DMEA Form 9
Rev. 6/57

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE — Idm-E NO. 734 — DMEA NO. 3452

Application
- [ ] Denied
- [ ] Withdrawn

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

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

Folder No. 1:

Left Side

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

Right Side

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

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Washington office pertaining to Contract Idm-8734, Docket DMEA-3452 (mica), dated October 28, 1954, with

Howard Boone and John Jarrett
Route 3
Bakersville, North Carolina

for the purpose of determining the amount of royalty payable to the U. S. Government on sales of minerals from property referred to as the Marsh Putnam, Lester Putnam, and Putman Prospect or Mine located in Mitchell County, North Carolina, during the period April 18, 1959, through August 11, 1962.

A certification of discovery or development was issued on June 7, 1955, and, in accordance with Article 7 of the contract, royalty is payable on all minerals produced from the land described in Article 2 of the contract for a period of 10 years from the date of the contract or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first. A Report of Review dated May 16, 1955, indicated accepted costs under the exploration contract amounting to $5,292.00 with the Government's contribution on a 75 percent basis being $3,969.00.

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

This review established the total sales subject to the DMEA royalty for the period to be $205.72. Royalty payable to the Government at the rate specified in the contract is $10.29.

A prior Report of Royalty Review found the sales subject to the Government's royalty through April 17, 1959, to be $2,748.87, which added to the sales for this subsequent period make a total of $2,954.59. The royalty account as of April 17, 1959, was:

Total Royalty Payable	$137.45
Total Royalty Paid	137.45
Balance of Royalty Due	$ -0-

As of August 11, 1962, the royalty account of this project was found to be:

Total Royalty Payable	$147.74
Total Royalty Paid	147.74
Balance of Royalty Due	$ -0-

August 16, 1962

E. D. Talbert, OME Auditor

Idm-8734 Howard Boone and John Jarrett DMGA-3452

STATUS OF PROJECT, SCOPE OF REVIEW
AND REASONS THEREFOR

This contract provides that the Operator, as principal if the producer or as surety if not the producer, shall pay to the Government a percentage royalty on all minerals produced from the land under the contract. At the time this contract was executed the Operator was in possession of the property, located on the east side of the Toe River about one-half mile southwest of Bandana, by virtue of July 23, 1954, lease from Lester H. Putnam, 4401 W. 77th Place, Prairie Village 15, Kansas. In consideration of the contract, the landowner executed an Owner's Consent to Lien.

Exploration work under the contract was completed on March 31, 1955. Production during the exploration work resulted in sales of 154.38 pounds of trimmed, 1,132 pounds of hand-cobbed, 2,800 pounds of scrap, and 2,855 pounds of punch mica. The sales, which aggregated $2,748.87, were made by the Operator in the name of Putnam Mining Company and by Sam L. Phillips.

The files indicate that lease of the property was dropped by the Operator during 1956 and that the property remained inactive thereafter except for short periods of operation by C. W. Ellis and Parsley & Grindstaff during 1959. Ellis sold 9.54 pounds of trimmed mica for $104.41 and Parsley & Grindstaff sold 9.99 pounds of trimmed mica for $101.31. Mr. Ellis reported and paid royalty on his sale on February 15, 1961. The Parsley & Grindstaff sale was not reported but was disclosed in a check by a representative of this Division during the week ending June 22, 1962, of the records of the G.S.A. Mica Purchase Depot at Spruce Pine, N. C. The royalty was paid by one of the Operator-partners (Howard Boone) on August 11, 1962.

Examinations of the property, inquiries, and checks of the Mica Purchase Depot records indicate that all production from the property, excepting a possible small amount of punch and scrap incident to the 1959 operations, have been reported and proper royalty thereon paid. In a letter transmitting the August 11, 1962, payment of royalty, the Operator promised to check into the sales of punch and scrap, "if any".

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

(1) The files indicate that all production, except possibly a small quantity of punch and scrap, has been reported and proper royalty paid; and

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

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Division of Nonmetallic Minerals, Office of Minerals Exploration, Washington, D. C., pertaining to Contract No. Idm-2734, Docket No. DMEA-3452 (Mica), dated October 28, 1954, with

Howard Boone and John Jarrett
Route 3
Bakersville, North Carolina

for the purpose of determining the amount of royalty due the U. S. Government on sales of mica from property referred to as Marsh Putnam Prospect located in Mitchell County, North Carolina, during the period January 27, 1956, through April 17, 1959.

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

My review established the total sales of mica for this period to be $146.30. Royalty due the U. S. Government at the contract rate of 5 percent is $7.34. A prior report of royalty review for the period October 28, 1954, to January 26, 1956, stated the sales of mica to be $2,602.07 and the royalty at the contract rate of 5 percent to be $130.11. The auditor stated the royalty account as follows:

Total Royalty Due	$130.11
Total Royalty Paid	130.11
Balance of Royalty Due	$ -0-

As of April 17, 1959, the royalty account of this project was found to be:

Total Royalty Due	$137.45
Total Royalty Paid	137.45
Balance of Royalty Due	$ -0-

C. E. Fisher, OME Auditor

April 21, 1959

HOWARD BOONE AND JOHN JARRETT

Contract No. Idm-E734 Docket No. DMEA-3452

STATUS OF PROJECT, DESCRIPTION
OF REVIEW AND REASONS THEREFOR

A certification of discovery or development was issued on June 7, 1955, and, in accordance with Article 7 of the contract, royalty is payable on the net value of production from the land described in Article 2 during a period of 10 years from the date of the contract or until the total amount contributed by the Government, without interest, is fully repaid or said 10 years have elapsed, whichever occurs first. A Report of Review in lieu of final cost audit dated May 16, 1955, indicated accepted costs under the exploration contract amounting to $5,292.00 with the Government's contribution, on a 75 percent basis, being $3,969.00.

My review consisted of a recomputation of the settlement data furnished by the Executive Officer, OME Field Team, Region V, pertaining to royalty received subsequent to January 26, 1956, and reconciliation of such receipt with the copy of the deposit slip furnished by the regional finance office. The only receipt of royalty included in this report related to a sale of 1,835 pounds of punch mica on September 20, 1956, to the Spruce Pine Mica Co. on which Government royalty amounting to $7.34 was deposited in the Hamilton National Bank, Knoxville, Tennessee, on October 1, 1956, being included in Deposit No. 14-23-070-38.

The review was made in lieu of an on-site audit of the accounts and records for the following reasons:

(1) All of the production involved was incidental to the exploration operations;

(2) Periodic investigations by a representative of the Field Team, Region V, indicate that the property has been idle since completion of the exploration work; and

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

MME Form 22
April 59

DEPARTMENT OF THE INTERIOR
Office of Minerals Exploration

CHECK SHEET OF EXAMINING ENGINEER

Operator's Name Boone and Jarrett

Address Route # 3

Bakersville, North Carolina

Exploration Contract No. Idm-E734 Docket No. 3452

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

APR 17 1959
Date

Original signed
Wm. A. Beck
Mining Engineer

53362

DEFENSE MINERALS EXPLORATION ADMINISTRATION
ENERGY ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Executive Officer, DMEA Field Team, Region V, Knoxville, Tennessee, pertaining to Contract Idm-2734, Docket No. DMEA-3452, dated October 26, 1954, with

Howard Deane and John Jarvett
Route 5
Bakersville, North Carolina

for the purpose of determining the amount of royalties due the United States Government on sales of mica from property referred to as the Marsh Putman Prospect located in Mitchell County, North Carolina, during the period October 28, 1954, to January 26, 1956.

A certificate of discovery or development was issued on June 7, 1955, and in accordance with the contract, royalty is payable on all production from the land described in Article 2 of the contract for a maximum period of 10 years from the date of the contract. A Report of Review in lieu of final cost audit dated May 16, 1955, indicated accepted costs under the exploration contract amounting to $5,292.00 with the Government's contribution, on a 75 percent basis, being $3,969.00.

My review included a verification of the royalty paid in connection with the sale of 154.38 pounds of trimmed, 1,132 pounds of hand cobbed, 2,800 pounds of scrap, and 600 pounds of punch mica recovered during the exploration period. In addition, a conference was held with Mr. William A. Beck, Mining Engineer, Knoxville, Tennessee, who is thoroughly familiar with the project.

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

(a) The production involved was incidental to the exploration operations.
(b) The property has been idle since completion of the exploration work.
(c) The administrative cost to the Government of an on-site royalty audit at this time would be excessive in relation to the amount of possible additional royalty which might be disclosed.

The review established the total sales of mica to be $2,602.87. Royalty due the United States Government at the "Average" rate of 5 percent is $130.11. The royalty paid and balance due are as follows:

Total Royalty Due	$130.11
Total Royalty Paid	130.11
Balance of Royalty Due	$ -0-

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

February 1, 1956

DOCKET COPY
Surname:
Anderson
Houk
Putnam
"Appd. Sol. Off."
Chambers
Kiilsgaard
Hedges
Selfridge
Johnson

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

INTERIOR DEPT.
JUN 1 - 1955
SOLICITOR

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

To: Howard Boone and John Jarrett (Partners)
Route 3
Bakersville, North Carolina

Pursuant to the provisions of Exploration Project Contract No. Ldm-4734, dated October 28, 1954 (Docket No. DMEA-3452), 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 zoned conformable pegmatite in mica gneiss was exposed by a vertical shaft and drifts. Indicated and inferred reserves of mica may be calculated.

THE UNITED STATES OF AMERICA

By C. C. Mitchell
Administrator, Defense Minerals
Exploration Administration

Dated JUN 7 1955

WCAnderson:ad 5/26/55
Copy to: Mr. Lester H. Putnam, 4401 W. 77th Place, Prairie Village 15, Kansas
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. Hedges, 3612
Mr. Houk

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Howard Boone and John Jarrett
Route 3
Bakersville, North Carolina

pertaining to Exploration Project Contract No. Idm-E734, Docket No. DMEA-3452, for the months of December, 1954 to March, 1955, inclusive, covering a project for the exploration of mica on property, known as the Marsh Putnam 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		$5,292.00
Exceptions:		
By DMEA Finance Officer	$ -0-	
Herewith	-0-	-0-
Total Accepted Cost		$5,292.00

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 nine hundred sixty-nine and no/100 Dollars

=$3,969.00

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 16, 1955

Docket copy

MF-200A
(Revised June 1954)

Docket No. DMEA 3452

Commodity Mica

Contract No. Idm-E - 734

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

It is agreed this 28th day of 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] Howard Boone and John Jarrett, Partners, whose mailing address is Route 3, 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 dated July 23, 1954 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: Owner's Consent to Lien

[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 ..... The work to be performed is described in Exhibit "A." The Operator on or before ....Dec. 27, 1954.... shall commence the work, and on or before ....April 8, 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 $5,292.00 The Government will contribute 75 percent of the fixed unit costs as work is performed, in a total sum not in excess of $3,969.00: *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.*—

Selfridge

Executed in sextuplicate the day and year first above written.

Howard Boone and John Jarrett
(Operator)

By John Jarrett (Partner)

Howard Boone (Partner)

THE UNITED STATES OF AMERICA

By C. M. Stendord
Administrator, Defense Minerals
Exploration Administration

Robert
Hoffland
Anderson
Hood
Chapman
E. J. Mason

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

EXPLORATION PROJECT CONTRACT
HOWARD BOONE AND JOHN JARRETT
DOCKET NO. DMRA 3452

ANNEX I

The land referred to in Article 2 of the contract is known as the Marsh Putnam Prospect, and was leased by Lester H. Putnam to the operator for a period of five years, with option to renew for an additional five years by an instrument dated July 23, 1954. It is located about one-half mile southwest of Bandana, on the east side of Toe River, and about three miles due south of Bakersville, Mitchell County, North Carolina, and is described in the lease as follows:

> "Beginning at the center of the 54' shaft of as the Lester Putnam Prospect in Mitchell County, N. C., and running North 250', thence West 250', thence South 500', thence East 500', thence North 500', thence West 250' to the beginning."

EXPLORATION PROJECT CONTRACT
EDWARD BOOKE AND JOHN JARRETT
DOCKET NO. DMEA-3452

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 Marsh Putnam Mine, Mitchell Co., N. C. DMEA-3452 (mica)," as follows:

1. Construct: 400 feet of access road; a tool-house, minimum dimensions 7 feet by 10 feet by 12 feet; a powder storage magazine, minimum dimensions 4 feet by 4 feet by 4 feet; and an exploder storage magazine, minimum dimensions 4 feet by 4 feet by 3 feet.

   The toolhouse and powder magazine may be unflooored. The exploder magazine shall be boxed on all sides. The buildings shall be constructed of rough, unfinished lumber, shall have protective roof coverings, and shall have locks. The exploder magazine shall be located in an isolated area. The construction of all buildings are subject to approval by the Government.

2. Enlarge the existing 34-foot shaft, from a cross-sectional dimension of 4 feet by 4 feet, to not less than 5 feet by 7 feet in the clear of timber, and install a separate manway in the shaft.

3. After the shaft is enlarged, sink on the pegmatite an additional 31 feet of two-compartment shaft to a total depth from the surface of not more than 65 feet.

4. From the bottom of the shaft, explore the pegmatite by driving not more than 100 feet of drifts and/or crosscuts.

   The shaft and the drifts and/or 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:		
400 linear feet of access road @ $0.125/ft.	$ 50.00	
Toolhouse 1/	76.00	
Powder magazine 1/	25.00	
Exploder magazine 1/	13.00	
Enlarging and timbering 54 feet of existing shaft @ $13.00/ft.	702.00	
Sinking 31 feet of additional shaft @ $46.00/ft.	1,426.00	
Driving 100 feet of drifts and/or crosscuts @ $30.00/ft.	3,000.00	
Estimated Total Cost of Project		$5,292.00
Government Participation @ 75%		$3,969.00

1/ The completed work constitutes the unit.

DEPARTMENT OF THE INTERIOR
Bureau Minerals Administration
RECEIVED
NOV 8 - 1954

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 Lester Putnam Prospect in Mitchell Co., N. C. and running North 250', thence West 250', thence South 500', thence East 500', thence North 500', thence West 250' to the beginning. This property located near Bandana in Mitchell County and belonging to Lester H. Putnam.

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/ Howard Boone and John Jarrett

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 23rd day of July, 1954.

(Signed) Lester H. Putnam [Seal] 4401 W. 77th Place Prairie Village 15, Kansas

_____ [Seal]

_____ [Seal]

Marsh Putnam Prospect. DMEA-3452. Contract $5,292.00 for 400 ft. of access road, toolhouse, powder magazine, cap magazine, enlarge a 54 ft. shaft to 5x7, sink additional 31 ft. and drift not more than 100 ft. Work completed.

All work has been completed. The Operators requested additional footage but examiners are of the opinion that sufficient exploration has been completed. Approximately $1,000 worth of mica sold to date, and there is about $500 worth to be processed. The attached view shows a typical gin pole hoist arrangement. The vertical pole is stationary and the inclined pole rotates around the bottom of the vertical pole. Note the hoist house and toolhouse. The hoistman standing in the doorway raises the bucket on signal from the man underground then sets his brake. He comes out and removes the small incline 2x4 which holds the incline gin pole in place. The bucket and gin pole swing out on the dump and he empties the bucket, pushes the gin pole back in place, anchors it with the incline 2x4 and drops the bucket back into the hole. Note guy wires on stationary vertical pole. The pulley at end of inclined pole shows clearly. Another pulley is attached to bottom of vertical pole thence to the drum. Generally the rope does not wind evenly on the drum with this type of headframe.

Looking SE at surface plant.

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. 3452
Metal or Mineral Mica
Date Received
Estimated Cost $7,740
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: Howard Boone and John Jarrett, both of Bakersville, Rt. 3, N. C. Partnership

(*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. Marsh Putnam 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.

(*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 attached continuation sheet.

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

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

(*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 required 25%.

(*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 August 16, 1954

Howard Boone and John Jarrett
(Applicant)

By Howard Boone
Howard Boone, 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) Mine was worked some during last war, and some mica was produced. Applicants had no interest in the previous operations.

   (b) Some mica was produced; being of Ruby variety and of a very high quality. Quantity unknown.

   (c) It is believed that the pegmatite contains ruby mica of strategic quality. Sketch map attached.

   (d) Some bulldozing (about 20 hrs.) will have to be done to make prospect accessible to roads.

   (e) Manpower is available for working this prospect; materials and supplies easily obtained, and power is within 100 yards.

5. (b) It is proposed to bulldoze road access, bulldoze shaft site, sink a shaft to a depth of 80 feet, then drift with vein 50 feet each direction.

6. Estimate of costs:

Bulldozing road access, 20 hr. @ $10.00 hr.	$ 200.00
Bulldozing shaft site, 4 hr. @ $10.00	40.00
Sinking shaft 80 ft. @ $50.00 ft.	4000.00
Drifting in vein 100 ft. @ 35.00 ft.	3500.00
Total estimated cost	$ 7740.00

MINING LEASE

State of North Carolina Mitchell County:

This indenture made this 23rd day of July, 1954, 195~~8~~X

between Lester H. Putnam

of Kansas County and State of ~~North Carolina~~ as party of the first part, and known as lessor, and Howard Boone and John Jarrett

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

WITNESSETH, That the party Y 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 Lester Putnam Prospect in Mitchell County, N. C. and running North 250', thence West 250', thence South 500', thence East 500', thence North 500', thence West 250' to the beginning. This property located near Bandana in Mitchell County and belonging to Lester H. Putnam.

