operating Committee
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061 Hedges
Mr. Houk

WCAnderson:pk 6/20/55
Copy to: Admr. R. File
Docket
Mr. Johnson
Mr. Chambers

R.C.S.

Docket File
Surname:
Anderson
Hart
Chamber
Kildegaard
Hedges
Selfridge
Johnson

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

JUN 30 1955

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

Re: Docket No. DMEA-3422 - Mica
Zeb Buchanan and W. R. Johnson
R. D. Phillips Prospect
Mitchell County, North Carolina
Contract No. Idm-E726

Dear Mr. Fredell:

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

The exploration contract was signed on October 11, 1954, with the Government participating to the extent of 75% of $4,016.00 or $3,012.00. The project was started on October 25, 1954 and completed April 29, 1955, after the expenditure of $4,016.00 which is the total net accepted cost according to the Audit Review. The Government paid 75 per cent of the total accepted cost, or $3,012.00.

The work performed on this project consisted of construction of a toolhouse, powder and exploder magazines, deepening an existing 15-foot incline an additional 40 feet and driving 60 feet of drifts. The work explored an unzoned, conformable, 4 to 6 feet thick pegmatite in hornblende gneiss. The exploration work furnished sufficient data to calculate indicated reserves of 180,000 pounds and inferred reserves of 500,000 pounds, both "mine run" mica. The following is the production during the project:

	Pounds	Worth
Trimmed sheet mica	2,029.09	$34,880.24
Punch mica	4,650	231.50
Scrap mica	66,977	285.97
Hand-cobbed mica	8,049	2,932.20

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

Sincerely yours,

C. O. Mittendorf

Administrator

Enclosure

WCAnderson:pk 6/20/55
Copy to: Admr. R. File
Docket
Mr. Johnson
Mr. Chambers
Operating Committee
Field Team, Region V
Mr. Killsgaard, 5222
Mr. Dietrich, 3061
Mr. Hou

R.F.

SEXTUPLICATE

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

CERTIFICATE OF DEPOSIT FOR CHECKING ACCOUNT

Deposited with Union National Bank, Knoxville, Tennessee 6/7/55
(Name and location of depositary) (Date sent)

DEPOSIT NO. 31-63-070-105

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

$ 161.32

SYMBOL NO. 3128

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

On account of—

Vouchers 2161.32 Royalty Payment Tn-7-765 Oak Ridge, Anderson County

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

Helen R. Miller, Adm. Asst.
Dept. of Interior, Bureau of Mines
P. O. Box 1569
Knoxville 3, 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)

JUN 17 1955

(Date of credit in Treasurer's account)

DEPOSITOR WILL RETAIN THIS COPY

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 4 POST OFFICE BLDG.
KNOXVILLE 2, TENN.
June 6, 1955

RECEIVED
JUN - 8 1955

Memorandum

To: Helen Miller, Ass't Administrative Officer

From: Executive Officer, DMEA Field Team, Region 5 - Knoxville

Subject: Royalty payment on Imd-2726, DMEA-3422, R. & B. Mining Co. (mica)
R. B. Phillips Mine, Spruce Pine, N. C.

Transmitted is check No. 356 in the amount of $181.32 from the subject Operator as final payment of the Government's participation in this contract. There is also attached a copy of an invoice for the sale of $3,833.68 worth of mica which will more than cover the amount of royalty due.

Robert A. Laurence

WAR/xx
cc:
Lynch
Mittendorf
Allsman
Files
Shirley

COPY

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

WARRANTY, ACCEPTANCE AND INVOICE

DATE: 5-10-55

ACCEPTANCE NUMBER: B04-35 Initial Payment

ISSUED UNDER CERTIFICATE OF AUTHORIZATION NUMBER	LOT NUMBER	RECEIPT AND WEIGHT TICKET NUMBER
EPS-4-80B	SPBO-35	

WARRANTY

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

NAME AND ADDRESS OF SELLER *(Type or print)*	SELLER OR PERSON AUTHORIZED TO SIGN THIS WARRANTY FOR SELLER
NAME: R. & B Mining Company	SIGNATURE:
STREET ADDRESS: Box 155	NAME *(Type or print)*: Edgar Buchanan
CITY, ZONE AND STATE: Bakersville, North Carolina	TITLE *(Type or print)*: Partner

EVALUATION AND SETTLEMENT DATA

PROGRAM A - BLOCK OR FILM MICA

QUALITY	HALF TRIM			FULL TRIM		
	POUNDS	PRICE PER LB.	AMOUNT	POUNDS	PRICE PER LB.	AMOUNT
GOOD STAINED AND BETTER						
GRADES NO. 3 AND LARGER					$70.00	
GRADES NO. 4 AND 5					$40.00	
GRADES NO. 5½ AND 6					$15.00	
STAINED						
GRADES NO. 3 AND LARGER		$12.00			$18.00	
GRADES NO. 4 AND 5		$ 5.00			$ 8.00	
GRADES NO. 5½ AND 6		$ 3.00			$ 5.00	
HEAVY STAINED						
GRADES NO. 3 AND LARGER		$ 8.00			$13.00	
GRADES NO. 4 AND 5		$ 4.00			$ 6.00	
GRADES NO. 5½ AND 6		$ 2.00			$ 3.00	
TOTALS						
LOT TOTALS						

PROGRAM B - HAND-COBBED MICA

TOTALS Initial Payment	5394	xxxxx	3883.68

ACCEPTANCE

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

GENERAL SERVICES ADMINISTRATION

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

INVOICE

TO: General Services Administration, Region IV

FOR: Mica delivered as indicated above — $ 3883.68

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

SELLER *(Type name)*	DATE
R & B. Mining Co. (R. B. Phillips Mine) DMEA-3422	5-10-55
BY *(Signature)* Edgar Buchanan	NAME AND TITLE *(Type)*

GSA-WASH DC 53-3094 COPY GSA FORM 1013 September 1952

RECEIVED
JUN - 8 1955

IN REPLY REFER TO:

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

RECEIVED
JUN - 1 1955

May 27, 1955

Re: DMEA-3422
Buchanan & Johnson
R. B. Phillips Mine
Mitchell Co., N. C.
$4,016.00 - Mica

Memorandum

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

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

Subject: Review of Field Team final report

This final report makes good reading.

I agree with the recommendation that a certificate of discovery be issued.

N. E. Nelson

N. E. Nelson

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

Defense Minerals Administration
RECEIVED
MAY 17 1955

May 17, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-3422 (mica)

Applicant: Zeb Buchanan and W. R. Johnson

Name and Location of Property: R. B. Phillips Mine
Mitchell County, North Carolina

Contract Number: Idm-E726

Date of Field Team Report: 4-9-55

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 5-16-55

Field Team Recommendation:

1. Certification of discovery or development.

Comments:

1. A new deposit of strategic mica was discovered by work under this contact.
2. Additional exploration is not warranted.
3. Reserves are estimated at: Indicated - 180,000 pounds
Inferred - 500,000 pounds
4. Expenditures -

Total approved	$4,016.00
Total cost	4,016.00
Gov't. share of the cost	3,012.00
Value of production during operation	>34,400.20

Recommendation:

I concur with the field team's recommendation to issue a certificate of discovery or development.

W. F. Dietrich

W. F. Dietrich

E-726

For Certificate of Deposit No. 99, dated May 16, 1955, giving royalty repayment of $910.67, see E-410.

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

May 13, 1955

Memorandum

To: Helen Miller, Ass't Administrative Officer - Knoxville-Morris

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

Subject: Royalty payment on - Idm-E726, DMEA-3422, Buchanan & Johnson
R. B. Phillips Mine, Bakersville, N. C.

There are attached four bill-of-sales for initial payment , and one bill-of-sale for final settlement on the subject contract. Total amount of sales $18,213.32, and a check for the royalty in the amount of $910.67. Please note that each sale is computed at a different rate.

V. J. Lynch

ZM.
cc:
Lynch
Mittendorf
Shirley
Buchanan & Johnson
Files

COPY COPY

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

WARRANTY, ACCEPTANCE AND INVOICE

5-6-55

ACCEPTANCE NUMBER: B04-30 Initial Payment

ISSUED UNDER CERTIFICATE OF AUTHORIZATION NUMBER: EPD-4-80B

LOT NUMBER: SPBO-30

RECEIPT AND WEIGHT TICKET NUMBER:

WARRANTY

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

NAME AND ADDRESS OF SELLER *(Type or print)*	SELLER OR PERSON AUTHORIZED TO SIGN THIS WARRANTY FOR SELLER
NAME: R. & B. Mining Company	SIGNATURE:
STREET ADDRESS: Box 155	NAME *(Type or print)*: Zeb Buchanan
CITY, ZONE AND STATE: Bakersville, N. C.	TITLE *(Type or print)*: Parnter

EVALUATION AND SETTLEMENT DATA

PROGRAM A - BLOCK OR FILM MICA

QUALITY	HALF TRIM			FULL TRIM		
	POUNDS	PRICE PER LB.	AMOUNT	POUNDS	PRICE PER LB.	AMOUNT
GOOD STAINED AND BETTER						
GRADES NO. 3 AND LARGER					$70.00	
GRADES NO. 4 AND 5					$40.00	
GRADES NO. 5½ AND 6					$15.00	
STAINED						
GRADES NO. 3 AND LARGER		$12.00			$18.00	
GRADES NO. 4 AND 5		$ 5.00			$ 8.00	
GRADES NO. 5½ AND 6		$ 3.00			$ 5.00	
HEAVY STAINED						
GRADES NO. 3 AND LARGER		$ 8.00			$13.00	
GRADES NO. 4 AND 5		$ 4.00			$ 6.00	
GRADES NO. 5½ AND 6		$ 2.00			$ 3.00	
TOTALS						
LOT TOTALS						

PROGRAM B - HAND-COBBED MICA

TOTALS Initial Payment	3972.00	$ 0.50	2055.51

ACCEPTANCE

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

GENERAL SERVICES ADMINISTRATION

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

INVOICE

TO: General Services Administration, Region IV

FOR: Mica delivered as indicated above — $ 2055.51

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

SELLER *(Type name)*	DATE
R. and B. Mining Company (R. B. Phillips Mine)(DMEA-3422	5-6-55
BY *(Signature)*	NAME AND TITLE *(Type)*: Zeb Buchanan, Partner

COPY COPY

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

WARRANTY, ACCEPTANCE AND INVOICE

4-29-55

ACCEPTANCE NUMBER: B04-21 Initial Payment

ISSUED UNDER CERTIFICATE OF AUTHORIZATION NUMBER	LOT NUMBER	RECEIPT AND WEIGHT TICKET NUMBER
EPS-80B	SPBO-21	

WARRANTY

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

NAME AND ADDRESS OF SELLER *(Type or print)*	SELLER OR PERSON AUTHORIZED TO SIGN THIS WARRANTY FOR SELLER
NAME: R. & B Mining Company	SIGNATURE:
STREET ADDRESS: Box 155	NAME *(Type or print)*: Mary P. Banner
CITY, ZONE AND STATE: Bakersville, N. C.	TITLE *(Type or print)*: Agent

EVALUATION AND SETTLEMENT DATA

PROGRAM A - BLOCK OR FILM MICA

QUALITY	HALF TRIM			FULL TRIM		
	POUNDS	PRICE PER LB.	AMOUNT	POUNDS	PRICE PER LB.	AMOUNT
GOOD STAINED AND BETTER						
GRADES NO. 3 AND LARGER					$70.00	
GRADES NO. 4 AND 5					$40.00	
GRADES NO. 5½ AND 6					$15.00	
STAINED						
GRADES NO. 3 AND LARGER		$12.00			$18.00	
GRADES NO. 4 AND 5		$ 5.00			$ 8.00	
GRADES NO. 5½ AND 6		$ 3.00			$ 5.00	
HEAVY STAINED						
GRADES NO. 3 AND LARGER		$ 8.00			$13.00	
GRADES NO. 4 AND 5		$ 4.00			$ 6.00	
GRADES NO. 5½ AND 6		$ 2.00			$ 3.00	
TOTALS						
LOT TOTALS						

PROGRAM B - HAND-COBBED MICA

TOTALS Initial Payment				18,773.00	.5175	9715.03

ACCEPTANCE

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

GENERAL SERVICES ADMINISTRATION

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

INVOICE

TO: General Services Administration, Region IV

FOR: Mica delivered as indicated above — $ 9715.03

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

SELLER *(Type name)*	DATE
R & B Mining Company (R. B. Phillips Mine) DMEA-3422	4-29-55
BY *(Signature)*	NAME AND TITLE *(Type)*

COPY

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

WARRANTY, ACCEPTANCE AND INVOICE

DATE: 5-4-55

ACCEPTANCE NUMBER: BO-4(a) Final Payment

ISSUED UNDER CERTIFICATE OF AUTHORIZATION NUMBER	LOT NUMBER	RECEIPT AND WEIGHT TICKET NUMBER
EPS-4-80B	SPBO-4 (a)	

WARRANTY

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

NAME AND ADDRESS OF SELLER *(Type or print)*	SELLER OR PERSON AUTHORIZED TO SIGN THIS WARRANTY FOR SELLER
NAME: R. & B Mining Company	SIGNATURE: Zeb Buchanan
STREET ADDRESS: Box 155	NAME *(Type or print)*:
CITY, ZONE AND STATE: Bakersville, N. C	TITLE *(Type or print)*: Partner

