DMEA Form 9
Rev. 6/57

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE — Idm-E NO. 762 — DMEA NO. 3577

Application
- [ ] Denied
- [ ] Withdrawn

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

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

Folder No. 1:

Left Side

- [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

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-E762, Docket DMEA-3577 (mica), dated February 2, 1955, with

Hayden Keller
d/b/a Keller Mining Co.
Pineola, 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 Royster Prospect located in Cleveland County, North Carolina, during the period February 20, 1958, through June 15, 1960.

A certification of discovery or development was issued on July 15, 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 June 7, 1955, indicated accepted costs under the exploration contract amounting to $5,257.33 with the Government's contribution on a 75 percent basis being $3,943.00.

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

This review established no sales subject to the Government's royalty subsequent to the period covered by a prior Report of Royalty Review which found the sales subject to the Government's royalty through February 19, 1958, to be $12,179.28. The royalty account as of February 19, 1958, was:

Total Royalty Payable	$602.91
Total Royalty Paid	602.91
Balance of Royalty Due	$ -0-

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

Total Royalty Payable	$602.91
Total Royalty Paid	602.91
Balance of Royalty Due	$ -0-

February 1, 1962

E. D. Talbert, OME Auditor

Idm-8762 Keller Mining Co. DMEA-3577

STATUS OF PROJECT, SCOPE OF REVIEW AND REASONS THEREFOR

At the time this contract was executed the Operator was in possession of the property thereunder by virtue of a five year renewable lease granted on November 18, 1954, by H. F. Royster of Fallston, North Carolina. In connection with the contract an Owner's Consent to Lien was executed by Mr. Royster on the same date.

The exploration work under the contract was completed on April 30, 1955. Sales of production during exploration consisted of 79.68 lbs. of trimmed sheet mica and 10.724 tons of feldspar. The mine was operated for a few months thereafter and further sales were made in the name of Keller Mining Co., Pineola, North Carolina, Paul Gurley, Celo, North Carolina, and Keller Mining Co., Crossnore, North Carolina. Royalty on sales by the last two sellers was paid by W. S. Flynt, Crossnore, North Carolina.

The following summary, the first two items of which were checked with the records of the Spruce Pine Mica Purchase Depot at the time of the prior Royalty Audit Review, covers all reported production:

Item	Quantity	Proceeds		Royalty
Sheet Mica	255.57 lbs.	$ 4,800.87	@ 5%	$240.05
Hand-cobbed Mica	5,233.00 "	6,861.10	@ 5%	343.06
Punch Mica	1,805.00 "	162.27	@ 5%	8.11
Scrap Mica	10,205.00 "	153.08	@ 5%	7.65
Feldspar	25.76 tns.	201.96	@ 2%	4.04
Totals		$12,179.28		$602.91

The docket file indicates that semi-annual examinations of the property through December 16, 1957, found the shaft collar caved and the property inactive since the summer of 1955. A subsequent Region IV listing of inactive North Carolina projects includes this project as one of a number "checked at the Government Purchasing Depot, Spruce Pine, N. C., or by contacting the Operators or by inquiring in and around the vicinity" during the period of June 13 through 15, 1960.

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

(1) The property has been inactive since 1955;
(2) All sales of production were covered by a prior Report of Royalty Review; 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.

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the records of the Executive Officer, DMEA Field Team, Region V, Knoxville, Tennessee, pertaining to Contract Idm-E762, Docket No. DMEA-~~3570~~ (Mica), dated February 2, 1955, with
3577

Hayden Keller
d/b/a Keller Mining Co.
Pinsola, North Carolina

for the purpose of determining the amount of royalty due the U. S. Government on sales of mica and feldspar from property referred to as Royster Prospect, located in Cleveland County, North Carolina, during the period February 2, 1955, to February 19, 1958.

A certificate of discovery or development was issed on July 15, 1955, and, in accordance with the contract, royalty is payable on the net proceeds realized from production as a result of such discovery or development during a period of 10 years from the date of the contract or until the amount of the Government's contribution to exploration costs has been repaid, without interest, whichever occurs first. A report of review in lieu of final audit dated June 7, 1955, indicated accepted costs under the exploration contract amounting to $5,257.33 with the Government's contribution, on a 75 percent basis, being $3,943.00. The scope of the present royalty review and the reasons therefor are stated on Schedule "A" attached.

My review established the total sales of mica and feldspar to be $12,179.28. Royalty due the Government at rates specified in the contract is $602.91. The royalty paid and balance due are as follows:

Total Royalty Due	$602.91
Total Royalty Paid	602.91
Balance of Royalty Due	-0-

March 12, 1958

C. E. Fisher, Auditor

SCHEDULE "A"

CONTRACT DMA-E762, DOCKET NO. DMEA-3577 (Mica)

REPORT OF ROYALTY REVIEW

This review was limited to the listing of sales of sheet and hand-cobbed mica to the Mica Purchase Depot, Spruce Pine, North Carolina, sales of scrap and punch mica to various dealers, and sales of feldspar to Feldspar Corporation shown by the records of the DMEA Region V office in connection with production from Royster Prospect on which royalty was received by the regional office. This list, which is filed with my audit work papers, was also checked with the purchase records of the Depot. A summary of the indicated production, sales, and royalty paid to the Government follows:

Item	Production (Pounds)	Sales	Royalty Paid Rate	Royalty Paid Amount
Sheet mica	255.57	$4,800.87		
Hand-cobbed mica	8,233.00	6,861.10		
Punch mica	1,803.00	162.27		
Scrap mica	10,205.00	153.08		
Totals - mica	20,496.57	$11,977.32	5%	$598.87
	(Tons)			
Feldspar	23.762	$ 201.96	2%	4.04
Totals		$12,179.28		$602.91

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

The mine has not been operated since 1955.

Check Sheet of Examining Engineer

Operator's Name ~~Jekkex~~ Keller Mining Co.

Address Pineola, N. C.

Royster Mine, Cleveland County, N. C.

Exploration Contract No. Idm-E762 Docket No. DMEA-3577

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

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

Mine not in operation at present

W A Beck

Mining Engineer

Date 2-19-58

82448

Docket File
Surname:

Dept
Z Kramer
Hoffmund
Appd. Sol. Off.
Talbert
Gehan
Kilsgaard
Selfridge
Johnson

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

INTERIOR DEPT.
JUL 13 1955
SOLICITOR

Mr. Clarence A. Fredell, EPS, GSA
Mr. H. F. Royster (sent to Field Team for forwarding)

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

To: Keller Mining Company

Pinsola, North Carolina

Pursuant to the provisions of Exploration Project Contract No. Idm-8762, dated February 2, 1955 (Docket No. DMEA-3577) 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 disconformable pegmatite in mica gneiss and schist was exposed by the project work. Sufficient data were obtained to calculate indicated and inferred reserves of mica.

THE UNITED STATES OF AMERICA

By O P Mittendorf
Administrator, Defense Minerals
Exploration Administration

Dated JUL 15 1955

Finance Office
Field Team, Region V
Mr. Kilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

JHopkins:pk 7/13/55
Copy to: Admr. R. File
Docket
Mr. Chambers
Mr. Johnson
Operating Committee

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

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

To: Keller Mining Company

Pineola, North Carolina

Pursuant to the provisions of Exploration Project Contract No. Idm-E762, dated February 2, 1955 (Docket No. DMEA-3577) 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 disconformable pegmatite in mica gneiss and schist was explored by a vertical shaft and drifts. Indicated and inferred reserves of mica may be calculated.

THE UNITED STATES OF AMERICA

By_____
Administrator, Defense Minerals
Exploration Administration

Dated_____

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Hayden Keller
d/b/a Keller Mining Company
Pineola, North Carolina

pertaining to Exploration Project Contract No. Idm-F762, Docket No. DMEA-3577, for the months of February 1955 to April 1955, inclusive, covering a project for the exploration of mica on property, known as the Rouster Prospect located in Cleveland 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		$5,257.33
Exceptions:		
By DMEA Finance Officer	$ -0-	
Nereuith	-0-	-0-
Total Accepted Cost		$5,257.33

The contract calls for a 75 percent participation of explora expenses by the United States Government. Therefore, payment to the c tractor by the Government in the amount of Three thousand nine hundre forty-three and no/100 Dollars,

$3,943.00

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

E. D. Talbert, Audi

June 7, 1955

Docket Copy

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 16 1955

MF-200A
(Revised June 1954)

Docket No. DMEA 3577

Commodity Mica

Contract No. Idm-E -762

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

It is agreed this 2nd day of February, 195 5, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2] Hayden Keller, an individual, d/b/a Keller Mining Co.,

whose mailing address is Lincoln, 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 Cleveland, and is described in Annex I.[3]

(b) The Operator represents and undertakes that:

(1) The Operator is the [4] lessee of [5] the Mineral Rights in the land, in possession and entitled to possession for all of the purposes of this contract, under and by virtue of a [6] lease, [7] unrecorded 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:

(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 Rice. The work to be performed is described in Exhibit "A." The Operator on or before MAR 15 1955 shall commence the work, and on or before 4 mos. from date of contract (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 $5,364.00. The Government will contribute 75 percent of the fixed unit costs as work is performed, in a total sum not in excess of $4,023.00: *Provided,* That until the Operator has rendered to the Government his final report, and any final auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of 10 percent of the estimated total cost of the work. The Government will make its contribution on the basis of the monthly vouchers referred to in Article 6(b), but all payments by the Government are provisional only, subject to audit, until the account between the Operator and the Government is finally audited and settled. To the extent that excesses over fixed unit costs or any excess over the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such excesses for his own account without contribution by the Government. The Government may make payments directly to independent contractors and suppliers for the account of the Operator rather than to the Operator.

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

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

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

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

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

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

ARTICLE 7. *Repayment by Operator.*—(a) *Certification.*—If the Government considers that a discovery or development from which production may be made has resulted from the work, the Government, at any time not later than six months after a sufficient final report and final account (see Article 6) has been rendered, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

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

(c) *Basis for computation.*—The Government's royalty shall be a percentage of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrates, metal, or equivalent), at the point of delivery (the f. o. b. point); *except,* that charges of *the buyer* arising in the regular course of business, and shown as deductions on the buyer's settlement sheets, on account of the cost of treatment processes performed by *the buyer,* sampling and assaying to determine the value of the production sold, and freight paid by *the buyer* to a carrier (not the Operator), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. Any costs of treatment processes, sampling or assaying, or transportation, performed or paid by the Operator or by anyone other than the buyer, are not deductible in arriving at the "gross proceeds" as that term is here used. The term "treatment processes," as here used, means those processes (such as milling, concentrating, smelting, refining, or equivalent) applied to the crude ore or other production after it is extracted from the ground, to put it into a commercially marketable form; excluding fabricating or manufacturing.

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

(e) *Percentages of royalty.*—The percentages of the Government's royalty shall be as follows:

One and one-half (1½) percent of amounts ("gross proceeds" or "value") not in excess of eight dollars ($8.00) per ton of production in the form in which sold, held, or used, plus one-half (½) percent for each additional full fifty cents ($0.50) by which such amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such amounts.

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

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

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

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

(i) *No obligation to produce.*—Nothing in this contract is to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

(j) *Government not obligated to buy.*—Nothing in this contract shall be construed as imposing any obligation on the Government to purchase any minerals mined or produced from the land.

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

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

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

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

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

ARTICLE 11. *Changes and added provisions.*—

Executed in sextuplicate the day and year first above written.

KELLER MINING CO.
(Operator)

By Hayden C Keller

THE UNITED STATES OF AMERICA

By O P Mittendorf
Administrator, Defense Minerals Exploration Administration

"Appd. Sol. Off."

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

.....

[CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE 16—70618-1

RECEIVED
FEB 1 0 1955

EXPLORATION PROJECT CONTRACT
KELLER MINING CO.
DOCKET NO. DMEA-3577

ANNEX I

The land referred to in Article 2 of the Contract is described as follows:

Beginning at the center of the old shaft known as the Royster Prospect located 570' from a State Highway 182 Right-of-way Marker and running North 250'; thence East 250'; thence South 500'; thence West 500'; thence North 500'; thence East 250'. This property lying approximately 5 miles East of Fallston, N. C. in Cleveland County.

EXPLORATION PROJECT CONTRACT
KELLER MINING CO.
DOCKET NO. NMEA-3577

EXHIBIT "A"

The work shall be performed in two successive stages, as follows:

Stage I

With a D-4 bulldozer or equivalent, cut two trenches, one east and one west of existing slumped shafts to locate the pegmatite, and the most suitable shaft site. The approximate location of the trenches is shown on the attached map entitled "Sketch of Royster Prop. Cleveland County, N. C. NMEA-3577 (mica)."

Stage II

If the Government is of the opinion that the results of Stage I warrant it, and it grants prior approval, Stage II shall be performed, as follows:

1. Construct:

   (a) A toolhouse, minimum dimensions 8 feet by 10 feet by 7 feet.

   (b) A powder storage magazine, minimum dimensions 4 feet by 3 feet by 2½ feet.

   (c) An exploder storage magazine, minimum dimensions 2 feet by 1½ feet by 1 foot.

The toolhouse may be unfloored; shall be made from unfinished lumber with protective roof covering; and shall be equipped with lock and key.

The powder and exploder magazines shall be bound on all sides; shall be made from 2-inch hardwood or 3-inch softwood; and shall be braced at the corners. No metal shall be exposed, and the lids shall be securely locked with the equivalent of a 5-tumbler jarproof lock.

2. Sink a 50-foot shaft at a point agreed upon between the Government and the Operator. The shaft shall have minimum cross-sectional dimensions of 5 feet by 7 feet in the clear of timber.

3. On the 50-foot level of the shaft, drive 80 feet of drifts and/or crosscuts, having minimum cross-sectional dimensions of 5 feet by 7 feet in the clear of timber.

All work shall be timbered as necessary.

