ACTION ON INTE[illegible]
OR FINAL FIELD TEAM REPORT
Date 10-11

Referred to:

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

Note comments in report regarding:

1. looks sick!
2.
3.
4.

and take appropriate action.

- - - - - - - -

Action taken by Division:

Robert E. Adams

RECEIVED
OCT 11 1956

INTERIM REPORT

DMEA-3742, Idm-E869, FURNISS MINE (Tungsten)

Operator: Carolina Tungsten Mining Co., c/o Paul M. Tyler, 5005 Edgemoor Lane, Bethesda, Maryland

Location: 4.0 airline miles S 73° E from the intersection of Federal Highway 49 and State Highway 601, immediately SE of Concord, Cabarrus County, N.C.

The 500 foot horizontal AX size diamond drill hole has been completed without any sign of quartz-tungsten mineralization. The lack of vein structures in the hole indicated that the original fracture system was not developed to the extent that veins with mining potential can be expected in the area

There is still justification for drilling a similar hole from the Phoenix Mine, 1/4 mile along strike since there are indications that the fracture system carrying the ore is better developed in that area. Whether or not the Operator will request an amendment to cover additional drilling is not known.

Contract drifting in the Furniss has been terminated as of the date of inspection. There is little hope of making a discovery by drifting along the present vein. Substantially thicker veins would have to be found than now exist. None of the existing veins is of minimum mining thickness. In the southwest heading of the Furniss a total of 122 feet of contract drifting has been driven. Contract drifting amount to 157 feet in the northeast heading. This is a total of 279 feet of drifting with DMEA assistance.

Inspected: October 5, 1956

S. C. Bergman, Geologist
USGS

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INTERIM REPORT

RECEIVED
SEP 28 1956

DMEA-3742, Idm-E869, FURNISS MINE (Tungsten)

Operator: Carolina Tungsten Mining Company, c/o Paul M. Tyler, 5005 Edgemoor Lane, Bethesda, Maryland

Location: 4.0 airline miles S. 73° E. from the intersection of Federal Highway 49 and State Highway 601, immediately southeast of Concord, Cabarrus County, North Carolina, Charlotte, N. C.- S. C. sheet, Corps of Engineers, AMS series V501 (N17-2) 12/54, 1:250,000.

As of September 20, 1956, the single 500-foot AX size diamond drill hole allowed under a recent amendment has been extended 349 feet to the southeast in fine grained volcanic flows and pyroclastic tuffs and breccias. Core recovery averages 75%. The material is badly fractured and occasionally hydrothermally altered. Epidote occurs commonly along joint fractures and minor sulfide mineralization is found associated with the epidote. No quartz-tungsten mineralization was noted in the core.

Contract drifting on the 170-foot level totals 119 feet in the southwest heading. A continuous 6 to 12-inch thick quartz-barite-carbonate vein is present with minor sulfide and scheelite mineralization noted. There is no new contract drifting in the NE heading since the last visit. The operator has crosscut four additional feet from the 109-foot point (NE) to the southeast, and raised about 5 feet on the vein at the mouth of the crosscut at the 58-foot point (NE). This was at the operator's own expense as was a substantial amount of raising and stoping on the 100-foot level.

The operator has started to unwater the adjacent Phoenix mine and reportedly plans to mine and mill reserves outlined by previous operations dating back to 1906.

Inspected: September 20, 21, 1956

S. C. Bergman

S. C. Bergman, Geologist
U. S. Geological Survey

INTERIM REPORT

DMEA-3742, Idm-E869, FURNISS MINE (Tungsten)

RECEIVED
SEP 13 1956

Operator: Carolina Tungsten Mining Co., c/o Paul M. Tyler, 5005 Edgemoor Lane, Bethesda, Maryland

Location: 4.0 airline miles S. 73° E. from the intersection of Federal Highway 49 and State Highway 601, immediately southeast of Concord, Cabarrus County, North Carolina, Charlotte, N. C.-S. C. sheet, Corps of Engineers, AMS series V501 (N17-2) 12/54, 1:250,000.

A total of 104 feet of new contract drift has been driven southwest along a thin continuous 6 to 12-inch thick quartz-barite vein. It is more or less continuously mineralized with sulfides and fine specks of scheelite, lineated at or near the vein margins or along inclusions of wall rock. Since the last inspection, 24 feet of drift has been driven to the southwest. Nineteen feet of crosscut (drill station) has been driven to the southeast from a point 247 ft southwest of the shaft station, and an air operated diamond drill machine has been mounted and oriented approximately S. 25° E. Drilling had not yet started at the time of this inspection. The Operator has not done any contract work in the northeast head, but has crosscut at his own expense a distance of 6 feet to the southeast from a point 185 feet northeast of the shaft station. A 3 to 12-inch thick quartz vein was intercepted at 2 feet in the crosscut (see map). R. A. Laurence and D. H. Amos accompanied the writer on this inspection.

Inspected: August 23, 1956

S. C. Bergman, Geologist
U. S. Geological Survey

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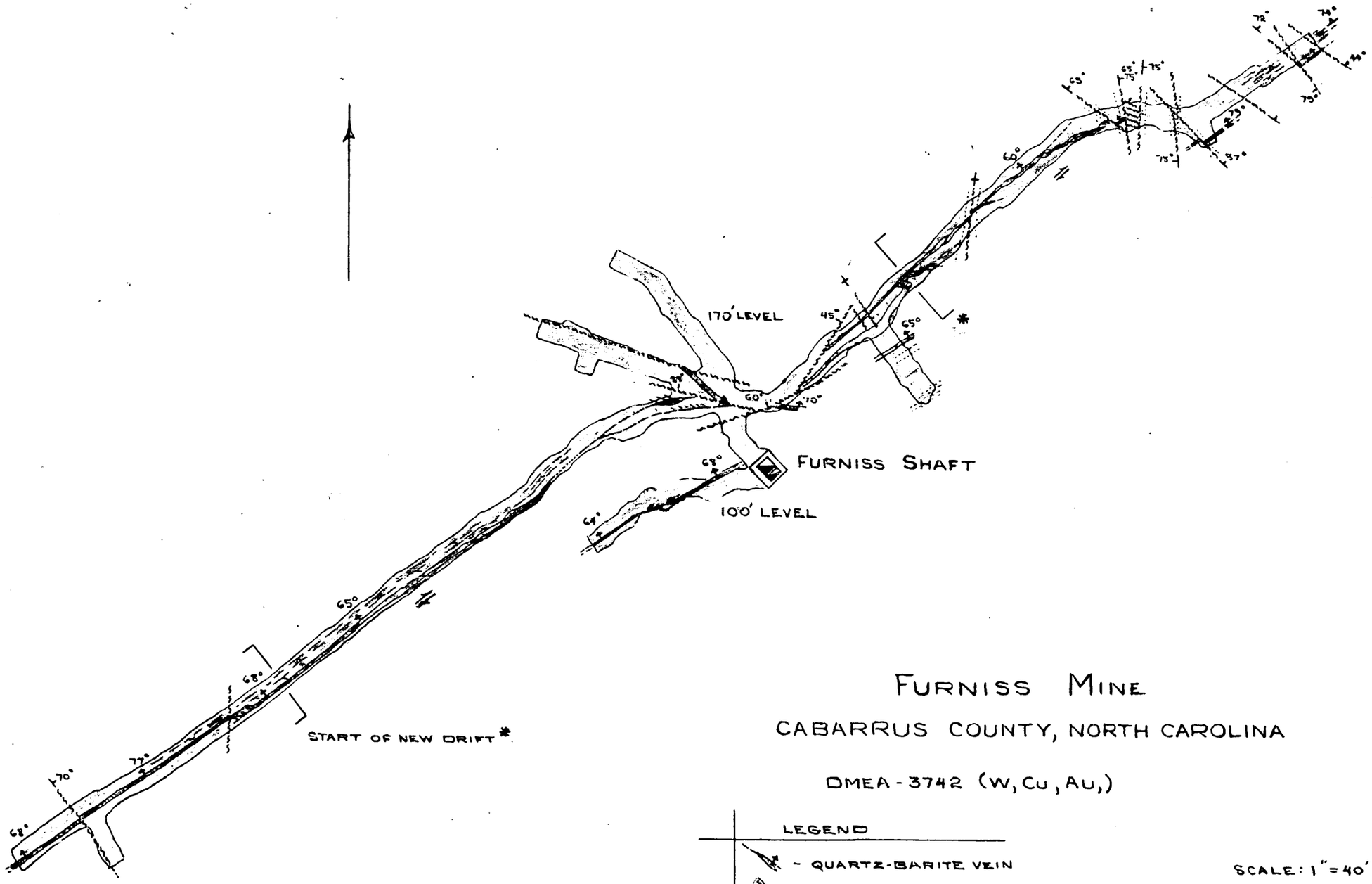