EVALUATION AND SETTLEMENT DATA

PROGRAM A - BLOCK OR FILM MICA

QUALITY	HALF TRIM			FULL TRIM		
	POUNDS	PRICE PER LB.	AMOUNT	POUNDS	PRICE PER LB.	AMOUNT
GOOD STAINED AND BETTER						
GRADES NO. 3 AND LARGER					$70.00	
GRADES NO. 4 AND 5					$40.00	
GRADES NO. 5½ AND 6					$15.00	
STAINED						
GRADES NO. 3 AND LARGER		$12.00			$18.00	
GRADES NO. 4 AND 5		$ 5.00			$ 8.00	
GRADES NO. 5½ AND 6		$ 3.00			$ 5.00	
HEAVY STAINED						
GRADES NO. 3 AND LARGER		$ 8.00			$13.00	
GRADES NO. 4 AND 5		$ 4.00			$ 6.00	
GRADES NO. 5½ AND 6		$ 2.00			$ 3.00	
TOTALS						
LOT TOTALS						

PROGRAM B - HAND-COBBED MICA

TOTALS	Final ~~Payment~~ Settlement			~~XXXXX~~	3235.34

ACCEPTANCE

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

GENERAL SERVICES ADMINISTRATION

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

INVOICE

TO: General Services Administration, Region IV

FOR: Mica delivered as indicated above — $ 3235.34

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

SELLER *(Type name)*	DATE
R. B. Phillips Mine (DMEA-3422, Idm-E726)	5-4-55
BY *(Signature)* R & B Mining Company	NAME AND TITLE *(Type)*

COPY

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

WARRANTY, ACCEPTANCE AND INVOICE

DATE: 5-3-55

ACCEPTANCE NUMBER: BO-4-25 Initial Payment

ISSUED UNDER CERTIFICATE OF AUTHORIZATION NUMBER	LOT NUMBER	RECEIPT AND WEIGHT TICKET NUMBER
EPS-4-80B	SPBO-25	

WARRANTY

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

NAME AND ADDRESS OF SELLER *(Type or print)*	SELLER OR PERSON AUTHORIZED TO SIGN THIS WARRANTY FOR SELLER
NAME: R & B. Mining Company	SIGNATURE:
STREET ADDRESS: Box 155	NAME *(Type or print)*: Zeb Buchanan
CITY, ZONE AND STATE: Bakersville, N. C.	TITLE *(Type or print)*: Partner

EVALUATION AND SETTLEMENT DATA

PROGRAM A - BLOCK OR FILM MICA

QUALITY	HALF TRIM POUNDS	HALF TRIM PRICE PER LB.	HALF TRIM AMOUNT	FULL TRIM POUNDS	FULL TRIM PRICE PER LB.	FULL TRIM AMOUNT
GOOD STAINED AND BETTER						
GRADES NO. 3 AND LARGER					$70.00	
GRADES NO. 4 AND 5					$40.00	
GRADES NO. 5½ AND 6					$15.00	
STAINED						
GRADES NO. 3 AND LARGER		$12.00			$18.00	
GRADES NO. 4 AND 5		$ 5.00			$ 8.00	
GRADES NO. 5½ AND 6		$ 3.00			$ 5.00	
HEAVY STAINED						
GRADES NO. 3 AND LARGER		$ 8.00			$13.00	
GRADES NO. 4 AND 5		$ 4.00			$ 6.00	
GRADES NO. 5½ AND 6		$ 2.00			$ 3.00	
TOTALS						
LOT TOTALS						

PROGRAM B - HAND-COBBED MICA

TOTALS	Initial Payment		2330.00	.517497 ~~XXXXXXXX~~	1205.77

ACCEPTANCE

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

GENERAL SERVICES ADMINISTRATION

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

INVOICE

TO: General Services Administration, Region IV

FOR: Mica delivered as indicated above — $ 1205.77

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

SELLER *(Type name)*	DATE
R and B. Mining Co. (R. B. Phillips Mine)(DMEA-3422)	5-3-55
BY *(Signature)*	NAME AND TITLE *(Type)*

GSA-WASH DC 53-3094

GSA FORM 1013
September 1952

COPY

COPY

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

WARRANTY, ACCEPTANCE AND INVOICE

5-4-55

ACCEPTANCE NUMBER: B04-26 Initial Payment

ISSUED UNDER CERTIFICATE OF AUTHORIZATION NUMBER: EPS-4-80B

LOT NUMBER: SPBO-26

RECEIPT AND WEIGHT TICKET NUMBER:

WARRANTY

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

NAME AND ADDRESS OF SELLER *(Type or print)*	SELLER OR PERSON AUTHORIZED TO SIGN THIS WARRANTY FOR SELLER
NAME: R and B. Mining Co.	SIGNATURE:
STREET ADDRESS: Box 155	NAME *(Type or print)*: Zeb Buchanan
CITY, ZONE AND STATE: Bakersville, N. C.	TITLE *(Type or print)*: Partner

EVALUATION AND SETTLEMENT DATA

PROGRAM A - BLOCK OR FILM MICA

QUALITY	HALF TRIM			FULL TRIM		
	POUNDS	PRICE PER LB.	AMOUNT	POUNDS	PRICE PER LB.	AMOUNT
GOOD STAINED AND BETTER						
GRADES NO. 3 AND LARGER					$70.00	
GRADES NO. 4 AND 5					$40.00	
GRADES NO. 5½ AND 6					$15.00	
STAINED						
GRADES NO. 3 AND LARGER		$12.00			$18.00	
GRADES NO. 4 AND 5		$ 5.00			$ 8.00	
GRADES NO. 5½ AND 6		$ 3.00			$ 5.00	
HEAVY STAINED						
GRADES NO. 3 AND LARGER		$ 8.00			$13.00	
GRADES NO. 4 AND 5		$ 4.00			$ 6.00	
GRADES NO. 5½ AND 6		$ 2.00			$ 3.00	
TOTALS						
LOT TOTALS						

PROGRAM B - HAND-COBBED MICA

TOTALS	Initial Payment			3868.00	.517494 SCHEDULE	2001.67

ACCEPTANCE

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

GENERAL SERVICES ADMINISTRATION

BY *(Type name)*	SIGNATURE	TITLE
Wayne Buchanan		Buyer

INVOICE

TO: General Services Administration, Region IV

FOR: Mica delivered as indicated above — $ 2001.67

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

SELLER *(Type name)*	DATE
R. & B Mining Co. (R. B. Phillips Mine)(DMEA-3422)	5-4-55
BY *(Signature)*	NAME AND TITLE *(Type)*

GSA-WASH DC 53-3094

GSA FORM 1013
September 1952

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 13 1955

May 11, 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: D. M. E. A. Field Team - Region V - Knoxville

Subject: Final Reports, DMEA-3422, Idm-E726 (mica) Zeb Buchanan and W. R. Johnson. R. B. Phillips Mine, Mitchell Co., N. C.

Enclosed are four copies each of the Operator's and Field Team reports on the subject exploration contract.

This has been one of the more successful exploration projects in the Spruce Pine district, and a considerable reserve of mica has been indicated by the work. We agree with the recommendation that a certificate of discovery should be issued.

Robert A. Laurence
Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION V

V. J. Lynch
V. J. Lynch, Member
DMEA Field Team, Bureau of Mines

Reviewed by
DMEA OPERATING COMMITTEE
5-16-55
(date)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 13 1955

Spruce Pine, N. C.
April 28, 1955

Mr. Robert A. Laurence, Executive Officer
DMEA, Region VII
P.O. Building
Knoxville, Tennessee

Re: DMEA-3422, Idm-E 726 (Mica)
R. B. Phillips Prospect
Mitchell County, N.C.
Final Engineering Report

Dear Mr. Laurence:

Work began on the above project on October 10, 1954. Road access was bulldozed, hoist and air compressor moved in, and mask and boom pole set up. We rehabilitated an existing 20' of shaft; then sank a shaft an additional 40'. The shaft was in vein material from the very beginning, and continued to widen as we went down. Some mica of strategic quality was recovered at the beginning of the shaft work. At the bottom of the shaft, which was approximately 65' deep, we began a drift in each direction. The vein at the bottom was 6 to 6½' thick with considerable mica scattered throughout the vein. We did considerable stoping while completing the 60' of drift.

Final Report

The mica from this mine is of non-ruby variety and contains a considerable amount of A-mica. This mica has very few spots, and percentage wise it runs higher than average for this section.

To date we have sold approximately $33,000.00 worth of mica. The pegmatite as this point looks very good and shows no indication of pinching out at either end or at the bottom.

The contract work was completed on April 25, 1955.

We wish to thank the field team for their cooperation and assistance on this project. If further details are necessary, please contact us.

Very truly yours,

R AND B MINING COMPANY

Zeb Buchanan

Zeb Buchanan

RECEIVED
P/b
MAY 4 1955
U. S. BUREAU OF MINES
DEF. MIN. ADM
Knoxville, Tennessee

held covering memo from N.B. 5-13

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 13 1955

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

Final Field Team Rpt.

FINAL REPORT

DMEA FIELD TEAM, REGION V

On

DMEA-3422, R. B. PHILLIPS MINE
(mica)
Mitchell County, N. C.

By

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

April 9, 1955

Reviewed by
DMEA OPERATING COMMITTEE
5-16-55
(date)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 13 1955

FINAL REPORT
On
DMEA-3422, Idm-E726 (mica) R. B. Phillips Mine

Operators: Zeb Buchanan and W. R. Johnson, Ptnrs. Bakersville, N. C.

Location: 2.75 airline miles S. 5° E. of Bakersville, Mitchell County, N. C., on the northeast side of Burnt Mt. and 3000 feet southwest of N. C. Highway No. 26.

A new deposit of strategic mica was discovered by the exploratory work done under this contract and significant reserves were indicated. It is recommended that a certification of discovery be issued. Additional exploratory assistance is not warranted.

Work under the contract began on October 25, 1954, and was completed April 29, 1955. A toolhouse, powder and exploder magazines were constructed. An existing 15-foot incline was deepened an additional 40 feet at an inclination of 60° to the southeast. From the bottom of this incline a total of 60 feet of drifts were driven; 35 feet in a N. 60° E. direction and 25 feet in a S. 60° W. direction.

A conformable pegmatite 4-6 feet thick is exposed in the incline and the drifts. It strikes N. 60° E. and dips 60 - 70° to the southeast, the steeper dip being at the 40 - 55-foot level of the incline. The thicker portions of the body are "rolls" whose long axes are essentially horizontal. Both contacts with the enclosing wall rock are sharp except along the "rolls" where inclusions and septae of country rock are abundant. The pegmatite is unzoned consisting of medium-to coarse-grained plagioclase, gray quartz, perthite, green muscovite, and garnet, in order of abundance. The country rock is hornblende gneiss except for a zone about one foot thick along both contacts which is mica schist.

The mica is distributed rather evenly throughout the body with a slight tendency to be more abundant and of larger size in the "rolls". It is green, flat and "flat-A," and relatively clear of staining. Defects are reeves, cracks, tied character, and mineral inclusions.

A summary of sales to date for which royalties have been received is as follows:

Trimmed Sheet Mica - 2029.09 lbs. worth $34,880.24

	3 & larger	4 & 5	5½ & 6
Good stained & better	16.24 lbs.	320.78 lbs.	1285.62 lbs.
Stained	0.87 "	20.31 "	292.78 "
Heavy stained	4.61 "	--- "	87.88 "

Punch Mica - 4650 lbs. worth $231.50
Scrap Mica 66977 lbs worth $285.97

Hand Cobbed Mica - 8049 lbs. for which initial payments totalling $2,932.20 has been received.

Mining is currently being conducted on a two-shift basis. Average daily production is estimated to be about 2000 pounds of "mine-run" mica.

Reserves revealed by work done under the contract ~~is~~ are estimated as follows:

Indicated - 180,000 pounds of "mine-run" mica above the 55-foot level.

Inferred - 500,000 pounds of "mine-run" mica extended 25 feet along strike from present working faces and 55-80 foot level.

Expenditures:

(a)	Total approved	$4,016.00
(b)	Total cost of project	4,016.00
(c)	Government's share of cost	3,012.00
(d)	" " unexpended	None
(e)	Value of production to date ~~(plus)~~	>34,400.20
(f)	Royalty received to date	1,920.01

The project was conducted in an efficient and satisfactory manner. No equipment was purchased under the contract.