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

Fixed Unit Costs

Stage I

Bulldoze 20 hrs. @ $10.00/hr.	$ 200.00

Stage II

Construct:

Toolhouse 1/	76.00	
Powder Magazine 1/	25.00	
Exploder Magazine 1/	13.00	
Sink 50 feet of shaft @ $45.00/ft.	2,250.00	
Drift and/or crosscut 80 feet @ $35.00/ft.	2,800.00	
Estimated Total Cost of Project		$5,364.00
Government participation @ 75%		$4,023.00

1/ The completed work constitutes the unit.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 22 1954

Defense Minerals Administration
RECEIVED
FEB 16 1955

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 Cleveland, described as follows:1/

Beginning at the center of the old shaft known as the Raytor Prospect located 570' from a State Highway 182 Right-of-way Marker and running North 250'; thence East 250'; thence South 500'; thence West 500'; thence North 500'; thence East 250' to beginning. This property lying approximately 5 miles East of Fallston, N. C. in Cleveland County.

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/ Keller Mining Company

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.

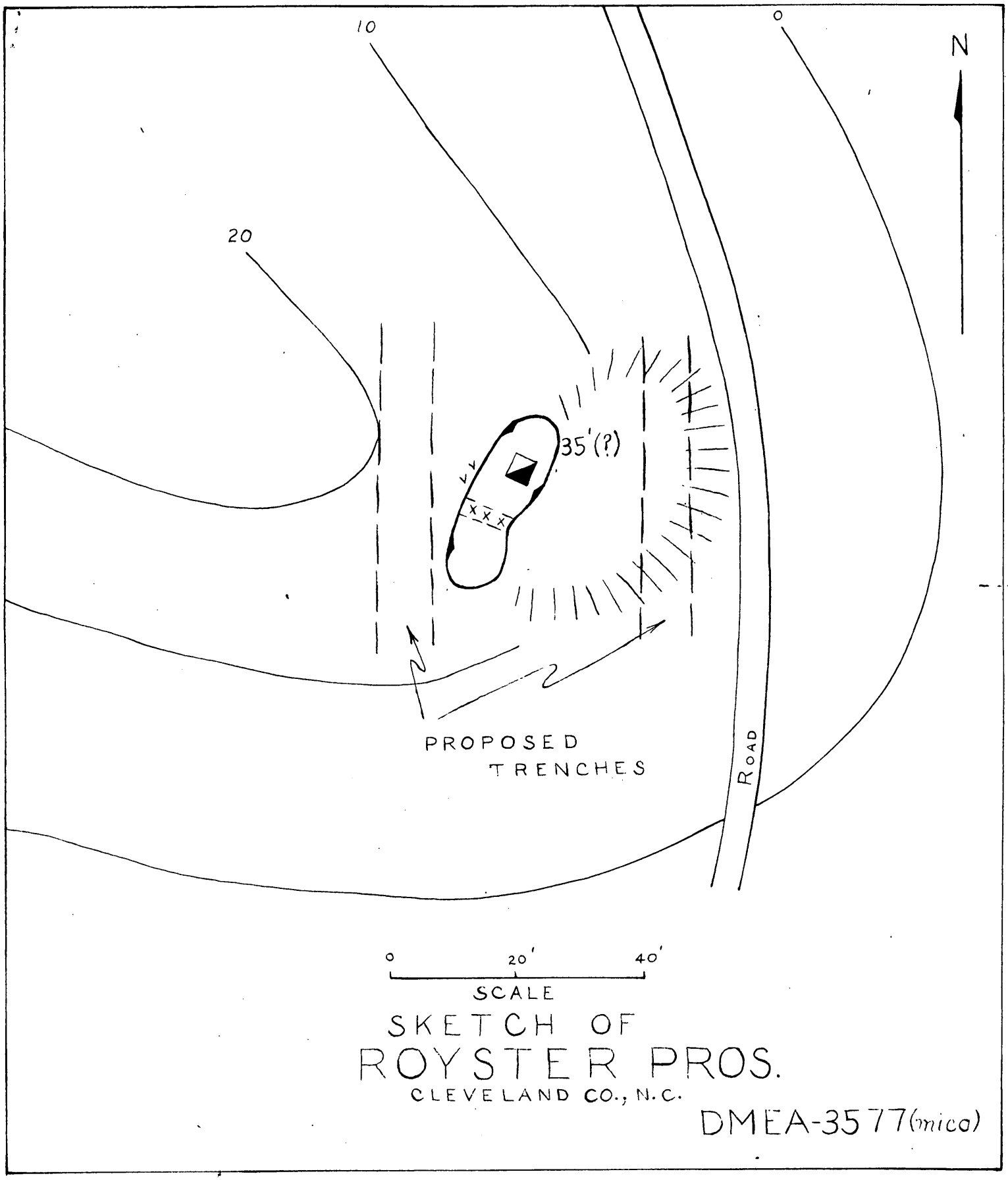
4. Changes and added provisions_____

Dated this 18th day of November, 1954.

(Signed) H. P. Royster [Seal]

_____ [Seal]

_____ [Seal]


10
0
N
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35'(?)
PROPOSED
TRENCHES
ROAD
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SCALE
SKETCH OF
ROYSTER PROS.
CLEVELAND CO., N.C.
DMEA-3577(mica)

Royster Prospect - DMEA-3577. This contract calls for bulldozing two trenches, constructing toolhouse, powder and exploder magazines, sinking 50 ft. of shaft, and 80 ft. of drift and cross-cut for a cost of $5,364.00. Note oil drum used as bucket and type of bail.

Looking NE at bulldozer cut and shaft collar.

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

November 23, 1954
Subject: DMEA-3577
Re: Exploration Assistance
Royster Prospect

Keller Mining Co.
c/o Hayden Keller
Pineola, N. C.

Gentlemen:

The receipt of your application dated November 18, 1954 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA-3577 and referred to the Non-Metallic Minerals Division.

Kindly identify all future correspondence relating to your application by this docket number.

Sincerely yours,

Robert E. Adams, Chief
Operations Control and
Statistics Division

60932

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. 3577
Metal or Mineral Mica
Date Received
Estimated Cost $6,700
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: Keller Mining Company
c/o Hayden Keller
Pineola, North Carolina

(*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 on attached lease.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

7. (*a*) Are you prepared to furnish your share of the cost of the proposed project in accordance with the regulations on Government participation (Sec. 7, DMEA No. 1)? Yes. Will furnish 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 November 18, 1954

Keller Mining Company
(Applicant)

By Hayden Keller
Operator

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 22 1954

MF-103 (Continuation sheet)

4. (a) Some sixty years ago some prospecting was done here and there is an existing shaft. Site accessible for examination purposes.

(b) No records available. Reports are that some high grade ruby mica was recovered here 60 years ago.

(c) It is believed that ruby mica of strategic quality may be found here by exploration.

(d) Project is accessible to roads and shipping, etc.

(e) Manpower, materials, supplies, equipment available. Power is within 200 yards.

5. (b) We propose to bulldoze one cut, sink 5x7' shaft at best location after bulldozing; to depth of 60'; then drift 100' with vein.

Estimate of Costs:

Bulldozing 16 hrs. @ $12.50 per hr.	$ 200.00
Sinking 5x7' Shaft 60' @ $50.00 per ft.	3000.00
Drifting with vein 100' @ $35.00 per ft.	3500.00
Total Estimated Cost of Project	$ 6700.00

MINING LEASE

State of North Carolina Cleveland County:

This indenture made this 18th day of November, 1954, 1953;

between H. F. Royster

of Cleveland County and State of North Carolina as party of the first part, and known as lessor, and Hayden Keller, Keller Mining Company

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

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

Beginning at the center of the old shaft known as the Royster Prospect located 570' from a State Highway 182 Right-of-way Marker and running North 250'; thence East 250'; thence South 500'; thence West 500'; thence North 500'; thence East 250' to beginning. This property lying approximately 5 miles East of Fallston, N. C. in Cleveland County.

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

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

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

Witness: H F Royster (Seal)

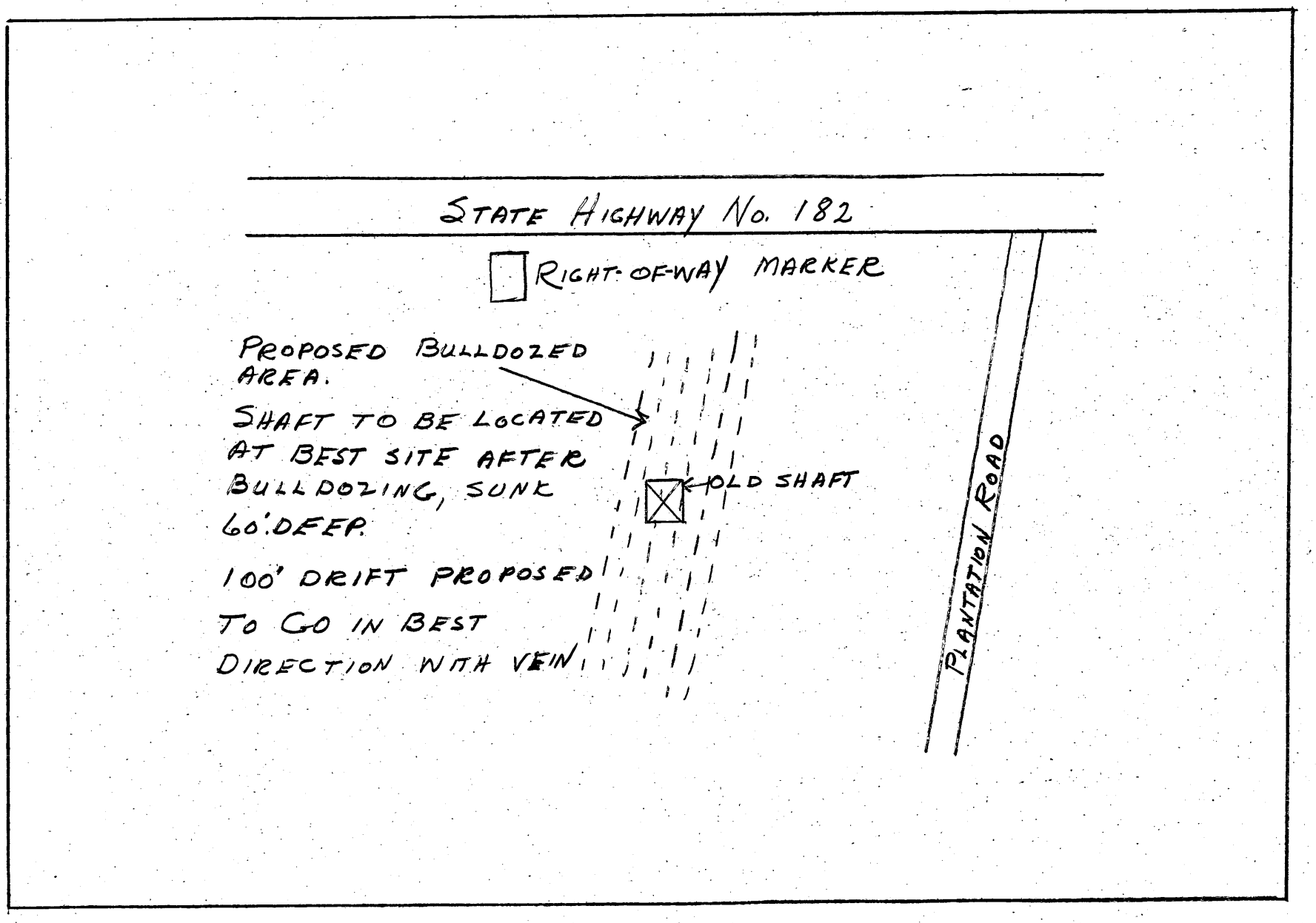
_____ _____ (Seal)

_____ (Seal)

It is agreed that no other area except the wooded area is to be disturbed; and that all excavations are to be refilled upon completion of mining operations.

Kenneth R McKinney - Notary Public
My Commission Expires 8/11/55

ROYSTER PROSPECT
Cleveland County



Project Summary Report

By: James Hopkins July 6, 1955

1. Docket No. DMEA-3577 - Mica
   Royster Prospect
   Cleveland County, North Carolina

   Application dated November 18, 1954
   Operator: Keller Mining Company
   Pineola, North Carolina
   Operator's Property Rights: Lessee of the mineral rights ~~on the rights~~ on the Royster Prospect. Lease dated November 18, 1954.

2. Contract: dated February 2, 1955
   Work authorized:

Bulldozing 20 hours @ $10.00/hr	$ 200.00
Construct:	
Toolhouse $76.00	
Powder Magazine $25.00	
Exploder Magazine $13.00	114.00
Sink 50 feet of shaft @ $45.00/ft	2,250.00
Drift and/or crosscut 80 feet@ $35.00	2,800.00
Estimated total cost of project	$5,364.00

Amendments: None

Work Completed:

Bulldozing 9 1/3 hrs @ $10.00/hr		$ 93.33
New Buildings:		
Toolhouse	76.00	
Powder Magazine	25.00	
Exploder Magazine	13.00	114.00
Shaft sinking 50 feet @ $45.00/ft		2,250.00
Drifting 80 feet @ $35.00/ft		2,800.00
Total cost of project		$5,257.33

Work under the contract began February 21, 1955 and was completed April 30, 1955.

About 5,000 pounds of "mine-run" mica were recovered from work done under the contract from the intermediate zone on both sides of the core in and just east of the shaft.

One sale of trimmed sheet mica worth $1,150.65 to the

Closing letter to:

Mr. Hayden C. Keller
Pineola, N.C.

Feb 2. 1955 - Feb. 2, 1965 (no amendment)

Certified 7/15/1955

Copy to:

Mr. H. F. Royster
R #1
Cherryville, N.C
relating to OCL executed on
Nov. 18, 1954

Certified - 7/13/56

May 14, 1952 - May 14, 1964

Closing ltr to: Louise W. Garrick
440 So. 6th E.
Provo, Utah

Copy to: Ruby Wilson
[redacted]
Duke Page Est.
c/o Ruby Wis.

Re ~~Loan reference~~ to O'C L executed by Duke Page, Agent, Nov. 1, 1954, re DM EA program.

Is this right?

Spruce Pine GSA Depot graded as follows:

	3 & larger	4 & 5	5½ & 6
Goodstained & better	4.37 lbs.	6.48 lbs.	23.83 lbs.
Stained	0.12 lbs.	2.16 lbs.	39.71 lbs.
Heavy Stained	-	0.36 lbs.	2.65 lbs.

A total of 16.128 tons of feldspar worth $147.08 has been sold to date.