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 Y of the first part, or his or their heirs or assigns, a rental royalty of 1/8 (one-eighth) 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. **and upon default herein lessor or his agent shall have the right to enter and take full possession of the leased premises and the lessee agrees to deliver same without process of law, and this lease at the option of the lessor, shall terminate.**

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

Witness: Lester H. Putnam (Seal)

_____ _____ (Seal)

_____

Framed

This is our docket copy.

Standard Form 63
Jan. 1952

U. S. GOVERNMENT

MEMORANDUM OF CALL

Date	Time

TO—

☐ YOU WERE CALLED BY—

☐ YOU WERE VISITED BY—

TELEPHONE:	Number or code	Extension

☐ PLEASE CALL

☐ WILL CALL AGAIN

☐ RETURNING YOUR CALL

☐ WAITING TO SEE YOU

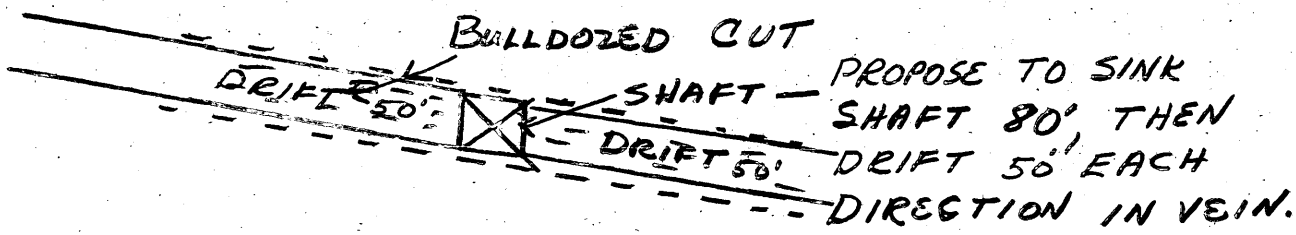
☐ WISHES AN APPOINTMENT

LEFT THIS MESSAGE:

Received by—

U. S. GOVERNMENT PRINTING OFFICE : 1957—O-412829

LESTER PUTNAM PROSPECT



EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

OFFICIAL BUSINESS

G. C. GEOLOGICAL SURVEY
SOUTH 157 HOWARD ST.
SPOKANE 4, WASHINGTON

1954 R.P.O.

Mr. George C. Selfridge, Chairman
Operating Committee
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.

VIA AIR MAIL

Project Summary Report

By: Walter C. Anderson May 26, 1955

1. Docket No. DMEA-3452 - Mica
Contract No. Idm-E734
Marsh Putnam Mine
Mitchell County, North Carolina

Application: Form MF-103 (April, 1952) received August 13, 1954
Work proposed: Bulldoze access road and shaft site, sink 80 feet of shaft and drive 100 feet of drift.
Amount requested: $7,740.00
Operators: Howard Boone and John Jarrett
Route 3, Bakersville, North Carolina
Operator's Property Rights: Mining lease on Lester H. Putnam land covering 6 acres more or less, for 5 years, with option to renew for additional 5 years - dated July 23, 1954.
Owner's consent to lien - MF-203 (July 1, 1954) dated July 23, 1954.

2. Contract: Form 200A (June, 1954) dated October 28, 1954
Work authorized:

400 feet of access road @ $0.125/ft.	$50.00
Construct toolhouse, powder and exploder magazines	114.00
Rehabilitating 54 feet existing shaft @ $13.00/ft.	702.00
Sinking 31 feet of additional shaft @ $46.00/ft.	1,426.00
Driving 100 feet of drifts and/or cross-cuts @ $30.00/ft.	3,000.00
Total cost of project	$5,292.00
Government participation @ 75%	$3,969.00

Amendments: None

Work completed: Same as authorized.

Work began on December 1,1954, and completed on March 31, 1955.

Field Team Final Report received April 18, 1955

Operator's Final Report received April 18, 1955

Production during operation - about 3000 pounds "mine run" and 1132 pounds hand cobbed mica - Sales - $1,794.00

Royalty paid $89.70

No equipment purchased under contract.

3. Audit:

Report of Review issued May 16, 1955

Accepted cost	$5,292.00
Government participation	$3,969.00

4. Certification of Discovery issued May 26, 1955 (6/7/55)

Ore Reserves:

Indicated: 12,000 lbs. "mine run" above 85-foot level
Inferred: 18,000 lbs. "mine run" from 85 to 125 feet in depth

5. Comments:

How conducted: All of the work in which the Government participated is acceptable.

Operation: Good

Engineering: Operator furnished satisfactory account of the project.

Geological Premise: The premise that production of mica similar to that in the weathered zone above water level would continue below in the unweathered zone was not substantiated. The pegmatite continued but mica recovery was too expensive and limited for a paying mining project.

Geological Criteria upon which work was based:

1. Pegmatite about 5 feet thick, conformably enclosed in weathered mica gneiss and schist. Partly exposed over a strike length of about 600 feet.
2. Mica - good quality, hard, clear, ruby colored, flat and splits well.
3. Past production.

Geological Criteria developed during project.

1. Zoned, conforable pegmatite 3 to 5 feet thick, emplaced along a fault with vertical displacement.
2. Mica - strategic quality, chief defects are cracks and mineral stained. Occurrence - limited.

Future Possibilities: Potential producer of a limited amount of mica.

Recommendations: The Nonmetallic Minerals Division concurs in the Field Team's recommendation to issue a Certification of Discovery or Development. The Commodity specialists of the Geological Survey and Bureau of Mines also concur.

W. C. Anderson

W. C. Anderson, Mining Engineer

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
11/20	Murphy	120M
11/20	[illegible]	800
	[illegible]	120
11/20	[illegible]	110
"	[illegible]	100
11/20	[illegible]	220

NOV 2 0 1964

Messrs. Howard Boone and John Jarrett
Route 3
Bakersville, North Carolina

Re: DMRA-3452 (Mica)
Howard Boone and John Jarrett
Marsh Putnam Prospect
Mitchell County, North Carolina
Contract Idm-X734

Gentlemen:

By the terms of the subject Exploration Project Contract and the certification of discovery or development dated June 7, 1955, all minerals mined or produced from October 28, 1954, to October 28, 1964, were subject to the Government's royalty as set forth in said contract.

As the period during which production was subject to royalty has now expired, the Government according to its present records retains no claim or lien against the property subject to the contract or any future production therefrom. We, therefore, are closing our books and records on this contract. Your attention, however, is called to the provisions of the contract which require the Operator to keep and preserve certain records for the periods indicated.

Sincerely yours,

George Fumich, Jr.

Acting Director

(Ph)

FMMurphy/mm
11/20/64
cc: Director's Reading File
CA&A Division
R. A. Laurence, USGS, Knoxville, Tenn. w/cy of incoming 63 form dated 10/28/64
Docket
Code 120M
Mr. Lester H. Putnam, 5720 Floyd, Mission, Kansas

23263

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
11/20	[illegible]	120 M
11/20	[illegible]	800
	[illegible]	120
11/20	[illegible]	110
"	[illegible]	100
11/20	[illegible]	220

NOV 20 1964

Mr. Lester H. Putnam
5720 Floyd
Mission, Kansas

Re: DMEA-3452 (Mica)
Howard Boone and John Jarrett
Marsh Putnam Prospect
Mitchell County, North Carolina
Contract Idm-8734

Dear Mr. Putnam:

Enclosed is a copy of a self-explanatory letter of today to the Operator under the subject contract.

This correspondence relates to the Owner's Consent to Lien dated July 23, 1954, executed by you under the Defense Minerals Exploration Administration program.

Sincerely yours,

George Fumich, Jr.

Acting Director

Enclosure

MMerrithew/mm (11/20/64)
cc: Director's Reading File
R. Laurence, Knoxville, Tenn.
Docket
Code 120M

23263

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

October 28, 1964

Re: DMEA-3452 (Mica)
Howard Boone and John Jerrett
Marsh Putnam Prospect
Mitchell County, N. C.
Contract Idm-E734

Mr. Lester H. Putnam
5720 Floyd
Mission, Kansas

Dear Sir:

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

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

Sincerely yours,

George C. Selfridge

George C. Selfridge, Chief
Division of Exploration Operations

OFFICIAL FILE COPY
O. M. E.
RECEIVED NOV 18 1964

DATE	INITIALS	CODE
11/18	EEF	200
		~~100~~
11/19	FJ	~~110~~
11/19	Fry	120
		~~120~~

MME Form 63
Revised 3-62

DME
Idm-E734

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. From March 1964, to October 28, 1964 ~~Since~~ , has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☒

2. From March 1964, to October 28, 1964 ~~Since~~ , has there been any production from the land subject to the contract? Yes ☐ No ☒

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

	Quantity	Value

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

Type	Quantity		Estimated Grade	Location
Ore		Tons		
Concentrates		Tons		
Other		Tons		

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

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

Disposition of Material	Quantity	Value

Submitted by:

Name LESTER H. PUTNAM Title OWNER

Address 5720 FLOYD Date 11/15/64
MISSION, KANS

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

February 26, 1964

Mr. Lester H. Putnam
4401 West 77th Place
Prairie Village 15, Kansas

Re: DMEA-3452 (Mica)
Howard Boone and John Jarrett
Marsh Putnam Prospect
Mitchell County, N. C.
Contract Idm-E734

Dear Sir:

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

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

Sincerely yours,

W. R. Griswold

W. R. Griswold, Chief
Division of Minerals

P.S. This is in reference to the Owner's Consent to Lien signed by you July 23, 1954.

OFFICIAL FILE COPY
O. M. E
RECEIVED 26 1964

DATE		
3/26		800
		~~100~~
3/26		110
		500
		420

MME Form 63
Revised 3-62

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since August 11, 1962, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☒

2. Since August 11, 1962, has there been any production from the land subject to the contract? Yes ☐ No ☒

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

	Quantity	Value

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

Type	Quantity	Estimated Grade	Location
Ore	Tons		
Concentrates	Tons		
Other	Tons		

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

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

Disposition of Material	Quantity	Value

Submitted by:

Name Lester H. Perkins Title Owner

Address 5720 Floyd Date 3/20/64

Mission, Kans.

4511

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
8/20	Ow Lane	120
		225

AUG 20 1962

Memorandum

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

From: Acting Chief, Division of Field Operations, OME

Subject: DMEA-3452 (Mica)
Howard Boone and John Jarrett, Partners
Marsh Putnam Prospect
Mitchell County, North Carolina
Contract Idm-E734

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

Enclosure

WRGriswold/hb
8/16/62
cc to: Docket DMEA-3452
Director's Reading File
CA&A Division
G. C. Selfridge
R. A. Laurence, USGS, Region IV, w/cy of Report of Royalty Review dtd 8/16/62 & orig. cy of memo dtd 8/16/62 to Chief, Division of Field Operations, from CA&A Division.
Avery Reed, USBM, Reg. IV, w/cy of ea. item sent to Mr. Laurence.

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
8/20	Ockane	120
		225

AUG 20 1962

Messrs Howard Boone and John Jarrett
Route 3
Bakersville, North Carolina

Re: DMEA-3452 (Mica)
Howard Boone and John Jarrett,
Partners
Marsh Putnam Prospect
Mitchell County, North Carolina
Contract Idm-E734

Gentlemen:

Enclosed for your information and files is a copy of a Report of Royalty Review dated August 16, 1962, prepared by our Division of Contract Administration and Audit.

Sincerely yours,

Acting Chief,
Division of Field Operations

Enclosure

HBerry/hb 8/20/62
cc to: Docket DMEA-3452
Director's Reading File
CA&A Division
G. C. Selfridge
R. A. Laurence, Knoxville
Avery Reed, Knoxville

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
		220

August 16, 1962

Memorandum

To: Chief, Division of Field Operations

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

Subject: DMRA-3452 (Mica)
Howard Boone and John Jarrett, Partners
Marsh Putnam Prospect
Mitchell County, North Carolina
Contract Idu-8734

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

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

As evidence of your concurrence, a copy of your letter transmitting the Operator's copy should be furnished this Division. If for any reason you do not concur, the original and all copies should be returned to this Division with your comments.

Enclosures

EDTalbert/ama 8-16-62

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

43683

E Form 7
10-58)

OFFICIAL FILE COPY

Date	Surname	Code
		220

August 14, 1962

Memorandum

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

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

Subject: DMEA-3452 (Mica)
Howard Boone and John Jarrett, Partners
Marsh Putnam Prospect
Mitchell County, North Carolina
Contract Idm-5734

Enclosed for deposit to the subject DMEA account under symbol 14X4401 as a royalty receipt is U. S. Postal Money Order no. 6,383,736,794 payable in the amount of $5.07.

This money order was purchased by Howard Boone, Route 3, Bakersville, N. C., on August 11 from the Newdale Rural Station of the Burnsville, N. C., Post Office. It is in payment of royalty delinquently due to the Government on a December 1, 1959, sale of mica by Parsley & Grindstaff, Bakersville, N. C.

Enclosure

EDTalbert/ama 8-14-62

cc:
Docket
Director's Reading File
CA & A Division
Region IV Files (2) (w/cys of incoming ltr.)

43683

Route III Box 117
Bakersville, N. C.
Aug. 11, 1962

DMBQ-3452
Idm-E734

United States
Department of the Interior
office of minerals Exploration
Washington 25. D. C.

Dear Sir:
Conserning the Marsh Putnam propetery we dropped our lease six years ago. Porsley and Grindstaff worked the propetery after our lease was dropped. I wie contact them and see how much punch and scraps was soed if any.

Sincerely yours
Howard Boone.

OFFICIAL FILE COPY
O. M. E
RECEIVED AUG 14 1962
DATE | TIME
800

C
O
P
Y

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

July 3, 1962

Messrs. Howard Boone and John Jarrett
Route 3
Bakersville, North Carolina

Re: DMEA-3452 (Mica)
Howard Boone and John Jarrett,
Partners
Marsh Putnam Prospect
Mitchell County, North Carolina
Contract Idm-E734

Gentlemen:

Under provisions of the referenced exploration project contract you agreed to pay, as principal if the producer or as surety if not the producer, a percentage royalty to the Government on all minerals mined or produced from the land described in the contract during a period of 10 years from the date of the contract, October 28, 1954, or until the Government's contribution to exploration costs under the contract had been fully repaid. The Government's contribution amounted to $3,969.00 of which $142.67 has been repaid to date.

Our records disclose that a purchase of 9.99 pounds of trimmed mica by the G.S.A. Mica Purchase Depot, Spruce Pine, North Carolina, was made from Parsley & Grindstaff, c/o Roy Grindstaff, Bakersville, North Carolina, representing production from the property on which royalty is due to the Government. The purchase is identified as Depot lot No. SPAR-359(a), approved December 1, 1959, in the total amount of $101.31.

Please promptly remit the 5 percent royalty due in the amount of $5.07, together with any additional royalty which may be due in connection with the sale of punch or scrap mica or other production of minerals from the property. Remittance should be made by check or money order payable to the Office of Minerals Exploration.

Sincerely yours,

/s/ George Fumich, Jr.

Director

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

OFFICIAL BUSINESS

POSTAGE AND FEES PAID
U. S. DEPARTMENT OF INTERIOR

REGISTERED MAIL
RETURN RECEIPT REQUESTED

Messrs. Howard Boone and John Jarrett
Route 3
Bakersville, North Carolina

13

UNITED STATES POST OFFICE

Bakersville, N. C.

OFFICIAL BUSINESS
P-12

PENALTY FOR PRIVATE USE TO AVOID
PAYMENT OF POSTAGE, $300

DMEA-3452

INTERIOR DEPT
SECRETARY'S
MAIL CENTER
AUG 1962

351

United States Department of the Interior
Office of Minerals Wxploration
Washington, 25, D. C.

This registered letter found in ordinary mail. no number or return receipt on same

J. N. McKinney
Postmaster

8/8 - Re-mailed.

AUG 8 1962

#1-INSTRUCTIONS TO DELIVERING EMPLOYEE

☐ Deliver *ONLY* to addressee

☐ Show address where delivered

(Additional charges required for these services)

RETURN RECEIPT

Received the numbered article described on other side.

SIGNATURE OR NAME OF ADDRESSEE *(must always be filled in)*

SIGNATURE OF ADDRESSEE'S AGENT, IF ANY

DATE DELIVERED	ADDRESS WHERE DELIVERED *(only if requested in item #1)*
8/10/62	Juanita Boone

C55—16—71548-4 GPO

POST OFFICE DEPARTMENT
OFFICIAL BUSINESS

PENALTY FOR PRIVATE USE TO AVOID PAYMENT OF POSTAGE, $300

DMEA-3452

POSTMARK OF DELIVERING OFFICE
BALTIMORE, MD.
AUG 10 4 PM 1962

INSTRUCTIONS: Fill in items below and complete #1 on other side, when applicable. Moisten gummed ends and attach to back of article. Print on front of article RETURN RECEIPT REQUESTED.