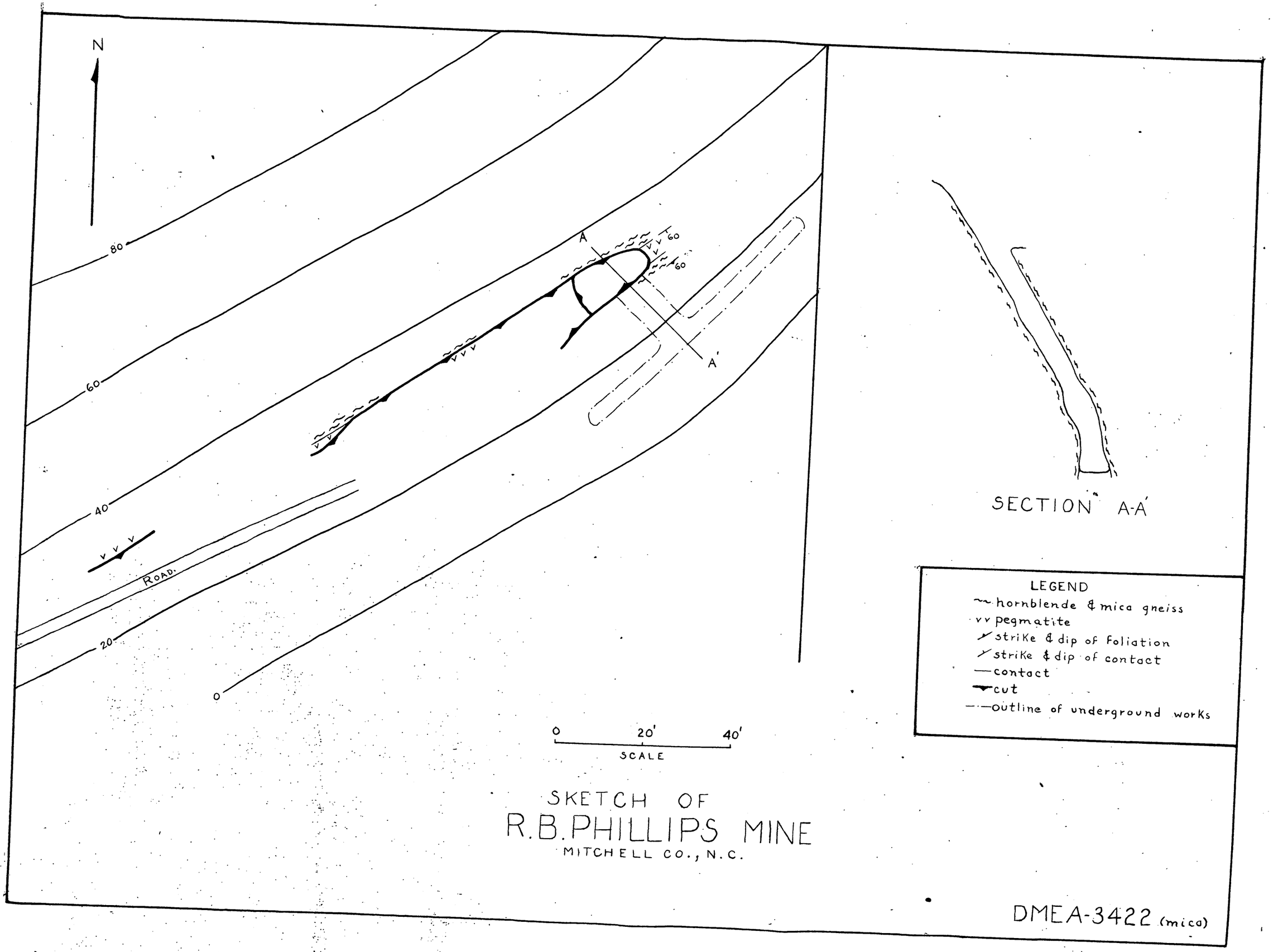
May 19, 1955.

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

and

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

z


N
80
60
40
20
0
ROAD
A
A'
60
60
SECTION A-A'
LEGEND
hornblende & mica gneiss
pegmatite
strike & dip of foliation
strike & dip of contact
contact
cut
outline of underground works
0
20'
40'
SCALE
SKETCH OF
R.B.PHILLIPS MINE
MITCHELL CO., N.C.
DMEA-3422 (mica)

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

May 2, 1955

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: Amendment No. 1 - Docket No. DMEA-3422 - Mica
Zeb Buchanan and W. R. Johnson
R. B. Phillips Prospect
Mitchell County, North Carolina
Contract No. Idm-E726

The Nonmetallic Minerals Division concurs in Amendment No. 1 to the subject contract as written and executed in the field. This amendment extends the completion date from April 1, 1955, to July 11, 1955.

Amendment No. 1 is necessary because of the desire of the Operators to go slowly with drifting in order to protect and recover considerable amounts of mica. This is requiring more time than originally specified in the contract.

Walter C. Anderson

Walter C. Anderson
Nonmetallic Minerals Division

RECEIVED
MAY 19 1955
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Final Report

61

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of April, 195 5 Docket No. DMEA 3422 Contract No. Idm-E 726
Operator's Name Zeb Buchanan and W. R. Johnson Minerals Mica
Address c/o Zeb Buchanan, Bakersville, N.C.
Contract Amount, $ 4016.00 Government Participation: 75 % Amount, $ 3012.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent / Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
15' Drifting @ $35.00 ft.	525.00	1575.00	2100.00			
Shaft		1800.00	1800.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Toolhouse		78.00	78.00			
Powder & Exploder Mags.		38.00	38.00			
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	525.00	3491.00	4016.00	525.00	3491.00	4016.00

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 4-28-55 *Payee Zeb Buchanan
Per Zeb Buchanan 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:

$ 393.75

Signature Helen R. Miller
(Authorized Certifying Officer)

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

7+7 @ 4/29 131.25

(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. Dm-E726 in accordance with the terms of the contract.

Signature Lawrence E. Shirley Title Mining Engr. U.S.B.M. Date May 3, 1955

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature V. J. Lynch ACTING Title EXECUTIVE OFFICER DMEA REGION V Date MAY 4 1955

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

Defense Minerals Administration
RECEIVED
MAY 9 - 1955

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of April 195 55 Docket No. DMEA 3422 Contract No. Idm-E726
Operator's Name Zeb Buchanan and W. R. Johnson Minerals Mica
Address c/o Zeb Buchanan, Bakersville, 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
15' Drifting @ $35.00	Ft.	525.00	15	2100.00	60	35.00	60	35.00
Crosscutting								
Raising								
Shafts				1800.00	40	45.00	40	45.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Total Distributed Costs		525.00		3900.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc. Toolhouse				78.00				
Powder & Exploder Magazines				38.00				
Total Costs		525.00		4016.00				

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

Date 4-28-55 Operator Zeb Buchanan

Per Zeb Buchanan 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)

Lawrence E. Shirley May 3, 1955
U.S.B.M.

INSTRUCTIONS

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

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

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

GPO 83-38475

OPERATOR'S

Monthly Report of Progress

April,1955

DMEA-3422, Idm-8726

Work Accomplished:

We completed the final 15 feet of drift called for in the contract. Vein still looks good and mica still being recovered at the same rate. Began selling mica in block form, and laid off all the sheeters and trimmers during this month.

Daily Notes:

April 4 - 8: Pumped water, drilled and mucked. Recovered mica.

April 11-15: Continued with same operations, recovering several bags of mica each day. Discontinued use of all sheeters and trimmers and began to make sales in block form as p r new regulation.

April 18-22: Pumped water, drilled, shot and mucked. Little variation in daily routine. Began a second shift, employing four additional men.

April 25-29: Drilled and shot. Mucked. Completed final 15' of contract drift. Recovered mica of about same quality as previously sold.

For Certificate of Deposit No. 96, dated April 26, 1955, giving royalty repayments of $20.59, $235.69, and $10.00, see E-410.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1055 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

April 25, 1955

7

Memorandum

To: Helen Miller, Ass't Admin. Officer - Region 5, Knoxville

From: Executive Officer, DMEA - Region 5, Knoxville

Subject: Royalty Payments-On DMEA-3422, Idm-E726, Buchanan & Johnson, N. C.

Transmitted are the following bills-of-sale and checks on the subject project:

Sale in the amount of $411.85, and a check for 5%.....$20.59

Sale in the amount of $4,713.72, and a check for 5%..... $235.69

Also attached is a check for $10.00, which is the balance due on check No.223 dated May 8, 1955 on a sale of $5,655.54.

Robert A. Laurence

RM.
cc:
Lynch
Finance Office
Mittendorf
R. & B. Mining Co.
Files

20.59
235.69 256.28
10.00
266.28

Copy

7

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

Authorization No. 817A Acceptance No. 1278 Date: 4-5-55

Seller: Buchanan & Johnson, (W. R. Johnson) Bakersville, N.C.

Mine: R. B. Phillips DMEA No. 3422, Idaho F 726

Quality of Mica	HALF TRIM			FULL TRIM		
	Pounds	Price/Lb.	Amount	Pounds	Price/Lb.	Amount
Good Stained & Better Grades No. 3 & larger					$70.00	
No. 4 and 5				1.87	$40.00	74.80
No. 5½ and 6				20.38	$15.00	305.70
Stained No.3 and larger		$12.00			$18.00	
No. 4 and 5		$ 5.00		.88	$ 8.00	5.63
No. 5½ and 6		$ 3.00		6.43	$ 5.00	25.72
Heavy Stained No. 3 & larger		$ 8.00			$13.00	
No. 4 and 5		$ 4.00			$ 6.00	
No. 5½ and 6		$ 2.00			$ 3.00	
LOT TOTALS		//////		29.56	//////	
TOTAL		/////			/////	411.85

(W. R. Johnson)

Royalty ck #261. $ 20.59

Copy

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

Authorization No. 1453A Acceptance No. A04-1320 Date: 4-14-54

Seller: R + B. Mining Co (Buchanan & Johnson) Bakersville, N.C

Mine: R. B. Phillips Mine DMEA No. 3422-DMME-726

Quality of Mica	HALF TRIM			FULL TRIM		
	Pounds	Price/Lb.	Amount	Pounds	Price/Lb.	Amount
Good Stained & Better Grades No.3 & larger				1.12	$70.00	78.40
No. 4 and 5				21.04	$40.00	841.60
No. 5½ and 6				82.42	$15.00	1236.30
Stained No.3 and larger		$12.00			$18.00	
No.4 and 5		$ 5.00		1.34	$ ~~8.00~~ 6.40	8.58
No.5½ and 6		$ 3.00		20.28	$ ~~5.00~~ 4.00	81.12
Heavy Stained No.3 & larger		$ 8.00			$13.00	
No.4 and 5		$ 4.00			$ 6.00	
No.5½ and 6		$ 2.00		6.05	$ ~~3.00~~ 2.40	14.52
LOT TOTALS		//////////		132.25	//////////	
TOTAL		//////////			//////////	2260.52

copy

7

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

Initial Payment

Authorization No. EPS-4-80B Acceptance No. B04-13 Date: 4-14-55

Seller: R+B. Mining Co (Buchanan-Johnson) Bakersville, N.C.

Mine: R. B. Phillips

DMEA No. 3422, IdmE 726 (mica)

Quality of Mica	HALF TRIM			FULL TRIM		
	Pounds	Price/Lb.	Amount	Pounds	Price/Lb.	Amount
Good Stained & Better Grades No. 3 & larger					$70.00	
No. 4 and 5					$40.00	
No. 5½ and 6					$15.00	
Stained No. 3 and larger		$12.00			$18.00	
No. 4 and 5		$ 5.00			$ 8.00	
No. 5½ and 6		$ 3.00			$ 5.00	
Heavy Stained No. 3 & larger		$ 8.00			$13.00	
No. 4 and 5		$ 4.00			$ 6.00	
No. 5½ and 6		$ 2.00			$ 3.00	
LOT TOTALS		//////			//////	
TOTAL		/////			/////	

Initial Payment 613300 lbs @ .40 $2453.20

By Zeb Buchanan

Royalty check #259 – $235.69

C a.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1 POST OFFICE BLDG.
WASHINGTON 25, D.C.
KNOXVILLE 2, TENN.
April 25, 1955

7

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Amendment No. 1, Idm-E726 , DMEA*3422, Buchanan & Johnson, N.C.

Transmitted are three signed copies of the subject amendment. Distribution of the other copies has been made by this office.

This amendment was necessary due to unexpected delays, therefore, the Operator was unable to finish the work in the allocated time. It is in the interest of the Government to extend the completion date on this project.

Robert A. Laurence
Robert A. Laurence

RECEIVED
MAY 19 1955
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

C O P Y

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

April 22, 1955

Memorandum

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

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

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

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

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

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

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

Robert A. Laurence

INTERIM REPORT

DMEA-3422, Idm-E726 (mica) R. B. PHILLIPS PROSPECT

Operators: Zeb Buchanan and W. R. Johnson, ptnrs. Bakersville, N. C.

Location: 2.75 airline miles S. 5° E. of Bakersville, Mitchell County, N. C. It is on the northeast side of Burnt Mountain, and is 3000 feet southwest of N. C. Highway No. 26.

Work authorized under the contract at this mine has been completed. A toolhouse, powder magazine and exploder magazine were constructed, 40 feet of new incline sunk and 60 feet of drifts driven from the bottom of this incline. Drifts were driven 35 feet in a N. 65° E. direction and 25 feet in a S. 65° W. direction.

Two-shift mining operations are currently in progress. Average daily production is in excess of 1000 pounds of "mine-run" mica. Mica worth in excess of $38,000.00 has been recovered from work done under the contract and concurrent stoping. Significant reserves were revealed by the exploration work.

Date of Examination: April 21, 1955.

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

and

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

DOCKET FILE
Surname:

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

APR 20 1955

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

Dear Mr. Laurence:

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

Docket	Contract	Completion date
DMEA-3188	Idm-E647	April 14, 1955
DMEA-3422	Idm-E726	April 1, 1955
DMEA-3458	Idm-E736	April 15, 1955

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

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

J. H. Hedges
Member, Bureau of Mines

Thor H. Kiilsgaard
Member, Geological Survey

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

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

R.C.h.

For Certificate of Deposit No. 89, dated April 12, 1955, giving royalty repayment of $272.78, see E-77.

April 11, 1955

Memorandum

To: Helen Miller, Ass't Administrative Officer, Region 5, Knoxville

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

Subject: Idm-R726, DMEA-3422, Zeb Buchanan and W. R. Johnson (mica) Royalty payment.

Transmitted are bills of sales in the amount of $5,655.54, and a check in the amount of $272.78, which is $10.00 short of the amount due on the bill of sales.

A copy of the letter written to Mr. Phillips is attached.

Robert A. Laurence

RM.
cc:
Lynch
Mittendorf
Shirley
Files

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 208 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

April 11, 1955

Mr. Sam L. Phillips
R. & B. Mining Company
Spruce Pine, North Carolina

Re: DMEA-3422, Idm-E726 (mica)
R. B. Phillips Prospect,
Mitchell County, N. C.

Dear Mr. Phillips:

This will acknowledge receipt of your check No. 223 dated April 8, 1955 in the amount of $272.78, as the Government's royalty on the sale of $5655.54 worth of mica from the subject mine. Five percent of this amount if $282.78. Please add $10.00 to your next royalty payment to correct this error.