Production of mica to date (July 6, 1955)

1803 #	Punch	$ 162.27
7822 #	Scrap	$ 117.45
79.68#	Trim	$1,150.65

Royalties paid to date $143.21

Most of the pegmatite above the 46-foot level has been mined out. Reserves indicated above this level are estimated to be about 10,00 pounds of "mine-run" mica. Inferred reserves between the 46 and 75 foot levels are estimated to be about 30,000 pounds of "mine-run" mica. The mica is ruby colored, flat, free-splitting, and clear.

3. Audit: Report of review dated June 7, 1955.

Total Cost as billed by Contractor	$5,257.33
Exceptions	None
Total Accepted Cost	$5,257.33
Government participation @ 75%	$3,943.00

4. Certification of discovery issued July 1955

5. Comments:

How conducted: The work was well planned and executed with excellent operating practice. The Operator cooperated in every detail with the Government representatives.

Operation: Very efficient

Engineering: Good with adequate reports.

Geological Premise and Criteria upon which work was based: The premise that a pegmatite about 20 feet in thickness would continue in depth and yield a quantity of strategic mica was proven to be well founded by the work.

Geological Criteria developed during the project: The pegmatite was found to be disconformable with the enclosing mica gneiss and schist. It is zoned, having a medial quartz core up to

7.5 feet thick; an intermediate zone (sheet bearing) 1 to 4 feet thick and a wall zone 3 to 6 feet thick containing scrap mica.

Future Possibilities: Reserves below the 46 foot level are estimated to be 30,000 lbs of "mine-run" mica. No further exploration work is warranted.

Recommendations: The Field Team recommends that a certification of discovery be issued. The Nonmetallic Minerals Division concurs in the recommendation of the Field Team. The Commodity Divisions of the Bureau of Mines and Geological Survey also concur in the recommendation

James Hopkins, Mining Engineer

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
		120
6/14		110
		100
		220

JUN 1 6 1965

Mr. Hayden C. Keller

Pinsola, North Carolina

Re: DMKA-3577 (Mica)
Keller Mining Company
Royster Prospect
Cleveland County, N. C.
Contract Idm-E762

Dear Mr. Keller:

By the terms of the subject Exploration Project Contract and the certification of discovery or development dated July 15, 1955, all minerals mined or produced from February 2, 1955, to February 2, 1965, 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

MMerrithew/mm (6/4/65)
cc: Director's Reading File
CA&A Division
R. A. Laurence w/cy of incoming 63 dated 5/14/65
Docket
120M

23263

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
	Selfridge	120
6/14	Johnson	110
		100
		220

JUN 1 6 1965

Mr. H. F. Royster
R #1
Cherryville, North Carolina

Re: DMEA-3577 (Mica)
Keller Mining Company
Royster Prospect
Cleveland County, N. C.
Contract Idm-E762

Dear Mr. Royster:

Enclosed is a copy of a self-explanatory letter of today to Mr. Keller.

This correspondence relates to the Owner's Consent to Lien executed by you on November 18, 1954, under the Defense Minerals Exploration Administration program.

Sincerely yours,

George Fumich, Jr.

Acting Director

Enclosure

MMerrithew/mm (6/4/65)
cc: Director's Reading File
Region IV
Docket
120M

23263

REGISTERED MAIL
RETURN RECEIPT REQUESTED

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

May 14, 1965

Re: DMEA-3577 (Mica)
Keller Mining Company
Royster Prospect
Cleveland County, N. C.
Contract Idm-E762

Mr. H. F. Royster

Fallston, North Carolina

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

P.S. This inquiry relates to the Owner's Consent to Lien signed by you on November 18, 1954.

OFFICIAL COPY
O. M. E.
RECEIVED
JUN 1 1965

INITIALS	CODE
	100
	110
	120
	120

MME Form 63
Revised 3-62

DMEA-3577
Idm-E762

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. From June 1960 to February 2, 1965 ~~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 June 1960 to February 2, 1965 ~~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 through workings (see of contract)? Yes ☐ No ☐

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

Disposition of Material	Quantity	Value

Submitted by: H. F. Royster

Name H. F. ROYSTER Title Owner

Address R#1 CHERRYVILLE, N. C. Date MAY 28, 1965

4511

POST OFFICE DEPARTMENT
OFFICIAL BUSINESS

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

CHERRYVILLE
MAY 19
PM 17
1985
N.C.

POSTMARK OF DELIVERING OFFICE

INSTRUCTIONS: Fill in items below and complete instructions on other side, if applicable. Moisten gummed ends, attach and hold firmly to back of article. Print on front of article RETURN RECEIPT REQUESTED.

RETURN TO

REGISTERED NO. 598261	NAME OF SENDER OFFICE OF MINERALS EXPLORATION
CERTIFIED NO.	STREET AND NO. OR P. O. BOX DEPARTMENT OF INTERIOR
INSURED NO.	CITY, STATE, AND ZIP CODE WASHINGTON, D. C., 20240

POD Form 3811 Sep. 1963

C55—16—71548-6—F

3577

INSTRUCTIONS TO DELIVERING EMPLOYEE

☐ Deliver *ONLY* to addressee

☐ Show address where delivered

(Additional charges required for these services)

RECEIPT

Received the numbered article described on other side.

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

K H of Rayate

SIGNATURE OF ADDRESSEE'S AGENT, IF ANY

DATE DELIVERED	SHOW WHERE DELIVERED *(only if requested)*
5-1965	

C55—16—71548-5—F GPO

OME_3577

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

October 31, 1963

Re: DMEA-3577 (Mica)
Hayden C. Keller
d/b/a Keller Mining Co.
Royster Prospect
Cleveland County, N. C.
Contract Idm-E762

Mr. Hayden C. Keller

Pineola, North Carolina

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.

You mentioned in the incomplete forms which you returned on November 28, 1962, that the partners, C. J. Keller and W. S. Flynt, are both deceased. These men are not mentioned in the subject contract which you executed as an individual; therefore, will you kindly complete and return two copies of this MME Form 63.

Sincerely yours,

F M Murphy

F. M. Murphy, Acting Chief
Division of Minerals

OFFICIAL FILE COPY
O. M. E
RECEIVED NOV 13 1963

DATE	INITIALS	CODE
11/13		800
		120
		100
11/13		110
11/15	Murphy	500
		220

MME Form 63
Revised 3-62

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since June 15, 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 15, 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 Hayden C. Keller Title

Address Pineola NC. Date

Returned Lease to C W Royster when Falston N.C.

4511

#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)*

Hayden O Keller 3577

SIGNATURE OF ADDRESSEE'S AGENT, IF ANY

DATE DELIVERED	ADDRESS WHERE DELIVERED *(only if requested in item #1)*
11-24-62	

C55—16—71548-4 GPO

POST OFFICE DEPARTMENT
OFFICIAL BUSINESS

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

POSTMARK OF DELIVERING OFFICE

NOV 24 1962 N.C.

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.	NAME OF SENDER
598442	Minerals Exploration, Dept. of Intr
CERTIFIED NO.	STREET AND NO. OR P. O. BOX
	WASHINGTON, D.C.
INSURED NO.	CITY, ZONE AND STATE

POD Form 3811 Jan. 1958

C55—16—71548-4

OFFICIAL FILE COPY
O. M. E
RECEIVED NOV 26 1962

DATE	INITIALS	CODE
11/26	[illegible]	800
11/26	[illegible]	500
		220

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

November 19, 1962

Re: DMEA-3577 (Mica)
Keller Mining Company
Royster Prospect
Cleveland County, N. C.
Contract Idm-E762

REGISTERED MAIL
RETURN RECEIPT REQUESTED

Keller Mining Company

Pineola, North Carolina

OFFICIAL FILE COPY
O. M. E
RECEIVED NOV 28 1962

DATE	INITIALS	CODE
11/28		800
		120
11/28		100
11/28		110
11/29		500
		920

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

W. R. Griswold, Chief
Division of Minerals

Nov. 26, 62

Gentleman

Keller Mining Co. has been disolved for the past 6 or 7 years. Sience the partners C. J. Keller & W. S. Flynt are both deceased & too the best of my knowledge there has been no work on any of their projects sience that time.

Sincerly

Hayden C Keller

MME Form 63
Revised 3-62

DMEA-3577
Idm-E762

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since **June 15, 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 15, 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 _____ Title _____

Address _____ Date _____

4511

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

November 19, 1962

Re: DMEA-3577 (Mica)
Keller Mining Company
Royster Prospect
Cleveland County, N. C.
Contract Idm-E762

REGISTERED MAIL
RETURN RECEIPT REQUESTED

Keller Mining Company

Pineola, 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, Chief
Division of Minerals

Same #

RECEIVED
DEC 5 - 1962
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

MME Form 63
Revised 3-62

DMEA-3577
Idm-E762

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since June 15, 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 15, 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 _____ Title _____

Address _____ Date _____

4511

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

November 30, 1962

Re: DMEA-3577 (Mica)
Keller Mining Company
Royster Prospect
Cleveland County, N. C.
Contract Idm-8762

Mr. H. F. Royster

Fallston, North Carolina

Dear Mr. Royster:

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

12/7/62

Mr. Griswold:

The carbon copy of this letter was received in this office December 3, and the original received on December 5. Perhaps you would like the original for your files.

MG

M. Gower
U.S.Geological Survey
Rm 11, Post Office Bldg.
Knoxville 2, Tenn.

MME Form 63
Revised 3-62

DMRA-3577
Idm-2762

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since **June 15, 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 15, 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 _____ Title _____

Address _____ Date _____

4511

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

7/25/69

Re: [illegible]A-3577 ([illegible]ica)
Keller Mining Company
Boyster Prospect
Cleveland County, N. C.
Contract Idm-3762

Keller Mining Company

Pineola, 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

W. 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 15, 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 15, 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 _____ Title _____

Address _____ Date _____

4511

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

October 1, 1962

Re: DMEA-3577 (Mica)
Keller Mining Company
Royster Prospect
Cleveland County, N. C.
Contract Idm-E762

Keller Mining Company

Pineola, 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, Chief
Division of Minerals

MME Form 63
Revised 3-62

DMEA-3577 (Mica)
Idm-E762

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since June 15, 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 15, 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 _____ Title _____

Address _____ Date _____

4511

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
6/26		800
		500
		120
		120
		100
		220

June 26, 1962

Memorandum

To: The File

From: C. B. Fisher, OME Auditor

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

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

Contract No.	Docket No.	Operator	Mine Names
E- 684	3244	Alex Teague	[illegible]enson (Denison)
687	3256	Glenn C. Rathburn	Fox, Busby Creek
692	3260	Sam L. Phillips	[illegible]. McKinney, McKinney No. 1
694	3199	[illegible]. B. Chrisawn	[illegible]. (G. B.) Westall
712	3410	[illegible] Mining Company	Rock
737	3469	A. Ward	Moore
757	3529	C. R. Phillips, et al.	Sugar Dave, Ralph
762	3577	Keller Mining Co.	[illegible]
805	3720	Kevin White, et al.	[illegible]ward
830	3265	Mines and Mining, Inc.	Harlow [illegible]
835	3813	T. [illegible]. Vance	[illegible]ffie Vance, Red, [illegible]arlie Hutleson
840	3799	[illegible]. R. Beam	[illegible]ett, [illegible] Field
865	3867	[illegible] Boone	[illegible]
882	3924	J. R. Beam & John Phillips	[illegible], Cat
891	3543	Buchanan Minerals, Inc.	[illegible], Cream
900	3942	Sam G. Smith	[illegible], Sam Smith
962	4147	Sam L. Phillips	[illegible]
1005	4239	John Phillips	Ruby (Robby)
1008	4332	John Phillips	John (John's) Brown
1037	4268	Murphy Mining Co.	[illegible], Murphy Rock
1042	4449	Clifton D. Buchanan	[illegible], Phillips
1089	4554	Sam L. Phillips	[illegible] Mountain

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

CBFisher/amm
6-26-62

63683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
2/7	GCS	120
		220

FEB 7 - 1962

Memorandum

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

From: Chief, Division of Field Operations, OME

Subject: DMEA-3577 (Mica)
Keller Mining Company
Royster Prospect
Cleveland County, North Carolina
Contract Idm-8762

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

/s/ George C. Selfridge

(GCS)

Enclosure

GCSelfridge/hb (2/7/62)
cc to: Docket DMEA-3577
Director's Reading File
CA&A Division
G.C.Selfridge
R.A.Laurence, Region IV, w/cy of Report of Royalty Review dtd 2/1/62 & orig. cy of memo dtd 2/2/62 to Chief, Div. of Field Operations from CA&A Div.
V. J. Lynch, Reg. IV, w/cy of ea. item sent to Mr. Laurence.

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
		220

FEB 2 - 1962

Memorandum

To: Chief, Division of Field Operations

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

Subject: DMEA-3577 (Mica)
Keller Mining Company
Royster Prospect
Cleveland County, North Carolina
Contract Idm-E762

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

(a) Original to the Fiscal Section, Division of Administrative Services, Office of the Secretary; and

(b) Two copies to Region IV files.

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

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

Enclosures

EDTalbert/ama 2-2-62

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

43683

Page 3. Semi-annual report on inactive projects, North Carolina

DMRA No.	[illegible]	[illegible]	Date of Inspection
3452	[illegible]	[illegible] Garrett (Mr. Putnam)	June 13 thru 15, [illegible]
3469	[illegible]	[illegible] (Ruby Mine)	
3559	[illegible]	[illegible] Phillips (Bear Dave Mine)	
3577	762	[illegible] Mining Co. (Oyster Mine)	
3740	[illegible]	[illegible] Lindscaff (Cooley Mine)	
3813	835	T. B. Vance (Sheffield Vance Mine)	
3860	[illegible]	[illegible] (Rock Mine)	
3924	[illegible]	J. R. [illegible] & J. Phillips (Little Ray Mine)	
3942	[illegible]	[illegible] ([illegible] Mine) * Royalty due-$27.04	
[illegible]127	962	Sam Phillips (Old Buchanan)	
[illegible]239	1005	John Phillips (Coby Mine)	
[illegible]332	~~1042~~ 1008	John Phillips (John Prospect)	
[illegible]337	977	Hawk Mining Co. (Hawk Mine)	
[illegible]	1042	Clifton D. Buchanan (Boone Prospect)	
[illegible]	1089	Sam L. Phillips (Black Mountain Pros)	

[illegible] The above listed projects were checked at the [illegible] Purchasing Depot, Spruce Pine, N. C., or by con[illegible] the Operators or by inquiring in and around the vicinity.