RETURN TO

REGISTERED NO. 598378	NAME OF SENDER MINERALS EXPLORATION
CERTIFIED NO.	STREET AND NO. OR P. O. BOX DEPT, OF INTERIOR
INSURED NO.	CITY, ZONE AND STATE WASHINGTON 25, D.C.

POD Form 3811 Jan. 1958

C55—16—71548-4

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
8/2	Talbert	800
	Francis	500
	Murphy	500
8/3	On leave	120
"		110
8/3	on leave	100
		220

AUG 3 1962

REGISTERED MAIL
RETURN RECEIPT REQUESTED

Messrs. Howard Boone and John Jarrett
Route 3
Bakersville, North Carolina

Re: OMRA-3452 (Mica)
Howard Boone and John Jarrett,
Partners
Marsh Putnam Prospect
Mitchell County, North Carolina
Contract Idm-E734

Gentlemen:

The remittance requested by my July 3 letter, a copy of which is enclosed, has not been received. Your prompt remittance, by check or money order payable to the Office of Minerals Exploration, is solicited.

Your immediate attention to this matter will alleviate the need for further action by the Government to collect the delinquent royalty involved. If legal recourse is necessary, additional costs to you may result.

Sincerely yours,

(signed) FRANK E. JOHNSON

ACTING Director

Enclosure

EDTalbert/ama 8-2-62

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

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
7/16	Talbert	800
7/16	Murphy	500
	Grunwald	500
7/16	Selfridge	130
"	Johnson	110
7/16	Farah	100
		220

JUL 16 1962

Memorandum

To: Robert A. Laurence, U. S. Geological Survey

From: Chief, Division of Field Operations

Subject: DMEA-3247 (Mica)
Newland Buchanan, Kester Buchanan, and Frank Cook, Partners
Johnson Mine
Mitchell County, North Carolina
Contract Idm-3664
and
DMEA-3452 (Mica)
Howard Coone and John Jarrett, Partners
Marsh Putnam Prospect
Mitchell County, North Carolina
Contract Idm-3734

Thanks for your July 11 memorandum regarding the July 3 letter from M. L. Burleson. In accordance with your suggestion I have checked with Frank Lesure as to the possibility that the property referred to in Mr. Burleson's letter as "Morris-Putnam" may be the same as the "Marsh Putnam" under Contract Idm-3734, Docket DMEA-3452.

Mr. Lesure's records indicate that the Morris-Putnam property is not the Marsh Putnam prospect. It is, however, in the same vicinity as both the Marsh Putnam prospect and the Johnson mine.

George C. Selfridge
(GCS)

EDTalbert/ama 7-16-62

cc:
Docket - DMEA-3452
Director's Reading File
CA & A Division
Review Committee

43683

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

[illegible] BLDG.
[illegible], TENN.

July 11, 1962

7/13

Memorandum

To: George C. Selfridge, Chief
Division of Field Operations, OME, Washington, D.C.

From: Robert A. Laurence

Subject: DMSA-3247 (Mica)
Newland Buchanan, Master Buchanan
and Frank Cook, Partners
Johnson Mine
Mitchell County, North Carolina
Contract No. [illegible]

Reference: Letter from M. E. Burleson, dated July 6, [illegible]

The property called "Maple-Palmer" in this letter is [illegible]
[illegible] of DMSA-3452, [illegible]
which has been certified. I would suggest that you [illegible]
with Frank Laurence.

Robert A. [illegible]
Robert A. Laurence

MOUNTAIN MINING COMPANY

P. O. BOX 1

SPRUCE PINE, N. C.

OFFICIAL FILE COPY
O. M. & M.
JUL 9 2

July 8th, 1962

U. S. Department of The Interior
Office of Minerals Exploration
Washington 25, D. C.

Att: George Fumich Jr.

Re: DMEA-32[illegible](Mica)
Newland Buchanan, Lester
Buchanan & Frank [illegible]
Partners
Johnson Mine
Mitchell County, N. C.
Contract Iom-E664

Dear Mr. Fumich:

This will answer your letter to Mr. [illegible] Parksdale on July 3rd.

This is a mix up of properties due to Frank Phillips stating at the time of sale that it came from the Johnson Property. The property from which the mica was sold was known as the Morris-Putman property but at the time we purchased the property it was owned by two Johnson brothers so Mr. Phillips [illegible] nated it as the Johnson Mine because he did not know it as the Morris-Putman property.

The contract referred to above and mine worked with the loan is at least a half mile from where Mr. Phillips mined the mica he sold because the writer knows all the parties involved and knew about the loan at the time the above parties were working the mine. The mine the loan was secured on is on the narrow gravel road that goes down back off a small store at [illegible], N. C. It is only about three to four hundred yards from the [illegible].

I hope this will clarify this matter for your office.

Very truly yours,

M. E. Burleson

Copies sent Reg. II
[illegible] 7/9/62

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
7/2	Talbert	800
7/3	Murphy on leave	500
"	[illegible]	500
7/3	Selbridge	120
"	Johnson	110
7/3	Frost	100
		220

JUL 3 1962

Messrs. Howard Boone and John Jarrett
Route 3
Bakersville, North Carolina

Re: OMEA-3452 (Mica)
Howard Boone and John Jarrett,
Partners
Marsh Putnam Prospect
Mitchell County, North Carolina
Contract Idm-6734

Gentlemen:

Under provisions of the referenced exploration project contract you agreed to pay, as principal if the producer or as surety if not the producer, a percentage royalty to the Government on all minerals mined or produced from the land described in the contract during a period of 10 years from the date of the contract, October 28, 1954, or until the Government's contribution to exploration costs under the contract had been fully repaid. The Government's contribution amounted to $3,969.00 of which $142.67 has been repaid to date.

Our records disclose that a purchase of 9.99 pounds of trimmed mica by the G.S.A. Mica Purchase Depot, Spruce Pine, North Carolina, was made from Parsley & Grindstaff, c/o Roy Grindstaff, Bakersville, North Carolina, representing production from the property on which royalty is due to the Government. The purchase is identified as Depot lot No. MEAM-359(a), approved December 1, 1959, in the total amount of $101.31.

Please promptly remit the 5 percent royalty due in the amount of $5.07, together with any additional royalty which may be due in connection with the sale of punch or scrap mica or other production of minerals from the property. Remittance should be made by check or money order payable to the Office of Minerals Exploration.

Sincerely yours,

CEFisher/ama 7-2-62

George Fumich, Jr.

Director

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

43683

DMEA Form 7
(10-58)

DMEA-3452

June 27, 1962

Memorandum

To: E. J. Palmert, Acting Chief
Contract Administration and Audit Division

From: C. F. Fisher, DME Auditor

Subject: Audit trip to Spruce Pine, North Carolina

I left Washington, D. C., via Southern Railway train No. 47 at 9:00 p.m., EST, June 17, 1962. Arrival in Asheville, N. C., was about 10:00 a.m., June 18. There I secured an automobile from Avis Rent-A-Car and drove to Spruce Pine, N. C. Left Spruce Pine at 10:00 a.m., June 23, and arrived back in Washington at 5:10 a.m., June 24, via Southern Railway train No. 16.

Most of the time in Spruce Pine was spent in reviewing the purchase records of the U.S.A. Mica Purchase Depot for the purpose of determining whether any unreported purchases had been made by that Depot of production from mines on which DMEA had entered into exploration project contracts. A total of 57 contracts were assigned for this investigation.

The last [illegible] to Depot under the Mica Purchase Program was made on June [illegible]. Mr. J. P. McKinney, Depot Superintendent, stated that processing the mica on hand and making final settlements with vendors will take another 60 to 90 days before the Depot is finally closed. Mr. McKinney also advised that 2,972 Participation Certificates were issued and 21,60[illegible] lots of mica were purchased during the program. At June 15 the yield of strategic mica amounted to 1,51[illegible],755.7[illegible] pounds. This will increase some when all processing is completed. As of June 1 the total payments to vendors amounted to $20,526,[illegible]. This amount will be increased when final settlements have been completed.

My review of the Depot records disclosed 13 contracts under which the Government may be entitled to royalty as hereinafter discussed. The investigation failed to disclose any purchases of production from the properties covered by the remaining 44 contracts. Memoranda for the files have been prepared for this latter group of contracts.

[illegible] that is until [illegible] intervening [illegible] frequent inspec- [illegible] happen- [illegible] reminded [illegible] checked the [illegible] audit trips [illegible] is office, [illegible] being my trip [illegible] the Depot and [illegible] investigations [illegible].

I believe [illegible] the past 3 [illegible]:

[illegible] the explora- [illegible] mica [illegible].

[illegible] paid their [illegible], had no [illegible], Idm- [illegible] stopped [illegible].

[illegible] individual miners [illegible] not subject to [illegible] where [illegible] from prop- [illegible]. If the Gov- [illegible] the form of [illegible] property not [illegible].

[illegible] Lawrence Conley, [illegible] business for many [illegible] White Pace Mine [illegible] purchased were the [illegible] and I collected [illegible] the property-owner, [illegible] Minerals Corp., on [illegible] that no work had [illegible] there.

[illegible] plant. They [illegible] especially true [illegible] purchase [illegible] was

concentrating on strategic mica. [illegible] only the local material that was not eligible for purchase by the Depot. Mr. Conley stated that some of the local miners have been in to "talk" about the possibility of continuing mining [illegible] are "considering" the matter. He indicated that he expected some landowner farmers would probably bring in punch from time to time [illegible] they felt the need for cash, [illegible] another crop from the land.

B-K Associates (Contract Idm-[illegible]) [illegible] to the Spruce Pine Mica [illegible]. Mr. [illegible] hopes they will continue operations as the [illegible] Mine is a good source of supply and, further, he would like to see a North Carolina operation continued. He stated that B-K Associates own a couple of punch presses (presumably in Baltimore), but that so far as he knew they had not used them on Bryson Mine production.

Sam Phillips met with me for an hour or so [illegible] afternoon at the Baker Motel. This was after the [illegible] investigation had been completed and I was satisfied that there was not much to be gained by [illegible]. Our talk was very [illegible] and limited mainly to projects [illegible] he had been interested. He called my attention to the fact that 6 projects in which he was interested had repaid the Government advance in full. [illegible] refrained from mentioning that in at least [illegible] projects, he, and his associates, [illegible] mining [illegible] as the Government contributions [illegible] mentioned the [illegible] (Contract Idm-[illegible]). [illegible] I did not [illegible] any [illegible] discussion of that case.

Mr. Phillips [illegible] that all feldspar [illegible] the area were large open-[illegible] operations [illegible] economically impossible [illegible] operations [illegible] operations have [illegible] to be bothered. [illegible] so low that the [illegible] could not afford to mine [illegible] apply. Of course, [illegible] of the mining expense was an exploration cost, some of [illegible] was sold. For example, [illegible] Idm-0412, [illegible]-2277, [illegible] Mica Miners, was certified because of feldspar discovery [illegible] belonging to Mr. Phillips the property has not been operated [illegible] completion of the exploration project.

My review of the Depot records indicated [illegible] royalty in connection with 13 contracts as follows:

Contract Idm-[illegible], [illegible]A-2377, Piedmont Minerals, [illegible]

I secured for our files a copy of the final settlement statement for lot No. [illegible], approved May 14, 195[illegible], covering purchase from

Frank W. Phillips [illegible] 1,[illegible]15 pounds of block mica, yielding 51.74 pounds of trimmed mica, for which payments aggregated $394.50. A Report of Royalty Review dated April 23, 1959, indicated $19.73 unpaid royalty applicable to this sale. A copy of the document was obtained to complete the DMRA files. This sale was made from production subsequent to "abandonment" by the original operators under the contract. Under a ruling by the Solicitor's office royalty is not collectible unless the original operators should again mine the property during the repayment period.

Contract Idm-[illegible]49, DMRA-2375, Douglas M. Robinson & H. Cline West

Final settlement statement for lot No. SPAR-12(a), approved July 20, 1956, under which Robert M. Redus, Jr., 4½ Wall Street, Asheville, N. C., received a net settlement of $35.20, shows the mine name as "Summer" but does not give the location of the mine. This contract covered exploration at the Swannanoa Mine. According to the contract and the Landlord's Subordination Agreement executed by T. B. Summer, that mine is located in Buncombe County, N. C. Asheville is the county seat of Buncombe County. It is believed that the sale by Mr. Redus [illegible] production from Swannanoa Mine, reported by him under the [illegible] name, and erroneously shown as Summer Mine on the settlement sheet.

On March 11, 1955, Mr. Beck and I called upon Mr. Summer whose address is Summer & Foster, Inc., Haywood Building, Asheville, N. C., and found him to be very cooperative in furnishing information about sales from the Swannanoa Mine on which he had received royalty as owner of the property. I suggest that he be contacted regarding the sale by Redus and asked if there is any other production on which the Government is entitled to royalty. This project was certified because of [illegible] of feldspar.

Contract Idm-[illegible], [illegible]-2610, Dixie Minerals, Inc.

Final settlement statement was obtained for lot No. SPAR-229(a), approved August 6, 1956, under which Jackson Mining Company, Box 962, Sylva, N. C., received payments aggregating $272.12. This settlement statement shows the mine name as Shell Ridge, but does not give the location of the mine. Contract Idm-3431 covered exploration at the Shell Ridge Mine located in Jackson County, N. C., of which Sylva is the county seat.

Contract Idm-[illegible]453, DMRA-2579, Mica Industries, Inc.

Final settlement sheets SPBR-47(a), approved December 2, 1960, and SPBR-[illegible](a), approved December 23, 1960, covered payments aggregating

$206.08 and $865. [illegible], respectively, [illegible] Baird Cove Mining Company, Route [illegible], c/o Ralph [illegible], [illegible], N. C. The name and location of the mine are shown as Baird Cove Mine, Macon County, N. C., which is in agreement with the description of the mine in which exploration was performed.

Contract Idm-[illegible], [illegible]-2793, Burns Spangler Construction Co.

Final settlement sheet SPAR-157(a), approved [illegible] 19, 1958, covered payments aggregating $136.64 to Ed Burleson, Box 26[illegible], Bakersville, N. C. The name and location of the mine are shown as Lee Cornwell, Cleveland County, N. C., which is in agreement with the description of the mine in which exploration was performed.

Contract Idm-[illegible], [illegible], Fred Taylor, Julian Greene & Johnnie Greene

Final settlement sheet [illegible]-547(a), approved [illegible], 1959, covered payment of $[illegible] to Levie Aldridge, [illegible], N. C. The name and location of the mine are shown as [illegible], [illegible] County, N. C., which is in agreement with the description of the mine in the exploration contract.

Contract Idm-[illegible], [illegible]-3000, B. T. [illegible] Mining Company

Check dated June 14, 1962, from B-K Associates brought royalty receipts under this contract up to $4,279.[illegible] or within $130.61 of the total Government contribution.

The Depot records indicate additional [illegible] from B-K Associates as follows:

Date	Lot No.	Amount	
6/7/62	SPAR-496	[illegible]	[illegible]inal
6/15/62	" -512	[illegible]	
4/5/62	" -5[illegible]	[illegible]	[illegible]ary
4/12/62	" -53[illegible]	[illegible]	"
4/19/62	" -[illegible]7	[illegible]	"
4/26/62	" -542	[illegible]	"
5/3/62	" -547	[illegible].57	"
5/10/62	" -560	[illegible].03	"
5/18/62	" -566	[illegible].01	"
6/1/62	" -591	[illegible].69	"
6/5/62	" -593	[illegible].[illegible]6	"
6/7/62	" -607	[illegible].04	"
4/5/62	SPAR-156	22[illegible],24	"
4/12/62	" -161	[illegible]96.28	"

Contract Idm-E618, DMEA-3132, Dixie Mines, Inc.

Royalty has not been paid to the Government in connection with the following settlement statements:

Lot No.	Date Approved	Seller	Amount
SPAR-257(a)	11/3/58	S. P. Lett, Rt. 3, Linville, Ala.	$2,019.20
" -270(a)	12/30/58	" " " "	455.87
" -333(a)	12/19/58	" " " "	861.37
" -414(a)	3/16/59	L. T. Rounds, Rt. 2, Columbiana, Ala.	157.82
" -511(a)	3/25/59	" " "	649.37
" -780(a)	6/23/59	" " "	356.95

Contract Idm-E664, DMEA-3247, Newland Buchanan, et al.

Final settlement sheet for lot No. SPER-163(a), approved August 24, 1960, covered payments aggregating $854.94 to M. E. Burleson & Frank W. Phillips Co., c/o Mitchell Lumber Co., Spruce Pine, N. C. The name and location of the mine are shown as Johnson Mine, Mitchell County, N. C., which is in agreement with the description of the mine in which exploration was performed.

Contract Idm-E814, DMEA-3740, Roy Grindstaff, et al.

Final settlement sheet for lot No. SPAO-154(a), approved January 27, 1960, covered payments aggregating $263.65 to Parsley & Grindstaff, Route 3, c/o Roy Grindstaff, Bakersville, N. C. The name and location of the mine are shown as Conley, Mitchell County, N. C., which is in agreement with the description of the mine in which exploration was performed.