FURNISS MINE

CABARRUS COUNTY, NORTH CAROLINA

DMEA-3742 (W, Cu, Au,)

LEGEND

- QUARTZ-BARITE VEIN
- ANDESITIC FLOWS (WALL ROCK)
- FLOW BANDING (LINEATION)
- FAULT TRACE
- HYDROTHERMAL ALTERATION

SCALE: 1" = 40'

RECEIVED
AUG - 1 1956

INTERIM REPORT

DMEA-3742, Idm-E869 (Tungsten) FURNISS MINE

Operator: Carolina Tungsten Mining Co., c/o Paul M. Tyler, 5005 Edgemoor Lane, Bethseda, Maryland

Location: 7 miles southeast of Concord, Cabarrus County, North Carolina

Drifting to the northeast and southwest from the 170 foot shaft level continues on this contract. A total of 224 feet of drift has been driven to date; 144 feet of new work has been driven to the northeast and 80 feet of new work has been driven to the southwest. In the northeast drift no mineralized zone has been cut from 84 feet to 144 feet. From 84 to 109 feet the drift has been driven due west and from 109 to 144 feet the drift has been driven N60°E. Material encountered in the last 35 feet of this drift is andesitic containing narrow stringers of quartz, calcite and barite. East

In the southwest drift on the southeast wall at the 75 foot point the country rock strikes N55°E and dips 65°NW. Fractures are exhibited on the footwall side of the vein striking N80°E and dipping 47°SE. This drift work has followed a 1 foot quartz vein containing chalcopyrite, pyrite and scheelite. Fracture filled surfaces are well exposed on the hanging wall containing minor amounts of scheelite. Extension of this drift is recommended.

The status of a recent amendment providing for underground drilling is not known and no action was taken by the Examiners on the subject during this inspection.

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

A. R. Taylor, Geologist
U. S. Geological Survey

July 26, 1956

INTERIM REPORT

DMEA-3742, Idm-E869, FURNISS MINE, Tungsten

Operator: Carolina Tungsten Mining Co., c/o Paul M. Tyler, 5005 Edgemoor Lane, Bethesda, Maryland

Location: 7 miles southeast of Concord, Cabarrus County, N. C.

In the northeast drift the Operator has changed directions from southeast to northeast and advanced one round. There has been no indication of a vein for the past 25 feet.

Advance in the southwest drift was 16 feet making a total of 57 feet. The mineralized zone in the heading is about 1 foot wide.

Progress is satisfactory.

Inspected: June 21, 1956

A. L. Peyton

A. L. Peyton, Mining Engineer
Bureau of Mines

S. C. Bergman

S. C. Bergman, Geologist
Geological Survey

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RECEIVED
JUN 26 1956

RECEIVED
MAY 2 1956

INTERIM REPORT

DMEA-3742, Idm-E869, FURNISS MINE (tungsten)

Operator: Carolina Tungsten Mining Co., c/o Paul M. Tyler,
5005 Edgemoor Lane, Bethesda, Maryland

Location: Seven miles southeast of Concord, Cabarrus County, N. C.

In the past two weeks the northeast drift was extended 37 feet and the southwest drift advanced 28 feet. In the northeast heading the vein has completely pinched out. The southwest heading shows a vein 1 foot wide, containing minor amount of fluorescent material.

The Operator was instructed to continue drifting to the northeast and southwest.

Inspected: May 24, 1956

A. L. Peyton

A. L. Peyton, Mining Engineer
Bureau of Mines

S. C. Bergman

S. C. Bergman, Geologist
Geological Survey

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INTERIM REPORT

DMEA-3742, Idm-E869, Tungsten, FURNISS MINE

Operator: Carolina Tungsten Mining Co., c/o Paul M. Tyler,
5005 Edgemoor Lane, Bethesda, Maryland

Location: Seven miles southeast of Concord, Cabarrus County, N. C.

The Operator has advanced 20 feet during the month of April, making a total of 57 feet of new drift to the northeast on the 170 foot level. The heading discloses a quartz vein less than one foot wide, dipping steeply to the northwest. The vein quartz contains a light sprinkle of sulfides with an occasional dot of fluorescent material.

The Operator was instructed to continue drifting to the northeast.

Progress is satisfactory.

April 27, 1956

A. L. Peyton

A. L Peyton, Mining Engineer
Bureau of Mines

S. C. Bergman

S. C. Bergman, Geologist
Geological Survey

RECEIVED
MAY 3 - 1956

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

RECEIVED
APR 1 3 1956

April 10, 1956

Mr. Hal Lackey
Carolina Tungsten Mining Co.
P.O. Box 1251
Concord, North Carolina

Re: DMEA-3742, Idm-E869 (Tungsten)
Furniss & Phoenix Mines
Cabarrus County, N. C.

Dear Mr. Lackey:

We have received, in an envelope postmarked Silver Spring, Maryland April 7, two copies of form MF-104A for the month of March, indicating 37 feet of advance on the Furniss drift in March.

In order to approve the voucher for payment, we must have the following:

Form MF-104 (5 copies)
Form MF-104A(5 copies
Narrative report of progress (5 copies)

Please provide the additional completed reports, so that we can process the voucher and approve payment.

Very truly yours,

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

RAL/am
cc:
Opr. Com.-2
Paul Tyler
Lynch
Beck
Files

INTERIM REPORT

DMEA-3742, Idm-E869 (Tungsten) FURNISS MINE

Operator: Carolina Tungsten Mining Co., c/o Paul M. Tyler, 5005 Edgemoor Lane, Bethesda, Maryland

Location: The mine is in the central part of Cabarrus County, N. C., about 7 miles southeast of Concord and about 6 miles southwest of Mt. Pleasant, N. C.

The property was inspected by the field examiners March 2, 1956, during which a quick survey was made of the existing drifts and vein structure on the 170 foot level.

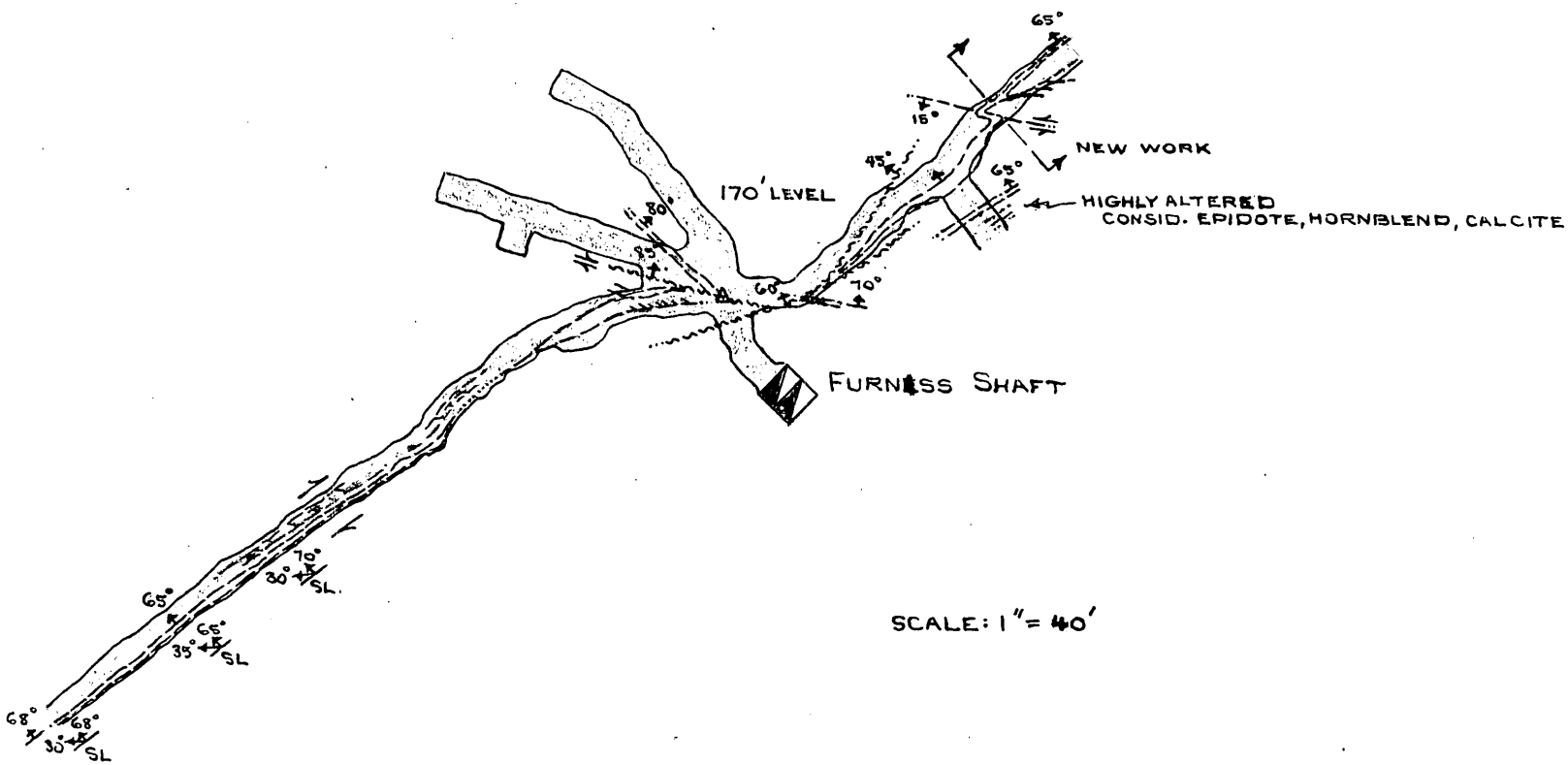
Contract drifting started February 15, 1956 at a point 74 feet from the shaft station in the northeast drift. New contract drifting along the main vein structure totals 21 feet. Start