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
3/13	Fisher	800
3/14	C	220
3/17	Hach	600

MAR 13 1958

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

Re: Docket No. DMEA-~~3572~~ 3577 (Mica)
Keller Mining Company
Royster Prospect
Cleveland County, North Carolina
Contract No. Idm-1762

Dear Mr. Laurence:

I am enclosing the original and two copies of Mr. Fisher's Report of Royalty Review dated March 12, 1958, pertaining to the subject contract.

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

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Director
Contract Administration
and Audit Division

Enclosures

CEFisher/ama
March 13, 1958

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

8623

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

WASHINGTON 25, D.C.

January 9, 1958

OFFICIAL FILE COPY
DMEA
RECEIVED JAN 13 1958

DATE		CODE
1/13	C	220
1/13	Com	100
		600

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Reports on Certified Projects.

Please substitute the two attached reports for the copies mailed your office January 8. The name and DMEA number of the mine was inadvertently omitted.

Robert A. Laurence

Robert A. Laurence

DMEA-3577
IDM-762

EXTRA COPY
DMEA
RECEIVED 1958
DATE | REMARKS | CODE
130

DMEA EXPLORATION PROJECT

Semi-Annual Report on Certified Project

Reporting period: June 20, 1957 to December 16, 1957

Operator: Keller Mining Company, Pineola, North Carolina

This property was visited December 16, 1957. No work had been done on the deposit since the last visit on June 20, 1957.

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

z

ORIGINAL FILE COPY
DMEA
RECEIVED 1957
DATE | CODE
7-8 | 220
9 | 100

SEMI-ANNUAL REPORT OF CERTIFIED PROJECT
ON

DMEA-3577, Idm-E762(mica) ROYSTER PROSPECT

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

Operator: Keller Mining Company, Pineola, North Carolina

Location: 2 1/8 miles east of Fallston, N. C., and 570 feet south of N.C.Highway 182, Cleveland County, N.C.

This property was visited by the writer June 20, 1957. No work had been done on the deposit since the last visit January 24, 1957.

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

z

OFFICIAL FILE COPY
DMEA
RECEIVED FEB 4 1957

DATE	INITIALS	CODE
2/5	C	220
		225

SEMI-ANNUAL REPORT OF CERTIFIED PROJECT

On

DMEA-3577, Idm-E762(mica) ROYSTER PROSPECT

Operator: Keller Mining Company, Pineola, North Carolina

Location: 2 1/8 miles east of Fallston, N.C. and 570 feet south of N. C. Highway No.182, Cleveland County, North Carolina

This property was visited by the writer January 24, 1957. No work had been done since the last visit July 4, 1956.

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

2/1/57

Z

162

RECEIVED
JUL 23 1956

Semi-Annual Reports of Certified Projects

Reporting Period ending July 1, 1956 **Date of Examination** 7-4-56

Operator: Keller Mining Co.

Mine Name : Royster

County and State: Cleveland County, North Carolina

Docket Number and Commodity mica DMEA-3577

Contract Number --- Idm-E 762

Date of Contract: February 2, 1955

Date of Certification: July 15, 1955

Expiration Date of Royalty Payments : February 2, 1965

Total Amount of Contract: $5364.00

Total Expenditures under Contract: $5,257.33

Amount of Government Participation at 75 % $3,943.00

Royalty Payments this Period : $602.91

Previous Royalty Payments : .00

Total Royalty Payments to Date : $602.91

Percent Government Participation Repaid : 15.29%

Royalty Due on Production to Date : None

Royalty Remarks : Royalty has been paid on all production known to have been produced from the property.

Original Estimate of Reserves (from final Engr.-Geol. Report): Indicated- above 46-foot level 10,000 lbs. mine-run mica
Inferred - between 46-foot & 75-foot level 30,000 mine-run

Increase (or Decrease) of Reserves by work performed subsequent to original and last Field Team estimates:

Revised Estimate of Reserves:

Production this Period (Ore or Concentrates) in suitable detail

Amount of Previous Production (since date of contract)

Total DMEA Production to Date:

~~Percent of Revised Reserves Mined~~

Sheet mica -	255.57 lbs.	$4,800.87
Hand cobbed-	5,233.00	6,861.10
Punch -	1,803.00	162.27
Scrap	10,205.00	153.08
	17,496.57	$11,977.32
Feldspar	23.762 tons	201.97

Production Remarks:

Other Remarks:

(Investments, description of additional exploration or development work, production facilities, and plant installations, etc. since completion of the exploration project work)

No work has been done on the property since last summer. When visited on July 4, 1956 the shaft collar had caved in and no work was being done on the property.

Signed _____ Engineer

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

RECEIVED
APR 16 1956

April 13, 1956

Memorandum

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

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

Subject: Royalty payment - Idm-N762, DMEA-3577 (mica) Keller Mining Co. Royster Mine, Cleveland County, N. C.

Transmitted are sales slips on the subject mine in the amount of $486.69, and a check for 5% royalty in the amount of $24.34 to be credited to the subject contract. Also enclosed is a copy of a letter from Mr. W. S. Flynt explaining that this payment is on mica stolen and sold to the Mica Buying Depot in Spruce Pine, N. C.

Robert A. Laurence

ZM.
cc:
Lynch
Mittendorf
Files

C O P Y

Crossnore, N. C.
April 10, 1956

Mr. Robert A. Laurence
Executive Officer, DMEA
Region 5
P.O. Bldg.
Knoxville, Tennessee

Re: DMEA-3577, Idn-E762
Royster Mine
Cleveland Co., N. C.

Dear Mr. Laurence:

I am enclosing check in the amount of $24.34 payable to DMEA. This covers 5% on two sales of mica stolen from the above referred to mine by Paul Curley and sold under his Participation Certificate as per the attached copies of warranty and invoices.

I am very sorry this theft occurred but am glad to recover the amount stolen.

Yours very truly,

/s/ W. S. Flynt

WSF:rhc
Enc.

Copied by ZM.
cc:
Finance Office-3
Lynch
Files

copy

RECEIVED
APR 16 1956

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

Authorization No. 1455 Acceptance No. 245 Date: 9-7-55

Seller: Paul Hurley - Celo, N.C.

Mine: Prospect Mine DMEA No. 3577 - Ddm E 762

Quality of Mica	HALF TRIM			FULL TRIM		
	Pounds	Price/Lb.	Amount	Pounds	Price/Lb.	Amount
Good Stained & Better Grades No. 3 & larger				1.25	$70.00	87.50
No. 4 and 5				4.60	$40.00	184.00
No. 5½ and 6				3.94	$15.00	59.10
Stained No. 3 and larger		$12.00		.25	$18.00	4.50
No. 4 and 5		$ 5.00		.40	$ 8.00	3.20
No. 5½ and 6		$ 3.00		1.24	$ 5.00	6.20
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		//////		11.68	//////	
TOTAL		/////			/////	344.50

Paid by Check No. 10. (Stolen mica)
W.S. Ellyett.

copy

RECEIVED
APR 1 6 1956

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

Authorization No. 1455A Acceptance No AR4-462 Date: 11-1-55

Seller: Paul Gurley, Co. Co, N.C.

Mine: Royster mine DMEA No. 3577, DME-762

Cleveland 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				1.09	$40.00	43.60
No. 5½ and 6				1.94	$15.00	29.10
Stained No. 3 and larger		$12.00		.50	$18.00	9.00
No. 4 and 5		$ 5.00		2.01	$ 8.00	16.08
No. 5½ and 6		$ 3.00		6.20	$ 5.00	31.00
Heavy Stained No. 3 & larger		$ 8.00			$13.00	
No. 4 and 5		$ 4.00		1.46	$ 6.00	8.76
No. 5½ and 6		$ 2.00		1.55	$ 3.00	4.65
LOT TOTALS		//////		14.75	//////	
TOTAL		/////			/////	142.19

Sold by Paul Gurley (stolen mica)

Check No. 10 - Sent in by Mr. W. S. Flynt.

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

RECEIVED
DEC 16 1955

December 14, 1955

Memorandum

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

From: Executive Officer, DMEA - Region V

Subject: Royalty payment - Idho-E762, DMEA-3577, Keller Mining Co. Royster Mine, (mica) North Carolina

Transmitted is a bill-of-sales in the amount of $1784.45, and a royalty check for $89.22, representing 5% of the above sale.

Robert A. Laurence

ZM.
cc:
Mittenderf
Lynch
Shirley
Files

Copy

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

Authorization No. 1455A Acceptance No. 164 Date: 8-18-55

Seller: Paul Gurley - Celo, N.C.

Mine: Roypter N.C DMEA No. 3577, DMEE-762

Quality of Mica	HALF TRIM			FULL TRIM		
	Pounds	Price/Lb.	Amount	Pounds	Price/Lb.	Amount
Good Stained & Better Grades No. 3 & larger				7.25	$70.00	507.50
No. 4 and 5				21.37	$40.00	854.80
No. 5½ and 6				21.97	$15.00	329.55
Stained No. 3 and larger		$12.00			$18.00	
No. 4 and 5		$ 5.00		6.75	$ 8.00	54.00
No. 5½ and 6		$ 3.00		7.72	$ 5.00	38.60
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		//////		65.06	//////	
TOTAL		/////			/////	1784.45

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

November 15, 1955

RECEIVED
NOV 17 1955

Memorandum

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

From: Executive Officer, DMEA - Region V

Subject: Royalty payment - Idm-E762, DMEA-3577, Keller Mining Co. (mica) Royster Mine, Cleveland County, N. C.

Transmitted are bills-of-sale in the amount of $1588.95, and a check for 5% royalty on the sale in the amount of $79.45 to be credited to the contract.

Robert A. Laurence

XM.
cc:
Lynch
Mittendorf
Shirley
Files

Oct. 24, 1955

Sold: Tar Heel Mica Co.

2373 lbs scrap mica - $35.60

W. S. Flynt

GENERAL SERVICES ADMINISTRATION
MICA PURCHASING DEPOT, SPRUCE PINE, N.C.

DATE 7-19-55

ACCEPTANCE BR4 - 52

Certificate Authorization No. EPS- 154 B

LOT NO. R - 52

RUBY [X] NON-RUBY [ ]	TOTAL LBS'	LBS. of G. S. & Better	LBS. STAINED Mica	TOTAL VALUE
TOTAL PAYMENT				
LESS INITIAL PAYMENT	2280.00	41.00	20.00	1518.54
AMT. DUE GOV. [ ] SELLER [ ]				

DMEA-3577, DAMF 762

MINE Royster

Cleveland County, N.C

Seller: Keller Mining Co

Address Crossnore

North Carolina

RECEIVED
NOV 17 1955

Copy

GENERAL SERVICES ADMINISTRATION
MICA PURCHASING DEPOT, SPRUCE PINE, N.C.

DATE 10-6-55

ACCEPTANCE BR4-52 (a)

Certificate Authorization No. 154B

LOT NO. 52 (a)

RUBY [X] NON-RUBY [ ]	TOTAL LBS'	LBS. of G. S. & Better	LBS. STAINED Mica	TOTAL VALUE
TOTAL PAYMENT	2280.00	41.94	10.56	1553.33
LESS INITIAL PAYMENT 119				1518.54
AMT. DUE GOV. [ ] SELLER [X]				34.79

DMEA-3577- Idm E-762

MINE Royster

Cleveland County, N.C.

Seller: Keller Mining Co

Address Crossnore

N.C.

RECEIVED
NOV 17 1955

October 10, 1955

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

Subject: Docket No. DMEA3577 - Mica
Keller Mining Company
Royster Prospect
Cleveland County, North Carolina
Contract No. Idm-E762

Dear Mr. Laurence:

This is with reference to your memorandum of September 29, 1955, with which you attached the mica sales slip from the General Services Administration.

Since you made no mention of the royalties due, we assume that you are taking the necessary steps to collect the royalties due the Government.

Sincerely yours,

10-10-55
Audits has
Cert. of Deposit covering
payment of royalty
in amt. of $8.98
(Oct 3, 1955 date of royalty deposit)

DEFENSE MINERALS ADMINISTRATION

97023

PRODUCTION EXPANSION DIVISION

PROCUREMENT APPLICATIONS

Name of Company and Address _____

Name of Mine and Location _____

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

Metals or Minerals involved _____

Length of Contract (preproduction plus production) _____

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

Floor price or Guaranteed price and whether or not escalated _____

Maximum Government Commitment _____

Comments on Contract: _____

_____

_____

_____

_____

_____

Date sent to Legal Division _____

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

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

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

Additional Remarks: _____

_____

_____

_____

_____

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

Interior—Duplicating Section, Washington, D. C.

Signed _____

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

September 29, 1955

Memorandum

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

From: Executive Officer, DMEA - Region V

Subject: DMEA-3577, Idm-E762, Keller Mining Co. Royster Mine (mica) N. C.

Transmitted are sale slips for mica sold from the subject mine. You will please note that the Operator was overpaid $192.21.

Robert A. Laurence

ZM.
cc:
Lynch
Mittendorf
Shirley
Files

16v-9,63 570
87,981v

Copy

GENERAL SERVICES ADMINISTRATION
MICA PURCHASING DEPOT, SPRUCE PINE, N.C.

DATE 9-14-55

ACCEPTANCE 163 (a)

Certificate Authorization No.	LOT NO.
1548	SPB-R 163 (a)

RUBY [X] NON-RUBY [ ]	TOTAL LBS	LBS. of G. S. & Better	LBS. STAINED Mica	TOTAL VALUE
TOTAL PAYMENT	2478.00	44.81	19.19	1659.63
LESS INITIAL PAYMENT		50.00	30.00	1851.84
AMT. DUE GOV. [ ] SELLER [ ]				192.21

Seller: Keller Mining Company

MINE Royster

Address Pinsola, N. C.

DMEA-3577, Idm-E762

C O P Y

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

Authorization No. 154B Acceptance No. 163 Date: 6-28-55

Seller: [redacted] Pineola, N. C.
Keller Mining Company

Mine: ROYSTER DMEA No. 3577, Idm-E762 (mica)

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

Initial payment **Total Purchased 2478.00** **1851.84**

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

RECEIVED
SEP 14 1955

September 12, 1955

Memorandum

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

From: Executive Officer, DMEA - Region V - Knoxville

Subject: Royalty payment - DMEA-3577, Idm-E762, Keller Mining Co.
(mica) and (feldspar) Royster Mine, N. C.