Contract Idm-E977, DMEA-4337, Hawk Mining Company

Royalty has not been paid to the Government in connection with the following settlement statements:

Lot No.	Date Approved	Seller	Amount
SPAO-475(a)	4/18/59	J. E. Wilson, c/o Mitchell Lumber Co., Spruce Pine, N.C.	$ 114.80
" - 12(a)	7/24/59	" " " "	594.62
" - 51(a)	8/24/59	" " " "	1,070.75*
" - 89(a)	1/9/62	" " " "	302.37*

* Includes production from various mines. Amounts applicable to Hawk Mine are $195.57 and $9.48, respectively.

Contract Idm-[illegible], [illegible]A-[illegible]15, Hector Mining Company

Final settlement sheets for lots SPAO-10(a) and SPAO-14(a), approved September 7, 19[illegible], covered payments aggregating $195.70 and $141.11, respectively, to [illegible]an Allen, Route 2, Burnsville, N. C. The name and location of the mine are shown as Hector Mine, Yancey County, N. C., which is in agreement with the description of the mine in which exploration was performed.

Contract Idm-[illegible]734, [illegible]2A-3452, Howard Boone & John Jarrett

Final settlement sheet for lot SPAR-359(a), approved December 1[illegible], 1959, covered payments aggregating $101.31 to Parsley & Grindstaff, c/o Roy Grindstaff, Route 3, Bakersville, N. C. The name and location of the mine are shown as Putman, Mitchell County, N. C., which is in agreement with the description of the mine in which exploration was performed.

The following is furnished for your use in the unlikely event you may find it necessary to secure additional information regarding purchases [illegible] Pine Depot.

Mr. [illegible] states that he does not know what is to become of the [illegible] when the Depot is finally closed. He is recommending that the copies of settlement statements and supporting papers maintained at the Depot be destroyed as they are duplicates of original [illegible] on which disbursements were made. The original documents are in the custody of:

General Services Administration, Region 5
Office of Regional Comptroller
Payment Control and Collections Section
Room [illegible], Regional Office Building
7th and D Streets, S. W.
Washington 25, D. C.

During the purchase program it was the practice to furnish copies of all settlement sheets to:

Mr. Avery H. Reed, Jr., Chief
Knoxville Field Office
Division of Mineral Industries
Bureau of Mines
404 Hamilton Bank Building
Knoxville 2, Tennessee

I understand that these copies were used by the Bureau of Mines to compile statistical data relating to production from the various mines. I do not have any information regarding the ultimate disposition made of these copies.

CSFisher/ama 6-21-67

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

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

OFFICIAL FILE COPY
O. M. E
RECEIVED APR 16 1962

APR 6 1962

4/17 8.00
1.00
~~1.70~~

Re: DMEA-3452 (Unica)
Howard Boone & John Jarrett
Marsh Putnam Mine
Mitchell County, No. Carolina
Contract Idm-E734

	~~Royalty~~	~~5.00~~ 7.00
		2.20

Messrs. Howard Boone & John Jarrett
Route #3
Bakersville, North Carolina

Gentlemen:

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

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

Sincerely yours,

W. R. Griswold

Willis R. Griswold, Chief
Division of Minerals

MME Form 63
Revised 3-62

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since June 30, 1960, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☑

2. Since June 30, 1960, has there been any production from the land subject to the contract? Yes ☐ No ☑

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

	Quantity	Value

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

Type	Quantity	Estimated Grade	Location
Ore	Tons		
Concentrates	Tons		
Other	Tons		

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

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

Disposition of Material	Quantity	Value

Submitted by:

Name Howard Boone Title

Address Bakersville N.C. Rt 3 Date 4-13-62

4511

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
ROOM 11 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

OFFICIAL FILE COPY
O. M. E.
RECEIVED MAR 6 1961

DATE	INITIALS	CODE
3-6	gad	VVO
3/6		800
		1V0
3/7	Murphy	500
		220

March 3, 1961

Memorandum

To: Chief, Division of Field Operations, OME

From: V. J. Lynch, Bureau of Mines, Knoxville, Tennessee

Subject: Mica sales: DMEA-3452, Idm-E734 (mica)
Howard Boone & John Jarrett
Marsh-Putnam Prospect
Mitchell County, North Carolina

sold 6/1/59

Enclosed is a note which was attached to the settlement sheet and check received from C. W. Ellis on February 20, 1961, for the sale of mica from the subject mine. This is the first and only information we have concerning work done by Mr. Ellis on the Putnam property.

Mr. Ellis was not a partner during the DMEA operations on that property. The partners, Howard Boone and John Jarrett, may or may not have known that Ellis worked in the Putnam mine after they had stopped operations there. But it is reasonable to believe they did not know he owed the Government royalty on mica production from the mine. They probably learned of this recently and advised Mr. Ellis to pay the royalty.

There could very well be other cases of this sort. Bob Laurence and I have talked about this situation on several occasions and have concluded that there is not much that can be done about it. If mica is mined from one mine and mixed with that of another mine, or if it is sold under another mine name, it is almost impossible to detect it.

I doubt that there are sufficient cases to justify periodic field inspections. These inspections require considerable time and are expensive.

Probably an occasional inspection of the books at the Spruce Pine Mica Depot would be as good a check as any.

V. J. Lynch

V. J. Lynch
Mining Engineer

OFFICIAL FILE COPY
O. M. E
RECEIVED MAR 6 1961

DATE	INITIALS	

2-15-61

Dear Sirs:
I was told the Gov't was due 05% royalty on mica sales from pittron mine, I did a small amount of work in 1959, included in the invoice + check.

Sincerely
C. W. Elles

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
2/23	Talbert	800
2/23	Murphy	500
	[illegible]	500
		130
		110
		213
		220

Memorandum

To: Mr. W. J. Lynch, Bureau of Mines, Knoxville, Tennessee

From: Chief, Division of Field Operations

Subject: DMSA-3452 (Mica)
Howard Boone and John Jarrett, Partners
Marsh Putnam Prospect
Mitchell County, North Carolina
Contract Idm-8734

Reference is made to the Final Settlement, approved June 18, 1959, by the Depot Superintendent at Spruce Pine, on lot no. SPAR-757(a), purchased June 1, 1959, from C. W. Ellis as production from the property under the subject contract. A copy of this settlement sheet was submitted with a copy of your February 21, 1961, memorandum transmitting an applicable royalty check.

The more than eighteen months delay in payment of this royalty is not understood. Furthermore, this office had no knowledge of either the royalty being due the Government or a change in property rights.

A Semi-Annual Report of Certified Projects, Southeastern States, for the period of January 1, 1959, to June 30, 1959, as submitted by you during August 1959, lists this project as inactive. In fact, reports covering the aggregate period of July 1, 1956, through June 30, 1960, indicate this project as being inactive.

Your advice in the matter would be appreciated.

EDTalbert/ama
February 23, 1961

Copy to: Docket
Director's Reading File
CA & A Division
Review Committee

43683

Form 7
(58)

OFFICIAL FILE COPY

Date	Surname	Code
2/28	GCS	120
2/28	Talbert	800
2/28	Murphy	500
	Miranda	500
		110
3/1	gad	220

FEB 2 8 1961

Memorandum

To: Mr. V. J. Lynch, Bureau of Mines, Knoxville, Tennessee

From: Chief, Division of Field Operations, OME

Subject: DMEA-3452 (Mica)
Howard Boone and John Jarrett, Partners
Marsh Putnam Prospect
Mitchell County, North Carolina
Contract Idm-E734

Reference is made to the Final Settlement, approved June 18, 1959, by the Depot Superintendent at Spruce Pine, on lot no. SPAR-757(a), purchased June 1, 1959, from C. W. Ellis as production from the property under the subject contract. A copy of this settlement sheet was submitted with a copy of your February 21, 1961, memorandum transmitting an applicable royalty check.

As all reports--including the semiannual report for the period January 1 to June 30, 1959--from July 1, 1956, through June 30, 1960, indicated that the project was inactive, we are curious to know the reason for the heretofore unreported production and the more than eighteen months delay in the royalty payment. Could there be other cases such as this? Could there be production from properties in general by others than the operators under the contracts about which we could not know except possibly by field inspection?

We shall appreciate any comments you may offer.

/s/ George C. Selfridge

(243)

EDTalbert/GCSelfridge/ama/hb
(2/28/61)
Copy to: Docket
Director's Reading File
CA & A Division
Review Committee
R. A. Lawrence

43683

OFFICIAL FILE COPY
O. M. E
RECEIVED FEB 23 1961

DATE		
2/23	gad	220
2/24		800
		500

February 21, 1961

Memorandum

To: Fiscal Section, Division of Administrative Services, Office of the Secretary, Dept. of the Interior Washington 25, D. C.

From: V. J. Lynch - Knoxville, Tennessee

Subject: Royalty Payment on: DMEA-3452, Idm-E734 (mica)
Howard Bbone & John Jarrett
(Revolving fund) Marsh Putnam Prospect
(14X4401) Mitchell County, North Carolina

Attached is a check in the amount of $5.22 for royalty on the production from the subject mine.

V. J. Lynch

VJL/zm
cc
Selfridge-2
Lynch
OME-Knoxville file

EMP. G. L. U.S.
MARCH 25, 1957

GENERAL SERVICES ADMINISTRATION

FINAL SETTLEMENT - MICA PURCHASE

MICA PURCHASE DEPOT - Spruce Pine, N. C.

PROGRAM [X] A [ ] B

DATE PURCHASED: 6-1-59

ACCEPTANCE NUMBER: AS3-757(a)

CERTIFICATE AUTHORIZATION NUMBER: DMS-4-472A

LOT NUMBER: GPAR-757(a)

VOUCHER NUMBER:

SCHEDULE NUMBER:

EVALUATION DATA

RUBY

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				.16	40.00	5.60
GRADES NO. 5½ AND 6				3.03	17.70	53.63
STAINED						
GRADES NO. 3 AND LARGER		12.00			31.90	
GRADES NO. 4 AND 5		5.00		.09	18.25	1.64
GRADES NO. 5½ AND 6		3.00		5.19	7.55	39.18
HEAVY STAINED						
GRADES NO. 3 AND LARGER		8.00			14.80	
GRADES NO. 4 AND 5		4.00			6.85	
GRADES NO. 5½ AND 6		2.00		1.09	4.00	4.36
TOTALS			$			$

NONRUBY

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					17.70	
STAINED						
GRADES NO. 3 AND LARGER		9.60			25.55	
GRADES NO. 4 AND 5		4.00			14.60	
GRADES NO. 5½ AND 6		2.40			6.55	
HEAVY STAINED						
GRADES NO. 3 AND LARGER		6.40			11.85	
GRADES NO. 4 AND 5		3.20			5.45	
GRADES NO. 5½ AND 6		1.60			4.00	
TOTALS			$			$

TOTAL YIELD AND VALUE [X] RUBY [ ] NONRUBY (*Half trim plus full trim*) 9.54 LBS. $ 104.41

ADJUSTED VALUE WHEN LESS THAN 18% GS & B (ABOVE VALUE $ _____ X _____ ÷ 18) $

FOR PROGRAM B, DEDUCT $4.00 PER POUND FOR RIFTING AND TRIMMING

FINAL BASIS FOR PAYMENT $ 104.41

LESS: INITIAL PAYMENT VOUCHER NUMBER SCHEDULE NUMBER 61.54

BALANCE DUE [X] SELLER [ ] GOVERNMENT $ 42.87

NAME AND LOCATION OF MINE

Putnam, Mitchell County, N. C.
S GS Q B 33.23

OFFICIAL FILE COPY
O. M. E
RECEIVED FEB 23 1961

DATE	INITIAL & CODE
FEB 20 1961	

SELLER'S NAME AND ADDRESS (*Type or print*)

G. W. Ellis
Route 3
Bakersville, N. C.

$104.41 @ 50%
$52.20

PROCESSED FOR PAYMENT (LBS.)	9.54
PROCESSED - NO PAYMENT (LBS.) THINS	
BLACK (*Dots, Spots, Stained*)	
UNDERSIZED	
PROCESSING LOSS	.03
TOTAL POUNDS PURCHASED	9.62

APPROVED

DEPOT SUPERINTENDENT: J. E. McKinney

DATE: 6-13-59

GSA WASH D C 58-3177

GSA FORM 1013a
SEPTEMBER 1957

[illegible] semi-annual report on inactive projects North Carolina

[illegible]	IdmE	Operator	Date of Inspection
[illegible]	734	Boone & Jarrett (Marsh Putnam).	June 13 [illegible]
[illegible]	737	A. Ward (Elmore Mine)	
[illegible]	757	C. R. Phillips (Sugar Loaf Mine)	
[illegible]	762	Keller Mining Co. (Royster Mine)	
[illegible]	814	Roy Grindstaff (Conley Mine)	
[illegible]	835	T. P. Vance (Shuffle Vance Mine)	
[illegible]	835	Ed Boone (Goog Rock Mine)	
[illegible]	882	J. R. Dean & J. Phillips (Little Ray Mine)	
[illegible]	900	Sam Smith (Doe Hill Mine)* Royalty due-$27.04	
[illegible]	962	Sam Phillips (Old Buchanan)	
[illegible]	1005	John Phillips (Mine)	
[illegible]	~~1002~~ 1008	John Phillips (Dunn Prospect)	
[illegible]	[illegible]	Hawk Mining Co. (Hawk Mine)	
[illegible]	1012	Clifton D. Buchanan (Boone Prospect)	
[illegible]	1029	Sam L. Phillips (Black Mountain Pros)	

REMARKS: The above listed projects were checked at the Government Purchasing Depot, Spruce Pine, N. C., or by contacting the Operators or by inquiring in and around the vicinity.

OFFICIAL FILE COPY
O. M. E.
RECEIVED NOV 25 1959
DATE | INITIALS

OFFICE OF MINERALS EXPLORATION

Semi-Annual Report on Certified Projects

INACTIVE SINCE LAST INSPECTION

Commodity: Mica

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

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

DMEA-No.	Idn-E	Operator	Mine Name
1876	181	Yancey Mica Mines, Inc.	Cattail
2375	349	Robinson & West	[illegible]
2784	519	Twiggs, Glen & Green	Sam [illegible] Mine
3000	560	Murphy Mining Co.	Bennett [illegible]
3154	636	Ellis & Grindstaff	Byrd
3209	694	W.B. Chrisman	Westall
3247	664	Buchanan & Cook	Johnson
3255	662	Non-Metallic Minerals	White [illegible]
3256	687	Brown & Rathburn	Fox Mine
[illegible]	712	Rock Mining Co.	Rock [illegible]
3452	734	Boone & Jarrett	March [illegible]
3550	757	C. R. Phillips	Sugar [illegible]
[illegible]	814	Roy Grindstaff	[illegible]
3934	882	J.R. Beam & John Phillips	Little Ray
4147	962	Sam Phillips	Old Buchanan

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

Nov. 23, 1959

CENTRAL FILE COPY
DMEA
RECEIVED NOV 6 1957
11/6 gb 220

EXPLORATION PROJECT

Semi-Annual Report of Certified Project

On

DMEA-3452, Idm-E734(mica) MARSH PUTMAN PROSPECT

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

Operator: Howard Boone and John Jarrett, Route #3,
Bakersville, North Carolina

This property was visited October 22nd. From all appearances no work had been done on the deposit since the last visit.

Wm. A. Beck, Mining Engineer
Bureau of Mines

z

OFFICIAL FILE COPY
DMEA
RECEIVED JUN 7 1957

DATE	INITIALS	CODE
6/7	[illegible]	220
10	[illegible]	100

DMEA EXPLORATION PROJECT

Semi-Annual Report of Certified Project

DMEA-3452-Mica

Reporting Period: 7-1-56 to 1-1-57. Examined: 4-24-57

Operator: Howard Boone and John Jarrett, R#3, Bakersville, N.C.

DMEA -3452. Contract No. 734. Commodity: Mica

Name of Mine: Marsh Putnam Prospect. County: Mitchell. State: N. C.

Date of Contract: 10-28-54. Certified: June 7, 1955

Expiration of Royalty Payments: 10-28-1964

Total Amount of Contract: $5,292.00/ Total Expenditures: $5,292.00

Amount of Government Participation at 75%...$3,969.00

Royalty Payments this Period: $7.34. Previous Royalty Paid: $130.11

Total Royalty Paid to date: $137.45.

Percent Government Participation Repaid: 3.46%. Royalty Due: None

Royalty Remarks: The royalty payment made this period was for a sale of punch that had been mined during the period of the contract.

Original Estimate of DMEA Reserves: (Field Team Final Report):

Indicated - 12,000 lbs of "mine-run" mica above 85 ft. level.
Inferred - 18,000 lbs " " " below 85 ft. level to the depth of 125 ft. from surface.

Production DMEA Ore (this period) None

Production DMEA Ore (Previous)

Type mica	Pounds	Amount
Sheet	154.38	$1,454.27
Hand cobbed	1,132.00	1,087.80
Punch	2,435.00	164.80
Scrap	2,800.00	42.00
Total..	6,521.38	2,748.87

Production DMEA Ore (to date) Same as above.