Very truly yours,

Robert A. Laurence

WAB/sm
cc:
Lynch
Mittendorf
Shirley
Files

copy
Mittendorf
Lynch

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

Authorization No. 1453A Acceptance No. 1277 Date: 4-5-55

Seller: R + B Mining Co. (Zeb Buchanan and W.R. Johnson) Bakersville, N.C. Box 155

Mine: R.B. Phillips Prospect. DMEA No. 3422, Idm E-726
Mitchell County, N.C.

Quality of Mica	HALF TRIM			FULL TRIM		
	Pounds	Price/Lb.	Amount	Pounds	Price/Lb.	Amount
Good Stained & Better Grades No. 3 & larger						
No. 4 and 5				1.44	$70.00	100.80
No. 5½ and 6				36.92	$40.00	1476.80
Stained				210.46	$15.00	3156.90
No. 3 and larger		$12.00			$18.00	
No. 4 and 5		$ 5.00		1.14	$ ~~2.00~~ 1.40	7.30
No. 5½ and 6		$ 3.00		56.80	$ ~~4.00~~ 4.00	227.20
Heavy Stained						
No. 3 & larger		$ 8.00			$13.00	
No. 4 and 5		$ 4.00			$ 6.00	
No. 5½ and 6		$ 2.00		24.62	$ ~~3.00~~ 2.40	59.09
LOT TOTALS		//////			//////	
TOTAL		/////		331.38	/////	5,028.09

Scrap: Sold to Joe Snyder.
56.50 @ $26.50/T - - - - - 73.45

Washer: Sold to C.S. Buchanan - 200 lbs @ .05/lb 10.00
" " " Marsh Staton 200 lbs @ .05/lb - - - 10.00
" " " S.B. Stamey 600 lbs. @ .05/lb - - - 30.00
" " " A.R. Buchanan 500 lbs @ .05/lb. 25.00

Copy

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 13 1955

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

Authorization No. 4-80B Acceptance No. SPBO-4 Date: 3-30-55

Seller: R + B Mining Co. (Zeb Buchanan + W.R. Johnson Bakersville, N.C

Mine: R. B. Phillips Prospect DMEA No. 3422 - IdmE 726
Mitchell County, N.C.

Quality of Mica	HALF TRIM			FULL TRIM		
	Pounds	Price/Lb.	Amount	Pounds	Price/Lb.	Amount
Good Stained & Better Grades No.3 & larger					$70.00	
No. 4 and 5					$40.00	
No. 5½ and 6					$15.00	
Stained No.3 and larger		$12.00			$18.00	
No.4 and 5		$ 5.00			$ 8.00	
No.5½ and 6		$ 3.00			$ 5.00	
Heavy Stained No.3 & larger		$ 8.00			$13.00	
No.4 and 5		$ 4.00			$ 6.00	
No.5½ and 6		$ 2.00			$ 3.00	
LOT TOTALS		//////////			//////////	
TOTAL		//////////			//////////	

Partial Payment: Hand Cobbed Mica - Non-ruby.
1916.00 lbs @.25 479.00

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
ON PAYMENTS K-

DEPT. OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 14 1955

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of March, 1955 Docket No. DMEA 3422 Contract No. Idm-E726

Operator's Name Zeb Buchanan & W. R. Johnson Minerals Mica

Address c/o Zeb Buchanan, Bakersville, N. C.

Contract Amount, $ 4016.00 Government Participation: 75% Amount, $ 3012.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent / Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
10' Drifting @ 35.00	350.00	1225.00	1575.00			
Shaft		1800.00	1800.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Toolhouse		78.00	78.00			
Powder & Exploder Magazines		38.00	38.00			
(8) Contingencies (specify):						
TOTALS	350.00	3141.00	3491.00	350.00	3141.00	3491.00

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

Date 4-6-55 *Payee Zeb Buchanan

Per Zeb Buchanan 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:

$ 262.50

Signature Helen R. Miller
(Authorized Certifying Officer)

Date 4-12-55 Vou. No.
(See other side)

6

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. Tdm-5726 in accordance with the terms of the contract.

Signature Lawrence E. Shirley Title Mining Engr. U.S.B.M. Date April 8, 1955

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Laurence Title EXECUTIVE OFFICER DMEA REGION V Date APR 11 1955

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED APR 14 1955

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of March 195 5 Docket No. DMEA 3422 Contract No. Idm-E726

Operator's Name Zeb Buchanan and W. R. Johnson Minerals Mica

Address c/o Zeb Buchanan, Bakersville, 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
10' Drifting @ 35.00	Ft.	350.00	10	1575.00	45	35.00	60	35.00
Crosscutting								
Raising								
Shafts				1800.00	40	45.00	40	45.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Total Distributed Costs		350.00		3375.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc. Toolhouse				73.00				
Powder & Exploder Magazines				33.00				
Total Costs		350.00		3491.00				

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

Date 4-6-55 Operator Zeb Buchanan & W.R.Johnson

Per Zeb Buchanan 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)

Laurence E. Shirley - April 8, 1955
U.S.B.M.

INSTRUCTIONS

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

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

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

GPO 83-38475

OPERATOR'S
Monthly Progress Report

March,1955

DMEA-3422

Idm-E726

Work Accomplished:

We have been going very slowly with the drift, recovering a lot of mica and trying to protect it. During last month we sold about $9,000.00 worth of mica to the Govt. Depot.

Daily Notes:

March 1 - 11 :	Pumped water, drilled and shot. Mucked. Recovered mica. Now have twelve trimmers and several sheeters working up mica for sale.
March 14-18 :	Continued with drift in same direction. Drilled, shot and mucked. Recovered mica.
March 21-25 :	Repeated above operations, mica vein remaining much the same.
March 28-31 :	Pumped water, drilled, shot and mucked. Recovered mica.

For Certificate of Deposit No. 86, dated March 31, 1955, giving royalty repayment of $253.22, see E-181.

INTERIM REPORT

DMEA-3422, Idm-E726 (mica) R. B. PHILLIPS PROSPECT

Operator: Zeb Buchanan and W. R. Johnson, Ptnrs. Bakersville, N. C.

Location: 2.75 airline miles S. 5° E. of Bakersville, Mitchell County, N.C. It is on the northeast side of Burnt Mountain and is 3000 feet southwest of N. C. Highway No. 26.

Drifting continues slowly on this contract and is now at 45 feet. Most of the recent work has been confined to the northeast drift, where benching is in progress, and occasional work to the southeast. No change in the material encountered was noted. Mica recovery remains good and regular sales of processed mica to the GSA Depot, Spruce Pine, N. C., continues.

A power line has been run to the mine and as soon as an electric hoist is installed, the mine will begin working two shifts.

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

Visited- March 29, 1955.

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

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

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

RECEIVED
MAR 30 1955

March 28, 1955

Memorandum

To: Mrs. Helen R. Miller, Certifying Officer
Region V, Knoxville, Tennessee

From: Executive Officer, DMEA Field Team, Region V

Subject: Royalty payment on Idm-E726
DMEA-3422 - Buchanan and Johnson
R. B. Phillips Prospect, Mitchell County, North Carolina

Transmitted are bills of sale of mica in the amount of $5064.41 and a check in the amount of $253.22 as the Government's 5 per cent royalty on the sale of mica from the subject mine.

Robert A. Laurence

RAL/mg
Enclosures 5
cc
Lynch
Mittendorf
Shirley
Allsman
Sam Phillips - Spruce Pine, N.C.

DEPARTMENT OF THE INTERIOR
Bureau of Mines Minerals Administration
RECEIVED
MAR 30 1955

Copy

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

Authorization No. 1453A Acceptance No. 1195 Date: 3-22-55

Seller: R+B. Mining Company, Box 155 Bakersville, N.C.

Mine: R.B. Phillips Mine DMEA No. 3422, Idm E 726

Non Ruby Mica

Quality of Mica	HALF TRIM			FULL TRIM		
	Pounds	Price/Lb.	Amount	Pounds	Price/Lb.	Amount
Good Stained & Better Grades No.3 & larger				2.56	$70.00	179.20
No. 4 and 5				40.43	$40.00	1617.20
No. 5½ and 6				197.73	$15.00	2965.95
Stained No.3 and larger		$12.00		.21	$~~30.00~~ 14.40	3.02
No.4 and 5		$ 5.00		2.13	$ ~~8.00~~ 6.40	13.63
No.5½ and 6		$ 3.00		41.24	$ ~~5.00~~ 4.00	164.96
Heavy Stained No.3 & larger		$ 8.00			$~~13.00~~ 10.40	
No.4 and 5		$ 4.00			$ ~~6.00~~ 4.80	
No.5½ and 6		$ 2.00		15.21	$ ~~3.00~~ 2.40	36.40
LOT TOTALS		//////////		299.51	//////////	4980.46
TOTAL		//////////			//////////	

Sold to Joe Snyder 5210 lbs. of scrap @ $26.00/T. 67.70
3-18-55 " " Rube Ledford 225 lbs. punch @ 5¢/lb 11.25
3-18-55 " " C.S. Buchanan 100 " " " " " 5.00

Total $5064.41

For Certificate of Deposit No. 82, dated March 17, 1955, giving royalty repayment of $206.19, see E-712.

INTERIM REPORT

DMEA-3422, Idm-E726 (mica) R. B. PHILLIPS PROSPECT

Operator: Zeb Buchanan and W. R. Johnson, Bakersville, North Carolina

Location: 2.75 airline miles S. 5° E. of Bakersville, Mitchell County, N. C. It is on the northeast side of Burnt Mountain and is 3000 feet southwest of N. C. Highway No. 26.

Drifting continues on this contract and now totals 40 feet; 19 feet has been driven S. 50° W. and 21 feet N. 55° E. No extreme changes in the material were noted, and the body continues to be rich in muscovite mica. "Rolls" were evident in both walls to the northeast, and added mica concentration was noted in both. Mica recovery continues about the same and is averaging about 500 to 600 pounds of "mine-run" block per day.

The Operators plan to run a power line to the mine in the near future and to install an electric hoist. When this is complete, they anticipate putting on another shift of miners to increase production.

Progress on this contract is satisfactory.

Inspected: March 16, 1955.

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

K. H. Teague D. H. Amos

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

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copy

Anderson

Defense Minerals Administration
RECEIVED
MAR 18 1955

GENERAL SERVICES ADMINISTRATION, REGION VII

Mica Purchase Depot, Spruce Pine, N. C.

Authorization No. 1453 A Acceptance No. 1127 Date: 3-8-55

Seller: ~~Zeb Buchanan & W. R. Johnson~~

Mine: R B. Phillips Mine DMEA No. DMEA-3422, Dam-E726

Mitchell County, N.C.

Quality of Mica

	HALF TRIM			FULL TRIM		
	Pounds	Price/lb.	Amount	Pounds	Price/lb.	Amount
Good Stained & Better Grades No. 3 & larger				1.44	$70.00	100.80
" No. 4 and 5				30.18	$40.00	1207.20
" No. 5½ and 6				165.25	$15.00	2478.75
Stained No. 3 and larger		$12.00			14.40 ~~$18.00~~	
No. 4 and 5		$ 5.00		1.26	6.40 ~~$ 8.00~~	8.06
No. 5½ and 6		$ 3.00		37.47	4.00 ~~$ 5.00~~	149.88
Heavy Stained No. 3 & larger		$ 8.00			10.40 ~~$13.00~~	
No. 4 and 5		$ 4.00			4.80 ~~$ 6.00~~	
No. 5½ and 6		$ 2.00		10.15	2.40 ~~$ 3.00~~	24.36
LOT TOTALS						
TOTAL				245.75		3969.05

Scrap Mica

3-5-55 — 7670 lbs @ $26.00 (Joe Snyder

1100 lbs. scrap @ $5.00 \ hundred

Punch Mica

99.71

55.00

Total — $4,123.76

Royalty check - #2069

QUADRUPLICATE

STANDARD FORM 209c (Formerly Cert. of Deposit, Form 659)
Promulgated August 1951 by Treasury Department, Fiscal Service

CERTIFICATE OF DEPOSIT FOR CHECKING ACCOUNT

DEPOSIT NO.
14-23-070-76

Deposited with Hamilton National Bank, Knoxville, Tennessee 3/3/55
(Name and location of depositary) (Date sent)

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

$
221.65

SYMBOL NO.
1428

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

On account of—

14X4401 $221.65 Royalty Payment Contract Icm-E-726

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

Helen R. Miller
Administrative Assistant
Interior Dept., 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)

MAR 3 1955
(Date of credit in Treasurer's account)

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

TREASURY DEPARTMENT
Division of [illegible]
Oak Ridge, [illegible]
MAR 4 - 1955
MAR 7 - 1955

INTERIM REPORT

DMEA-3422, Idm-E726 (mica) R.B. Phillips Prospect

Operator: Zeb Buchanan and W. R. Johnson, Ptnrs. Bakersville, N. C.

Location: 2.75 airline miles S. 5° E. of Bakersbille, Mitchell County, N.C., It is on the northeast side of Burnt Mountain and is 3000 feet southwest of N. C. Highway No. 26.

Drifting continues along the strike on this contract and now totals 35 feet; 20 feet to the southwest and 15 feet to the northeast. No change was noted in the material and mica continues to be disseminated throughout the body. Mica recovery continues good and the Operator reports about 6000 pounds of mine-run block on hand for processing at this time.

New ladder sections have been installed, replacing unsafe ones used previously. The use of steel rods for hanging lower ladder sections and the necessity for further scaling of the hanging wall area, was pointed out to the foreman.

Inpsected: March 2, 1955.

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

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

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

Received
MAR 3 - 1955

March 1, 1955

Memorandum

To: Helen Miller, Certifying Officer, Reg. V. Knoxville

From: Acting Executive Officer, DMEA - Region V - Knoxville

Subject: Royalty payment on - Idm-E726, DMEA-3422, Buchanan & Johnson R. B. Phillips Prospect. Mitchell County, N. C. (Mica)

Transmitted is a bill-of-sale in the amount of $4,433.01, and a check for $221.65 representing 5% royalty due the Government on the sale from the subject contract.