Transmitted are bills-of-sale for mica in the amount of $3,648.14, and feldspar in the amount of $64.88. A check in the amount of $183.71 for royalty is also enclosed.

Robert A. Laurence
Executive Officer

ZM
cc:
Allsman
Mittendorf
Lynch
Shirley
Files
Keller Mining Co.

3648.14
1824.70
1.30
183.71

64.88
2.90
1.29
76

[illegible]	DATE [illegible]
	ACCEPTANCE No. 124(a)

Certificate Authority No. [illegible]	KAT No. [illegible]	WORKER No.

RUBY ☒ NON-RUBY ☐	TOTAL LBS.	LBS. OF G.S & Better	LBS. STAINED MICA	TOTAL VALUE
LOCAL PURCHASE	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]				[illegible]
[illegible]				[illegible]

	Seller [illegible] DATE [illegible]
MINE [illegible]	Address [illegible]
[illegible]	

Copy

RECEIVED
SEP 14 1955

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

Authorization No. 154 B Acceptance No. BR-4 124 Date: 6-14 55

Seller: Keller Mining Co., Pineola, N.C

Mine: Royster DMEA No. 3577, ~~Mine~~ 762

Cleveland County, N.C. Mica

Quality of Mica	HALF TRIM			FULL TRIM		
	Pounds	Price/Lb.	Amount	Pounds	Price/Lb.	Amount
Good Stained & Better Grades No. 3 & larger					$70.00	
No. 4 and 5					$40.00	
No. 5½ and 6					$15.00	
Stained No.3 and larger		$12.00			$18.00	
No. 4 and 5		$ 5.00			$ 8.00	
No. 5½ and 6		$ 3.00			$ 5.00	
Heavy Stained No. 3 & larger		$ 8.00			$13.00	
No. 4 and 5		$ 4.00			$ 6.00	
No. 5½ and 6		$ 2.00			$ 3.00	
LOT TOTALS		//////			//////	
TOTAL Initial Payment					/////	2814.78

Sold To:
The Feldspar Corp., Spruce Pine
7.634 tons Feldspar @ $8.50 Ton $64.88
2% of 64.88 = 1.30

5% of $3,648.14 = 182.41
Plus The Feldspar 1.30
Amt. of Royalty Check $183.71

Docket File
Surname:

Hale
J. L. Krause
Talbutt
Kilpatrick
Selfridge
Gerhan
Kjellman

INTERIOR DEPT.
JUL 11 1955
SOLICITOR

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

6.0

JUL 18 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. DMA-1577 - Mica
Teller Mining Company
Anyster Prospect
Cleveland County, North Carolina
Contract No. DMA-764

Dear Mr. Fredell:

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

The exploration contract was signed on February [illegible], 1955, with the Government participating to the extent of 75 per cent of $5,364.00 or $4,023.00. The project was started February 21, 1955, and was completed April 3, 1955, after the expenditure of $5,257.33 which is the total net and accepted cost according to the audit review. The Government paid 75 per cent of the total accepted cost or $3,943.00.

The work performed on the project consisted, first, of bulldozing three parallel trenches, each 75' X 12' X 10' to locate the most favorable point on the pegmatite. The work done under Stage II of the contract consisted of constructing a tool house, powder magazine, and dynamite magazine, sinking a 50-foot shaft and driving 80 feet of drifts.

A discontinuous pegmatite having a maximum thickness of about [illegible] feet was exposed by the shaft and the laterals. About 5[illegible]0 pounds of "mine-run" mica were removed from work done under the contract. The mica is ruby colored, flat, free-splitting, and clear.

Most of the pegmatite above the 50-foot level has been mined out. Reserves indicated above this level are estimated to be [illegible] pounds of "mine-run" mica. Inferred reserves between the 50- and 75-foot levels are estimated to be about [illegible] pounds of "mine-run" mica.

The [illegible] concurs with the field team's evaluation of the work performed and has certified that a discovery or development has resulted from the work under the contract.

Sincerely yours,

C. O. Mittendorf

Administrator

Enclosure

Field Team, Region V
Mr. Billingsrud, 5222
Mr. Dietrich, 3061
Mr.
Mr.
Mr. Johnson
Mr. Chambers
Docket Committee

Hopkins:pk 7/7/55
Copy to: Admr. K. File

R.C.L.

Docket File
Surname:

Hoff
I Kiilsgaard
Selfridge
Johnson

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

JUL 1 8 1955

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

Subject: Docket No. DMEA-3577 - Mica
Keller Mining Company
Royster Prospect
Cleveland County, North Carolina
Contract No. Idm-E762

Dear Mr. Laurence:

Attached to the Field Team's copies of the certification, is a copy of the certification and a copy of the transmittal letter to the Operator.

As we have no address for H. F. Royster (owner of the property), will you please forward these copies to him.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee (JB)

Approved:

/s/ Robert W. Geehan
Member, Bureau of Mines (JB)

Thor H. Kiilsgaard
Member, Geological Survey (JB)

JHopkins:pk 7/15/55
Copy to: Admr. R. File
Docket
Mr. Chambers
Mr. Johnson
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

R.C.L.

Docket File
Surname:
Hopkins
Kilsgaard
Talbot
Guhen
Kilsgaard
Selfridge
Johnson

JUL 11 1955
SOLICITOR

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

JUL 18 1955

Keller Mining Company

Kings Mountain, North Carolina

Re: Docket No. DMEA-3577 - Mica
Keller Mining Company
Royster Prospect
Cleveland County, North Carolina
Contract No. Idm-E762

Copy to: Mr. H. F. Royster
(Sent to Field Team for forwarding)

Gentlemen:

Transmitted herewith is a certification of discovery or development under Contract No. Idm-E762 on the Royster Prospect, Cleveland County, North Carolina.

By the terms of the Exploration Project Contract and of the certification, all production from the aforesaid lands from the date of the Exploration Project Contract, February 2, 1955, is subject to the Government's percentage royalty as set forth in the contract until the sum of $3,943.00 is paid or until February 2, 1965, 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

JHopkins:pk 7/7/55
Copy to: Admr. R. File
Docket
Mr. Johnson
Mr. Chambers
Operating Committee
Field Team, Region V
Mr. Kilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

RCJ.

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

JUL 12 1955

Memorandum

To: The Administrator, DMEA

From: Acting Assistant Solicitor, Defense Minerals

Subject: Keller Mining Company, Contract Idm-E762, Docket No. DMEA-3577

I am unable to approve a Certification of Discovery or Development in the above matter which was received here July 11, on a routing slip dated July 7.

The certification consists of two short sentences as follows:

> "A disconformable pegmatite in mica gness and schist was explored by a vertical shaft and drifts. Indicated and inferred reserves of mica may be calculated."

The contract provides that: "If the Government considers that a discovery or development . . . has resulted from the work, the Government . . . may so certify in writing to the Operator."

In these two sentences I find nothing whatever about a discovery, and we have decided that ordinarily, at least, we will not consider mere exploration work to be a development. I presume that this pegmatite was uncovered by bulldozing and thereafter explored by the shaft and drifts. If this is the case, the statement should be something to the effect that the work (without saying what the work was) uncovered a pegmatite and disclosed indicated and inferred reserves of mica which may be calculated.

J. L. Hofflund
Acting Assistant Solicitor,
Defense Minerals

IN REPLY REFER TO:

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

July 8, 1955

Re: DMEA 3577, Idm-E762
Keller Mining Co.
Royster Mine
Cleveland Co., N. C.
$5,364.00 - Mica

Memorandum

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

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

Subject: Review of Final Report

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

N. E. Nelson

N. E. Nelson

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

RECEIVED
JUN 21 1955

June 20, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA - 3577 (mica)

Applicant: Keller Mining Company

Name and Location of Property: Royster Mine
Cleveland County, North Carolina

Contract Number: Idm-E 762

Date of Field Team Report: May 27, 1955

Date Rec'd by Br. of Ceramic & Fertilizer Materials: June 7, 1955

Field Team Recommendation:

1. Certification

Comments:

1. Work began on February 21, 1955 and was completed April 30, 1955.
2. About 5,000 pounds of "mine-run" mica was recovered.
3. Inferred reserves are estimated at 30,000 pounds of "mine-run" mica.
4. Expenditures -

Total approved	$5,364.00
Total cost	5,257.33
Gov't share of the cost	3,943.00
Value of production during operation	?

Recommendation:

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

W. F. Dietrich

W. F. Dietrich

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

RECEIVED
JUN 22 1955

June 20, 1955

Memorandum

TO: Helen Miller, Assistant Administrative Officer
Knoxville-Norris, Tennessee

From: Acting Executive Officer, DMEA Field Team, Region V

Subject: Royalty payment on Contract Idm-E762, Docket No. DMEA-3577
Keller Mining Company, Pineola, N. C.
Royster Mine (Mica), Cleveland County, N. C.

Attached are bills of sale received from the subject company for the following:

1. Sale of sheeted mica to the Government Buying Depot in the amount of $1379.08.

2. Sale of scrap and punch mica to Ade Buchanan in the amount of $279.75.

3. Sale of feldspar to the Feldspar Corporation, Spruce Pine, N. C. in the amount of $45.93.

A check in the amount of $83.86 is also enclosed. This represents the Government's royalty on the above at 5 percent on the mica and 2 percent on the feldspar.

V. J. Lynch

VAD/mg
Enclosures 4
cc - Lynch
Shirley
Mittendorf
Haden Keller, Pineola, N. C.
Files

45.93
x 2%
.918

1379.08
x 5%
68.95
279.75
x 5%
13.98
82.93

83.86
59.35
143.21
To 6/20/55

Copy

RECEIVED
JUN 22 1955

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

Authorization No. EPS4-1572A Acceptance No. AP4-2135 Date: 6-1-55

Seller: Keller Mining Company
Pineola, N.C.

Mine: Royster Mine

DMEA No. 3577

Quality of Mica	HALF TRIM			FULL TRIM		
	Pounds	Price/Lb.	Amount	Pounds	Price/Lb.	Amount
Good Stained & Better Grades No. 3 & larger				.78	$70.00	54.60
No. 4 and 5				11.61	$40.00	464.40
No. 5½ and 6				49.70	$15.00	745.50
Stained No. 3 and larger		$12.00			$18.00	
No. 4 and 5		$ 5.00		1.01	$ 8.00	8.08
No. 5½ and 6		$ 3.00		21.30	$ 5.00	106.50
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		/////		84.40	/////	1379.08

6-4-55 Sold to Ade Buchanan 1803 pounds punch @ 9¢/lb 162.27
" " " " " 7832 " scrap @ $.015/lb 117.48

6-10-55 " " The Feldspar Corporation, Spruce Pine N.C.
12,105 lbs. (5.404 tons) feldspar @ $8.50/ton 45.93

Total — $ 1704.76

UNITED STATES
DEPARTMENT OF THE INTERIOR

COPY

DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
Knoxville 2, Tenn.
May 27, 1955

Memorandum

To: Operating Committee - DMEA - Washington

From: DMEA Field Team, Region 5, Knoxville, Tenn.

Subject: Final Reports, DMEA-3577, Idm-E762 (mica) Keller Mining Co. Pineola, N. C. Royster Mine. Cleveland County, N. C.

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

A deposit of strategic mica was discovered and we agree with the Examiners' recommendation for certification.

/s/ Robert A. Laurence
Executive Officer
DMEA Region V

/s/ V. J. Lynch, Member
Bureau of Mines

Reviewed by
DMEA OPERATING COMMITTEE
6-3-55
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR

Final Field Team Rept.

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT
By

DMEA FIELD TEAM, REGION V ,ON

DMEA-3577, ROYSTER MINE (mica)

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

and

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

May 27, 1955

Reviewed by
DMEA OPERATING COMMITTEE
6-3-55
(date)

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT
DMEA-3577, Idm-E762, ROYSTER MINE
(mica)

Operator: Keller Mining Co., Pineola, North Carolina

Location: 2 1/2 miles east of Fallston and 570 feet south of N. C. Highway No. 182, Cleveland County, North Carolina

Exploration at this mine discovered a mineable deposit of strategic mica. It is recommended that a certification of discovery be issued. Additional exploration with Government assistance is not warranted.

Work under the contract began on February 21, 1955, and was completed April 30, 1955. Under Stage I three parallel trenches were made trending northeast-southwest, each of which was about 75' x 12' x 10'. A total of 9 1/3 equipment hours were required to do this dozing. The work done under Stage II of the contract consisted of constructing a toolhouse, powder magazine and exploder magazine; sinking and timbering a 50-foot vertical shaft 5' x 7' in cross section; and driving a total of 90 feet of levels from the 46-foot level of the shaft (10 feet being done at the Operator's expense). The location of the laterals are shown on the attached sketch map.

A disconformable pegmatite having a maximum thickness of about 20-feet was exposed by the shaft and the laterals. It strikes about east-west and is vertical to steeply dipping to the south. The body is zoned having a medial quartz core up to 7.5 feet thick; an intermediate zone 1 - 4 feet thick of very coarse-grained microcline, quartz, plagioclase and muscovite (sheet-bearing); and a wall zone 3-6 feet thick of medium-grained plagioclase, quartz and muscovite (scrap). There is a suggestion that the zones plunge steeply to the west. The foliation of the enclosing mica gneiss and schist is variable but most dips are about 30° to the west or to the southwest.

About 5000 pounds of "mine-run" mica were recovered from work done under the contract from the intermediate zone on both sides of the core in and just east of the shaft. The mica is ruby-colored, flat, free-splitting and clear. The only defects are clay-staining and ruling. A small amount of potash feldspar suitable for sale was also recovered.

One sale of trimmed sheet mica worth $1150.65 to the Spruce Pine GSA Depot graded as follows:

	#3 & larger	4 & 5	5½ & 6
Good-staind & better	4.37 lbs	6.48 lbs.	23.83. lbs.
Stained	0.12	2.16	39.71
Heavy stained	--	0.36	2.65

A total of 10.724 tons of feldspar worth $101.15 has also been sold.

Most of the pegmatite above the 46-foot level has been mined out. Reserves indicated above this level are estimated to be about 10,000 lbs. of "mine-run" mica. Inferred reserves between the 46 and 75 foot levels are estimated to be about 30,000 lbs. of "mine-run" mica.