Remarks: The writer visited the subject property April 24, 1957. There was no indication that any work was being done.

Wm. A. Beck

Wm. A. Beck, Mining Engineer

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

RECEIVED
OCT - 1 1956

September 28, 1956

Memorandum

To: Finance Office

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

Subject: Royalty Payments.

Transmitted are royalty payments on the following with bills-of-sale attached:

Idm-E882, DMEA-3924, Beam & Phillips, Sale-$91.76
Royalty $4.59

Idm-E734, DMEA-3452, Boone & Jarrett,
Sale amount $146.80; Royalty $7.34

Idm-E922, DMEA-4008, J.R. Beam, Sale amount-$46.24
Royalty-$2.31

Idm-E951, DMEA-4247, Ed Huskins, Sale amount $10.24
Royalty $0.51

Robert A. Laurence

ZM.
cc:

Lynch
Mittendorf
Shirley
Files

RECEIVED
OCT - 1 1958

BOUGHT OF: Putman Mining Company (Idm-E734 - DMEA-3452) Sept. 20 195 6

NAME OF MINE _____ LOCATED _____

LBS.	OZS.	CLASS	PRICE		TOTAL	
		Scrap				
		Mine-run Block				
		Washer				
		Small Punch				
1835		Punch		.08	$146	80
		1½ x 2				
		2 x 2				
		2 x 3				
		3 x 3				
		3 x 4				
		3 x 5				
		4 x 6				

QUALITY _____ TOTAL $146.80

CHECK NO. _____ LESS _____

CHECK _____

SPRUCE PINE MICA CO.—Buyer

By C

The undersigned hereby certify that in the production of the Mica covered by this bill they have complied with the Fair Labor Standards Act of 1938 and indemnify and hold harmless the Spruce Pine Mica Company against any claim thereunder.

_____ Seller

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

September 24, 1956

RECEIVED
SEP 26 1956

Mr. Sam L. Phillips

Spruce Pine, North Carolina

Dear Mr. Phillips:

Receipt of the following royalty checks is acknowledged:

Putnam Mining Co.,	$7.34
Knob Mining Co.	2.31
Jerry Mining Co.	4.59
Edwards Mining Co.	0.51

It is assumed these represent sales from the following:

(Putnam)	Idm-E734 - DMEA-3452
(Knob)	Idm-E922 - DMEA-4008
(Jerry)	Idm-E882 - DMEA-3924
(Edwards)	Idm-E951 - DMEA-4247

If any of these designations are incorrect, please advise me.

The list of sales which accompanied the checks is inadequate. Please provide original or certified copies of sales tickets on these sales as well as on all sales for which royalty is paid. Also, it will be appreciated if you will indicate the DMEA number on each check.

Sincerely,

Robert A. Laurence
Executive Officer, DMEA

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 35 POST OFFICE BLDG.
WASHINGTON, D.C.
KNOXVILLE 2, TENN.

June 27, 1955

RECEIVED
JUN 29 1955

Memorandum

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

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

Subject: Royalty payment - Idm-8734, DMEA-3452, Putnam Mining Co. North Carolina

Transmitted is a bill-of sale in the amount of $60.00 for mica sold from the subject contract, and a check No. 134, in the amount of $3.00 representing 5% royalty due the Government on the sale.

V. J. Lynch

ZH:
cc:
Lynch
Mittendorf
Laurence

ENGLISH MICA CO.
Spruce Pine, North Carolina

Bought from: Putnam Mining Co., Spruce Pine, N. C.

2800 lbs. Scrap mica @ $30/ton	$42.00
600 lbs. punch mica @ 3¢ per lb.	18.00
	$60.00

C O P Y

cc:

Mittendorf
Lynch

RECEIVED
JUN 29 1955

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

RECEIVED
JUN 20 1955

June 17, 1955

Mr. Howard Boone
Route # 3
Bakersville, N. C.

Re: Docket No. 3452 (mica)
Howard Boone and John Jarrett
(partners)
Marsh Putnam Prospect
Mitchell County, N. C.
Contract No. Idm-2734

Dear Mr. Boone:

Reference is made to your letter of June 13 advising us that you have ceased work on the subject prospect.

Our records show that you have paid the Government royalty in the amount of $127.11 on four sales to the Government Buying Depot for which you received a total of $2,542.07.

We have no record of ever having received any royalty on the sale of scrap or punch mica that must have been recovered in sheeting three of the above sales.

Very truly yours,

V. J. Lynch, Acting
Executive Officer, DMEA
Field Team, Region 5

WAH/cm
cc:
Opr. Con.
Lynch
Shirley
Files

C O P Y

RECEIVED
JUN 20 1955

Spruce Pine, N. C.
June 13, 1955

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

Re: DMEA-3452 (mica)
Marsh Putnam Prospect
Mitchell Co., N. C.

Dear Mr. Laurence:

We have ceased work at the above prospect and do not plan further operations.

We have paid the regular 5% payments on all sales from this operation and we believe our accounts are in order. If your records are not in agreement, please let us know.

Very truly yours,

PUTNAM MINING CO.

s/ Howard Boone
Howard Boone
Partner

p/b

Copied by zm.
cc:
Opr. Com.2
Lynch

DOCKET COPY
Surname:
Anderson
Houk
Putnam
Chamberlain
Kiilsgaard
Hedges
Selfridge
Johnson

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

JUN - 7 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-3452 - Mica
Howard Boone and John Jarrett
(Partners)
Marsh Putnam Prospect
Mitchell County, North Carolina
Contract No. Idm-E734

Dear Mr. Fredell:

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

The exploration contract was signed October 28, 1954, with the Government participating to the extent of 75% of $5,292.00 or $3,969.00. The project was started on December 1, 1954, and completed March 31, 1955, after the expenditure of $5,292.00 which is the total net and accepted cost according to the Audit Review. The Government paid 75% of the total accepted cost, or $3,969.00.

The work performed on this project consisted of construction of access road, toolhouse and powder and exploder magazines, rehabilitation of an existing 54-foot shaft, deepening this shaft an additional 31 feet and driving 100 feet of drifts. The work explored a zoned conformable pegmatite 3 to 5 feet thick in mica gneiss. The exploration work furnished sufficient data to calculate indicated reserves of 12,000 pounds and inferred reserves of 18,000 pounds, both "mine-run" mica. About 3,000 pounds of "mine-run" mica and 1,132 pounds of hand-cobbed mica were recovered during the project. Sales of trimmed mica processed from the "mine-run" mica and hand-cobbed mica amounted to $1,794.00.

The DMEA concurs in the field team's 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

Operating Committee
Field Team, Region V
Mr. Kiilsgaard, 5222
~~Mr. Hedges~~, 3612
Mr. Houk

WCAnderson:ad 5/31/55
Copy to: Admr. R. File
Docket
Mr. Johnson
Mr. Chambers

R.C.S.

DOCKET COPY
Surname:
Anderson
Houk
Chambers
Kiilsgaard
Hedges
Selfridge
Johnson

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

JUN - 7 1955

Mr. Lester H. Putnam
4401 W. 77th Place
Prairie Village 15, Kansas

Re: Docket No. DMEA-3452 - Mica
Howard Boone and John Jarrett
(Partners)
Marsh Putnam Prospect
Mitchell County, North Carolina
Contract No. Idm-E734

Dear Mr. Putnam:

Transmitted herewith for your information is a copy of the certification of discovery or development issued as a result of the exploration program under the above-referenced contract. The property as set forth in the contract was leased by Lester H. Putnam of 4401 W. 77th Place, Prairie Village 15, Kansas, to Howard Boone and John Jarrett, under a Mining Lease dated July 23, 1954, and is the same property referred to in the Owner's Consent to Lien.

Also enclosed is a copy of our letter to Howard Boone and John Jarrett.

Sincerely yours,

C. O. Mittendorf (fw)

Administrator

WCAnderson:ad 5/31/55
Copy to: Admr. R. File
Docket
Mr. Johnson
Mr. Chambers
Operating Committee
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Hedges, 3612
Mr. Houk

R.C.J.

DOCKET COPY
Surname:
Anderson
Houk
Putnam
Chambers
Kiilsgaard
Hedges
Selfridge
E Johnson

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

600

JUN - 7 1955

Messrs. Howard Boone and John Jarrett (Partners)
Route 3
Bakersville, North Carolina

Re: Docket No. DMEA-3452 - Mica
Howard Boone and John Jarrett
(Partners)
Marsh Putnam Prospect
Mitchell County, North Carolina
Contract No. Idm-E734

Gentlemen:

Transmitted herewith is a certification of discovery or development on Contract No. Idm-E734 on the Marsh Putnam 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 Exploration Project Contract, October 28, 1954, is subject to the Government's percentage royalty as set forth in the contract until the sum of $3,969.00 is paid or until October 28, 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

WCAnderson:ad 5/27/55
Copy to: Mr. Lester H. Putnam, 4401 W. 77th Place, Prairie Village 15, Kansas
Admr. R. File
Docket
Mr. Johnson
Mr. Chambers
Operating Committee
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Hedges, 3612
Mr. Houk

R.G.

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

May 25, 1955

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 27 1955

Memorandum

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

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

Subject: Royalty check - Idm-E734, DMEA-3452 (mica) Howard Boone and John Jarrett, Marsh Putnam Mine, Bakersville, N. C.

Transmitted is a copy of the final settlement on Lot number SPBR-11(a) on the subject contract in the amount of $748.20, and a check number 126, for $37.41.

Robert A. Laurence

RAL/zm
cc:
Lynch
Mittendorf
Shirley
Files

COPY

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

WARRANTY, ACCEPTANCE AND INVOICE

DATE 5-12-55

ACCEPTANCE NUMBER BR4-11(a) Final Settlement

ISSUED UNDER CERTIFICATE OF AUTHORIZATION NUMBER	LOT NUMBER	RECEIPT AND WEIGHT TICKET NUMBER
EBS -86B	SPBR-11(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 Putman Mining Company	SIGNATURE
STREET ADDRESS Box 35	NAME *(Type or print)* Mary P. Banner
CITY, ZONE AND STATE Spruce Pine, 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	Final Settlement				$748.20

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 Burleson		Buyer

INVOICE

TO General Services Administration, Region IV

FOR	
Mica delivered as indicated above	$748.20

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

SELLER *(Type name)*	DATE
Putman Mining Co. (Howard Boone & John Jarrett) Marsh Putman Mine	5-12-55
BY *(Signature)*	NAME AND TITLE *(Type)* Mary P. Banner, Agent

GSA-WASH DC 53-3094

COPY

GSA FORM 1013
September 1952

IN REPLY REFER TO:

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 3 - 1955

May 2, 1955

Re: DMEA-3452
H. Boone & J. Jarrett
(Marsh Putman Mine)
Mitchell Co., N. C.
$5,292 - Mica

Memorandum

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

From: E. L. Newcomb, U. S. Geological Survey

Subject: Review of Final Field Team report

The Field Team has recommended the project be certified as a discovery.

Production during the contract period has a value of about $1300 worth of strategic mica.

Reserves total about 30,000 pounds. Indicated reserves amount to 12,000 pounds above the 85-foot level. Inferred reserves are about 18,000 pounds between the 85- and 125-foot levels.

Further exploration under the DMEA program is not warranted. A certificate of discovery should be issued.

E. L. Newcomb
E. L. Newcomb

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

April 26, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

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

Subject: DMEA-3452 (mica)

Applicant: H. Boone and J. Jarrett

Name and Location of Property: Marsh Putman Mine
Mitchell County, North Carolina

Contract Number: Idm-E 734

Date of Field Team Final Report: April 15, 1955

Date Rec'd. by Br. of Ceram. & Fert. Mat.: April 21, 1955

Field Team Recommendation:

1. Certification.

Comments:

1. Strategic mica was recovered.
2. Reserves are estimated at:
   Indicated - 12,000 pounds
   Inferred - 18,000 pounds
3. Expenditures -

Total approved	$5,292.00
Total cost	5,292.00
Gov't. share of cost	3,969.00
Value of production during operation	?

Recommendation:

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

Donald R. Irving

Donald R. Irving

UNITED STATES
DEPARTMENT OF THE INTERIOR

C O P Y

DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

April 15, 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: Field Team, D. M. E. A. Region 5, Knoxville, Tennessee

Subject: Field Team Final Report: DMEA-3452, Idm-E734 (mica)
Howard Bonne and John Jarrett, Marsh Putnam Mine,
Bakersville, North Carolina

Enclosed are four copies of the subject report by the Field Team and four copies of the Operator's final report.

As a small reserve of mica was indicated by the work, a certification of discovery should be issued.

/s/ ROBERT A. LAURENCE
Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION V

/s/ V. J. LYNCH
V. J. Lynch, Member
DMEA Field Team
U. S. Bureau of Mines

Reviewed by
DMEA OPERATING COMMITTEE
4-22-55
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT
BY
FIELD TEAM, REGION V

On

DMEA-3452, (mica) MARSH PUTNAM MINE
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

Reviewed by
DMEA OPERATING COMMITTEE
4-22-55
(date)

April 14, 1955

Final File June 1944

FINAL REPORT
On
DMEA-3452, Idn-E734, MARSH PUTNMAN MINE
(mica)

Operator: Howard Boone and John Jarrett, Route # 3 - Bakersville, N. C.

Location : 1/2 mile southwest of Bandana, on the east side of Toe River about 3 miles due south of Bakersville, Mitchell County, N.C.

Work completed under the contract at this mine consisted of bulldozing 400 linear feet of access road, constructing a toolhouse and two magazines, enlarging and timbering an existing 54-foot shaft, deepening this shaft an additional 31 feet and driving 100 feet of drift from the bottom of the shaft. About $1,300 worth of strategic mica was obtained from work done under the contract and the mine is a potential producer of a limited amount of mica; thus, it is recommended that a certification of discovery be issued. Additional exploratory work is not warranted.

Work began on December 1, 1954, and was completed on March 31, 1955. An access road about 400 feet in length was bulldozed and a toolhouse, powder magazine and exploder magazine were constructed. An existing 54-foot vertical shaft which was 4' x 4' in cross section was enlarged to 5' x 7' and was timbered. This shaft was then deepened an additional 31 feet downdip on the pegmatite at an inclination of about 75° to the southeast. From the bottom of the shaft a total of 121 feet of drift were driven, 21 feet of which was done at the Operator's expense. The level work consists of a 65-foot drift driven in a S. 45° W. direction from the shaft bottom and a 56-foot drift in a N. 40° E. direction.

A conformable pegmatite 3-5 feet thick is present in the shaft and the drifts. It strikes N. 35-45° E. and is vertical above the 70-foot level in the shaft but below this point it dips 60-75° to the southeast. Zoning consists of a central core 2-4 feet thick of coarse-grained perthite, quartz and muscovite enclosed by a fine-grained zone of plagioclase, quartz and sparse muscovite. Near and at the head of the southwest drift the pegmatite is semi-weathered. The body appears to have been emplaced along a fault whose displacement has been vertical as evidenced by slickensides. The country rock is mica gneiss with minor amounts of interlayered mica schist.

About 3000 pounds of "mine-run" mica were recovered from work done under the contract. A total of 82.88 pounds of trimmed mica of strategic quality worth $857.67 has been sold to the GSA Depot at Spruce Pine. It graded as follows:

	#3 and larger	4 & 5	5½ & 6
Good stained and better	0.19 lbs.	5.29 lbs.	26.59 lbs.
Stained	---	1.21 "	37.63 "
Heavy stained	---	0.06 "	11.91 "

In addition, 1132 pounds of hand-cobbed mica was sold to the Depot for which a partial payment of $339.60 was received. The chief defects of the mica are cracks, clay-stained and some mineral stain.

An estimate of reserves revealed by the work completed under the contract is as follows:

Indicated - 12,000 pounds of "mine-run" mica above the 85-foot level.

Inferred - 18,000 pounds of "mine-run" mica below the 85-foot level to depth of 125 feet from surface.

Expenditures:

(a)	Total approved	$5,292.00
(b)	Total cost of project	5,292.00
(c)	Government's part of cost	3,969.00
(d)	Government's share unexpended	none
(e)	Value of production to date	?
(f)	Royalty received to date	59.87

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

April 14, 1955.

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

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

z

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

April 15, 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: Field Team, D. M. E.A. Region 5, Knoxville, Tennessee

Subject: Field Team Final Report: DMEA-3452, Idn-E734 (mica)
Howard Boone and John Jarrett, Marsh Putnman Mine,
Bakersville, North Carolina

Enclosed are four copies of the subject report by the Field Team and four copies of the Operator's final report.

As a small reserve of mica was indicated by the work, a certification 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
U. S. Bureau of Mines

Spruce Pine, North Carolina
April 1, 1955

Mr. Robert A. Laurence, Executive Officer
D.M.E.A., Region VII
Post Office Bldg., Knoxville, Tennessee

Re: DMEA-3452, Idm-E 734
Putnam Prospect, Mitchell Co., N.C.
Final Report

Operator's Final Rpt.