About 58 feet northeast of the shaft station, the Operators have driven on their own, a 15 foot long crosscut to the southeast. The crosscut is in thoroughly altered wall rock containing some disseminated sulfides, coarse crystalline calcite and epidote with disseminated hornblende. A parallel, 1-foot wide quartz vein was cut about 7 feet southeast of the main vein. Small amounts of disseminated sulfides occur outward from the margins of the vein as far as could be observed in the drifts. The vein in general is not as thick or as uniformly mineralized as is the Phoenix vein. Southwest of the shaft, the vein varies from 1 inch to 1-foot in width, averaging about 6 inches. The vein is broken, and displaced by a confused series of northeast to northwest dipping post vein faults about 20 feet on either side of the shaft station. To the northeast the vein is locally as wide as 30-inches, but normally not wider than 1 foot.

Progress is satisfactory and all equipment and facilities are in place for continuation of the project.

Wm. A. Beck, Mining Engineer
Bureau of Mines

S. C. Bergman, Geologist
Geological Survey


170' LEVEL
NEW WORK
HIGHLY ALTERED
CONSID. EPIDOTE, HORNBLEND, CALCITE
FURNESS SHAFT
SCALE: 1" = 40'
65°
15°
45°
65°
80°
85°
60°
70°
70°
35° SL.
65°
65°
35° SL
68°
68°
30° SL

Extra copy

TERMINATION AGREEMENT

It is agreed this 4th day of September, 1957, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Carolina Tungsten Mining Company, a partnership, hereinafter called the "Operator," parties to that certain Exploration Project Contract No. Idm-8869, (Docket No. DMEA-3742), dated September 12, 1955, hereinafter called the "Contract," that:

1. Effective November 9, 1956, the Contract and all obligations of the parties thereunder, except as otherwise herein expressly provided, shall be and are hereby terminated.

2. The Government shall contribute only to the fixed unit costs of work performed prior to said effective date. Any work or operations prosecuted or costs incurred by the Operator beginning with said effective date, except as otherwise provided in this termination agreement, shall be for the sole account of the Operator without contribution by the Government.

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

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

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

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

THE UNITED STATES OF AMERICA

Carolina Tungsten Mining Co.

C. O. Mittendorf

By_____

Administrator, D
Exploration A

By_____

Title_____

CAROLINA TUNGSTEN MINING COMPANY
DOCKET NO. DMEA 3742
CONTRACT NO. IDM-E769

JUSTIFICATION FOR TERMINATION AGREEMENT

A proposed termination agreement, forwarded to the Field Team on May 6, 1957, for signature by the Operator, if satisfactory to the Field Team and the Operator, contained a "pseudo-certification" clause, inserted because it was considered possible that if there were production from either the Furniss or Phoenix mines (the two areas covered by the contract), such ore, even though not discovered as the result of work done under the contract, might be produced or extracted through DMEA workings.

That proposed termination agreement was returned unsigned by the Operator on May 20, 1957, with a letter stating the Operator's reasons for not signing, chiefly objection to the "pseudo" clause, with the consequent lien on possible future production from the properties.

Comprehensive review of all data available in this office indicates that, although showings on surface gave promise that deposits of tungsten ore might be found by exploration in the quarter-mile interval between the Phoenix and Furniss shafts, neither the small amount of tungsten ore discovered in the 122 feet of new drift driven southwesterly on the 170-foot level of the Furniss mine, nor the tungsten showings disclosed in the 157 feet of new drifting northeasterly on the same level of the Furniss mine, considered with the negative results obtained in drilling the 500-foot diamond drill hole southeasterly from the southwest drift on Furniss 170-foot level, are sufficient to justify any insistance on inclusion of a "pseudo-certification" clause.

In view of the above, and because the probability of mining sufficient tungsten ore from the property during the 10 year royalty repayment period is too small to justify policing a certification, a revised termination agreement with the "pseudo" clause has been prepared.

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

Region V

P. O. Box 217
November 14, 1956

Memorandum

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

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

Subject: Monthly reports and vouchers

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

Idm-E869 — Carolina Tungsten Mining Company
Docket No. DMEA-3742
8th payment - month of October
Amount $93.75

Idm-E938 — Jarrett, Grindstaff & Grindstaff
Docket No. DMEA-4080
5th payment - month of October
Amount $372.00

Idm-E947 — Harold B. King, Sr.
Docket No. DMEA-4181
5th payment - month of October
Amount $349.50

Idm-E971 — The New Jersey Zinc Company
Docket No. DMEA-4174
1st payment - month of October
Starting Date: 8/16/56
Amount $1439.25

Idm-E976 — Sam G. Smith
Docket No. DMEA-4127
3rd payment - month of October
Amount $720.00

Mf 104 a
Oct. 1956

Idm-E980 Ernest B. Wood
Docket No. DMFA-4305
2nd payment - month of October
Amount $576.38

Idm-E1005 John Phillips
Docket No. DMFA-4239
2nd payment - month of October
Amount $1530.75

Idm-E1007 John Phillips
Docket No. DMFA-4351
2nd payment - month of October
Amount $1221.00

Idm-E1008 John Phillips
Docket No. DMFA-4332
1st payment - month of October
Starting Date: 10/15/56
Amount $430.50

Idm-E1014 Ed Huskins and Fred Gage
Docket No. DMFA-4237
1st payment - month of October
Starting Date: 10/15/56

Idm-E1016 Grover Grindstaff
Docket No. DMFA-4248
1st and final payment - month of October
Starting Date: 10/22/56
Completion Date: 10/31/56
Amount $123.75

Helen R. Miller

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

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE
OF PAYMENTS

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of October, 1956 Docket No. DMEA 3742 Contract No. idm-E869
Operator's Name Carolina Tungsten Mining Co Minerals Tungsten
Address P. O. Box 1251, Concord, N. C.
Contract Amount, $ 26,400.00 Government Participation: 75 % Amount, $ 19,800.00

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	0	$3,500.00	$3,500.00			
Bulldozing						
Crosscutting						
Drifting	0	10,462.50	10,462.50			
25 Assays @ $5	$125.00	0	125.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$125.00	$13,962.50	$14,087.50	125.00	13962.50	14087.50

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

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 11/1/56 *Payee Carolina Tungsten Mining Co.
Per Paul M. Tyler Title Partner

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

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

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:
$ 93.75
Signature Helen R. Miller
(Authorized Certifying Officer)
Date NOV 14 1956 Vou. No. 74
(See other side)

8

31.25

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E869 in accordance with the terms of the contract.