Wm. A. Beck

ZM.
Lynch
Mittendorf
Shirley

Z. Buchanan
Files

GENERAL SERVICES ADMINISTRATION, REGION VII

Mica Purchase Depot, Spruce Pine, N. C.

Authorization No. 1453A Acceptance No. 1058 Date: 2-23-55

Seller: Zeb Buchanan & W.R. Johnson - Bakersville, N.C.

Mine: R.B. Prospect - DMEA No. 3422- IdmE-726

Mitchell County, N.C.

Quality of Mica	HALF TRIM			FULL TRIM		
	Pounds	Price/lb.	Amount	Pounds	Price/lb.	Amount
Good Stained & Better Grades No. 3 & larger				1.87	$70.00	130.90
" No. 4 and 5				43.67	$40.00	1746.80
" No. 5½ and 6				155.18	$15.00	2327.70
Stained No. 3 and larger		$12.00		.06	14.40 ~~$3.00~~	.86
No. 4 and 5		$ 5.00		.89	6.40 ~~$6.00~~	5.70
No. 5½ and 6		$ 3.00		40.36	4.00 ~~$5.00~~	161.44
Heavy Stained No. 3 & larger		$ 8.00			$13.00	
No. 4 and 5		$ 1.00			$ 6.00	
No. 5½ and 6		$ 2.00		13.90	2.40 ~~$3.00~~	33.36
LOT TOTALS						
TOTAL						4,406.76

Scrap Mica

Punch Mica

2-24-55
Sold Ade Buchanan
525 lbs. @ 5¢ lb. ---- 26.25

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAGE OF VOUCHER & SCHEDULE OF PAYMENTS K- 44

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of February 195 5 Docket No. DMEA 3422 Contract No. Idm-E726

Operator's Name Zob Buchanan and W. R. Johnson Minerals Mica

Address c/o Zeb Buchanan, Bakersville, N. C.

Contract Amount, $ 4016.00 Government Participation: 75 % Amount, $ 3012.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
25' Drifting @ 35.00	875.00	350.00	1225.00			
Shaft		1300.00	1300.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance		76.00	76.00			
Powder & Exploder Mags.		33.00	33.00			
(8) Contingencies (specify):						
Totals	875.00	2266.00	3141.00	875.00	2266.00	3141.00

DEPARTMENT OF THE INTERIOR Defense Minerals Administration RECEIVED MAR 11 1955

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

Date 3-2-55 *Payee Zob Buchanan

Per Zob Buchanan 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:

$ 656.25

Signature Helen R. Mullin
(Authorized Certifying Officer)

Date 3-9-55 Vou. No.
(See other side)

5

218.75

(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-E726 in accordance with the terms of the contract.

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

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

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

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 11 1955

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

Month of February 1955 Docket No. DMEA 3422 Contract No. Idm-3726
Operator's Name Zeb Buchanan and W. R. Johnson Minerals Mica
Address c/o Zeb Buchanan, Bakersville, 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
25 Drifting @ 35.00	Ft.	875.00	25	1225.00	35	35.00	60	35.00
Crosscutting								
Raising								
Shafts	Ft.			1800.00	40	45.00	40	45.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Total Distributed Costs		875.00		3025.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs Tool House				78.00				
New Buildings, Improvements, etc. Powder & Exploder Magazines				33.00				
Total Costs		875.00		3141.00				

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 3-2-55 Operator Zeb Buchanan & W.R.Johnson

Per Zeb Buchanan 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

OPERATOR'S
Monthly Progress Report

February, 1955

DMEA-3422

Idm-E726

Work Accomplished:

We have completed 25' of drift during February, going slowly because of width of vein and in order to protect mica. The vein is about 8' wide in the bottom and in the head of the drift, and is as rich with mica as it has been at any time. The mica is slightly larger than previously recovered, and the last sale with totaled $4400.00 ran a very high percentage of good stained quality. Now have four men working one shift at mine, have ten trimmers, and have approximately three tons of mica ahead of processors.

Daily Notes:

Feb. 1 - 4	:	Drilled, mucked, recovered mica.
Feb. 7 -11	:	Continued with drift, repeating drilling and mucking operations. Good quality mica recovered each day.
Feb.14 -18	:	Drilled, shot, mucked. Kept trimmers and sheeters busy, building up a lead of mica.
Feb. 21-28	:	Made a sale of 255 lbs. of mica which sold for $4400.00. Continued mining operations as before.

INTERIM REPORT

ON

DMEA-3422, Idm-E726 (mica) R. B. PHILLIPS PROSPECT

Operator: Zeb Buchanan and W. R. Johnson, Bakersville, N. C.

Location: 2.75 airline miles S. 5° E. of Bakersville, Mitchell County, N. C. It is on the northeast side of Burnt Mountain and is 3000 feet southwest of N. C. Highway No. 26.

Drifting continues on this contract and is now at 24 feet. Very limited drift advance is noted because of extra time required for mica recovery.

Gneissic stringers and occasional inclusions have been encountered in recent advance. No appreciable changes in the pegmatite material were noted on this visit. Mica recovery is averaging 500 to 600 pounds of mine-run block per shift . The Operators plan to add an additional work shift in the near future.

The Operators were advised to hang safe ladders for access to the poresent working area, and were reminded of the necessity of scaling after shooting.

Progress on this contract is satisfactory.

Inspected: Feb. 16, 1955.

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

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

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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) 2/24/55 (Date sent)

DEPOSIT NO. 24-23-070-69

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

$ 219.19

SYMBOL NO. 3428

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

On account of—

3428.01 $219.19 Royalty Payment (See Reverse)

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

Helen R. Miller, Adm., Asst.
Interior Department, 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)

(Date of credit in Treasurer's account)

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

Idm-E-726	R & B Mining Company	197.83
Idm-E-734	Boone & Jarrett	21.36

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 16 1955

February 14, 1955

Memorandum

To: Helen Miller, Certifying Officer, Region V. Knoxville

From: Acting Executive Officer, DMEA - Region V - Knoxville

Subject: Royalty check on Idm-E726, DMEA-3422, R. B. Phillips Mining Co.

Transmitted are bills-of-sales in the amount of $3,956.62, and a check for $197.83 representing 5% royalty due the Government on the subject sale.

W. J. Lynch

EM.
cc:
Lynch
Mittendorf
Shirley
R. &. B. Mining Co.
Files

Copy

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 16 1955

GENERAL SERVICES ADMINISTRATION, REGION VII

Mica Purchase Depot, Spruce Pine, N. C.

Authorization No. 1453A Acceptance No. 984 Date: 2-18-55

Seller: R & B. Mining Co. Bo

Mine: R.B. Phillips Mine. DMEA No.

Quality of Mica	HALF TRIM		FULL TRIM			
	Pounds	Price/lb.	Amount	Pounds	Price/lb.	Amount
Good Stained & Better Grades No.3 & larger				1.72	$70.00	120.00
" No. 4 and 5				39.81	$40.00	1592.40
" No. 5½ and 6				128.29	$15.00	1924.35
Stained No. 3 and larger		$12.00		.15	~~$12.00~~ 14.00	2.16
No. 4 and 5		$ 5.00			$ 8.00	
No. 5½ and 6		$ 3.00		47.26	~~$ 5.00~~ 4.00	189.04
Heavy Stained No. 3 & larger		$ 8.00			$13.00	
No. 4 and 5		$ 4.00			$ 6.00	
No. 5½ and 6		$ 2.00		17.95	~~$ 3.00~~ 2.40	43.08
LOT TOTALS				235.16		
TOTAL						3871.45

Scrap Mica

2-8-55; sold To—
Tommy Wyatt, 50,147 lbs. @ $1.30/100 — 69.19

Punch Mica

2-8-55 sold To:
A.R. Buchanan, 400 lbs Punch @ .05 — 20.00

$3,956.62

Royalty check $197.83

Copy

DEPARTMENT OF THE INTERIOR
Lands Branch Administration
RECEIVED
FEB 11 1955

DEFENSE MINERALS EXPLORATION

INTERIM REPORT

DMEA-3422, R. B. PHILLIPS PROSPECT
Idm-E 726 (mica)

Operator: Zeb Buchanan and W. R. Johnson, Bakersville, North Carolina

Location: 2.75 airline miles S. 5° E. of Bakersville, Mitchell County, N. C., It is on the northeast side of Burnt Mountain and is 3000 feet southwest of N. C. Highway No. 26.

Drifting continues on this contract and now totals 20 feet; 16 feet to the southwest and 4 feet northeast. An estimated 500 pounds of "mine-run" mica is being recovered daily.

Progress on the contract is satsifactory.

Date of Examination: February 3, 1955

K. H. Teague D. H. Amos

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

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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. 14-23-070-64

Deposited with Hamilton National Bank, Knoxville, Tennessee 2/3/55
(Name and location of depositary) (Date sent)

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

$ 137.47

SYMBOL NO. 1429

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

On account of—

1414.01 $137.47 Royalty Payment Ida-F-726 E. & D. Mining Company

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

Helen R. Miller, Adm. Asst.
Interior Department, 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)

FEB 3 1955

(Date of credit in Treasurer's account)

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

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 3 1955

February 2, 1955

Memorandum

To: Helen Miller, Certifying Officer, Region V - Knoxville

From: Executive Officer, DMEA- Region V - Knoxville

Subject: Royalty payment on Idm-E726, DMEA-3422, R & B Mining Co. N. C.

Transmitted are bill-of-sales in the amount of $2,749.49, and a check for $137.47 representing 5% royalty due on the sales to be credited to the subject contract.

Robert A. Laurence

ZM.
cc
Lynch
Shirley
R. &.B. Mining Co.
Mittendorf
Files

Copy

Copy

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 3 1955

GENERAL SERVICES ADMINISTRATION, REGION VII

Mica Purchase Depot, Spruce Pine, N. C.

Authorization No. 1453 A Acceptance No. 933 Date: 1-25-55

Seller: R & B. Mining Co. Bx. 155 - Bakersville, N.C.

Mine: R.B. Phillips Prospect DMEA No. 3422, Idm F 726

Quality of Mica	HALF TRIM			FULL TRIM		
	Pounds	Price/lb.	Amount	Pounds	Price/lb.	Amount
Good Stained & Better Grades No. 3 & larger				1.90	$70.00	133.00
" No. 4 and 5				28.67	$40.00	1146.80
" No. 5½ and 6				83.73	$15.00	1256.95
Stained No. 3 and larger		$12.00		.15	~~$14.40~~ 14.40	2.16
No. 4 and 5		$ 5.00		.58	~~$6.80~~ 6.40	3.71
No. 5½ and 6		$ 3.00		26.86	~~$5.00~~ 4.00	107.44
Heavy Stained No. 3 & larger		$ 8.00		4.61	~~$13.00~~ 2.40	11.06
No. 4 and 5		$ 4.00			$ 6.00	
NO. 5½ and 6		$ 2.00			$ 3.00	
LOT TOTALS				146.50		
TOTAL						2660.12

Scrap Mica

Punch Mica

Bought from Zeb Buchanan
300 lb. @ .05 lb. 15.00

(1-4-55) 500 lb. @ .05¢ lb. 25.00

(1-7-55) 3950 lbs. @ $25/Ton 49.37

Total. $2749.49

Royalty ck. rec'd #13747

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 NO. 35

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of January, 1955 Docket No. DMEA 3422 Contract No. Ico-E726
Operator's Name Zeb Buchanan and W. R. Johnson Minerals Mica
Address c/o Zeb Buchanan, Bakersville, N. C.
Contract Amount, $ 4016.00 Government Participation: 75 % Amount, $ 3012.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
10' Drifting @ 35.00	350.00		350.00			
5' Shaft @ 45.00	225.00	1575.00	1800.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Toolhouse		78.00	78.00			
Powder & Exploder Mags.		38.00	38.00			
(8) Contingencies (specify):						
TOTALS	575.00	1691.00	2266.00	575.00	1691.00	2266.00

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

Date 2-2-55 *Payee Zeb Buchanan

Per Zeb Buchanan 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:

$ 431.25

Signature Helen R. Miller
(Authorized Certifying Officer)

Date 2-8-55 Vou. No.
(See other side)

143.75

(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. Idu E 726 in accordance with the terms of the contract.

Signature Henry H. Ames Title Geologist-USGS Date Feb. 7, 1955

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lemmon Title EXECUTIVE OFFICER DMEA REGION V Date FEB 7 1955

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

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

Month of January 1955 Docket No. DMEA 3422 Contract No. Idm-5726
Operator's Name Zeb Buchanan and W. R. Johnson Minerals Mica
Address c/o Zeb Buchanan, Bakersville, 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
10' Drifting @ 35.00	Ft.	350.00	10	350.00	10	35.00	60	35.00
Crosscutting								
Raising								
5' Shafts @ 45.00	Ft.	225.00	5	1800.00	40	45.00	40	45.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Total Distributed Costs		575.00		2150.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc. Toolhouse				78.00				
Powder & Exploder Magazines				38.00				
Total Costs		575.00		2266.00				

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

Date 2-2-55 Operator Zeb Buchanan & W. R. Johnson

Per Zeb Buchanan 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

OPERATOR'S
MONTHLY REPORT OF PROGRESS

January,1955

DMEA-3422

Idm-E 726

Work Accomplished:

We have completed the 40' of shaft called for in the contract, and have advanced 10' on the drift. We have made slow progress due to the fact that we are making the shaft 10' to 12' long in order to save the mica. The vein at the bottom of our shaft is approximately 7' thick, and the quality of the mica is good. In the drift the vein has not varied in the ten feet we have gone, and the quality of the mica has not changed. During the month we sold about $5,000.oo worth of mica. We are now using 8 trimmers, 2 sheeters in working the mica for sale.