Dear Mr. Laurence:

The following is a summary of the above operation and will serve as a final report:

Work began on this project the first of December, 1954. We bulldozed road access, moved in equipment and began to work on the existing shaft. We enlarged and timbered 54' of old shaft, then sank an additional 31' of shaft which we timbered all the way. We drifted and cross-cut a total of 100' in a direction outlined by the field team, following the vein up and down the hill.

From the entire operation we got something in excess of $1,000.00 worth of mica which proved very expensive to prepare for sale. After we completed the drifts, it was recommended by the field team that we stope up, which we did until we found there was no mica which warranted stoping further.

The contract has been completed and work discontinued as we find it unprofitable to work further.

We wish to express our thanks to the field team for their cooperation and assistance on this project. If you need further information, please let us know.

Very truly yours,

John Jarrett

John Jarrett

J/b

RECEIVED
APR 7 1955
U. S. BUREAU OF MINES
DEF. MIN. ADM.
Knoxville, Tennessee

hold for concurrence from Hazel - 4-18

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

April 11, 1955

Memorandum

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

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

Subject: Royalty payment on Idm-8734, DMEA-3452, Boone & Jarrett (mica) Marsh Putman Mine, Mitchell County, N. C.

Transmitted are the sale slips in the amount of $770.15, and a check for 5% royalty in the amount of $38.51 on the subject contract.

Robert A. Laurence

ZM.
cc:
Lynch
Mittendorf
Shirley

Sam L. Phillips
Allsman
Files

Copy

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration

APR 13 1955

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

Authorization No. 1508 A Acceptance No. 1836 Date: 4-4-55

Seller: Howard Boone & John Garrett (Putman Mining Co)

Mine: Marsh Putman Mine
Mitchell County

DMEA No. 3452, Dam E. 934

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				2.99	$40.00	119.60
No. 5½ and 6				11.62	$15.00	174.30
Stained						
No.3 and larger		$12.00			$18.00	
No.4 and 5		$ 5.00		.82	$ 8.00	6.56
No.5½ and 6		$ 3.00		24.92	$ 5.00	124.60
Heavy Stained						
No.3 & larger		$ 8.00			$13.00	
No.4 and 5		$ 4.00		.06	$ 6.00	.36
No.5½ and 6		$ 2.00		1.71	$ 3.00	5.13
LOT TOTALS		//////////			//////////	
TOTAL		//////////		42.12	//////////	430.55

Copy

Defense Minerals Exploration
APR 13 1955

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

Authorization No. 86 B Acceptance No. 5PBR-11 Date: 4-4-55

Seller: Howard Boone & John Garrett
c/o Howard Boone - Bakersville, N.C

Mine: Marah Pertnam Mine DMEA No. 3452, Adm E734
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		//////////			//////////	

Program B- Hand Cobbed Mica
Partial Payment 1132 lbs. @ 30¢ — 339.60

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Final Report

PAID ON VOUCHER OF PAYMENTS K-

RECEIVED APR 13 1955

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of March, 195 5 Docket No. DMEA 3452 Contract No. Idm E-734

Operator's Name Howard Boone and John Jarrett Minerals Mica

Address c/o Howard Boone, Route 3, Bakersville, N.C.

Contract Amount, $ 5292.00 Government Participation: 75% Amount, $ 3969.00

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						
44' Drifting @ 30.00 ft.	1320.00	1680.00	3000.00			
Shaft		1426.00	1426.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Rehabilitating Shaft		702.00	702.00			
Road Access		50.00	50.00			
(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						
Toolhouse		76.00	76.00			
Powder & Exploder Mags.		38.00	38.00			
(8) Contingencies (specify):						
TOTALS	1320.00	3972.00	5292.00	1320.00	3972.00	5292.00

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

Date 4-1-55 *Payee Howard Boone & John Jarrett

Per John Jarrett Title Partner

*When 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:

$ 990.00

Signature Helen R. Mullin
(Authorized Certifying Officer)

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

330.00

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Tdm-E734 in accordance with the terms of the contract.

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

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

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

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
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APR 13 1955

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

Month of March 1955 Docket No. DMEA 3452- Contract No. Idm-E734
Operator's Name Howard Boone & John Jarrett Minerals Mica
Address c/o Howard Boone, Rt. 3, 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
44' Drifting @ 30.00	Ft.	1320.00	44	3000.00	100	30.00	100	30.00
Crosscutting								
Raising								
Shafts				1426.00	31	46.00	31	46.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails				50.00	400	.125	400	.125
Rehabilitating Shaft				702.00	54	13.00	54	13.00
Total Distributed Costs		1320.00		5178.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc. Toolhouse				76.00				
Powder & Exploder Magazines				38.00				
Total Costs		1320.00		5292.00				

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

Date 4-1-55 Operator Howard Boone & John Jarrett

Per John Jarrett Title Partner

Remarks:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

Operator's

Monthly Progress Report

DMEA-3452, Idm-E 734

Work Accomplished:

Completed the drifting called for in the contract. We have recovered some mica but it is too poor quality to warrant a profitable operation. We sold about $1000.00 worth of mica from the entire operation. The mica was not free-splitting and contained considerable biatite. The contract has been completed and work discontinued.

Daily notes:

March 1 - 4: Pumped water, drilled, shot and mucked.

March 7 -11: Continued down with drift, repeating above operations. Recovered some poor quality mica.

March 14 -18: Pumped water, drifting in same general direction. Drilled and shot, then mucked. Brought in more mica.

March 21- 31: Completed the contract drifting, finding the vein producing mica of too poor quality to continue operations. Recovered some mica. Pumped water, drilled, shot and mucked.

INTERIM REPORT

DMEA-3452, Idm-E734 (mica) MARSH PUTMAN MINE

Operator: Howard Boone and John Jarrett, Route #3, Bakersville, N. C.

Location: 1/2 mile southwest of Bandana, on the east side of Tow River and about 3 miles due south of Bakersville, Mitchell County, N.C.

All work outlined under this contract has been completed. The Operator has requested that additional drift footage in the form of an amendment be provided, but the examiners are of the opinion that sufficient exploration on this body has been accomplished, and no further drifting under contract is justified.

Work completed consisted of 400 linear feet of access road construction, construction of a toolhouse and exploder and powder magazines, enlarging and timbering 54 feet of existing shaft, sinking 31 feet of additional shaft and driving 100 feet of drifts from the shaft bottom. Most of the shaft sinking in new ground was in pegmatite and all drifting was along the strike of the body. Fifty-six feet of drift were were driven to the northeast and 65 feet were driven to the southwest. At the time of this visit another heading was ready to be pulled to the northeast. Pegmatite material and enclsoing rock in the southwest drift was badly weathered throughout and much of the mica recovered was badly clay-stained. Pegmatite encountered to the northeast was hard and showed little evidence of weathering. Approximately $1000 worth of mica has been sold to date and about $500 worth of mica is on hand.

This contract was conducted in an efficient and satisfactory manner.

Thor H. Kiilsgaard and Lawrence G. Houk, accompanied the examiners on this visit.

Examined: March 27, 1955.

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

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

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 Exploration Administration
MAIL
MAR 25 1955

March 25, 1955

Memorandum

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

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

Subject: Royalty payments

Transmitted are bills of sale and checks on the following:

Idm-E734, DMEA-3452. Putman Mining Co. Sales $596.60, royalty check for 5% of sales $29.83

Idm-E712, DMEA-3410, Reek Mining Co. Sales $592.61, royalty check for 5% of sales $29.63.

Robert A. Laurence

RM.
cc:
Lynch
Shirley
Mittendorf
Files

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
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MAR 28 1955

Copy

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

Authorization No. 1508A Acceptance No. 1732 Date: 3-17-55

Seller: Putnam Mining Company, Box 35, Spruce Pine N.C

Mine: Putnam Mine DMEA No. 3452, Idm E 734

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				1.30	$40.00	52.00
No. 5½ and 6				23.82	$15.00	357.30
Stained No.3 and larger		$12.00			$18.00	
No.4 and 5		$ 5.00		.32	$ 8.00	2.56
No.5½ and 6		$ 3.00		23.28	$ 5.00	116.40
Heavy Stained No.3 & larger		$ 8.00			$13.00	
No.4 and 5		$ 4.00			$ 6.00	
No.5½ and 6		$ 2.00		22.78	$ 3.00	68.34
LOT TOTALS		//////////		71.50	//////////	596.60
TOTAL		//////////			//////////	

INTERIM REPORT

ON

DMEA-3452, Idm-E734 (mica) MARSH PUTNAM MINE

ERATOR: Howard Boone and John Jarrett, Route #3, Bakersville, N. C.

ocation: 1/2 mile southwest of Bandana, on the east side of Toe River and about 3 miles due south of Bakersville, Mitchell County, N.C.

Drifting continues on this contract and now totals 67 feet; 27 feet has been driven to the northeast and 40 feet to the southwest. Pegmatite material on the southwest end of the body has thinned considerably and more evidence of weathering was noted during this visit. The Operator was advised to concentrate drift efforts to the northeast. About 1300 pounds of mine-run block mica has been recovered during the past two work-weeks. 33 feet of drift remains to be driven under contract. Recent progress has been satisfactory.

Inspected: March 3, 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

z

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

Anderson

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.5

44

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of February, 1955 Docket No. DMEA 3452 Contract No. 10n-D 734
Operator's Name Howard Boone and John Jarrett Minerals
Address c/o Howard Boone, Route 3, Reidsville, N. C.
Contract Amount, $ Government Participation: 75 % Amount, $

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						
49' Drifting @ 30.00	1200.00	400.00	1600.00			
Shaft		1426.00	1426.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Rehabilitating Shaft		702.00	702.00			
Road Access		50.00	50.00			
(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						
Powder & Exploder Magz.	33.00		33.00			
Toolhouse		76.00	76.00			
(8) Contingencies (specify):						
TOTALS	1238.00	2734.00	3972.00	1238.00	2734.00	3972.00

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

Date *Payee Howard Boone

Per Howard Boone 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:

$ 928.50

Signature Helen R. Miller
(Authorized Certifying Officer)

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

Defense Minerals Administration
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MAR 11 1955

3

30950

(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-E734 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-101A
(April 1952)

Budget Bureau No. 42-R1151.2

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
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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 3452 Contract No. [illegible]-734
Operator's Name Howard Boone and John Jarrett Minerals Mica
Address c/o Howard Boone, Route 3, Robersonville, 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
40% Drifting @ 30.00	Ft.	1200.00	40	1680.00	56	30.00	100	30.00
Crosscutting								
Raising								
Shafts				1426.00	31	46.00	31	46.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails				50.00	400	.125	400	.125
Rehabilitating Shaft				702.00	54	13.00	54	13.00
Total Distributed Costs		1200.00		3858.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc. Toolhouse				76.00				
Powder & Exploder Magazines		30.00		33.00				
Total Costs		1230.00		3972.00				

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 Howard Boone & John Jarrett

Per Howard Boone 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

RECEIVED

OPERATOR'S
Monthly Progress Report

February, 1955

DTEA-3452

Idm-E734

Work Accomplished:

At the beginning of the month, we had considerable water trouble. We had power brought to the mine and installed an electric pump which is now handling the water satisfactorily. We have completed 40' of drift during the month, and have been recovering about 100 lbs. of mica per day, but the mica is of a very poor quality. The drift has been in vein material all the way, between two slates.

Feb. 1 - 4 - Bailing water took part of mornings, drilled, shot and mucked.

Feb. 7 -11 - Got power to mine, installed electric pump. Continued with drift, recovering some poor quality mica.

Feb.14-18 - Drilled, shot, mucked. Recovered about 100# of mica per day. Started one sheeter and one trimmer working on the mica.

Feb. 21-28 - Continued in same direction with drift, vein looking much the same. Continued to recover mica, still poor quality. Repeated drilling, shooting and mucking operations.

Have had three men working one shift all the month.

INTERIM REPORT

DMEA-3452, Idm-E734 (mica) MARSH PUTNAM MINE

Operator: Howard Boone and John Jarrett, R#3, Bakersville, N. C.

Location: 1/2 mile southwest of Bandana, on the east side of Toe River and about 3 miles due south of Bakersville, Mitchell County, N. C.

Drifting continues on this contract and is now at 34 feet. Two drift headings are being pulled simultaneously and a marked difference in the amount of mica on the southwest end, as compared to that to the northeast was noted. On the southwest end the body has thinned considerably, more mica is present, and recovery has increased. On the northeast end, little mica is being produced.

The mine continues to make considerable water which is being handled satisfactorily with a shallow sump, and an electric pump. The Operator was advised to scale working areas and untimbered sections after shooting. Progress on this contract is satisfactory.

Inppected: Feb. 17, 1955

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

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

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

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

Subject: Royalty Payment on Idm-4734, DMEA-3452, Boone & Jarrett (mica)

Transmitted is a bill-of-sale in the amount of $427.12 and a royalty check in the amount of $21.36 representing 5% royalty on the sale.

V. J. Lynch

ZM.
cc:
Finance Office
Lynch
Mittendorf
Sam Phillips
Files

Copy

Copy

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

WARRANTY, ACCEPTANCE AND INVOICE

DATE: 1-26-55

ACCEPTANCE NUMBER: AR4-1380

ISSUED UNDER CERTIFICATE OF AUTHORIZATION NUMBER: Eps-4-153 A

LOT NUMBER: 1380

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: Sam L. Phillips	SIGNATURE:
STREET ADDRESS:	NAME *(Type or print)*:
CITY, ZONE AND STATE: Spruce Pine, N. C	TITLE *(Type or print)*: Owner

EVALUATION AND SETTLEMENT DATA

PROGRAM A - BLOCK OR FILM MICA

QUALITY	HALF TRIM			FULL TRIM		
	POUNDS	PRICE PER LB.	AMOUNT	POUNDS	PRICE PER LB.	AMOUNT
GOOD STAINED AND BETTER						
GRADES NO. 3 AND LARGER				.19	$70.00	13.30
GRADES NO. 4 AND 5				2.30	$40.00	92.00
GRADES NO. 5½ AND 6				14.97	$15.00	224.55
STAINED						
GRADES NO. 3 AND LARGER		$12.00			$18.00	
GRADES NO. 4 AND 5		$ 5.00		.39	$ 8.00	3.12
GRADES NO. 5½ AND 6		$ 3.00		12.71	$ 5.00	63.55
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		10.20	$ 3.00	30.60
TOTALS						
LOT TOTALS				40.76		$427.12

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
Ell S. Buchanan		Buyer

INVOICE

TO: General Services Administration, Region IV

FOR: Mica delivered as indicated above — $427.12

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

SELLER *(Type name)*: DMEA-3452, Idm E734

DATE: 1-26-55

BY *(Signature)*: S/S Sam L. Phillips

NAME AND TITLE *(Type)*: Owner

GSA-WASH DC 53-3094

GSA FORM 1013
September 1952

DEFENSE MINERALS EXPLORATION

INTERIM REPORT

DMEA-3452, Idm-E 734, MARSH PUTNAM PROSPECT
Mica.

Operator: Howard Boone and John Jarrett, Route # 3, Bakersville, N. C.

Location: One-half mile southwest of Bandana on the east side of the Toe River and about 3 miles due south of Bakersville, Mitchell County, N. C.

Drifting is in progress on this contract and now totals 17 feet; 10 feet being in a northeast direction and 7 feet southwest. The pegmatite exposed in the drifts is about 4 feet thick and contains occassional books of strategic mica which tend to be concentrated in the central portion of the body.

About 1800 pounds of "mine-run" mica have been recovered to date. One sale of about 40 pounds of trimmed sheet mica worth approximately $400 has been made to the Spruce Pine Depot.

Progress on the contract is satisfactory.

Examined- February 3, 1955.

K. H. Teague D. H. Amos

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

3

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID BY VOUCHER & SCHEDULE OF PAYMENTS No. 35

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of January, 195 5 Docket No. DMEA 3452 Contract No. Idm-E 734
Operator's Name Howard Boone and John Jarrett Minerals Mica
Address c/o Howard Boone, Rt. 3, Bakersville, N. C.
Contract Amount, $ 5292.00 Government Participation: 75% Amount, $ 3969.00

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						
16' Drifting @ 30.00	480.00		480.00			
10' Shaft @ 46.00	460.00	966.00	1426.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Rehabilitating Shaft		702.00	702.00			
Road Access		50.00	50.00			
(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						
Toolhouse		76.00	76.00			
(8) Contingencies (specify):						
TOTALS	940.00	1794.00	2734.00	940.00	1,794.00	2,734.00

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 2-2-55 *Payee Howard Boone

Per Howard Boone 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:

$ 705.00

Signature Helen R. Miller
(Authorized Certifying Officer)

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

235.00

(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-E734 in accordance with the terms of the contract.

Signature Chauncey H. Cannon Title Geologist-USGS Date Feb. 7, 1955

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence 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.