Signature S. C. Bergquist Title GEOLOGIST, U. S. G. S. Date 11/5/56

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title DMEA REGION V EXECUTIVE OFFICER Date NOV 13 1956

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

Month of October 1956 Docket No. DMEA 3742 Contract No. DMEA 2869
Operator's Name Carolina Tungsten Mining Co. Minerals Tungsten
Address P. O. Box 1251, Concord, N. C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	ft.	0	0	$10,462.50	279	$37.50	600	$37.50
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core	ft.	0	0	3,500.00	500	7.00	500	7.00
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Assays	Ea.	$125.00	25	125.00	25	5.00	80	5.00
TOTAL DISTRIBUTED COSTS		$125.00	25	$14,087.50				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$125.00	25	$14,087.50				

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

Date 11/1/56 Operator Carolina Tungsten Mining Co

Per Paul M. Tyler Title Partner

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

REMARKS:

(Instructions on reverse)

(For Government use only)

S. C. Bergman GEOLOGIST, U. S. G. S. 11/5/56

INSTRUCTIONS

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

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

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

GPO 872894

(c) Narative Report--October 1956: DMEA 3742, Idm E869

Carolina Tungsten Mining Co., P.O.Box 1251, Concord, N. C.

Early in October, all drills, track, pipe, tools, and pumps were removed from the Furniss Mine, preparatory to moving to the Phoenix Mine. A millsite has been selected near the Furniss shaft which may serve as a source of water for milling but no mining or further prospecting is contemplated atk this mine.

As a final check on the material from the supposed "ore shoot" in the Southwest drift of the 170 level, a careful sample(about 300 pounds) of the separate muck pile from this location was taken and hand screened with the following results:

Plus 1"	55.4%
Minus 1" plus ½"	18.0%
Minus ½"	26.6%
	100.0%

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Since the scheelite and pyrite content of the intermediate size appeared to be little or no better than that of plus 1" material the two fractions were combined, representing 73.4% of the total sample. The large lumps were hand sledged to about 1" and after coning and quartering twice, the material was put through the lab. jaw crusher and riffled down to about 30 lbs. in the Jones sampler. The minus ½" fraction was likewise riffled to about 30 lbs. and each sample was ground to about 10-mesh, riffled

several times, and put through the planetary grinder again before splitting the final assay samples. Assay results follow:

	Gold oz/T	Silver oz/T	WO_3 %	$BaSO_4$ %
Plus ½", 73.4%	0.04	0.86	0.015	1.06
Minus ½", 26.6%	.08	.67	.050	1.80
Composite(calc'd)	0.05	0.81	0.024	1.26

Since both the gold and tungsten values in these ores are quite spotty, we have had difficulty in getting comparable results. In respect to samples from the Phoenix Mine we have had reports from different assayers on the same sample that differed by an order of magnitude and 100% variations were quite common. Accordingly, in respect to the Furniss Mine I have made rough checks of samples on a Wilfley table as well as by hand panning. Last April we ran a test on several tons of muck from the 170 SW drift with the following results;

	Gold Oz/T	Silver oz/T	Copper %	WO_3 %
Feed(previously reported)	0.04	0.86	0.03	0.27
Oversize, ½ - 1 in.	.06	.40	.04	.01
Oversize, minus ½ in.	.06	1.06	.02	.03
Mids from Hg pan	.12	.46	.16	.05
Mids from bottom pans	.04 .16	1.64 .16	.11 .20	.08 .04
Sluice product				

The foregoing data appear somewhat inconsistent due to the nature of the test and the high assay of the "feed sample"(which was previously screened through ½") is highly questionable. However, it is believed that this test demonstrated that the muck from the drift at that time could not be classed as ore. No appreciable amount of gold was caught on the amalgam plate.

On the attached voucher claim is made for compensation in respect to the 7 samples reported in this narrative report and for 18 samples reported in the table in our report for September, making a total of 25 samples at $5 each, or $125.

In contrast to the Contract rate of $5.00 for each sample, we have paid $2 per assay for gold-silver, $3.50 for tungsten, $2 for copper, and $3.50 for barium to the Bruce Williams Laboratories, Joplin, Mo. Other assayers charge $5.00 for tungsten (Colorado Assaying Co.) up to $15(Lucius Pitkin) or more. At our minimum rate, therefore, complete information regarding a sample costs $11 for assayer's charges alone. The average cost of preparing a sample for assay is probably at least $10.

In addition to the samples for which payment is asked herein, we have had 15 or more samples assayed representing extensions of other veins on the property and the work done at our expense and without Contract authorization on the 100 level of the Furniss Mine. No claim is made or will be made for payment in respect to these samples.

A "Final Report" has been written in accordance with Article 6(c) of the Contract and is being forwarded in the same envelope with this Voucher.

Although no further work is contemplated in the Furniss Mine, we are requesting that the Contract be recessed and not terminated until consideration is given to a request which we propose to make for employing the unexpended funds for explorations in or near the Phoenix Mine.

Respectfully submitted,

Paul M. Tyler

Paul M. Tyler, Partner

Region V

P. O. Box 217
November 5, 1956

Memorandum

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

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

Subject: Monthly reports and vouchers

WSM

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

Idm-E869 — Carolina Tungsten Mining Company
Docket No. DMFA-3742
7th payment - month of September
Amount $1933.13

Idm-E936 — The New Jersey Zinc Company
Docket No. DMFA-4119
5th payment - month of September
Amount $4030.52

Idm-E937 — The New Jersey Zinc Company
Docket No. DMFA-4126
5th payment - month of September
Amount $13,795.78

Idm-E950 — The New Jersey Zinc Company
Docket No. DMFA-4153
4th payment - month of September
Amount $2675.70

Idm-E956 — The New Jersey Zinc Company
Docket No. DMFA-4177
3rd payment - month of September
Amount $1366.01

Mf-104'd
Sept. 1956

Idm-E960 The New Jersey Zinc Company
Docket No. DMFA-4178
2nd payment - month of September
Amount $1204.50

Idm-E980 Ernest B. Wood
Docket No. DMFA-4305
1st payment - months of August and September
Starting Date: 8/16/56
Amount $166.50

Idm-E990 American Zinc Company of Tennessee
Docket No. DMFA-4209
2nd payment - month of September
Amount $8430.12

Helen R. Miller

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

ev.)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.5

PAID ON VOUCHER & SCHEDULE OF PAYMENTS

OPERATOR'S MONTHLY REPORT AND VOUCHER

of September 1956 Docket No. DMEA 3742 Contract No. Idm-E 869
tor's Name Carolina Tungsten Mining Co Minerals
Address P.O. Box 1251, Concord, N.C. Tungsten
tract Amount, $ 26,400 00 Government Participation: 75 % Amount, $ 19,800 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 375 ft. @ $7.00	$2,625 00	$1,260 00	$3,885 00	2240.00	1260.00	3500.00
Bulldozing						
Crosscutting						
Drifting 6 ft. @ $37.50	225 00	10,125 00	10,350 00	337.50	10,125.00	10,462.50
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$2,850 00	$11,385 00	$14,235 00	2577.50	11,385.00	13,962.50

RECEIVED NOV 7 1956 D.M.E.A.

I certify that the above bill is correct and just and that payment therefor has not been received.
Date Oct. 12, 1956 *Payee Carolina Tungsten Mining Co
Per Paul M. Tyler Title Partner

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

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

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:
$ 1,933.13
Signature Stelen R. Miller (Authorized Certifying Officer)
Date NOV 5 1956 Vou. No. 61
(See other side)

644.38

(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. E869 in accordance with the terms of the contract.

Signature S. C. Bergman Title Geologist, USGS Date 10/16/56

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION V Date OCT 26 1956

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

RECEIVED NOV 2 1956 D.M.E.A.

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

Month of September 1956 Docket No. DMEA 3742 Contract No. Am. E869
Operator's Name Carolina Tungsten Mining Co
Address P.O. Box 1251, Concord, N.C.
Minerals Tungsten

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting	Ft.	$225.00	6	$10,350.00	276	$37.50	600	$37.50
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core	Ft.	2,625.00	375	3,885.00	555	7.00	500	7.00
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Total Distributed Costs		$2,850.00	—	$14,235.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		$2,850	—	$14,235.00				$26,400

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 Oct. 12, 1956 Operator Carolina Tungsten Mining Co.
Per Paul M. Tyler Title Partner

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

Remarks:

(Instructions on reverse)

(For Government use only)

S.C. Bergman - Geologist, USGS 10/16/56
320' ground drilling allowable for month @ 7.00/ft = 2240.00
180' " " previously reported ($3500.00 total allowed)
drift footage - final measurement 122' SW heading
157' NE heading
279' total footage allowable
@ 37.50/ft = 10,462.50
3500
Total allowable 13962.50

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.