Daily notes:

Jan. 3 - 7 - Lowered shaft to the 40' level, recovering good mica. Vein at the shaft bottom about 7' thick.

Jan. 10-14 - Made a sale of 134 lbs. of mica. Now have 8 trimmers and 2 sheeters busy processing mica. Began on the drift. Drilled and shot, then mucked.

Jan. 17 -21 - Continued to recover good mica. Neither Vein nor quality of mica has changed. Made slow progress, in effort to save mica.

Jan. 24- 31 - Drilled and shot. Recovered mica. Made another sale of 146 lbs. Keeping processors busy and making effort to process to best advantage. Have sold more than $5,000.00 worth of mica during January.

Department of the Interior
Defense Minerals Administration
RECEIVED
JAN 27 1955

INTERIM REPORT
DMEA-3422, R. B. PHILLIPS PROSPECT
Idm-E 726 (mica)

Operator: Zeb Buchanan and W. R. Johnson, Bakersville, N. C.

Location: 2.75 airline miles S. 5° E. of Bakersville, Mitchell County, N. C. It is on the northeast side of Burnt Mountain and is 3000 feet southwest of N. C. Highway No. 26.

Incline sinking has been completed on this contract and a drift has been turned off. The latter has been advanced 7 feet in a S. 65° W. in pegmatite. The thickness of the body has increased to about 7.5 feet in the incline bottom due to a "roll" in the pegmatite. The Operator plans to begin a drift to the northeast and to pull simultaneous headings in order to speed up the lateral advance.

To date, a total of $7,291.94 worth of trimmed mica has been sold to the Spruce Pine Depot. An estimated $2,500 worth of trimmed and untrimmed mica is also on hand.

Progress on the contract is satisfactory.

Examination date: January 20, 1955.

K. H. Teague D. H. Amos

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

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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) 1/19/55 (Date sent)

DEPOSIT NO. 1-23-070-59

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

$ 232.07

SYMBOL NO. 1-20

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

On account of—

1-XII-01 $232.07 Royalty Payment - Tem-E-726, Buchanan & Johnson

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

Helen R. Miller, Adm., Asst.
Interior Department, 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)

(Date of credit in Treasurer's account)

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

RECEIVED
APR 24
DIVISION OF DISBURSEMENT
TREASURY
DEPARTMENT

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 205 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 19 1955

January 17, 1955

Memorandum

To: Helen Miller, Region V - Knoxville, Tennessee

From: Acting Executive Officer, DMEA- Region V

Subject: Royalty payment on Idm-E 726, DMEA-3422, Buchanan & Johnson

Transmitted is a bill-of-sale in the amount of $2,641.48, and a check for $132.07 representing 5% royalty due the Government on the subject sale.

Wm. A. Beck

ZM
cc:
Mr. Mittendorf
Beck
Shirley

Zeb Buchanan

COPY

GENERAL SERVICES ADMINISTRATION

Mica Purchase Depot - Spruce Pine, N. C.

WARRANTY, ACCEPTANCE AND INVOICE

DATE: 1-11-55

ACCEPTANCE NUMBER: OA-4 - 881

ISSUED UNDER CERTIFICATE OF AUTHORIZATION NUMBER	LOT NUMBER	RECEIPT AND WEIGHT TICKET NUMBER
EPS-4-1453A	881	

WARRANTY

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

NAME AND ADDRESS OF SELLER *(Type or print)*	SELLER OR PERSON AUTHORIZED TO SIGN THIS WARRANTY FOR SELLER
NAME: R. and B. Mining Company	SIGNATURE:
STREET ADDRESS: Box 155	NAME *(Type or print)*: Zeb Buchanan
CITY, ZONE AND STATE: Bakersville, North Carolina	TITLE *(Type or print)*: Partner

EVALUATION AND SETTLEMENT DATA

PROGRAM A - BLOCK OR FILM MICA

QUALITY	HALF TRIM			FULL TRIM		
	POUNDS	PRICE PER LB.	AMOUNT	POUNDS	PRICE PER LB.	AMOUNT
GOOD STAINED AND BETTER						
GRADES NO. 3 AND LARGER				1.69	$70.00	118.30
GRADES NO. 4 AND 5				27.83	$40.00	1113.20
GRADES NO. 5½ AND 6				88.09	$15.00	1321.35
STAINED						
GRADES NO. 3 AND LARGER		$12.00		.12	$18.00	1.73
GRADES NO. 4 AND 5		$ 5.00		8.79	$ 8.00	56.26
GRADES NO. 5½ AND 6		$ 3.00		7.66	$ 5.00	30.64
HEAVY STAINED						
GRADES NO. 3 AND LARGER		$ 8.00			$13.00	
GRADES NO. 4 AND 5		$ 4.00			$ 6.00	
GRADES NO. 5½ AND 6		$ 2.00			$ 3.00	
TOTALS						
LOT TOTALS				134.18		$2,641.48

PROGRAM B - HAND-COBBED MICA

TOTALS					$ 0.30	

ACCEPTANCE

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

GENERAL SERVICES ADMINISTRATION

BY *(Type name)*	SIGNATURE	TITLE
Wayner Buchanan		Buyer

INVOICE

TO: General Services Administration, Region IV

FOR: Mica delivered as indicated above — $ 2,641.48

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

SELLER *(Type name)*	DATE
R. and B. Mining Company (R. B. Phillips Mine) DMEA-3422, Idm-E726	1-11-55
BY *(Signature)*:	NAME AND TITLE *(Type)*: Zeb Buchanan

GSA-WASH DC 53-3094

GSA FORM 1013 September 1952

COPY

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 26 1955

INTERIM REPORT
(mica)
DMEA-3422, Idm-E726, R. B. PHILLIPS PROSPECT

Operator: Zeb Buchanan and W. R. Johnson, Bakersville, N. C.

Location: 2.75 airline miles S. 5° E. of Bakersville, Mitchell County, N. C. It is on the northeast side of Burnt Mountain and is 3000 feet southwest of N. C. Highway 26.

Incline sinking continues on this contract and is now at 38.5 feet. The pegmatite is about 4 feet thick in the bottom and definite rolls were observed along the footwall. No extreme change was noted in the pegmatite material. The mine foreman reports that mica recovery continues to increase with depth with a marked increase of larger-sized mica. Recent sales of mica to the GSA Depot, Spruce Pine, N. C. are encouraging.

Access to the mine bottom is limited and it was suggested that additional ladder sections be installed immediately and that permanent ladders be installed as soon as practicable. Progress on this contract is satisfactory.

Examined: January 5, 1955.

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

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

z

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, Tenn. 1/3/55
(Name and location of depositary) (Date sent)

DEPOSIT NO. 21-23-070-2

$ 24.06

SYMBOL NO. 21/23

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

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

On account of—

Zeb Buchanan, and

21/1801 Adj. 86 Royalty Payment [illegible] E. Johnson

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

Helen R. Miller, Adm. Asst.
Interior Dept., Bureau of Mines
P. O. Box 1902
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)

JAN 3 1955
(Date of credit in Treasurer's account)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 215, POST OFFICE BLDG.
KNOXVILLE 2, TENN.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN - 5 1955

January 3, 1955

Memorandum

To: Helen Miller, Administrative Officer, Region VII

From: Executive Officer, DMEA - Knoxville, Tenn.

Subject: Royalty check on DMEA-3422, Idm-E 726, Zeb Buchanan and W. R. Johnson, R. B. Phillips Prospect (mica)

Transmitted is a bill-of-sale in the amount of $1,697.24, and a check for 5% of the sale in the amount of $84.86 to be credited to the subject contract.

Robert A. Laurence

ZM
cc:
Beck
Laurence
Shirley
Mittendorf
Zeb Buchanan

copy

GENERAL SERVICES ADMINISTRATION, REGION VII

Mica Purchase Depot, Spruce Pine, N. C.

Authorization No. 1453-A Acceptance No. 838 Date: 12-28-54

Seller: R. and B. Mining Co. Box 155 - Bakersville, N.C.

Mine: R.B. Phillips Prospect DMEA No. 3422, IdM-726

Quality of Mica	HALF TRIM			FULL TRIM		
	Pounds	Price/lb.	Amount	Pounds	Price/lb.	Amount
Good Stained & Better Grades No. 3 & larger					$70.00	65.80
" No. 4 and 5					$40.00	779.60
" No. 5½ and 6					$25.00	816.00
Stained No. 3 and larger		$12.00			~~$8.00~~ 14.40	.86
No. 4 and 5		$ 5.00			$ ~~6.00~~ 6.40	10.82
No. 5½ and 6		$ 3.00			$ ~~5.00~~ 4.00	24.16
Heavy Stained No. 3 & larger		$ 8.00			$13.00	
No. 4 and 5		$ 4.00			$ 6.00	
No. 5½ and 6		$ 2.00			$ 3.00	
LOT TOTALS				82.62		
TOTAL						1697.24

Scrap Mica

Punch Mica

Royalty check - # 8486

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-

DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
RECEIVED

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of December, 1954 Docket No. DMEA 3422 Contract No. Ism-S 726
Operator's Name Zob Buchanan and W. R. Johnson Minerals Mica
Address c/o Zob Buchanan, Dolorosville, N. C.
Contract Amount, $ 4016.00 Government Participation: 75 % Amount, $ 3012.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
15' Shaft @ 45.00	675.00	900.00	1575.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Toolhouse		73.00	73.00			
Powder & Exploder Mag.		38.00	38.00			
(8) Contingencies (specify):						
TOTALS	675.00	1016.00	1691.00	675.00	1,016.00	1,691.00

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 1-4-55 *Payee Zob Buchanan
Per Zob Buchanan 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:

$ 506.25

Signature Helen R. Mullin
(Authorized Certifying Officer)

Date 1-11-55 Vou. No. 117
(See other side)

3

168.75

(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-E726 in accordance with the terms of the contract.

Signature Lawrence E. Shirley Title Mining Engr. USBM Date Jan 10, 1955

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

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

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 13 1955

Month of December 1954 Docket No. DMEA 3422 Contract No. Idn-5726

Operator's Name Zeb Buchanan and W. R. Johnson Minerals Mica

Address c/o Zeb Buchanan, Bakersville, 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								
15' Shafts @ 45.00	Ft.	675.00	15	1575.00	35	45.00	40	45.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Total Distributed Costs		675.00		1575.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc. Toolhouse				70.00				
Powder & Exploder Magazines				36.00				
Total Costs		675.00		1691.00				

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

Date 1-4-55 Operator Zeb Buchanan & W. R. Johnson

Per Zeb Buchanan 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

OPERATOR'S
MONTHLY REPORT OF PROGRESS

Month of December, 1954

DMEA-3422

Idm-E 726

Work Accomplished:

Sank the shaft fifteen feet during December, in vein m all the way, and recovering about one ton of mica. A larger sh than is called for by the contract is being lowered in order to the mica, as the vein is wide. Sold approximately $4,700.00 m

Daily Notes:

Dec. 1 - 3 - Sank shaft - in vein material and mica. Shot round. Recovered some good grade mica.

Dec. 6 - 10 - Drilled and shot, mucked. Recovered mica. H sheeters and trimmers working on mica. Made sale of 45 lbs.

Dec. 13 - 17 - Continued to drill and shoot and to get some quality mica. Made a sale of 97.63 lbs., for of $2144.47.

Dec. 20 -24 - Continued down with shaft, trying to save mi going rather slowly. Drilled and shot, Kept trimmers and sheeters working.

Dec. 27 - 31 - Vein is widening slightly, mica still lodge lowered shaft to depth of 35 ft. Made sa 97.62 lbs. for $1[illegible]7.24.

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 12/23/54
(Name and location of depositary) (Date sent)

DEPOSIT NO. 14-23-070-51

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

$ 107.22

SYMBOL NO. 1428

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

On account of—

14X1401 $107.22 Royalty Payment - Tom-2-726 Buchanan & Johnson

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

Helen R. Miller, Administrative Officer
Interior Dept., 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 23

(Date of credit in Treasurer's account)

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

Copy

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

WARRANTY, ACCEPTANCE AND INVOICE - NONRUBY

DATE: 12-15-54

ACCEPTANCE NUMBER: A04-793

UNDER CERTIFICATE OF AUTHORIZATION NUMBER: PS-H-1453A

LOT NUMBER: SPA0-793

RECEIPT AND WEIGHT TICKET NUMBER:

WARRANTY

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

NAME AND ADDRESS OF SELLER (Type or print)	SELLER OR PERSON AUTHORIZED TO SIGN THIS WARRANTY FOR SELLER
NAME: Rand B. Mining Company	SIGNATURE:
STREET ADDRESS: Box 155	NAME (Type or print): Zeb Buchanan
CITY, ZONE AND STATE: Bakersville, N-C.	TITLE (Type or print): Partner

EVALUATION AND SETTLEMENT DATA

PROGRAM A - BLOCK OR FILM MICA - NONRUBY

QUALITY	HALF TRIM			FULL TRIM		
	POUNDS	PRICE PER LB.	AMOUNT	POUNDS	PRICE PER LB.	AMOUNT
GOOD STAINED AND BETTER						
GRADES NO. 3 AND LARGER				2.50	$70.00	175.00
GRADES NO. 4 AND 5				28.87	$40.00	954.80
GRADES NO. 5½ AND 6				65.98	$15.00	989.70
STAINED						
GRADES NO. 3 AND LARGER		$ 9.60		.12	$14.40	1.73
GRADES NO. 4 AND 5		$ 4.00		1.00	$ 6.40	6.40
GRADES NO. 5½ AND 6		$ 2.40		4.21	$ 4.00	16.80
HEAVY STAINED						
GRADES NO. 3 AND LARGER		$ 6.40			$10.40	
GRADES NO. 4 AND 5		$ 3.20			$ 4.80	
GRADES NO. 5½ AND 6		$ 1.60			$ 2.40	
TOTALS						
LOT TOTALS				97.68		2144.47

PROGRAM B - HAND-COBBED MICA - NONRUBY

TOTALS					$ 0.24	

ACCEPTANCE

Subject to the terms and conditions of the Mica Regulation (Revision 2), dated July 22, 1953 (18 F.R. 4377), establishing the Government's Purchase Programs for Domestic Mica, the Government accepts the number of pounds of mica (as hereinabove identified), delivered by the Seller to the Government for which payment in the total amount set forth hereinabove will be made by the Government.