The Operator is currently deepening the shaft and plans to conduct mining operations from about the 70-foot level.

Expenditures:

(a)	Total approved	$5,364.00
(b)	Total cost of project	5,257.33
(c)	Government's share of cost	3,943.00
(d)	Government share unexpended	80.00
(e)	Value of production during operation	?
(f)	Royalty received to date	59.45

The work done under the contract was performed in a satisfactory and efficient manner.

No equipment was purchased under the contract.

May 27, 1955

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

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

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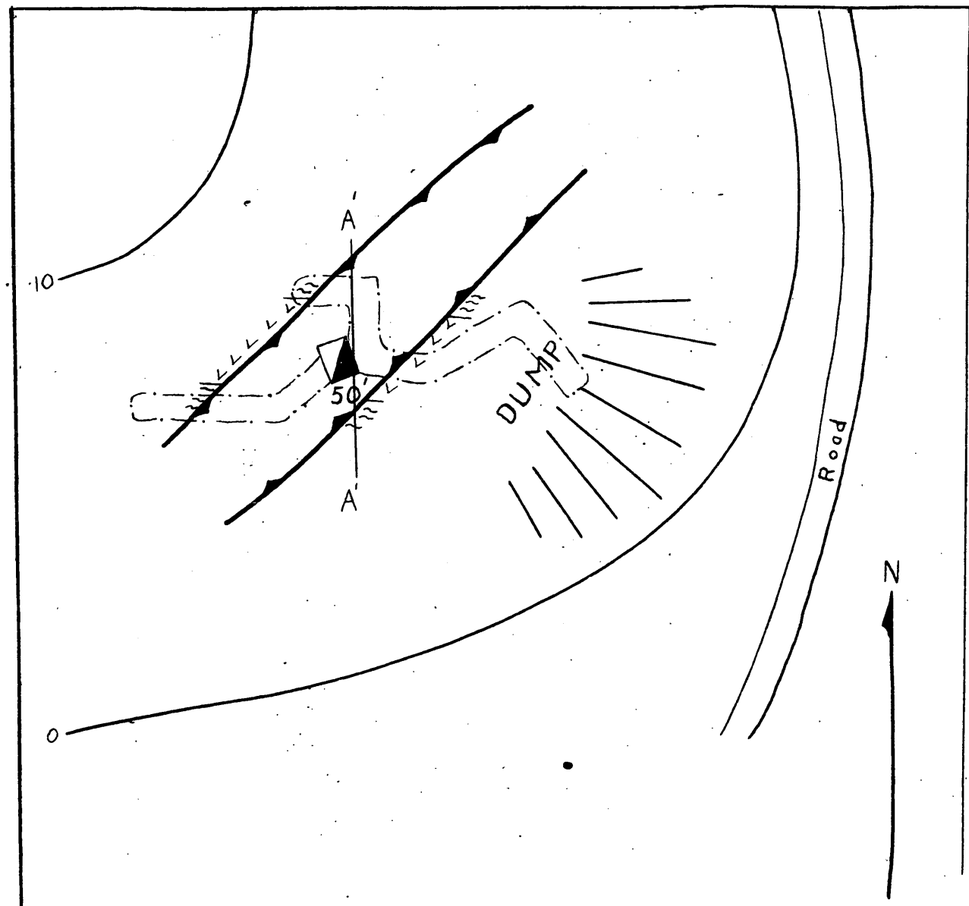
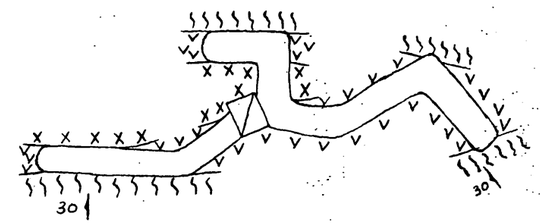
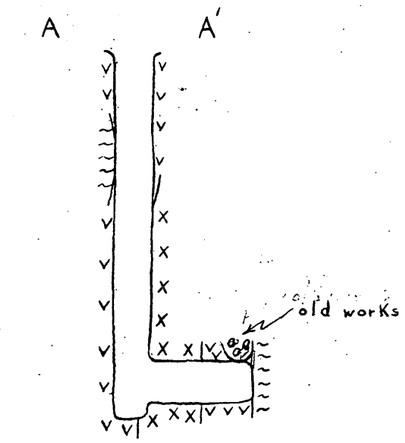
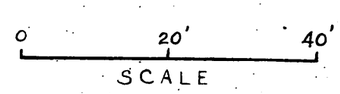




PLAN OF 46'- LEVEL



SECTION A-A'



LEGEND

- vv pegmatite
- XX quartz
- ~~ mica schist & gneiss
- oo muck
- contact
- cut
- shaft
- strike & dip of foliation
- outline of underground works

SKETCH OF
ROYSTER PROS.
CLEVELAND CO., N.C.

DMEA-3577(mica)
April 19, 1955

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

May 27, 1955

Memorandum

To: Operating Committee - DMEA - Washington

From: DMEA Field Team, Region 5, Knoxville, Tenn.

Subject: Final Reports, DMEA-3577, Idm-E762 (mica) Keller Mining Co. Pineola, N. C. Royster Mine. Cleveland County, N. C.

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

A deposit of strategic mica was discovered and we agree with the Examiners' recommendation for certification.

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

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

Pineola, N. C.
May 17th, 1955

Mr. Robt. A. Laurence, Executive Officer
DMEA Region 5
Knoxville, Tennessee

Re: DMEA-3577 Idm-E762
Royster Mine
Cleveland County, North Carolina

Dear Mr. Laurence:

Complying with your request of May 10th we wish to advise that we completed the above project April 30th, and the same has been inspected and approved by your field team.

The work covered by the above contract consisting of 9-1/3 hrs. bulldozer work on stage 1 unit cost $10.00 per hr. Stage 2 consisting of construction of a tool house unit cost $76.00, powder storage magazine, unit cost $25.00, an exploder storage magazine, unit cost $13.00, sinking 50 ft. shaft unit cost $45.00, and 80 ft. of drift or cross cut unit cost $35.00.

In performance of this work we recovered 3000 lbs. mica, the mica being badly broken and stained, produced 70.68 lbs. salable sheet mica. The best mica we encountered came from directly under old shaft on North Slate as shown on accompanying map. As suggested by your field team we are sinking our shaft deeper and our intentions are to lower the shaft approximately 20' and cut out of shaft to North Slate and then work up on column of mica towards bottom of old shaft. Not knowing the depth to which this column of mica will extend it is impossible for us to estimate the amount of mica in this deposit. There is some mica directly across flint core from new shaft on South Slate but it is badly mineral stained as well as broken up. If this mica doesn't improve we don't think it will be worth working.

Yours truly,

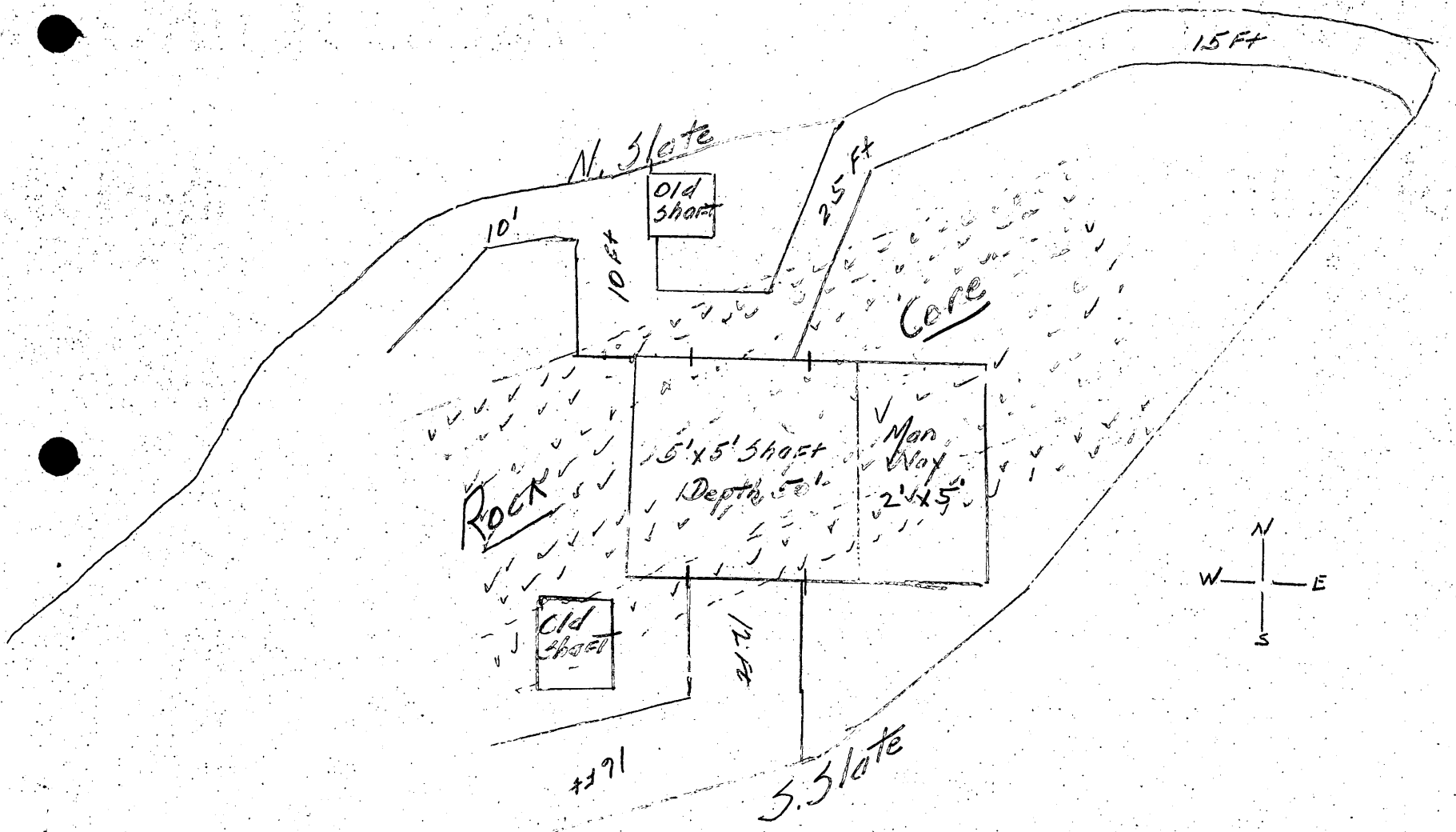
Keller Mining Co.

BY: Wardin Keller

WSF:c

hold for covering memo from H.B. 6-1.

Final Sheet


15 Ft
N. Slate
Old Shaft
25 Ft
10'
10 Ft
Core
6'x5' Shaft
Depth 50'
Man Way
2'x5'
Rock
N
W
E
S
Old Shaft
12 Ft
171
S. Slate

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

May 18, 1955

Memorandum

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

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

Subject: Royalty payment: DMEA-3577, Idm-E762 (mica-feldspar)
Keller Mining Co. Pineola, N. C.

Transmitted are bills-of-sale for mica and feldspar on the subject contract in the amount of $1152.47, and a check in the amount of $59.35.

Wm. A. Beck

ZM.
cc:
Allsman
Lynch
Hittendorf
Shirley
Files

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

Authorization No. EPS-4-1572A Acceptance No. SPAR-1969 Date: 4-28-55

Seller: Keller mining co. Pineola, N.C.

Mine: Royster DMEA No. 3577, Idm E 762

Quality of Mica	HALF TRIM			FULL TRIM		
	Pounds	Price/Lb.	Amount	Pounds	Price/Lb.	Amount
Good Stained & Better Grades No. 3 & larger				4.37	$70.00	305.90
No. 4 and 5				6.48	$40.00	259.20
No. 5½ and 6				23.83	$15.00	357.45
Stained						
No. 3 and larger		$12.00		.12	$18.00	2.16
No. 4 and 5		$ 5.00		2.16	$ 8.00	17.28
No. 5½ and 6		$ 3.00		39.71	$ 5.00	188.55
Heavy Stained						
No. 3 & larger		$ 8.00			$13.00	
No. 4 and 5		$ 4.00		.36	$ 6.00	2.16
No. 5½ and 6		$ 2.00		2.65	$ 3.00	7.95
LOT TOTALS		//////			//////	
TOTAL		/////		79.68	/////	1150.65

Feldspar Mining Co.

Feldspar: 3.344 tons @ $8.50 | Ton $28.42 -- 2% .57

Feldspar mining co: 7.38 @ $8.50 | Ton = $62.73 - 2% 1.25

$ 1152.47

(Royalty ck. No. 92 — $59.35)

C O P Y

Mr. Mittendorf
Mr. Lynch

Crossnore, N. C.
May 16, 1955

Mr. Robert A. Laurence
Executive Officer, DMEA- Region 5
P.O. Bldg.
Knoxville, Tennessee

Re: DMEA-3577, Idm-E762
Royster Mine, Cleveland County
North Carolina

Dear Mr. Laurence:

Please find enclosed vouchers and our check covering the following sals of mica and feldspar from the above project:

4/28/55	Lot # SPAR,1969, Amt. $1150.65	- 5%	$57.53
4/28/55	Feldspar Milling Co. Amt. $28.42	- 2%	.57
4/14/55	Feldspar Milling Co. Amt. $62.73	- 2%	1.25
			$59.35

This remittance covers all sales to date from this mine.

Very truly yours,

Keller Mining Co.

By: s/ Hayden Keller

C O P Y

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 16 1955

INTERIM REPORT

DMEA-3577, Idm-E762 (mica) ROYSTER PROSPECT

Operator: Keller Mining Co., Pineola, N. C.

Location: 2 1/8 miles east of Fallston and 570 feet south of N. C. Highway No. 182, Cleveland County, N. C.

All work outlined under the contract has been completed at this mine, and on the basis of production of a considerable amount of strategic mica, certification will be recommended.