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GPO 872894

(c) Narrative Report --September 1950: DMEA 3742 Idm-X869

Carolina Tungsten Mining Co., P. O. Box 1851, Concord, N. C.

Upon completion of the underground d. d. core drilling on October 8th all work under our amended contract was terminated and the pumps were pulled from the Furnise Shaft on October 11, 1950.

As noted in our August report the Northeast drift on the 170 level was stopped at 117 feet instead of following the vein which was picked up beyond the fault zone. According to our measurement a total of at least 138 feet of advance was made in this drift but in view of the various twists developed and my decision to put in a crosscut to pick up a vein immediately beyond the fault we have reported a total advance of only 116 feet under our contract.

Inasmuch as I had found another vein in our first crosscut which I drew before starting work at the original face of this drift, I surmised that the vein we encountered beyond the fault might be either this vein or the stringer that we had followed before encountering the fault zone. Accordingly I authorized the driller to core drill for one day from the second crosscut due east. He made a total of 25 feet without encountering another vein, hence it is assumed that this is actually the vein encountered in the Bureau of Mines drill holes No 4, 5, and 6. I am not sure, however, what relation, if any, this vein bears to those found on the southwest side of the fault zone.

During September only two more rounds were shot in the Southwest drift, resulting in a net advance as indicated by Mr. Bergman's measurement of but 122 feet from the starting point last spring. The advance for month, therefore, is reported herein as 6 feet which is only two feet less than the cumulative advance as indicated by our measurements which were affected by the change in strike of the vein. No improvement was observed in the mineralization. Channel samples were taken at regular intervals from the back of the drift over the total distance covered by the contract work. It happened that these sampling points, approximately at 20 foot intervals, came at poorly mineralized portions of the vein but since the results were so poor, a closer sampling distance did not seem justified. Results of assays of these samples together with pertinent data from earlier assays are summarized below:

Description	Gold oz/T	Silver oz/T	Copper %	WO_3 %	$BaSO_4$ %
Channel samples 170SW--					
0 ft. from starting point, 8" qtz.	0.04	0.02	-	.04	-
15 ft. " " " 20" qtz.	.02	.02	-	.01	
35 ft. do. 8" qtz	.10	.59	-	.05	-
55 ft. do. 8" qtz	.28	.06	-	.02	-
80 ft. do. 8" qtz	.10	.59	-	.05	-
100 ft. do. 58" vein (7" qtz)	.02	.08	-	.04	0.94
112 ft. do. 36" vein (8" qtz)	.02	.11	-	.03	-
122 ft. do. 10" vein (face)	.06	.04	-	.03	4.63
Original heading 170SW, 10"	.04	.62	0.06	.07	-
~~170SW muck sample, minus 1/2", 5/10~~	~~.04~~	~~.86~~	~~.68~~	~~.27~~	~~-~~
~~170SW composite fines to date 6/6~~	~~.04~~	~~.58~~	~~-~~	~~.03~~	~~-~~

Phil Holt would like an opinion as to whether we should send this back to the Feds for a reappraisal, DMSA thinks should be certified and submitted as pseudo to Paul J. which he would not accept. Feds had not recommended cert. 18/19 '56 & 3/18 '57 as Division does not want to force it too much but thinks cert. should be made. Call Phil today or Friday. No [illegible] were not reached

Summary Table, Furniss Mine Assays, continued

	Gold Oz/T	Silver oz/T	Copper %	WO3 %
Composite 170 level muck, NE &SW, May 10th				
Minus ¼"	0.04	0.68	-	0.02
Plus ¼" minus 2"	.04	.84	-	.01
170 NE first crosscut 3/14/56, 15 ft. wide	.08	1.05	0.20	-
170 NE shear zone muck 4/6/56	.02	.68	-	-
170SW muck samples				
Minus ¼" 5/16/56	.04	.86	.05	.07
General muck 6/5.54	.02	1.18	-	.02
" " 6/12/56	.16	.32	-	.03
8" quartz vein, 6/22/53	.14	.32	-	.41
Minus ¼" 6/18/56	.10	.48	-	.05
General muck 7/3/56	.041	.76	-	.02

Although the foregoing assays were all made by the Bruce Williams Laboratories, I have some reason to believe that the general picture is not quite so poor as the foregoing figures would indicate but there is no indication that the work done under the contract resulted in the discovery of a workable ore body. All muck from the 170 SW heading was saved separately as "ore" for several weeks. A fairly careful sample of this portion of the dump and certain other samples are being sent to other assayers but the gold values of the material are probably too low to permit the ore to be handled commercially even if the tungsten content averages considerably higher than any figures so far obtained.

Our work on the 100 level has resulted in hoisting about 300 tons of fairly good looking tungsten ore but this work is not covered by the contract.

The 500 ft. horizontal drill hole from the station on the 170 SW drift was completed on October 5. The average core recovery, based upon the driller's figures, was 96% which of course looks pretty good. However, there were numerous sections where the core recovery was conspicuously low. My inspection of the core indicates that the country rock was greenstone all the way although there were many variations in texture and in degree of epidotization which Mr. Bergman's logging may contribute something in the way of geologic information. Several bands of tuff or porphyritic structure were noted and I noted different types of silicification including occasional small masses of opalescent blue quartz ~~which I suspected might have been corundum~~. Carbonates were observed in varying degree but never abundant. I noted scattered sulphides at 40 - 42 ft and small specks elsewhere but no sulphide mineralization of any real importance.

As I have always hoped to find confirmation of the presence of the extension of the main Thornix vein into this territory I call attention to marked alteration and silicification at 90-95 ft. where this vein should appear. Core recovery from 89 to 94 ft. was only 65% and from 94 to 101 ft. 96%. A poorly developed quartz vein, which I take to be the Nash vein as reported in the Bureaus drill hole NM3, was cut at around 360 feet and I noted that the angle of the quartz-greenstone ~~contact was about 45~~

contact was about 45° which may indicate either that the vein has flattened out as compared with the intercept in nearby DH 3 or that our drill hole had turned upward. I had expected to intersect the vein at about this point but I understand that Mr. Bergman's maps indicated that it might be farther off. I observed a quartz veinlet at about 410 ft. and silicification and a few specks of pyrite at 422 ft but no real indications of veins other than the two which I have noted.

Inasmuch as our surface work had indicated the presence of a second vein in the hanging wall of the vein which we followed on the 170 SW I had the driller put another hole for 70 ft. in the opposite direction from the 500 ft. hole. Here again, however, we failed to find ore.

Although the two additional holes, totalling 55 feet, were not specifically authorized under the contract, it was my judgment that they were justified and I am including the footage in the present statement.

It may be regretted that neither of the two main targets proposed in our original contract were reached by drifting. The fact is that we are not financially able to continue the southwest drift on the basis of the contract rate of $37.50 as the cost with no other work to share the irreducible auxiliary services figures out to at least $45 at our recent rate of irregular advance. I would have been only too glad to continue with both drifts but we were ordered to stop work in the North east drift.

In pursuance of this contract, we have spent almost $40,000 of which we have reported to date a total of only $14,355 as directly chargeable under the terms of the agreement. Our principal expense was in rehabilitating the shaft and widening and taking up bottom in the 170 level before we could start drifting but even with two headings operating we were occasionally paying considerably more than 25% of the current cost of exploration.

Although we have not attained the targets established in the original contract and have not exhausted the possibilities of finding ore on the Furniss property, I am of the opinion that the Phoenix property affords much more promising opportunities for finding important tungsten as well as other values. In my original application, I requested an allotment of funds for explorations in the Phoenix Mine when and if it was reopened but this allocation was not included in the contract. I now respectfully request that the unexpended funds under the contract be reserved for explorations in and near the same vein system but from 1500 to 3000 feet to the Southwest where both surface and underground indications are in my opinion much more promising.