GENERAL SERVICES ADMINISTRATION

BY (Type name)	SIGNATURE	TITLE
Wayne Buchanan		Buyer

INVOICE

TO: General Services Administration, Region IV

FOR: Mica delivered as indicated above — $ 2144.47

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

SELLER (Type name)	DATE
R. and B. Mining Company (R. B. Phillips Mine	12-15-54
BY (Signature):	NAME AND TITLE (Type): Zeb Buchanan, Partner

GSA-WASH DC 54-2285

GSA FORM 1136
September 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 5 1955

INTERIM REPORT

DMEA-3422, Idm-E726, R. B. Phillips Prospect
(mica)

Operator: Zeb Buchanan and W. R. Johnson, Ptners. Bakersville, N. C.

Location: 2.75 airline miles S. 5° E of Bakersville, Mitchell County, N. C. It is on the northeast side of Burnt Mountain and is 3000 feet southwest of N. C. Highway No. 26.

Incline sinking continues on this contract and is now at 27.5 feet. The Operators were advised to continue sinking new work to a total depth of 40 feet.

No extreme changes were noted in material encountered in recent work. Mica recovery continues to increase with most recent production averaging about 350 lbs. of mine-run block per shift. A recent sale of 100 lbs. of processed mica to the GSA Mica Depot, Spruce Pine, N. C., averaged about $22.00 per pound.

Suggestions were made concerning better access to the mine. ~~[illegible]~~ Timber recommendations at the entrance have been complied with.

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

December 15, 1954.

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

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

For Certificate of Deposit No. 45, dated December 8, 1954, giving royalty repayment of $40.44, see E-181.

Anderson

C
O
P
Y

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~XXXWASHINGTONXXXXXXXXXXX~~
ROOM 13, POST OFFICE BLDG.
KNOXVILLE 2, TENN.

December 8, 1954

Memorandum

To: Helen Miller, Administrative Officer, Region VII

From: Acting Executive Officer, DMEA - Region VII

Subject: Royalty Checks on DMEA Projects

Transmitted are checks on the following:

Idm-E726, DMEA-3422, Buchanan & Phillips		$40.44
Idm-E674, DMEA-3287, Mud Cut Mining Co.		2.54
Idm-E181, DMEA-1876X, Yancey Mining Co.		41.56

D. H. Amos

COPY

Defense Minerals Administration
RECEIVED
DEC 10 1954

GENERAL SERVICES ADMINISTRATION, REGION VII

Mica Purchase Depot, Spruce Pine, N. C.

Authorization No. EPS-4-134A Acceptance No. A04-712 Date: Dec. 2, 1954

Seller: Zeb Buchanan, Box 155, Bakersville, N. C.

Mine: R. B. Phillips Mine DMEA No. 422, Idm-R726

Quality of Mica	HALF TRIM			FULL TRIM		
	Pounds	Price/lb.	Amount	Pounds	Price/lb.	Amount
Good Stained & Better Grades No. 3 & larger					$70.00	
" No. 4 and 5				7.02	$40.00	280.00
" No. 5½ and 6				33.01	$15.00	505.65
Stained No. 3 and larger		$12.00			$18.00	
No. 4 and 5		$ 5.00		.61	$ 8.00	3.91
No. 5½ and 6		$ 3.00		4.60	$ 5.00	18.40
Heavy Stained No. 3 & larger		$ 8.00			$13.00	
No. 4 and 5		$ 4.00			$ 6.00	
NO. 5½ and 6		$ 2.00			$ 3.00	
LOT TOTALS				45.94		
TOTAL						808.7

Scrap Mica

Punch Mica

5% of $808.75 --$40.44 royalty.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 1 3 1954

INTERIM REPORT

DMEA-3422 Idm-E726 (mica) R. B. PHILLIPS PROSPECT

OPERATOR: Zeb Buchanan and W. R. Johnson, Partners, Bakersville, N. C.

LOCATION: 2.75 airline miles S 5° E of Bakersville, Mitchell County, N. C. It is on the northeast side of Burnt Mountain and is 3000 feet southwest of N. C. Highway No. 26.

Incline sinking continues on this contract and new work completed is now at 20 feet. Sinking will continue to a depth of 40 feet.

Material encountered continues to be well-defined pegmatite composed of a quartz-feldspar mixture containing considerable quantities of green muscovite mica. Accessory minerals are sericite and garnet. The quality of the mica appears to improve and production is estimated to be about 200 lbs. of mine-run mica per shift while sinking. The operator states that 35 pounds of processed mica is ready for sale to the GSA Mica Depot, Spruce Pine, N. C. Progress on this contract is satisfactory.

L. E. Shirley

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

K. H. Teague D. H. Amos

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

December 1, 1954

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

VOUCHER & SCHEDULE
DEMINERALS K- 26

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of November 1954 Docket No. DMEA 3422 Contract No. Idn-E726
Operator's Name Zeb Buchanan & W. R. Johnson Minerals Mica
Address c/o Zeb Buchanan, Bakersville, N. C.
Contract Amount, $ 4016.00 Government Participation: 75% Amount, $ 3012.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
20' Shaft @ 45.00 ft.	900.00		900.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Toolhouse		78.00	78.00			
Powder & Exploder Magazines		38.00	38.00			
(8) Contingencies (specify):						
TOTALS	900.00	116.00	1016.00	900.00	116.00	1,016.00

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 12-1-54 *Payee Zeb Buchanan
Per Zeb Buchanan 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:
$ 675.00
Signature Helen R. Melin
(Authorized Certifying Officer)
Date DEC 7 1954 Vou. No. 98
(See other side)

225.00

(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. Em-E726 in accordance with the terms of the contract.

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

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION VII Date DEC 7 1954

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of November 1954 Docket No. DMEA 3422 Contract No. Idm-5726
Operator's Name Zob Buchanan & W. R. Johnson Minerals Mica
Address c/o Zob Buchanan, Bakersville, 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								
20' Shafts @ 45.00 ft.	ft.	900.00	20	900.00	20	45.00	40	45.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Total Distributed Costs		900.00		900.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc. Toolhouse				73.00				
Powder & Exploder Magazines				38.00				
Total Costs		900.00		1016.00				

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 12-1-54 Operator Zob Buchanan and W. R. Johnson

Per Zob Buchanan 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 83-38475

OPERATOR'S
MONTHLY REPORT OF PROGRESS

Month of November, 1954

DMEA- 3422

Idm-E 726

Work Accomplished:

We lowered the shaft to a depth of 20' during the month. We had to timber about 6' of the way, and had to pull out a good deal of water. After the 6' level, we have had no more water, and have made satisfactory progress drilling and shooting. We have been in vein material all of the 20 feet.

Daily Notes:

Nov. 1 - 5 - Began lowering the shaft. Had to pump out water and begin timbering in soft material.

Nov. 8 -12 - Pumped out remainder of water, began to strike hard material. Drilled and shot.

Nov.15-19 - Mucked out previous days muck, continued to drill and shoot. In vein material of quartz, feldspar and fine mica particles.

Nov. 22-26 - Drilled and shot, mucked. Lowered shaft without difficulty, still in vein material.

Nov. 29-30 - Reached the 20' level with the shaft. Drilled and mucked.

Defense Minerals Administration
RECEIVED
DEC 2 1954

INTERIM REPORT

DMEA-3422 Idm-E726 (mica) R. B. PHILLIPS PROSPECT

OPERATOR: Zeb Buchanan and W. R. Johnson, Partners, Bakersville, N. C.

LOCATION: 2.75 airline miles S 5° E of Bakersville, Mitchell County, N. C. It is on the northeast side of Burnt Mountain and is 3000 feet southwest of N. C. Highway No. 26.

Incline sinking is underway on this contract and is now at 9 feet. Mica recovery to date is good and sinking will continue to a total depth of 40 feet.

An existing incline, 16 feet in depth, has been deepened to 25 feet. Material consists entirely of pegmatite, which is being pulled from wall to wall, and is composed of feldspar, quartz, acessory garnet and green muscovite mica containing "A" structure and a little stain. At least 500 lbs. of block "mine-run" mica has been recovered and is now being processed for sale to G.S.A. Mica Depot, Spruce Pine, N. C.

Suggestions were made concerning additional timber work needed at the entrance and scaling loose rock on the hanging wall. The workers were advised to wear safety hats.

L. E. Shirley

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

K. H. Teague D. H. Amos

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

November 16, 1954

DEPT. OF THE INTERIOR
Land Laws Admin.
RECEIVED
NOV 12 1954

INTERIM REPORT

DMEA-3422 Idm-E726 (mica) R. B. PHILLIPS PROSPECT

OPERATOR: Zeb Buchanan and W. R. Johnson, Partners, Bakersville, N.C.

LOCATION: 2.75 airline miles S 5° E of Bakersville, Mitchell County, N. C. It is on the northeast side of Burnt Mountain and is 3000 feet southwest of N. C. Highway No. 26.

The starting date on this contract is October 25, 1954. Equipment consisting of a 105 c.f.m air compressor, a gasoline-powered hoist and hoisting rig has been moved to the mine site. A tool house, powder magazine and exploder magazine has been constructed. No work has begun on the pegmatite due to extreme winter weather.

L. E. Shirley

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

K. H. Teague/mg D. H. Amos

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

November 3, 1954

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

Budget Bureau No. 42-R1036.5

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

Month of October, 1954 Docket No. DMEA 3422 Contract No. Idm-E726
Operator's Name Zeb Buchanan and W. R. Johnson Minerals Mica
Address c/o Zeb Buchanan, Bakersville, N. C.
Contract Amount, $ 4016.00 Government Participation: 75 % Amount, $ 3012.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Toolhouse	78.00	-	78.00			
Exploder & Powder Magazines	38.00		38.00			
(8) Contingencies (specify):						
TOTALS	116.00		116.00	116.00		116.00

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

Date 11-2-54 *Payee Zeb Buchanan

Per Zeb Buchanan Title Partner

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the 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:

$ 87.00

Signature Helen R. Miller
(Authorized Certifying Officer)

Date NOV 2 1954 Vou. No. 88

(See other side)

1

10/25

29.00

(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-E726 in accordance with the terms of the contract.

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

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER 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 October 1954 Docket No. DMEA 3422 Contract No. Idm-E726

Operator's Name Zeb Buchanan and W. R. Johnson Minerals Mica

Address c/o Zeb Buchanan, Bakersville, 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								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
								TOTAL COSTS AUTHORIZED BY CONTRACT
TOTAL DISTRIBUTED COSTS								
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, ~~Improvements~~ Toolhouse, etc.		78.00		78.00				
Powder & Exploder Magazines		38.00		38.00				
TOTAL COSTS		116.00		116.00				

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

Date 11-2-54 Operator Zeb Buchanan & W.R.Johnson

Per Zeb Buchanan Title Partner

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

REMARKS:

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 872894

OPERATOR'S

MONTHLY REPORT OF PROGRESS

DMEA- 3422

Idm-E 726

Date Work Began: 10

Work Accomplished:

We moved Air Compressor and Hoist to the mine s built tool house, powder and exploder magazines and pu the boom pole and mask pole. Everything is now is ord start the incline shaft on Nov. 1.

Daily Notes:

Oct. 25 - Moved Compressor and Hoist to Sit

Oct. 26 - Moved in lumber and materials and built tool house.

Oct. 27 - Constructed powder and exploder magazines.

Oct. 28 - Put up mask pole and boom pole a brought in supplies ready to beg operation.

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

OCT 19 1954

October 18, 1954

Memorandum

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

From: Executive Officer, DMEA, Region VII

Subject: Signed Contract, DMEA-3422, Idm-E 726
Zeb Buchanan and W. R. Johnson, partners
R. B. Phillips Prospect (Mica)
Mitchell County, North Carolina

Transmitted are original and two signed copies of the subject contract. The usual distribution of the other copies has been made.

Robert A. Laurence
Robert A. Laurence
Executive Officer

Enclosures 3

Docket Copy
Surname:
Anderson
Houk
Chandler
Selfridge
Johnson

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

OCT 11 1954

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

Subject: Docket No. DMEA-3422 - Miss Zeb Buchanan and W. R. Johnson R. B. Phillips Prospect Mitchell County, North Carolina

Dear Mr. Laurence:

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

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

After execution of the contract, the copies are to be distributed in the usual manner. Copies of memoranda from the Geological Survey, dated September 13, 1954, and from the Bureau of Mines, dated September 17, 1954, are enclosed.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee (JHB)

Approved:

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

Thor H. Kiilsgaard
Member, Geological Survey (JHB)

Enclosures 10

WCAnderson:gad 10/5/54
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5227
Mr. Dietrich, 3061
Mr. Houk

R.C.G.

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

September 17, 1954

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

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

Subject: DMEA-3422 (mica)

Applicant: Buchanan and Johnson

Name and Location of Property: R. B. Phillips Prospect
Mitchell County, North Carolina

Date of Field Team Report: September 3, 1954

Date Rec'd. by Ceramic & Fertilizer Mtls. Br.: September 14, 1954

Field Team Recommendation:

1. Approval of an exploration contract.

Comments:

1. This deposit appears to have possibilities for the development of strategic mica.
2. Exploration project is consistent with good engineering practices.
3. Estimated expenditures total $4,013.