Stage I, of the contract consisted of trenching to locate the pegmatite. Upon completion of Stage I, Stage II, was authorized and shaft location was made. A toolhouse, powder and exploder magazines were constructed. A vertical shaft, two-compartment and cribbed to the bottom was sunk to a total depth of 60 feet, including a sump. Level work completed from the shaft bottom totalled 90 feet (80 authorized) and comprised the following: (1) 8 feet S. 40° W. turning due west for 20 feet; (2) 9 feet S 80° E, 15 feet N. 60° E. and 13 feet S. 40° E; (3) 15 feet N. 20° W. and turning due west for 10 feet. Drift No. 3 was the last work completed and considerable mica was evident in this heading. Production from this drift during a two day period, May 2 and 3, 1955 was approximately 3000 pounds of mine-run block mica. One sale of processed mica has been made to the GSA Depot - 79 lbs. brought $1150.00. The Operator plans to continue working in drift No.3 for the present and stated that future plans would include sinking the shaft an additional 10 to 20 ft, with level work from the bottom.

All work completed under the contract was satisfactory and the Examiners recommendations were followed closely.

Examined: May 3, 1955.

L. E. Shirley, U. S. B. M.
Teague and Amos, U. S. G. S.

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-

OPERATOR'S MONTHLY REPORT AND VOUCHER

62

Month of April, 1955 Docket No. DMEA 3577 Contract No. 1 dm E762

Operator's Name Hayden Keller Minerals Mica

Address Keller Mining Co., Pineola, N. C.

Contract Amount, $ 5364.00 Government Participation: 75 % Amount, $ 4023.00

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		93.33	93.33			
Crosscutting						
80' Drifting @ $35.00	2800.00		2800.00			
50' Shaft @ $45.00		2250.00	2250.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Tool house		76.00	76.00			
Powder & Exploder Mag.		38.00	38.00			
(8) Contingencies (specify):						
TOTALS	2800.00	2457.33	5257.33	2800.00	2457.33	5257.33

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

Date 5-1-1955 *Payee Hayden Keller

Per _____ Title Operator

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

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

3 (Instructions on reverse)

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

$ 2100.00

Signature Helen R. Miller
(Authorized Certifying Officer)

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

700.00

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Tm-E762 in accordance with the terms of the contract.

Signature Lawrence E. Shirley Title Mining Engr. U.S.B.M. Date May 9, 1955

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION V Date MAY 10 1955

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

MAY 17 1955

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of April 195 5 Docket No. DMEA 3577 Contract No. 1 da-2762
Operator's Name Hayden Keller
Address Keller Mining Co., Pinacle, N. C. Minerals Mica

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
80% Drifting	Ft.	2800.00	80	2800.00	80	35.00	80	35.00
Crosscutting								
Raising								
50% Shafts				2250.00	50	45.00	50	45.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Bulldozing				93.33	9-1/3	10.00	20	10.00
Total Distributed Costs		2800.00		5143.33				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repair 2002 House				76.00				
Powder & Exploder Mag. Buildings, Improvements, etc.				38.00				
Total Costs		2800.00		5257.33				

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

Date 5-1-1955 Operator Hayden Keller
Operator

Per _____ Title _____

Remarks:

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

(Instructions on reverse)

(For Government use only)

Laurence E. Shirley - May 9, 1955
U.S.B.M.

INSTRUCTIONS

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

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

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

GPO 872894

OPERATOR'S
Monthly Report of Progress

April, 1955

DMEA-3577

1 dm-E 762

Daily Notes:

April 1 - 12 Driving South to slate from shaft. Struck South slate 6' from shaft and turned Southwest on slate, encountering about 4' vein of flint and potash feldspar and containing small amount of inferior mica which was badly broken and stained. Worked 6-10 hr. shifts losing one shift account of shortage of labor.

April 12- 30 Started cutting out of shaft at 43' level heading towards North slate encountered large flint and potash feldspar deposit also carrying a larger amount of mica and of better quality. Struck slate approximately 14' North of shaft and struck bottom of an old shaft at this point. We then drove Northeast on North slate but did not encounter any mica of importance for a distance of 40' that we worked in this direction. We then came back to old shaft and began working Southwest against slate and are getting the best mica we have found in this exploration.

INTERIM REPORT

DMEA-3577, Idm-E762, ROYSTER PROSPECT
(mica)

Operator: Keller Mining Company, Pineola, North Carolina

Location: 2 1/8 miles east of Fallston and 570 feet south of N. C. Highway No. 182, Cleveland County, North Carolina

Level work is underway on this contract and now totals 45-feet; consisting of an 8-foot crosscut to south wall of the pegmatite and a 20-foot drift westward from the head of this crosscut, a 10-foot crosscut toward the north wall of the body from the shaft and a 7-foot drift eastward from the shaft. The bottom of old filled works were encountered in the roof of the north crosscut but will cause no serious difficulty. Some mica of good quality has been recovered from the laterals. None has been sold to date.

The Operator was advised to continue to drift eastward.

Date Examined: April 19, 1955.

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

and

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

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INTERIM REPORT

DMEA-3577, Idm-E762 (mica) ROYSTER PROSPECT

Operator: Keller Mining Company, Pineola, North Carolina

Location: 2 1/8 miles east of Fallston and 570 feet south of N. C. Highway No. 182, Cleveland County, N. C.

Lateral work is underway on this contract and now totals 16 feet; consisting of an 8-foot crosscut to the south wall of the pegmatite and an 8-foot drift westward along the contact from the head of this crosscut. A quartz core in excess of 8 feet thick was revealed by this level work. A zone of medium-grained plagioclase, perthite, quartz and muscovite about 4 feet thick is present along the south wall of the pegmatite. Some strategic mica of fair quality is being recovered from this zone.

The Operator was advised to drive a crosscut to the north wall of the body. Drifting will then be conducted in both directions along the most promising portions.

Progress on this contract is satisfactory and work is being conducted in an effecient manner.

Date of examination: April 6, 1955

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

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

Budget Bureau No. 42-R1036.5

PAID ON VOUCHER & SCHEDULE
OF PAYMENTS K-
53

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

Month of March, 1953 Docket No. DMEA 3577 Contract No. 14a-1762
Operator's Name Hayden Keller Minerals Mica
Address Keller Mining Co., Pinola, S. C.
Contract Amount, $ 5364.00 Government Participation: 75 % Amount, $ 4023.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing		93.33	93.33			
Crosscutting						
Drifting						
35' Shaft @ 45.00	1575.00	675.00	2250.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance		76.00	76.00			
Powder & explosives Inc.		38.00	38.00			
(8) Contingencies (specify):						
TOTALS	1575.00	882.33	2457.33	1575.00	882.33	2457.33

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 4/2/53 *Payee Hayden Keller
Operator
Per _____ Title _____

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

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

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:
$ 1181.25
Signature Helen R. Mullin
(Authorized Certifying Officer)
Date 4-6-53 Vou. No. _____
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Dm-162 in accordance with the terms of the contract.

Signature Lawrence E. Shirley Title Mining Engr. U.S.B.M. Date April 4, 1955

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature V. J. Lynch ACTING Title EXECUTIVE OFFICER DMEA REGION V Date APR 5 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.

a MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Bureau Mines
RECEIVED
APR 11 1955

Month of March 195 5 Docket No. DMEA 3577 Contract No. Idm-2762
Operator's Name Hayden Keller Minerals Mica
Address Keller Mining Co., Lincoln, N. C.

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting								
Crosscutting								
Raising								
35' Shafts @ 045.00	Ft.	1575.00	35	2250.00	50	45.00	50	45.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Bulldozing				93.33			20	10.00
Total Distributed Costs		1575.00		2343.33				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs				76.00				
New Buildings, Improvements, etc. Power & Equipment Rg.				38.00				
Total Costs		1575.00		2457.33				

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 4/2/55 Operator Hayden Keller
Operator

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

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

Remarks:

(Instructions on reverse)

(For Government use only)

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

March, 1955

DMEA-3577

Idm-E 762

Work Began: 3-1-55

Work Accomplished:

Daily Notes:

3-1 - 3-5	Sinking shaft in rock wall encountering potash, feldspar and small amount of mica. Mica not very good.
3-5 - 3-11	Sinking and timbering shaft in flint wall encountering small amount of mica and feldspar.
3-14 - 3-18	Sinking and timbering shaft encountering a better quality of mica and more potash feldspar, encountering water at 43' depth, forced to discontinue work until power line could be installed.
3-19 - 3-22	Timbering shaft and still waiting for installation of power line for pump.
3-23 - 3-25	Setting pole and pump in shaft waiting for installation of power line. Was installed at 4:30 P. M. 3-25
3-26 - 3-31	Pump in operation and resumed work lowering shaft on 28th. Inspection party accompanying Mr. Hauk arrived 2:00 P. M. on 29th. Finished shaft and timbering 3-31.

RECEIVED
APR 5 1955
U. S. BUREAU OF MINES
DEF. MIN. ADM.
Knoxville, Tennessee

INTERIM REPORT

DMEA-3577, Idm-E762 (mica) ROYSTER PROSPECT

Operator: Keller Mining Company, Pineola, North Carolina

Location: 2 1/8 miles east of Fallston and 570 feet south of N. C. Highway 182, Cleveland County, N. C.

Vertical shaft sinking has been completed on this contract to a total depth of 50 feet. The Operator was advised to leave a 4 foot sump and turnoff on a drift level, with the floor at 46 feet. Instructions were given for crosscutting the body, before drifting along the strike. Material encountered in the last 12.5 feet of shaft sinking consists of massive quartz, as the core, and a pegmatite mixture of quartz, feldspar and muscovite mica. The Operator reports that considerable good quality mica was recovered during this last work. None of the processed mica has been sold to date.

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

Inspected: March 30, 1955.

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

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

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INTERIM REPORT

DMEA-3577, Idm-E762 (mica) ROYSTER PROSPECT

Operator: Keller Mining Company, Pineola, North Carolina

Location: 2 1/8 miles east of Fallston and 570 feet south of N. C. Highway No. 182, Cleveland County, North Carolina

Vertical shaft sinking continues on this contract and is now at 38.5 feet. The entire shaft cross-section is in pegmatite, with massive quartz on the northwest side, and large crystals of feldspar and blocks of mica on the southeast side. Considerable mica has been recovered from shaft sinking, but much of the earlier recovery was soft and badly clay-stained. Mica recovered from the present depth, although clay-stained, is of much better quality. Feldspar recovered is being retained, for later sale in the Spruce Pine Area.

The shaft has been cribbed solid to near bottom and contains a separated partition with ladders and landings at about 12 ft. intervals. Some suggestions concerning ladder improvements and timber anchoring were made. Progress on this contract is good.

Inspected: March 15, 1955.

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

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

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INTERIM REPORT

DMEA-3577, Idm-E762 (mica) ROYSTER PROSPECT

Operator: Keller Mining Co. Pineola, North Carolina

Location: 2 1/8 miles east of Fallston and 570 feet south of N. C. Highway No. 182. Cleveland County, N. C.

Shaft sinking is underway on this contract and is now at 15-feet. This depth places the shaft entirely in pegmatite composed of semi-weathered to fresh feldspar, platy quartz ribs, muscovite and biotite mica. The body strikes East-West and dips 65° S. The Operator was advised to continue sinking until another visit can be made. Instructions were also given for staying with the body during sinking.

Cribbing of the shaft is underway but not entirely complete. A toolhouse, and powder and exploder magazines have been constructed. All workers were advised to wear safety hats and exercise care while working around the shaft collar, until timbering is complete. Progress on this contract is good.

Inspected : March 1, 1955.

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

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

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

Budget Bureau No. 42-R1036.5

44

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of February 195 5 Docket No. DMEA 3577 Contract No. Ken-3762

Operator's Name Hayden Heller Minerals Mica

Address Heller Mining Company, Lincoln, N. C.

Contract Amount, $ 5364.00 Government Participation: 75% Amount, $ 4023.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
9⅓ hr. Bulldozing @ 10.00	93.33	-	93.33			
Crosscutting						
Drifting						
35' Exct. @ 19.00 lin.	675.00		675.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance	76.00		76.00			
Dealer & Explorer Magazines	30.00		30.00			
(8) Contingencies (specify):						
TOTALS	882.33		882.33	882.33		882.33

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

Date 3-1-55 *Payee Hayden Heller

Per Hayden Heller Title Operator

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

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

(Instructions on reverse)

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

$ 661.75

Signature Helen R. Miller (Authorized Certifying Officer)

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

1 S 2/19

220.58

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Dm-E762 in accordance with the terms of the contract.

Signature Laurence E. Shurley Title Mining Engr. U.S.B.M. Date March 4, 1955

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION V Date MAR 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 MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Defense Minerals Administration
RECEIVED
MAR 11 1955

Month of February 1955 Docket No. DMEA 3577 Contract No. [illegible] 762
Operator's Name Hayden Heller Minerals Mica
Address Heller Mining Company, Pinole, N. C.

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting								
Crosscutting								
Raising								
15' Shafts 45.00	Ft.	675.00	15	675.00	15	45.00	20	45.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
9-1/3 Ft. Bulldozing 10.00	Hr.	93.33	9-1/3	93.33	9-1/3	10.00	20	10.00
Total Distributed Costs		768.33		768.33				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.		76.00		76.00				
Powder & Detonator Magazines		33.00		33.00				
Total Costs		877.33		877.33				

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 3-1-55 Operator Hayden Heller

Per Hayden Heller Title Operator

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

Remarks:

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 872894

RECEIVED
MAR 21 1955

OPERATOR'S
Monthly Report of Progress

February, 1955

DMTA-3577

Idm-E 762

Work Began: 2-19-55

Work Accomplished:

Set up machinery, hired two men to pick scrap from old dump. Bulldozed, built tool house, powder and exploder magazines. Sank shaft to a depth of 15'.

Daily Notes:

February 21 - Started bulldozing and recovering scrap mica from old dump.

22 - Continued bulldozing in search of pegmatite. Inspection party arrived at 2:30 p.m. and instructed where to start shaft.

23 - Built tool house, worked on powder and exploder magazines.

24 - 28 - Sank shaft to a depth of 15', encountering blue flint and feldspar. Timbered shaft as we went down. Drilled and shot all the way in hard material. Small amount of mica recovered, not exceeding 75 lbs. Mica is small but of good quality. No water encountered so far.

DEFENSE MINERALS EXPLORATION ADMINISTRATION

INTERIM REPORT

DMEA-3577, Idm-E762 (mica) ROYSTER PROSPECT

Operator: Keller Mining Company, Pineola, North Carolina

Location: 2 1/8 miles east of Fallston and 570 feet south of N. C. Highway No. 182, Cleveland County, N. C.