GPO 872893

Form DMEA-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of January 195 5 Docket No. DMEA 3452 Contract No. IdmE 734
Operator's Name Howard Boone and John Jarrett Minerals Mica
Address c/o Howard Boone, Rt. 3, 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
16' Drifting @ 30.00	Ft.	480.00	16	480.00	16	30.00	100	30.00
Crosscutting								
~~10'~~ Raising								
10' Shafts @ 46.00	Ft.	460.00	10	1426.00	31	46.00	31	46.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails	Ft.			50.00	400	.125	400	.125
Rehabilitating Shaft	Ft.			702.00	54	13.00	54	13.00
TOTAL DISTRIBUTED COSTS		940.00		2658.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Toolhouse				76.00				
TOTAL COSTS		940.00		2734.00				

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

Date 2-2-54 Operator Howard Boone & John Jarrett

Per Howard Boone 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

January, 1955

DMEA-3452

Idm-E734

Work Accomplished:

We completed the 31 feet of shaft called for in the contract and have started the drift, advancing 16 feet. We have run into a lot of water and are making an effort to get power to the mine so that we can start pumping. We recovered about 400 lb.s of mica as we went down with the shaft, and about the same amount of very poor mica in the drift. The drift is in extremely hard pegmatite, and the vein is about 3' wide, between two slates. The mica is not free splitting and is of poor quality.

Daily Notes:

Jan. 3 - 7 - Sank shaft slowly, hampered with much water. Recovered some mica of fair quality.

Jan. 10 - 14 - Drilled and shot, mucked. Recovered more mica. Completed the shaft called for in contract.

Jan. 17 - 21 - Began work on the drift. Drilled and shot. The pegmatite is extremely hard, with slate on either side.

Jan. 24 - 31 - Continued with drift, in hard material. Vein about 3' wide, finding poor quality mica which is not free-splitting. Completed about 16' of drift and recovered about 400 lb.s mica.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 27 1955

INTERIM REPORT

DMEA-3452, Idm-E734, MARSH PUTNAM PROSPECT
(mica)

Operator: Howard Boone and John Jarrett, Route #3, Bakersville, N. C.

Location: One-half mile southwest of Bandana on the east side of the Toe River and about 3 miles due south of Bakersville, Mitchell County, N. C.

Shaft sinking has been completed on this contract. At the time of this visit the Operator was making preparations to turn off a drift to the northeast from the bottom of the shaft. The pegmatite is about 4 feet thick in the shaft bottom. From a depth of 75 to 85 feet the dip of the body flattens, averaging about 60° S.E. in this interval.

About 1000 pounds of "mine-run" mica have been recovered during the operation to date.

Progress on this contract is satisfactory.

Examined: January 20, 1955.

K. H. Teague D. H. Amos

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

z

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 26 1955

INTERIM REPORT

DMEA-3452, Idm-E734(mica) MARSH PUTNAM MINE

Operator: Howard Boone and John Jarrett, R#3, Bakersville, N. C.

Location: One-half mile southwest of Bandana, on the east side of Toe River and about 3 miles due south of Bakersville, Mitchell County, N. C.

Shaft sinking continues on this contract and is now at 78 feet; 24 feet of this total is new work. Pegmatite can be observed in the bottom and its thickness ~~if~~ is 4 to 5 feet. More mica of better quality has been recovered since sinking has been in progress in new ground. Approximately 50 pounds of block per day was being recovered at the time of this visit. None of the mica has been processed to date. Progress on this contract is satisfactory.

January 5, 1955, Examined.

L. E. Shirley By: zm
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

Form MF-204 (Rev.)
(April 1952)

Mrs. Anderson

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of December, 1954 Docket No. DMEA 3452 Contract No. Km-E734
Operator's Name Howard Boone and John Jarrett Minerals Mica
Address c/o Howard Boone, Rt. 3, Bakersville, N. C.
Contract Amount, $ 5292.00 Government Participation: 75 % Amount, $ 3969.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
54' Drilling Rehabilitating Shaft 13.00	702.00	-	702.00			
Bulldozing						
21' Crosscutting Shaft 46.00	966.00	-	966.00			
Drifting						
400' Road Access @ .125	50.00	-	50.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Tool House	76.00		76.00			
(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	1794.00	-	1794.00	1,794.00	—	1,794.00

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 1-3-55 *Payee Howard Boone & John Jarrett
Per John Jarrett 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:

$ 1,345.50

Signature Helen R. Miller
(Authorized Certifying Officer)

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

1st

11/25

448.50

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Tm-E734 in accordance with the terms of the contract.

Signature Laurence E. Shirley Title Mining Engr. U.S.B.M. 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.

Form MF-104A
(April 1962)

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 3 1955

Month of December 195 4 Docket No. DMEA 3452 Contract No. DMA-1734

Operator's Name Howard Boone and John Jarrett Minerals Mica

Address c/o Howard Boone, Rt. 3, Bolivar, Mo. U. S.

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
54 Rehabilitating shaft Drifting @ 13.00	Ft.	702.00	54	702.00	54	13.00	54	13.00
Crosscutting								
21 Raising Shafts @ 46.00	Ft.	966.00	21	966.00	21	46.00	21	46.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
400 Test Pits Roads and Trails @ .125	Ft.	50.00	400	50.00	400	.125	400	.125
Total Distributed Costs		1718.00		1718.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc. Toolhouse		76.00		76.00				
Total Costs		1794.00		1794.00				

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 1-3-55 Operator Howard Boone & John Jarrett

Per John Jarrett 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

[illegible]
MONTHLY REPORT OF PROGRESS

Month of December, 1954

DMA-3452

Idx-5734

Work Accomplished:

We bulldozed road access, moved in equipment, built toolhouse, rehabilitated 54' of shaft by timbering and timbering, then sank the shaft an additional 21 feet during December. No outstanding difficulties encountered, except for large quantities of water which we hit at the 53' level.

Daily Notes:

Dec. 1 - 3 - Bulldozed road access, moved in equipment and set it up. Built tool house.

Dec. 6 - 10 - Began work on old shaft. Timbered and trimmed. Cleaned out trimmings and waste.

Dec. 13- 17 - Continued work on rehabilitating shaft. Trimmed and timbered.

Dec. 20- 24 - Began to lower shaft below old works. Had to do some shooting. Mucked.

Dec. 27- 31 - Hit water at about 53' and had to install sump. Continued down with shaft at rather slow rate due to excessive water.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN - 5 1955

INTERIM REPORT

DMEA-3452, Idm-E 734(mica) MARSH PUTNAM MINE

Operator: Howard Boone and John Jarrett, Route #3, Bakersville, N. C.

Location: One-half mile southwest of Bandana, on the east side of Toe River and about 3 miles due south of Bakersville, Mitchell County, North Carolina.

Rehabilitation of an existing shaft has been completed to a depth of 54 feet. Sinking is underway and 2 feet of new work has been completed. The shaft has been trimmed to 5' x 7' in cross section and cribbed solid to its present depth. A separated partition for manway, containing ladders and landings at about 12 feet intervals has been installed. Material encountered is weathered schist, and pegmatite on the northwest side of the shaft.

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

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

INTERIM REPORT

DMEA-3452 Idm-E734 (mica) MARSH PUTNAM MINE

OPERATOR: Howard Boone and John Jarrett, Route #3, Bakersville, N. C.

LOCATION: 1/2 mile southwest of Bandana, on the east side of Toe River and about 3 miles due south of Bakersville, Mitchell Co., N. C.

Starting date on this contract is November 25, 1954. Rehabilitation of an existing shaft is underway from bottom to top with little progress reportable. Most of the time has been used in preparation for mining. The construction of an access road, timber haulage, the erection of a straight leg and boom for hoisting and hoist movage has been completed. No buildings or magazines have been constructed to date.

Material encountered during trimming at the 50-ft. shaft level consists of weathered country rock and pegmatite. The body at this point strikes N 35° E and the dip is near vertical. Some small mica was observed in kaolinized feldspar with scattered quartz. All workers were advised to wear safety hats while working underground. 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 2, 1954

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

RECEIVED
NOV 26 1954

November 24, 1954

Memorandum

To: Operating Committee - DMEA - Washington

From: Executive Officer, DMEA - Region VII

Subject: DMEA-3452, Idm-E 734 (mica) Boone and Jarrett - Marsh Putnam Prospect, Mitchell County, N. C.

Reference is made to your letter of November 22, 1954.

We did not fill in a starting date on this contract; however, we have been advised that work would begin about November 20. Therefore, I suggest that the starting date be put in the contract as December 27, which would be the customary 60 days from date of contract.

Robert A. Laurence
Robert A. Laurence

Docket Copy
Surname:
Anderson
Houk
Selfridge
Johnson
Westerling

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

NOV 22 1954

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

Subject: Docket No. DMEA-3452 - Miss Howard Boone and John Jarrett
Marsh Putnam Prospect
Mitchell County, North Carolina
Contract No. Idm-E734

Dear Mr. Laurence:

Reference is made to your memorandum of November 5, 1954, transmitting signed copies of the subject contract.

It is preferable to have six signed copies of the Owner's Consent to Lien, however, one signed original and five copies with typewritten signature will meet the legal requirements.

We note the starting date for the project was not filled in on the contract. Please advise regarding date of commencement so we can fill it in on our copies.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

J. H. Hedges

Member, Bureau of Mines

E. L. Newcomb

Member, Geological Survey

WCAnderson:gad 11/17/54
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Dietrich, 3061
Mr. Kiilsgaard, 5222
Mr. Houk

R.C.S.

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

DEPARTMENT OF THE INTERIOR
Minerals Administration
RECEIVED
NOV 5 1954

November 5, 1954

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region VII - Knoxville

Subject: Signed Contract, Idm-E 734, DMEA-3452, Boone & Jarrett (mica)

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

We note only the original Owner's Consent to Lien has been signed. If this is acceptable, it would eliminate much correspondence, often the applicant will return from 1 to 3 copies signed and we have to request additional ones. Please comment.

Robert A. Laurence

Robert A. Laurence

Docket Copy
Surname:
Anderson
Houk
Chandler
Selfridge
Johnson

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

OCT 28 1954

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

Subject: Docket No. DMEA-3452 - Miss Howard Boone and John Jarrett
Marsh Putnam 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 24, 1954, and from the Bureau of Mines, dated September 28, 1954, are enclosed.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee (JHB)

Approved:

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

Thor H. Kiilsgaard (JHB)
Member, Geological Survey

WCAnderson:gad 10/22/54
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5223
Mr. Dietrich, 3061
Mr. Houk

R.C.B.

Enclosures 10

P.S. The legal description in this case appears inadequate, since no established referenced point is mentioned. Would not the 54' shaft be an ideal beginning point for the legal description rather than the center of the Marsh Putnam Prospect as mentioned in Annex I? If you agree kindly change Annex I description to read: "Beginning at the center of the 54' shaft of the Lester Putnam Prospect". Please note the memorandum of the Survey. The Drifting or ...ting should not be started without approval of the Field Team.

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

September 28, 1954

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

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

Subject: DMEA-3452 (mica)

Applicant: H. Boone & J. Jarrett

Name and Location of Property: Marsh Putman
Mitchell County, North Carolina

Date of Field Team Report: September 17, 1954

Date Rec'd. by Ceramic & Fertilizer Mtls. Br.: September 24, 1954

Field Team Recommendation:

1. Approval of exploration project.

Comments:

1. Field examiners are of the opinion that a project consisting of constructing a shaft and drift is justified on subject mine.

2. Total costs are estimated at $5,288.

Recommendation:

I concur in the field team's recommendation to approve an exploration project in the amount of $5,288.

Donald R. Irving

Donald R. Irving

IN REPLY REFER TO:

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

September 24, 1954

Re: DMEA-3452
Boone and Jarrett
(Marsh Putnam Prospect)
Mitchell Co., N. C.
$5,288 - Mica

Memorandum

To: L. G. Houk
Defense Minerals Exploration Administration

From: E. L. Newcomb
U. S. Geological Survey

Subject: Review of Field Team report

The Field Team recommends a contract be approved which would allow 400 feet of access road, enlargement of a 54 foot shaft (4 x 4 to 5 x 7), and deepening this shaft about 31 feet.

Numerous caved shafts occur along strike length of 600 feet, but little is known about the past production. An examination of the dumps apparently indicated that the "54 foot" shaft material contained good quality material. There appeared to be more ruled mica in the southwest dumps than in shaft dumps farther northeast.

As these old shafts are not accessible for inspection, there is some doubt in my mind about the evidence which prompted the Field Team's report for exploration approval. It may be prudent under the circumstances to stage the work with enlargement of the shaft as Stage I and then having seen the pegmatite down to 54 feet proceed with Stage II (31 feet of shaft sinking) if this work appears to be warranted.

I favor exploration on this property, but believe more evidence is needed before the entire project is carried out.

E. L. Newcomb

E. L. Newcomb

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D.C.
ROOM 1081 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

RECEIVED
SEP 20 1954

September 17, 1954

Memorandum

To: Operating Committee, DMEA - Washington

From: Field Team - DMEA - Region VII - Knoxville, Tenn.

Subject: Field Examination Report, DMEA-3452, Boone & Jarrett (mica)

Enclosed are four copies of the subject examination report, with six extra copies of the map. The examination was made without referral, as the field examiners were in the vicinity in connection with other inspections.

We recommend approval of a contract as outlined in the report, except that we suggest the wording "drift and/or crosscut."

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

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

Reviewed by
DMEA OPERATING COMMITTEE
9-24-54
(date)

SEP 20 1954

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM, REGION VII

ON

DMEA-3452, MARSH PUTMAN PROSPECT
Mitchell County, N. C.
(mica)

On-site Exam. rpt.

BY

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

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

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

Reviewed by
DMEA OPERATING COMMITTEE
9-24-54
(date)

September 17, 1954

SEP 20 1954

FIELD EXAMINATION REPORT ON

DMEA-3452, MARSH PUTMAN PROSPECT (mica)

Applicants: Howard Boone and John Jarrett, c/o Howard Boone, Bakersville, N. C. R#3

This deposit appears to offer promise for the discovery of a worthwhile deposit of strategic mica. Exploration assistance is recommended.

The deposit was examined on September 9, 1954. Messrs. Howard Boone, John Jarrett, and S. L. Phillips accompanied the examiners on the inspection which required two hours.

The Marsh or Lester Putman prospect is about one-half mile southwest of Bandana, on the east side of Toe River, and about three miles due south of Bakersville, Mitchell County, North Carolina. It is in the same general area as the Abernathy, Johnson, and Sinkhole mica mines. Access is good at all times to within 400 feet of the mine. No road exists over this distance.

The applicants are competent to conduct the proposed exploration. Area covered by their lease is adequate for the proposed project.

Past mining on this deposit has been of the typical "ground hog" type. Numerous shafts (10-12) have been sunk over a strike length of about 600 feet to a depth up to about 60 feet. Short drifts were driven from the bottom of these shafts northeast and southwest, then the pegmatite stoped to the surface. All past work has been in weathered material and probably all was above water level. Apparently all work was conducted by using a hand windless and picks and shovels.

These openings have been made on a northeast trending pegmatite which averages about 5 feet thick. The strike is N. 30°-50° E. and dip 75° SE. Although exposures are too poor to be certain, it appears that the weathered mica gneiss and schist wall rock is conformable to the pegmatite.

Little information can be obtained concerning the composition and internal structure of the pegmatite as all outcrops and dump material is thoroughly weathered. Apparently most of the feldspar is plagioclase. No excessive amount of quartz is present, thus there probably is no core.

Mica in the dumps is of good quality, although somewhat clay stained. It is hard, clear, ruby colored, flat, and splits well. Toward the southwest of the area worked, many of the books are severly ruled. In the middle and northeastern parts, this defect is not present.

History of work at this place is sketchy. A little mica was sold from the deposit during World War II (81 lbs. for $512.00). Within the past two

or three years a little work has been done. The amount of production during this last period is not known. As previously mentioned most all pegmatite above the 50-60 foot level has probably been removed. Future efforts to produce mica from the deposit must be directed below this level. Also it appears that future work will be in unweathered rock and will be below water level. There is a 4' x 4' untimbered shaft, 54 feet deep, towards the north-eastern end of the mined area. Pegmatite material in the dump from this shaft suggest that additional mica may be discovered at this place.

The field examiners recommend that the 54-foot shaft be trimmed to 5' x 7' in cross section, timbered, ladders installed, and deepened to 85 feet. The new 31 feet of shaft should follow the pegmatite, whether vertical or inclined. From the bottom of the shaft, 100 feet of drift should be driven on the pegmatite.

In addition to the above - 400 feet of access road will be needed, as well as a tool house and magazines.

Estimated Costs:

Construct 400 linear feet of access road @ $0.125/ft.		$50.00
Toolhouse		75.00
Powder magazine		25.00
Exploder "		13.00
Trim 4' x 4' shaft to 5' x 7' (54 ft), timber and install separate manway (9 shifts).		
Labor:		
1 - Miner @ $1.50/hr.	$108.00	
1 - Hoistman @ $1.25/hr.	90.00	
1 - Laborer @ $1.00/hr	72.00	
Equipment (rental):		
Hoist @ $50/Mo.	22.50	
Supplies:		
Small tools	75.00	
Timber, 5M, B.F. @ $60/M	300.00	
Miscellaneous	32.50	700.00
Deepen shaft from 54 to 85 feet (20 shifts)		
Labor:		
1 - Miner @ $1.50/Hr	240.00	
1 - Hoistman @ $1.25/hr	200.00	
1 - Laborer @ $1.00/hr	160.00	
Equipment (rental):		
Compressor, drill, pump @ $240/Mo.	240.00	
Hoist @ $50/Mo.	50.00	

$13.00/ft.