Carolina Tungsten Mining Company

Paul M. Tyler

Paul M. Tyler, Partner

5005 Edgemoor Lane
Bethesda 14, Md.

October 27, 1956

RECEIVED
NOV 5 1956
DMEA

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

Re: DMEA - 3742(tungsten)
Idm - E869
Furniss-Phoenix Mines
Cabarrus County, N.C.

Dear Bob:

WSM

I must correct a stupid mistake in the Narrative Section(c) of the August monthly report of the Carolina Tungsten Mining Company which I repeated with additions in the second paragraph of the corresponding Section of the September 1956 report.

The reportable advance in the Northeast drift for the purpose of our contract was actually 154 feet instead of 116 or 117 feet as indicated by the text.

This correction does not affect our voucher covering the total work under the contract which includes 276 feet of drifting of which 154 feet was in the Northeast end and 122 feet was in the Southwest end of the 170 level.

When I was writing the narrative section of the report I referred to some rough notes based upon a temporary survey point which I had located properly on my maps but which I carelessly assumed as being an intermediate station which was actually located at a turn 37 feet further back.

Excluding the first crosscut in which we discovered a new vein, the actual amount of drifting we did in the Northeast drift totalled 175 feet instead of 154 feet as indicated in our voucher. The lost footage is due to our zig-zag course through the fault zone before I aimed the drift at our original target and to the southeasterly crosscut in which we followed a narrow barite vein before we intercepted the quartz vein which we picked up almost simultaneously in the heading. When we straightened the drift in order to lay track most of the zig-zag pattern was lost and since a straight line is the shortest distance between two points we must lose credit for some of the work done.

Four carbon copies of this letter are enclosed herewith. Would it be possible to have them distributed so that one copy of this correction is attached to each copy of my original Monthly Report for September 1956? And please pardon my carelessness.

Sincerely yours,

Paul M. Tyler

Paul M. Tyler, Partner

UNITED STATES
DEPARTMENT OF THE INTERIOR

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SEP 24 1956

BUREAU OF MINES
ELECTROTECHINCAL LABORATORY
NORRIS, TENNESSEE
Region V

P. O. Box 217
September 21, 1956

Memorandum

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

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

Subject: Monthly reports and vouchers

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

Idm-E869 — Carolina Tungsten Mining Company
Docket No. DMEA-3742
6th payment - month of August
Amount $1901.25

Idm-E902 — Frank W. Phillips
Docket No. DMEA-3908
6th payment - month of July
Amount $752.58

Idm-E913 — Black Jack Mining Company
Docket No. DMEA-3976
4th and final payment - months of May-June
Completion Date: 6-8-56
Amount $673.42

Idm-E960 — The New Jersey Zinc Company
Docket No. DMEA-4178
1st payment - months of July-August
Starting Date: 7-12-56
Amount $3193.66

Helen Miller
Helen R. Miller

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

mf 104 p.
Aug. 1956

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

Budget Bureau No. 42-R1

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS

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SEP 24 1956

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of August, 1956 Docket No. DMEA 3742 Contract No. Idm-E86

Operator's Name Carolina Tungsten Mining Co.

Address P.O. Box 1251, Concord, N. C.

Minerals Tungsten

Contract Amount, $26,400.00 Government Participation: 75 % Amount, $19,800.00

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 Tota To Date
(1) Independent Short Form Contracts:						
Drilling 180 ft @ $7.00	$1,260.00	—	$1,260.00			
Bulldozing						
Crosscutting						
Drifting 34 ft. @ $37.50	$1,275.00	$8,850.00	$10,125.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$2,535.00	$8,850.00	$11,385.00	2535.00	8,850.00	11,385.00

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

Date Sept. 10, 1956 *Payee Carolina Tungsten Mining Co.

Per Paul M. Tyler Title Partner

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

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

(Instructions on reverse)

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

$ 1901.25

Signature Helen R. Miller
(Authorized Certifying Officer)

Date SEP 21 1956 Vou. No. 46

(See other side)

b 633-75

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. 14a E869 in accordance with the terms of the contract.

Signature W. A. Beck Title Mining Engineer USBM Date SEP 20 1956

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Laurence Title EXECUTIVE OFFICER DMEA REGION V Date SEP 20 1956

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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-

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
SEP 24 1956

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of August 1956 Docket No. DMEA 3742 Contract No. Idm-E869
Operator's Name Carolina Tungsten Mining Co.
Address P.O. Box 1251, Concord, N.C. Minerals Tungsten

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting	Ft.	$1275.00	34	$10,125.00	270	$37.50	600	$37.50
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core	Ft.	$1260.00	180	$1,260.00	180	$7.00	500	$7.00
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Total Distributed Costs		$2,535.00	—	$11,385.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		$2,535.00		$11,385.00				

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

Date 10 Sept. '56 Operator Carolina Tungsten Mfg. Co.
Per Paul M. Tyler Title Partner

Remarks:

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

(Instructions on reverse)

(For Government use only)

W. A. Beck, Mining Engineer
U.S.B.M.
SEP 20 1956

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.

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SEP 24 1956

(e) Narrative Report -- August 1956: DMEA 3742 Idm-E869

Carolina Tungsten Mining Co., P. O. Box 1251, Concord, N. C

In compliance with directions from Mr. Robert A. Laurence, Execu Officer, DMEA Field Team, Region V, in a letter dated July 31, t Northeast drift aimed at the vein encountered in Bureau of Mines hole BM 4 was terminated early in August. Instead of proceeding feet as contemplated in the Contract, it being stopped at 117 fe more or less.

After being in country rock for several weeks, the northeast dri encountered a vein with the last round before it was stopped. A couple of shots in the SE wall at heading shows this vein to com only about two inches of quartz containing a little pyrite but n visible scheelite. About 3 feet back of the face, this vein is n 6 inches wide but still rather barren quartz. The strike is abo N 55 E and the dip is steeply to the northwest. Presumably the vein was also cut in a crosscut that I started by mail in an eff to find the vein after being directed to stop the heading and be I saw the face after the last blast. This crosscut follows the vein on the boundary of the fault zone and was first mentioned i June report. Although much wider at this intersection, the "new still does not look like ore. On the presumption that it may be final pinching out of the stringer that we followed before getti lost in the shear zone, I now plan to core drill from this locat in the hope of finding the much stronger vein that I found in ou first crosscut mentioned in the report for February-March. Acco to the map, however, it is quite possibly the beginning of the intercepted in BM 4, 5, and 5A.

The Southwest drift has been extended to a total distance of 11 from the starting point under the contract. Over the last 40 fe quartz component has pinched and swelled but remained mostly de of either scheelite or pyrite. There has been a virtually conti streak of scheelite about 1/16th inch wide along the footwall o quartz and much less persistent streak following the hanging wa the quartz. Numerous cross fractures on the hanging wall side o show scheelite for 10 to 14 inches into the country rock but th llel veinlets which showed scheelite farther back are now barre

As noted in earlier reports, some 300 tons of muck from the sou drift were saved for ore but the results of several assays and tests were disappointing. The vein in the back(roof) of the dri is now being sampled at 20 ft. intervals.

The grade of ore in the stope on the 100 seems to be holding up A few fist-size lumps of scheelite have been found.