The starting date on this contract is February 14, 1955. Bulldozing of trenches began on the starting date and all work was completed on the date of this visit. Three parallel cuts were made trending north~~west~~east, each of which was approximately 75' x 12' x 10' (maximum depth). Pegmatite or pegmatitic stringer material was exposed in all of the trenches. The most promising pegmatite material was encountered near the center of the trench west of the open cut as described in the Field Examination Report. A body of variable thickness, ranging from 10 to 15 feet, striking ~~north~~east-west, and dipping vertically was exposed. Upon completion of Stage I, as described, permission was given to begin Stage II. The proposed shaft site was spotted and work is expected to begin within the coming week.

Progress on this contract is satisfactory.

Examined: February 15, 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

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

RECEIVED
FEB 16 1955

February 15, 1955

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Signed Contract - Idm-E762, DMEA-3577, Keller Mining Co. Pineola, North Carolina

Transmitted are three copies of the subject contract signed by Mr. Hayden C. Keller.

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

V. J. Lynch

V. J. Lynch

Docket Copy
Surname:
Hopkins
Houk
Seibert
Selfridge
G. Johnson

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

600

FEB 2 1955

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

Subject: Docket No. DMEA-3577 - Mica
Keller Mining Company
Royster Prospect
Cleveland 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 Operator for approval and signature. Please explain to the Operator that the contract, when executed, is a firm commitment under the terms of which it is obligated to complete the work outlined at the agreed unit cost. If any part of this contract does not have either your approval or that of the Operator and cannot be amended within your delegated authority, then the original and all copies of the contract are to be returned to this office, together with the proposed changes for consideration.

After execution of the contract, the copies are to be distributed in the usual manner. Copies of memoranda from the Geological Survey, dated January 4, 1955, and from the Bureau of Mines, dated January 26, 1955, are enclosed.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (JB)

Approved:

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

Thor H. Kiilsgaard (JB)
Member, Geological Survey

Enclosures 10

JHopkins:gad 1/28/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

R.C.S.

EXPLORATION PROJECT CONTRACT
KELLER MINING CO.
DOCKET NO. DMEA-3577

EXHIBIT "A"

The work shall be performed in two successive stages, as follows:

Stage I

With a D-4 bulldozer or equivalent, cut two trenches, one east and one west of existing slumped shafts to locate the pegmatite, and the most suitable shaft site. The approximate location of the trenches ~~and shaft are~~ is shown on the attached map, entitled, "Sketch of Royster Pros. Cleveland County, N. C. DMEA-3577 (mica)."

Stage II

If the Government is of the opinion that the results of Stage I warrant it, and it grants prior approval, Stage II shall be performed, as follows:

1. Construct:

(a) A toolhouse, minimum dimensions 8 feet by 10 feet by 7 feet.

(b) A powder storage magazine, minimum dimensions 4 feet by 3 feet by $2\frac{1}{2}$ feet.

(c) An exploder storage magazine, minimum dimensions 2 feet by $1\frac{1}{2}$ feet by 1 foot.

The toolhouse may be unfloored; shall be made from unfinished lumber with protective roof covering; and shall be equipped with lock and key.

The powder and exploder magazines shall be boxed on all sides; shall be made from 2-inch hardwood or 3-inch softwood; and shall be braced at the corners. ~~Lumber for these two boxes shall be smooth on the inside of the boxes.~~ No metal shall be exposed, and the lids shall be securely locked with the equivalent of a 5-tumbler jarproof lock.

[illegible]

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 26 1955

January 26, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-3577 (mica)

Applicant: Keller Mining Company

Name and Location of Property: Royster Prospect

Date Reviewed by Br. of Ceramic & Fertilizer Materials: January 24, 1955

Field Team Recommendation:

1. Approval of a contract.

Comments:

1. Mica of good quality and grade is present.
2. Proposed exploration outlined by the field team is consistent with good engineering practices and estimated costs are in line with other DMEA projects.
3. Only one trench should be cut at one time and if first trench indicates a pegmatite dike, it appears the other cut will not have to be made.

Recommendation:

I concur in the field team's recommendation to approve this project in the amount of $5,163.

W. F. Dietrich

W. F. Dietrich

IN REPLY REFER TO:

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN - 4 1955

January 4, 1955

Re: DMEA-3577
Keller Mining Co.
(Royster Prospect)
Cleveland Co., N. C.
$5,363 - Mica

Memorandum

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

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

Subject: Review of Field Team examination report

The Field Team has recommended a two-stage project be approved.

Exploration will consist of an initial stage of trenching to determine the geologic merit of further underground work. As a staged project, subject to possible termination at the conclusion of the trenching work, only the necessary amount of exploration work will be done.

I concur with the Field Team's recommendation that a two-stage project be approved for a contract.

E. L. Newcomb

E. L. Newcomb

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

December 23, 1954

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 23 1954

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-3577 (mica)

Applicant: Keller Mining Company

Name and Location of Property: Royster Prospect
Cleveland County, North Carolina

Date Application Rec'd. by Ceram. & Fert. Mat. Br.: November 23, 1954

Comments:

1. From the limited information presented, it is difficult to determine if an exploration program is justified or if the proposed plan is the logical plan.

2. Estimated costs are in line with other DMEA projects based on a similar plan of exploration.

3. It appears a field examination is necessary.

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.

W. F. Dietrich

W. F. Dietrich

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

WASHINGTON

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 23 1954

December 21, 1954

Memorandum

To: Operating Committee, DMEA - Washington

From: Field Team, DMEA - Region VII

Subject: Field Examination Report, DMEA-3577 (mica) Keller Mining Co., Pineola, N. C. Royster Prospect, Cleveland County, N. C.

Enclosed are four copies of the subject examination report, and six extra copies of the sketch map.

We agree with the conclusion that this propect merits some exploration, and recommend approval of a two-stage contract as outlined in the report.

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

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
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DEC 23 1954

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF FIELD EXAMINATION BY FIELD TEAM, REG. VII

ON

DMEA-3577, ROYSTER PROSPECT
(mica)
Cleveland County, N. C.

On-site exam. rpt.

BY

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

and

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

December 13, 1954

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 23 1954

FIELD EXAMINATION REPORT
On
DMEA-3577, ROYSTER PROSPECT (mica)

Applicant: Keller Mining Company, c/o Hayden Keller, Pineola, N. C.

Old workings at this place are limited, probably less than 35 feet in depth. Mica in the old dump is of excellent quality and of strategic grade. Exploration assistance is recommended - to be conducted in two stages.

This prospect was examined on December 13, 1954. Messrs. Hayden Keller and W. S. Flynt accompanied the examiners on the inspection which required one hour.

The Royster Prospect is 2 1/8 miles east of Fallston and 570 feet south of N. C. Highway No. 182, Cleveland County, North Carolina. Access is excellent at all times.

The applicant is an experienced mica miner and competent to conduct the proposed work. Area covered by the applicant's lease is adequate.

This mine has not been worked for many years. Two slumped cuts on opposite sides of a vertical quartz core are said to have been 20-25 feet deep. The mica gneiss country rock strikes N. 70° E. and dips 75° N., and the quartz mass trends N. 50° W. Blocks of perthite can be seen adjacent to and northeast of the quartz, and plagioclase-quartz pegmatite probably occurs further northeast. The pegmatite appears to be in excess of 15 feet in thickness.

The mica is ruby in color, hard, flat, clear, and free-splitting. Books up to 5 inches across occur in the dump. Ruling is the chief defect. Mica is abundant in the dump.

The applicants' proposed program of exploration consists of preliminary trenching, 60 feet of shaft and 100 feet of drift. This program is satisfactory with slight modifications. The examiners recommend that the project be staged. Stage I should consist of two bulldozer trenches, one east and one west of the existing slumped shafts. If suitable mica-bearing pegmatite is located in Stage I, Stage II should consist of constructing a toolhouse and powder magazine and exploder magazine, sinking a 50-foot shaft and driving 80 feet of drift.

Estimated Cost:

Stage I

Cut two bulldozer trenches 60' x 6' x 12'

Bulldozer 20 hrs. @ $10/hr.	$200.00

Stage II

Toolhouse	$75.00	
Powder Magazine	25.00	
Exploder Magazine	13.00	$ 113.00

Sink 50-foot, 5' x 7', 2-compartment shaft, timbered where necessary (25 shifts)

Labor:		
1 - miner @ $1.50/hr.	$300.00	
1 - hoistman @ $1.25/hr.	250.00	
1 - laborer @ $1.00/hr.	200.00	
Equipment (rental):		
Compressor, drill and pump @ $240/Mo.	300.00	
Hoist @ $50/Mo.	62.50	
Supplies:		
Gasoline and oil	100.00	
Explosives	150.00	
Timber, 4,000 b.f. @ $65/M	260.00	
Drill steel	100.00	
Water and air pipe	100.00	
Hand tools	100.00	
Miscellaneous	177.50	
Insurance and Social Security	150.00	$2,250.00

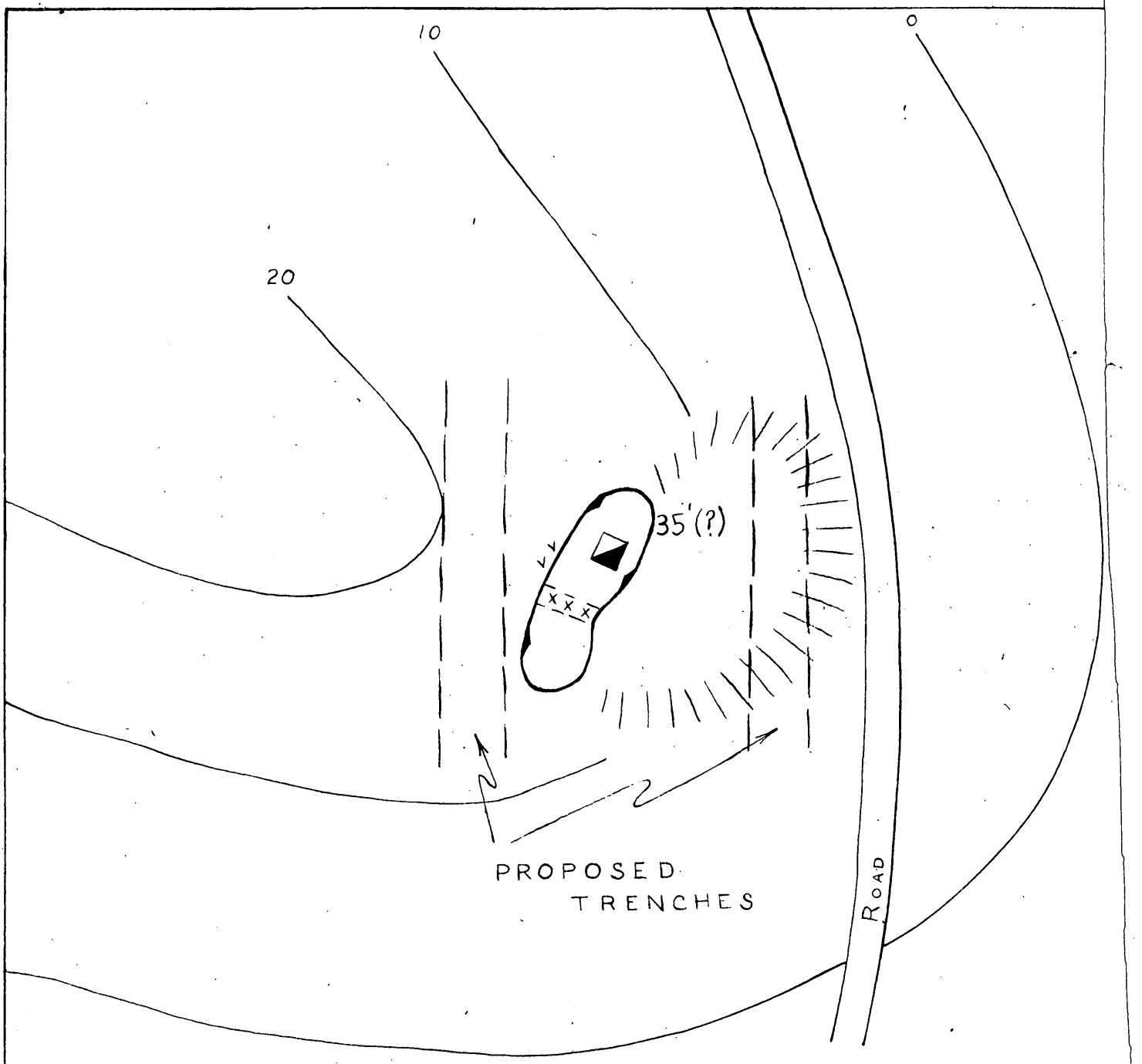
Drive 80 feet of drift (30 shifts)

Labor:		
1 - miners @ $1.50/hr.	360.00	
1 - hoistman @ $1.25/hr.	300.00	
2 - laborers @ $1.00/hr.	480.00	
Equipment (rental):		
Compressor, drill, pump and jackleg @ $250/Mo.	375.00	
Hoist @ $50/mo.	75.00	
Supplies:		
Gasoline and oil	175.00	
Explosives	180.00	
Timber, 2000 b. f. @ $65/M.	130.00	
Drill steel	140.00	
Pipe	80.00	
Hand tools	75.00	
Miscellaneous	130.00	
Insurance and Social Security	300.00	$2,800.00
Estimated total cost of Stages I and II		$5,363.00

December 13, 1954

L. E. Shirley,
Mining Engineer, USBM.

K. H. Teague and D. H. Amos, Geologists
USGS.



0 20' 40'

SCALE

SKETCH OF
ROYSTER PROS.
CLEVELAND CO., N.C.

DMEA-3577(mica

IN REPLY REFER

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 30 1954

November 26, 1954

Re: DMEA-3577
Keller Mining Co.
(Royster Prospect)
Cleveland Co., N. C.
$6,700 - Mica

Memorandum

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

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

Subject: Review of application

The operator proposes to trench, sink a 60 foot shaft and drift 100 feet.

We do not have any data on this prospect in our files.

From the limited information presented, this prospect probably will require a carefully staged project. However, the merit of any of the work cannot be determined.

A field referral appears to be required. This property should be examined by the Field Team at their convenience if they believe an on-site examination is warranted.

E. L. Newcomb
E. L. Newcomb