Supplies:

Gasoline and oil	$50.00	
Explosives	90.00	
Timber, 200 B.F. @ $60/M	120.00	
Drill steel (carbide bits)	50.00	
Pipe, airline, etc.	75.00	
Small tools	25.00	
Miscellaneous	50.00	
Insurance, Social Security, etc.	75.00	$1,425.00

Drive 100 feet drift on pegmatite (35 shifts)

Labor:

1 - Miner @ $1.50 /hr.	420.00	
1 - Helper @ $1.25/hr	350.00	
1 - Hoistman @ $1.25/hr	350.00	
1 - Laborer @ $1.00/hr	280.00	

Equipment (rental):

Compressor, drill and jackleg @ $240/Mo.	420.00	
Pump @ $20/Mo.	35.00	
Hoist @ $50/Mo.	87.50	

Supplies:

Gasoline and oil	175.00	
Explosives	300.00	
Drill steel (carbide Bits)	150.00	
Pipe, etc.	75.00	
Small tools	75.00	
Miscellaneous	108.50	
Insurance, social security, etc.	175.00	3,000.00
		$5,288.00

Exam; Date Sept. 9, 1954.

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

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

Z

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

September 16, 1954

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

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

Subject: DMEA-3452 (mica)

Applicant: Howard Boone and John Jarrett

Name and Location of Property: Marsh Putman Prospect
Mitchell County, North Carolina

Date Application Rec'd. by Ceramic & Fertilizer Mtls. Br.: 8/19/54

Comments:

1. Bureau of Mines records show that 30 pounds of full-trimmed mica valued at $81.88 was sold to Colonial Mica in 1945.

2. Estimated costs of proposed project are in line with other DMEA projects.

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 applicant should agree on a definite plan of exploration on a unit-cost basis.

Donald R. Irving

Donald R. Irving

IN REPLY REFER TO:

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

August 23, 1954

Memorandum

REVIEW OF APPLICATION DMEA-3452 (mica)

To: Lawrence G. Houk, Defense Minerals Exploration Administration
From: E. L. Newcomb, U. S. Geological Survey
Applicant's name and address: Howard Boone and John Jarrett, Route 3, Bakersville, North Carolina
Name of property: Marsh or Lester Putnam Prospect
Location of property: Mitchell County, North Carolina, near Bandana.
Summary of applicant's proposal:
1) Bulldoze road and shaft site.
2) Sink 80 feet and drift 100 feet.

ESTIMATED COST - $7,740.

Sources of information on applicant's property:
Unpublished report in Survey files. As this examination report was prepared in 1944, we have no information on World War II development and production. Pegmatite was reported to contain mica of commercial quality.

Comments: The 1944 report recommended the location of a new exploration adit. More recent information on this property probably is on file at the Survey office at Knoxville.

RECOMMENDATION: Field referral and examination if Field Team feels this is necessary.

E. L. Newcomb

E. L. Newcomb

August 19, 1954

Subject: DMEA-3452

Re: Exploration Assistance
Marsh Putnam Prospect

Messrs. Howard Boone
& John Jarrett
Route 3
Bakersville, N. C.

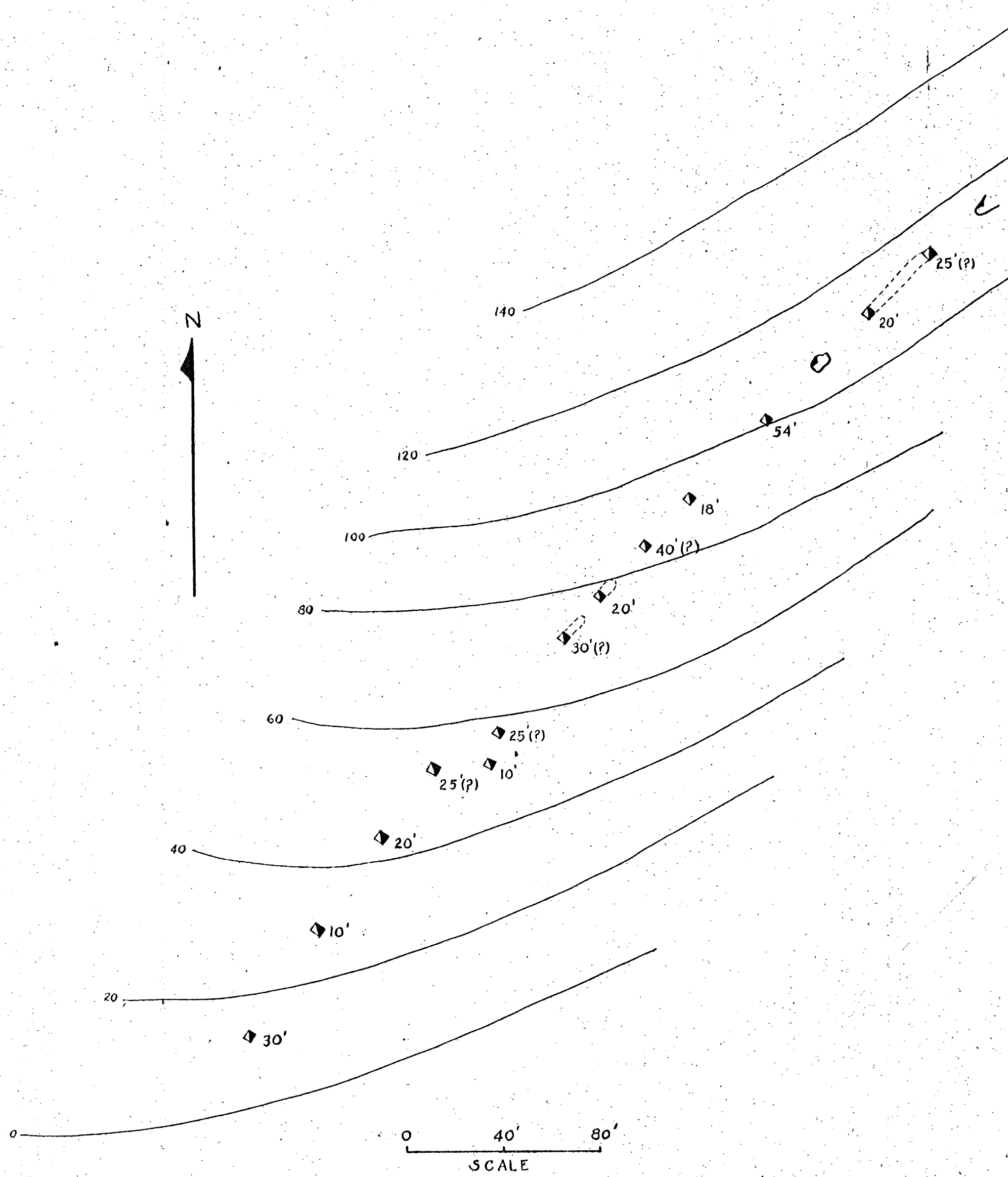
Gentlemen:

The receipt of your application dated August 16, 1954 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA-3452 and referred to the Non-Metallic Minerals Division.

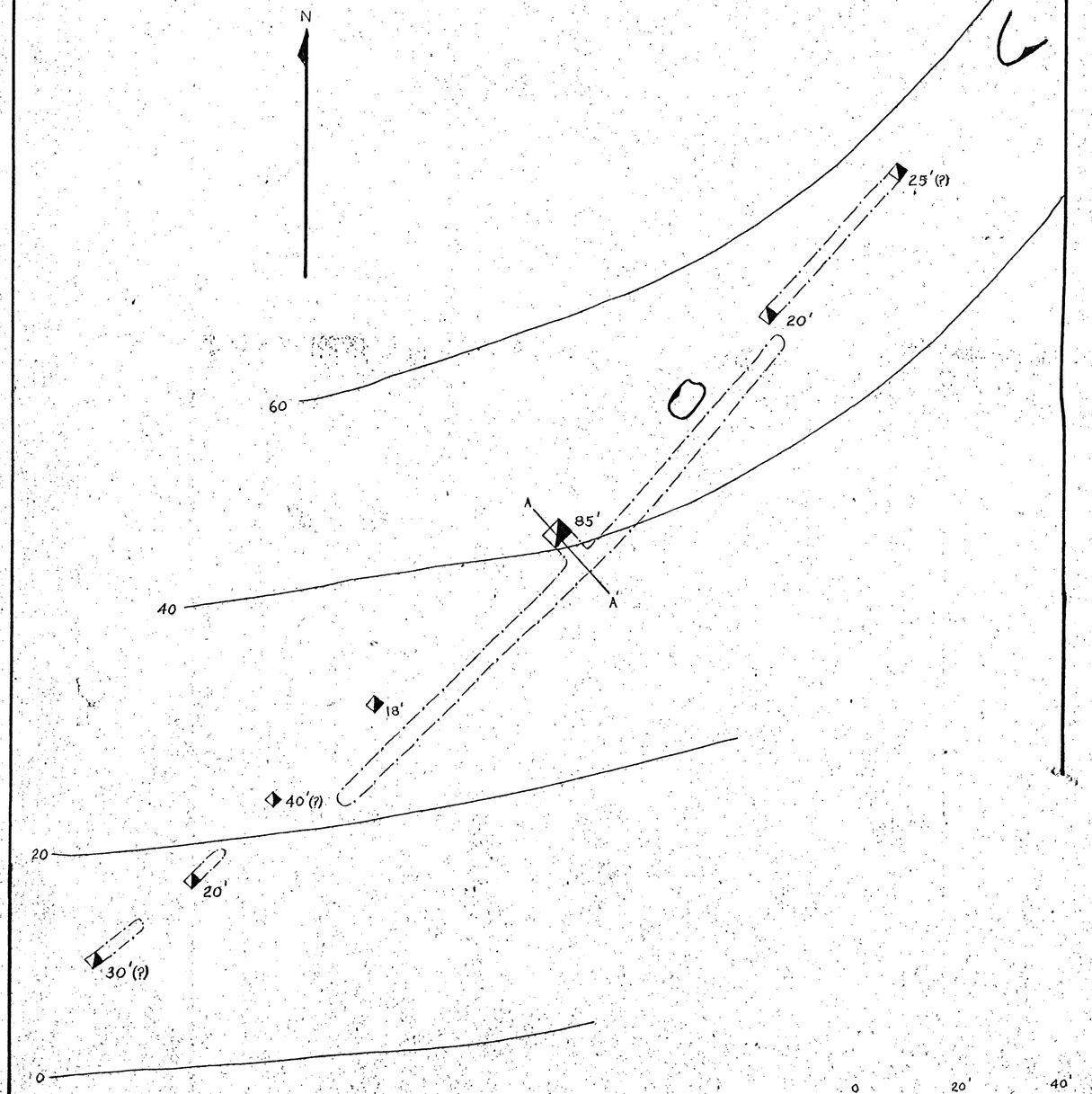
Kindly refer to in any future correspondence relating to your application.

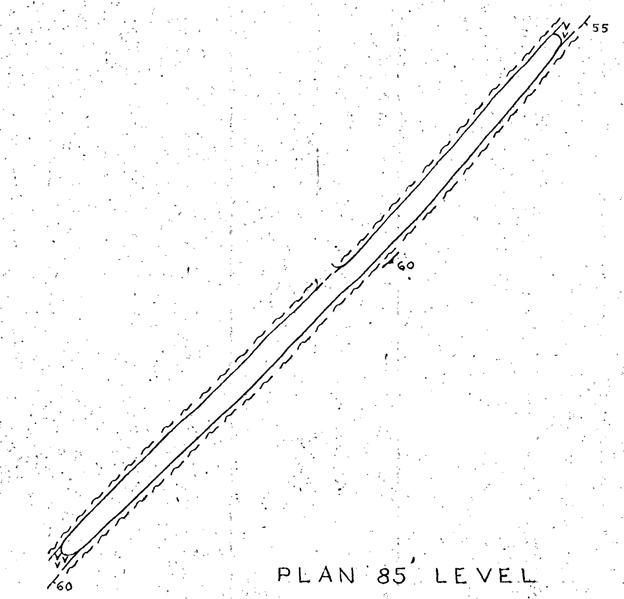
Sincerely yours,



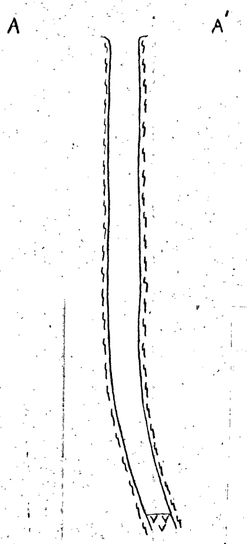
SKETCH OF
MARSH PUTNAM MINE
MITCHELL CO. N.C.

DMEA-3452(mica)





PLAN 85' LEVEL



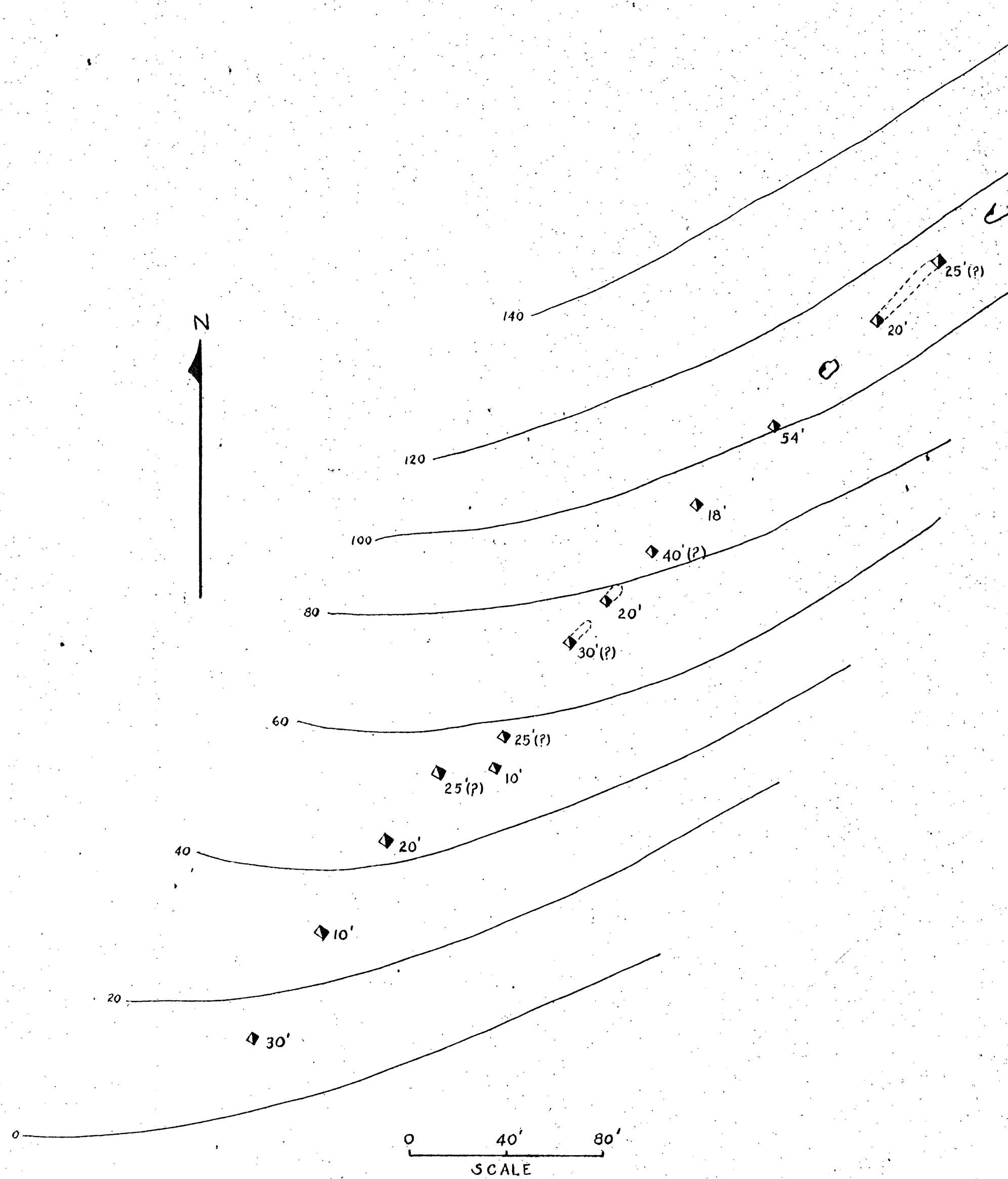
SECTION A-A'

- Mica gneiss
- Pegmatite
- Quartz
- Shaft
- Strike & dip of foliation
- Strike & dip of contact
- Contact, approx. where dashed
- Cut
- Outline of underground workings

0 20' 40'
SCALE

SKETCH OF
MARSH PUTNAM MINE
MITCHELL CO., N.C.

DMEA-3452 (mica)



SKETCH OF

MARSH PUTNAM MINE

MITCHELL CO. N.C.

DMEA-3452 (mica)