Amendment No. 2 to our contract, dated August 15, in addition extending the time limit from August 31 to December 31, authori to drill a 500 ft. horizontal hole southeasterly from the south drift of the 170 level. After we cut a 14 ft. station, the Pe vania Drilling Co. driller, Mr. Doyle, arrived on Wednesday mor August 22. The direction of the hole, as established by Mr. Be with a Brunton compass, is S 25 E, which would intercept the No at about the same point as the Bureau's barren hole BM3. As of date I have paid for 180 ft. of core. Inasmuch as Mr. Bergman h

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SEP 24 195

expected to meet me at the mine last Thursday to log the core, I not inspect more than about the last 40 ft. However, I was told no signs of a quartz vein or other economic mineralization have been encountered although it was my hope that we might find an ex sion of the main Phoenix vein at a distance of about 100 feet. I understand that the entire distance to date has been in greenstone types commonly found in the vicinity. Since the core is badly brok and heavy flows of water have been encountered, I assume that we m be in another shear zone or faulted area. The fragments of core I examined show fractures in all directions, bothe parallel to and across the direction of the hole. Older fractures have been more less tightly recemented but many of the fracture planes are heavil coated with iron oxides and often show carbonates when tested with acid although no carbonate veinlets were observed. A new core bar has been sent to the mine and it is hoped that it will improve co recoveryhich I estimated roughly as only 80%. Very few pieces an inch or two long have been recovered. Beginning last week, th sludge is being caughtin a powder box beneath the collar of the

Carolina Tungsten Mining Company

Paul H. Tyler

Paul H. Tyler, Partner

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

10

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of July, 1956 Docket No. DMEA 3742 Contract No. Idm-E869
Operator's Name Carolina Tungsten Mining Co. Minerals Tungsten
Address P.O. Box 1251, Concord, N.C.
Contract Amount, $ 26,400.00 Government Participation: 75 % Amount, $ 19,800.00

RECEIVED AUG 1 1956

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY WSM: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting 45 ft @ $37.50	$ 1,687.50	$ 7,162.50	$ 8,850.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$ 1,687.50	$ 7,162.50	$ 8,850	1687.50	7162.50	8850.00

I certify that the above bill is correct and just and that payment therefor has not been received.
Date Aug. 8, 1956 *Payee Carolina Tungsten Mining Co.
Per Paul M. Tyler Title Partner

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

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

(Instructions on reverse)

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

$ 1265.62

Signature Helen R. Miller
(Authorized Certifying Officer)
Date AUG 13 1956 Vou. No. 28
(See other side)

421.88

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E869 in accordance with the terms of the contract.

Signature S. C. Bergman Title Geologist, USGS Date 8/10/56

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER - DMEA REGION V Date AUG 10 1956

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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.

(c) Narrative Report -- July 1956 : RMSA 7742 Idm-2269

Carolina Tungsten Mining Co., P. O. Box 1251, Concord, N. C.

Progress under the Contract was delayed by a breakdown of the hoist engine. A steam hoist was installed and operated temporarily by compressed air but proved unsuitable. A new gasoline engine was purchased but was not fitted to the old hoist until August 4th.

The Northeast Drift was continued on a bearing of N 60 E for an additional 25 feet. Numerous light-colored carbonate seams were encountered and occasional small masses of barite but no scheelite and little or no sulfides. Some change in the rock was noted but may be merely a differentiation of the greenstone with no economic significance. It is believed that the vein discovered in the crosscut still lies 20 to 30 feet east of this heading which is being stopped. A new crosscut is being started to follow the barite vein mentioned in our June Report.

The Southwest Drift was extended 30 feet to a total distance of 85 feet from the original heading. The vein turned slightly so t the strike is S 60 W . After the final round for the month the quartz vein had narrowed and the scheelite showings in the quartz and in the hanging wall stringers deteriorated so that the muck was not saved for ore. If no improvement is observed in August the low grade ore shoot, about 60 feet long, will be carefully sampled and an experimental stope started to determine whether it would pay to mine.

During the period after the hoist broke down several men were put to work in the so-called Barite Pit on the Copper Vein and some work was done on the scheelite showing near the Chas. Dry residence. This work was largely unproductive and the excavations were covered up as a result of a series of heavy rains. Assays of samples taken at these and other points along the Copper Vein failed to show encouraging gold values.

A proposed Amendment No. 2 to our Contract was prepared by RMSA in response to our application for authorization to drill a single 1,000 ft. hole instead of four short holes as contemplated in the original contract. However, recent advice from drilling contractors indicated that the specified price of only $7.00 per foot would result in the Operator paying at least 50% of the cost. As we could not afford to assume this additional expense at this time the proposed agreement was returned unsigned

Negotiations have been started with two drilling contractors with a view to obtaining bids for one or more shorter holes but prices for diamond core drilling have increased 20 to 30 %during the last year and holes longer than about 150 feet may require a heavier machine which uses more air than we can supply with our present equipment.

A small stope has been started on the 100 level.

Carolina Tungsten Mining Co.

Paul M. Tyler
Partner

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
AUG 1 7 1956

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of July 1956 Docket No. DMEA 3742 Contract No. Idm. E869

Operator's Name Carolina Tungsten Mining Co Minerals Tungsten

Address P.O. Box 1251, Concord, N.C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	Ft.	$1687.50	45	$8,850.00	236	$37.50	600	$37.50
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		$1687.50	45	$8,850.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$1,687.50		$8,850.00				

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

Date ..... 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)

S.C. Bergman, Geologist, USGS
8/10/56

INSTRUCTIONS

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

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

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

GPO 872894

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

RECEIVED JUL 20 1956

Month of June, 1956 Docket No. DMEA 3742 Contract No. Idm-2869
Operator's Name Carolina Tungsten Mining Co. Minerals Tungsten
Address Box 1251, Concord, N. C.
Contract Amount, $ 26,400.00 Government Participation: 75 % Amount, $19,800.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY WSM: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting 52ft. x 137.50	$1950.00	$5212.50	$7162.50			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS				1950.00	5212.50	7162.50

I certify that the above bill is correct and just and that payment therefor has not been received.
Date July 10, 1956 *Payee Carolina Tungsten Mining Co.
Per Hal Parker Title Partner

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

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

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:
$ 1462.50
Signature Helen R. Miller
(Authorized Certifying Officer)
Date JUL 18 1956 Vou. No.
(See other side)

487.50

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E 869 in accordance with the terms of the contract.

Signature S. C. Bergman Title Geologist, USGS Date 7/16/56

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. J. Lynch Title ACTING EXECUTIVE OFFICER DMEA REGION V Date JUL 16 1956

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

RECEIVED
JUL 20 1956

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of [illegible] 1956 Docket No. DMEA [illegible] Contract No. [illegible]
Operator's Name [illegible] Minerals [illegible]
Address [illegible]

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		[illegible]	[illegible]	[illegible]				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		[illegible]		[illegible]				

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 [illegible] Operator [illegible]

Per [illegible] Title [illegible]

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)

S.C. Bergman, Geologist, USGS
7/16/56

INSTRUCTIONS

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

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

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

GPO 872894

DMEA Contract No. 14-2869-Tungsten

(c) **Narrative Report for June 1956**

The Northeast Drift on the 170 level of the Furnace Mine was curved progressively to the East in the fault zone carrying numerous veinlets of carbonates but no sulphides or scheelite. It finally encountered a strong vein of barite accompanied by minor amounts of carbonates but still devoid of economic mine realization. This vein varied in width up to about 8 inches and apparently lies along the NE boundary of the fault zone which strikes about S 50 E with a dip of 70 degrees to 80 degrees to the SW. It was followed for some 10 feet but as this resulted in reversing the general direction of the drift, the course of the drift was turned again in a northeasterly direction. It was intended to proceed from this point on a bearing of N 45 E in order to intercept the vein at the location of Bureau of Mines drill hole BM4. At the end of the month, however, the drift was running about N 56 E tending to follow the joints or bedding planes of the greenstone. As a result of these several changes in direction the footage advanced toward the aforementioned target was only 17 feet. A total of 3 or 4 days' work was consumed without making any measurable progress for the purpose of the contract. Consideration is being given to following this barite vein as the shortest distance to the vein encountered in the crosscut as described in earlier monthly reports but any work in this direction should be chargeable to a crosscut rather than to advance/straightenings in order to lay new track. after water [illegible] is [illegible] after [illegible] after several

Throughout the month, the Southwest Drift on the 170 level was being driven in low-grade tungsten ore. The scheelite content, as indicated by a lamp, continued to improve and on July 5th, the face of the heading showed a strong quartz vein, 10 to 16 inches wide, carrying considerable scheelite, and numerous parallel veinlets closely spaced in the hanging wall. At least 4 of these narrow veinlets carried persistent streaks of scheelite. The current width of the vein is about 4 feet. The strike still averages about S 53 W and the dip around 60 degrees to 70 degrees NW. All material from this heading has been saved as "ore" although, due to the geometry of the vein across the drift and also to the fact that the rich fines are largely left on the floor to ballast the track, the muck hoisted has been quite low grade. Three samples of the "ore pile" showed a range of 0.10 to 0.20 oz gold. Earlier samples were even lower grade except for one freak assay of minus ½ inch fines which showed 0.27% WO3 but only 0.04 oz. gold. A sample of vein quartz, about 8 inches wide and excluding the richer streaks that characteristically follow along the edges of the quartz portion of the vein, assayed 0.14 oz. gold, 0.32 oz. silver, and 0.41% WO3.