Recommendation:

I concur with the field team's recommendation for an exploration project in the amount of $4,013.

Donald R. Irving

Donald R. Irving

IN REPLY REFER TO:

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

RECEIVED
SEP 14 1954

September 13, 1954

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-3422 (Mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: E. L. Newcomb, U. S. Geological Survey
Applicants: Z. Buchanan and W. R. Johnson, Bakersville, N. C.
Name of property: R. B. Phillips Prospect
Location of property: 2.75 mi. SE of Bakersville, Mitchell Co., N. C.
Date of Field Team Report: September 2, 1954
Authorship of Field Team Report: K. H. Teague and D. H. Amos, USGS
Field Team's recommendation:

Exploration assistance is warranted, but prospect No. 2 should not be considered for assistance.

Comments:

According to the Field Team, the overall amount and quality of mica in the pegmatite appears to be sufficient to justify DMEA assistance.

The proposed 100 feet of underground work is more than adequate to test the potentiality of this pegmatite.

ACTION RECOMMENDED: Follow Field Team's recommendation.

E. L. Newcomb

E. L. Newcomb

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

September 3, 1954

Memorandum

To: Operating Committee, DMEA - Washington

From: Field Team, DMEA - Region VII - Knoxville, Tennessee

Subject: Field Examination Report - DMEA-3422 (mica) Buchanan & Johnson
Burnsville, N. C. R. B. Phillips Prospect, Mitchell Co., N.C.

Enclosed are four copies of the subject examination report and six extra copies of the map. We agree with the examiners' findings and recommend approval of a contract as outlined in the report.

Robert A. Laurence
Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION VII

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

Reviewed by
DMEA OPERATING COMMITTEE
9-13-54
(date)

On-site Exam. rpt.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM, REGION VII

On

DMEA-3422, R. B. Phillips Prospect
(mica)
Mitchell County, N. C.

By

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

September 2, 1954

Reviewed by
DMEA OPERATING COMMITTEE
9-13-54
(date)

FIELD EXAMINATION REPORT
On
DMEA-3422, R. B. Phillips Prospect
(mica)

Gal
10/8/54

Applicants: Zeb Buchanan and W. R. Johnson, Bakersville, North Carolina

Limited work at this place has exposed a pegmatite containing strategic quality mica. The pegmatite is large enough and sufficiently rich in mica to warrant exploration assistance. Prospect No. 2 does not warrant consideration.

The deposit was examined on August 25, 1954, Messrs. Zeb Buchanan and Woodrow Sparks accompanied the examiners on the inspection which required two hours.

The R. B. Phillips Prospect is on the northeast side of Burns (Burnt) Mountain at an elevation of about 3200 feet. It is 3000 feet southwest of N. C. Highway No. 26 and 2.75 airline miles S. 5° E. of Bakersville, Mitchell County, North Carolina. Access is possible at all times by jeep and by truck when the road is dry.

Both applicants have had considerable mica mining experience and are competent to conduct the proposed project.

The deposit is leased by the applicants, area of which is adequate for the project.

A 4-6 foot pegmatite has been exposed along its strike for 150 feet by a series of trenches, pits, and an incline 25-feet deep. The incline is at the northeast end of exposure and was begun by an open cut 35 feet long which was converted into an inclined shaft 10 feet from ground level.

The pegmatite trends N. 60° E., dipping 60° SE. parallel to the foliation and layering of the enclosing rock. Adjacent to the pegmatite the country rock is mica schist, but a foot or so away from both contacts hornblende gneiss occurs. Foliation of the enclosing rock is generally very straight. Contact between the mica schist and pegmatite is sharp, although local "rolls" and "bulges" occur along both walls. There is a suggestion that these "rolls" plunge to the northeast at a low angle (15°).

The pegmatite is medium coarse and is composed of plagioclase (some of which is clear), perthite, gray to smokey quartz, muscovite and red garnet, listed in order of abundance. No zoning is apparent, although there is a tendency for mica to be more abundant in areas of "rolls" and "bulges."

Mica from this pegmatite is green in color, hard, flat, and splits well. It seems to occur in relatively small sizes. Some of the books contain

"A" structure. According to Woodrow Sparks who worked the prospect for approximately a month about a year ago and produced about $700 worth of mica; each shot pulled resulted in the recovery of strategic mica.

The examiners believe that this deposit has excellent possibilities for the discovery of a worthwhile deposit of strategic mica. Only a limited amount of work has been done; it has been exposed along its strike for 150 feet and on its dip for only 25 feet; thickness ranges between 4 and 6 feet; the rock is unweathered and the mica is of excellent quallity.

We recommend the following exploration program: Construct a toolhouse and necessary magazines, deepen existing 25-foot incline 40 feet to a depth of 65 feet, and drive 60 feet of drift from this incline on the pegmatite. Estimated cost of the proposed project are as follows:

Construct Toolhouse		$ 75.00
Powder Magazine		25.00
Exploder Magazine		13.00
<u>Sink 40 feet of incline (30 shifts)</u>		
Labor:		
1 miner @ $1.50/hr.	$360.00	
1 hoistman @ $1.25/hr.	300.00	
1 Laborer $1.00/hr	240.00	
Compressor, drill, etc. @ $220/Mo.	330.00	
Hoist @ $50/Mo.	75.00	
Supplies:		
Gasoline and oil	100.00	
Explosives	125.00	
Drill Steel	75.00	
Small tools, etc.	100.00	
Miscellaneous, Social Security, etc.	95.00	1,800.00
Drive 60 feet drift (30 shifts)		
Labor:		
1 miner @ $1.50/hr.	360.00	
1 hoistman @ $1.25/hr.	300.00	
2 laborer @ $1.00/hr.	480.00	
Equipment Rental:		
Compressor, drill, etc. @ $220/Mo.	330.00	

Hoist @ $50/Mo.	$75.00	
Supplies:		
Gasoline and oil	100.00	
Explosives	150.00	
Drill Steel	100.00	
Small Tools, etc.	50.00	
Miscellaneous, Social Security, Ins. etc.	155.00	$ 2,100.00
Estimated Total Cost of Project		$ 4,013.00

Sept. 2, 1954

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

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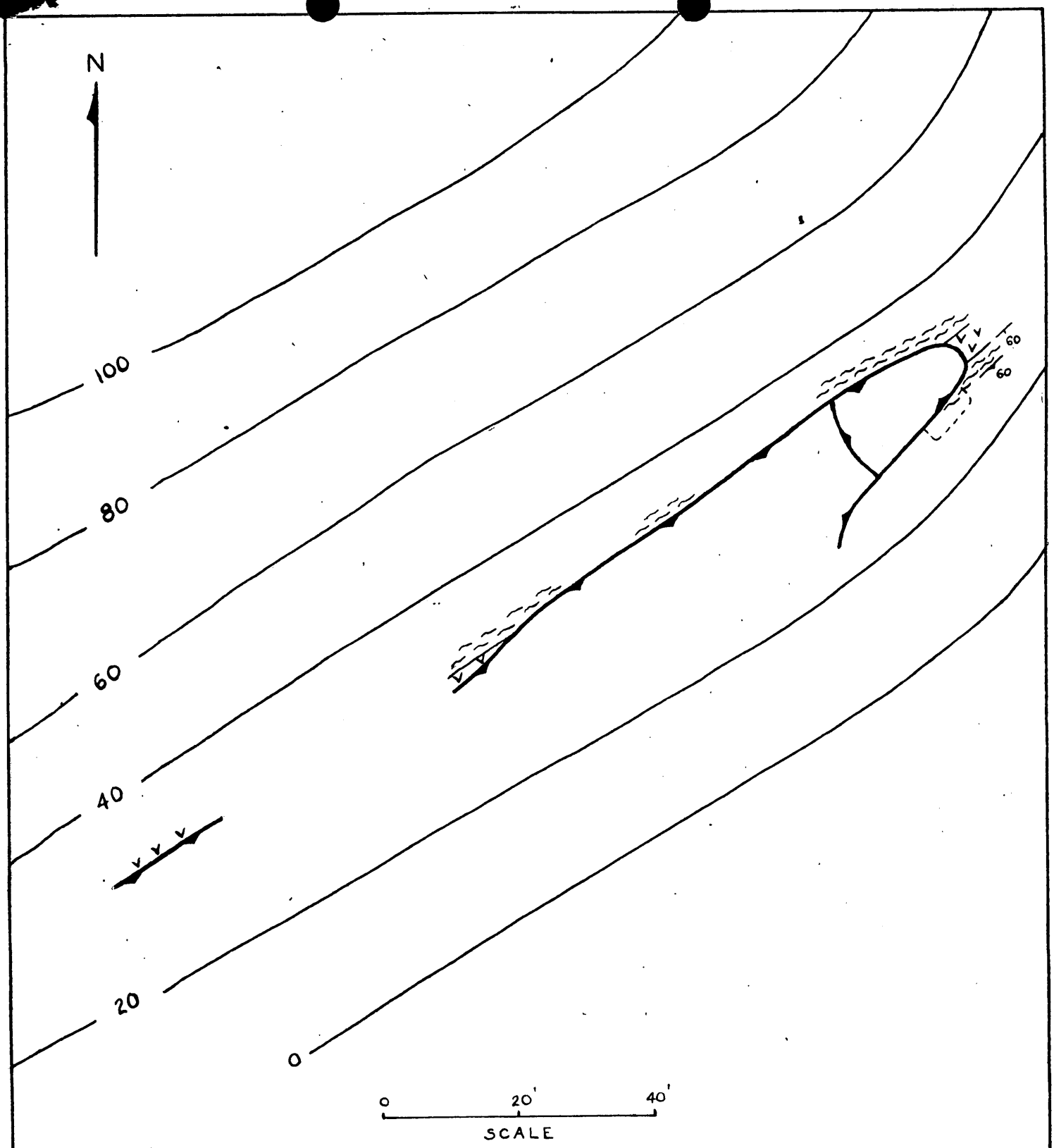

SKETCH OF
R.B. PHILLIPS PROS.
MITCHELL CO., N.C.

DMEA-3422 (mica)

Docket Copy
Surname:
Houk
Hedges
Field
Martin
Johnson

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

AUG 16 1954

Messrs. Zeb Buchanan and W. R. Johnson

Bakersville, North Carolina

Re: Docket No. DMEA-3422 - Mica
R. B. Phillips Prospect
Mitchell County, North Carolina

Gentlemen:

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

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

Sincerely yours,

C. O. Mittendorf (fw)

Administrator

WCAnderson:gad 8/5/54
Copy to: Admr. R. File
Docket File
Field Team, Region VII
Operating Committee
Mr. Dietrich, 3061
Mr. Newcomb, 5227
Mr. Houk

R.C.G.

Docket Copy
Surname:
Houk
Martin
Johnson

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

AUG 10 1954

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

Subject: Docket No. DMEA-3422 - Mica
Zeb Buchanan and W. R. Johnson
R. B. Phillips Prospect
Mitchell County, North Carolina

Dear Mr. Laurence:

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

Copies of memoranda from the Geological Survey, dated July 26, 1954, and from the Bureau of Mines, dated July 30, 1954, are enclosed for your information.

Sincerely yours,

s/ W. L. Martin
ACTING Chairman, Operating Committee (JHB)

Approved:

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

Philip W. Guild
Member, Geological Survey (JHB)

Enclosures 4
WCAnderson:gad 8/5/54
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Dietrich, 3061
Mr. Newcomb 5227
Mr. Houk

R.C.G.

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

Defense Minerals
JUL 30 1954

July 30, 1954

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-3422 (mica)

Applicants: Zeb Buchanan and W. R. Johnson

Name and Location of Property: R. B. Phillips Prospect
Mitchell County, North Carolina

Date Application Rec'd. by Ceramic & Fert. Mtls. Br.: July 23, 1954

Comments:

1. Mine is located in an area where strategic mica has been produced.

2. Exploration proposed by applicants is consistent with good engineering practices and in line with unit-cost estimates for other DMEA projects.

3. It appears the logical approach to this exploration would be to complete work on Prospect No. 1 before beginning No. 2.

Recommendation:

It is recommended that the field team visit this mine when in that vicinity to ascertain if an exploration project is justified. If so, the field team and applicants should agree on a definite plan of exploration on a unit-cost basis.

W. F. Dietrich

W. F. Dietrich

IN REPLY REFER TO:
G-MD-CNM

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

July 26, 1954

Memorandum

REVIEW OF APPLICATION DMEA-3422 (mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant's name and address: Zeb Buchanan and W. R. Johnson, Bakersville, North Carolina
Name of property: R. B. Phillips Prospect
Location of property: Mitchell County, North Carolina
Summary of applicant's proposal:

Prospect 1
1 - Bulldoze access road and shaft site
2 - Rehabilitate shaft and deepen 75'
3 - Drift 100'
Total $7975

Prospect 2
1 - 100 hrs. bulldozing overburden
2 - 60' shaft
3 - drift 80'
Total $6800

Source of information on applicant's property: None.
Comments: 1. It might be best to work one peg at a time.
2. Project should be set up in stages

RECOMMENDATION: Refer to Field Team.

D. M. Larrabee

D. M. Larrabee

July 23, 1954
Subject: DMEA-3422
Re: Exploration Assistance
R. B. Phillips Prospect

Messrs. Zeb Buchanan
& W. R. Johnson
Bakersville
North Carolina

Gentlemen:

The receipt of your application dated July 20, 1954 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA-3422 and referred to the Non-Metallic Minerals Division.

Kindly refer to in any future correspondence relating to your application.

Sincerely yours,

BUREAU OF MINES
1201 NORTH DIVISION STREET
SPOKANE 2, WASHINGTON

OFFICIAL BUSINESS

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.