The drift on the 100 level was continued so as to develop a total of 42 feet of tungsten-bearing vein up to 2 feet wide. This length corresponds roughly to the Bulines sampling on the floor of the slope above as reported in R.I. 4724. Since this vein strikes S 62 W with a dip of 60 degrees to 65 degrees NW, there is a question whether it is the same vein that we are following on the 170 level. It may be in the hanging wall. However, a limited amount of bulldozing has failed to yield clear evidence of more than one strong vein in this vicinity on the surface.

We checked the level of the water in the Phoenix Shaft on July 6, about 192 days after pumping was stopped last December. The water has risen to about 25 feet above the 250 level. A rough estimate of the volume of open workings indicates a inflow of about 1.5 million gallons or an average of only about 8,000 gallons per day. A previous examination, on February 25 before the spring rains, indicated an average inflow of less than 4,000 gallons per day.

Three bull dozer trenches were dug along the assumed strike of the main Phoenix main southwest of the Farr shaft. Scheelite-bearing quartz was encountered in one trench about halfway between the Phoenix and the Furnice shafts but the vein became less and less distinct within 2 or 3 feet of the surface.

On June 12, 1956, a bull dozer cut on the Copper vein at the foot of the hill about 750 feet NE of the Copper Shaft uncovered a barite-rich zone containing encouraging amounts of the coarse scheelite and pyrite. The vein widened from only a few inches to 10 feet or more, the best portion seemingly being under a very large tree. We propose to sink a test pit to explore this occurrence within a few weeks.

Three or four days' work on the scheelite showing near the C. Dry residence afforded no new information but work will be resumed when convenient.

Several bull dozer trenches were dug on the hill SW of the Copper Shaft. The first trench, about 75 feet from the main shaft, disclosed the vein in place near the surface but the quartz portion pinched out within about 3 feet. Some distance beyond, the vein is exposed on the same strike (S 60 W) in a shallow shaft which shows about 30 inches of quartz with traces of scheelite in place. About 40 feet beyond this shallow shaft the vein was found to be only 18 inches wide and a strong branching quartz lens striking almost due N and S played out within 30 inches below the surface. Two additional trenches about 50 and 100 feet, respectively, further SW showed only traces of the vein which appears to fade out into a belt of light colored rock that somewhat resembles granite in the weathered outcrop. This condition has been noted in several places on the Phoenix-Furnice vein system and again on the extension of the so-called Pete Mack vein further to the NW.

The entire area for several hundred yards west of the Copper Shaft is strewn with numerous quartz fragments some of which may have originated in arsenide-bearing veins. A dike-like mass of quartz about 30 inches wide and 10 feet long seemed to line up with a concentration of quartz boulders striking N 05 W. However, this "dike" proved to be only 2 feet thick and when turned over by the bull dozer no signs of a vein could be seen. It may be surmised that this large area is underlain by a shear zone with numerous cross veins but no real evidence of tungsten or other economic mineralization has been noted at surface. A single shallow trench on the Tucker vein indicated that

it contained only small lenses of quartz over the surface at that point and little or no ore.

Joe Parker, Part.

400

RECEIVED

JUN 18 1956

dmea 3742

P. O. Box 217
June 15, 1956

Memorandum

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

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

Subject: Monthly reports and vouchers

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

Idm-E-869 — Carolina Tungsten Mining Company
3rd payment - month of May
Docket No. DMEA-3742
Amount $2165.63

Idm-E-918 — The Ferguson Mine Company
Docket No. DMEA-4002
4th payment - month of May
Amount $1365.00

Helen R. Miller

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

May 17-104

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-

RECEIVED JUN 18 1956

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of May, 1956 Docket No. DMEA 374E Contract No. Idm-E869
Operator's Name Carolina Tungsten Mining Co. Minerals Tungsten
Address P.O. Box 1251, Concord, N.C.
Contract Amount, $26,400.00 Government Participation: 75 % Amount, $19,800.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting 77 ft. @ $37.50	2,887.50	2325.00	5212.50			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	2,887.50	2325.00	5212.50	2887.50	2325.00	5212.50

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

Date June 1, 1956 *Payee Carolina Tungsten Mining Co

Per Paul Mulyler Title Partner

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

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

(Instructions on reverse)

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

$ 2165.63

Signature Helen R. Miller
(Authorized Certifying Officer)

Date JUN 15 1956 Vou. No.
(See other side)

721.87

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E 869 in accordance with the terms of the contract.

Signature A. L. Peyton Title Mining Engineer Date 6-13-56

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION V Date JUN 13 1956 JUN 13 195

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

RECEIVED
JUN 18 1956

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of May 1956 Docket No. DMEA 3742 Contract No. Idm-E869
Operator's Name Carolina Tungsten Mining Co. Minerals Tungsten
Address P.O. Box 1251, Concord, N.C

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting	foot	$2.887.50	77	$5,212.50	139	$37.50	600	$37.50
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		2.887.50		5,212.50				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		2.887.50		5,212.50				

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

Date June 1, 1956 Operator Carolina Tungsten Mining Co.
Per Paul M. Tyler Title Partner

REMARKS:

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

(Instructions on reverse)

(For Government use only)

A. L. Peyton
U. S. Bureau of Mines

INSTRUCTIONS

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

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

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

GPO 872894

DMEA 3742-Idm-E869

Carolina Tungsten Mining C., [redacted]rus County, N. C.

RECEIVED JUN 18 1956

(c) Narrative Report--May 1956

After taking up bottom for as much as 5 ft. and widening for about 100 feet drifting was begun under the contract on the Southwest heading of the 170 level of the Burniss Mine during the first week of May 1956. The vein improved rapidly and within about 10 ft. widened to over 30 inches with two good streaks of scheelite and considerable sulphides. After about 15 ft. the ore shoot deteriorated but within another 10 feet it improved again. A sample was taken of the muck on May 23 when the heading was in the poorer part of that may prove to be a fairly good ore shoot. The drift was extended a total of 30 ft. on the same general strike, S 55° W.

Considerable experimentation was done on rock taken from bottom of the SW drift on footwall of the vein. The almost quartz-free rock contained perhaps 5% sulphides and occasional specks of scheelite but assays were disappointing. After screening out all material over ½-in. a bulk sample assayed 0.04 gold, 0.06 silver, 0.03% copper, and 0.27% WO_3. However, a test in a Denver mechanical pan indicated that the WO_3 content did not average over 0.06% and the gold values were only about $2 a ton.

After following the narrow stringer in the Northeast drift for a total of about 75 feet (from our starting point), it veered to the east and disappeared in a fault zone containing numerous cross fractures filled with carbonates. The drift was turned to follow the stringer and is now being continued almost due east with the view of picking up the strong quartz vein which we cut in the crosscut. After passing through the fault zone the heading encountered dark massive greenstone with much disseminated pyrite and similar in appearance to the rock in the hanging wall of the new quartz vein found in crosscut. It is anticipated that this vein will be intercepted within 50 or 70 feet and can be followed to the target ore shoot formerly worked in the vicinity of Bullines drill hole DH 4.

Bulldozing (not covered by contract) was done on the other known vein sytem in the vicinity of the Charles Dry residence. A small nest of scheelite crystals was found beneath an outcrop investigated by the Bullines. It is now proposed to sink a prospect pit at this point. A 24-inch quartz vein striking S 70° E has been exposed for as much as 100 ft. but is seemingly cut off at both ends. This vein may follow a tension fracture similar to those observed underground crossing the Phoenix-Burniss vein system.

Application is being made for an amendment to our contract to permit drilling one long hole to explore the territory between the two main known veins systems. Bulldozing and other surface work indicates the existence of numerous small veins or fractures which strike in various directions. It is believed that other veins more or less parallel to the Phoenix-Burniss and Copper-Tucker vein systems may be found but the main object is to investigate the possibility of larger ore bodies such as may be associated with the cross fractures and tension cracks and where the ore-bearing solutions were not confined to the narrow tight fissures like those existing in the Phoenix and Burniss Mines. Inasmuch as there is a mixed similarity between this structure and that found in the Hamme mine Vance County, it is hoped that the highly successful geologic techniques developed there may be applicable here.

6/1/56

Paul M. Tyler

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE
DEPARTMENTS K...

OPERATOR'S MONTHLY REPORT AND VOUCHER

RECEIVED
MAY 16 1956

Month of April, 1956 Docket No. DMEA 3742 Contract No. Idm-E 869
Operator's Name Carolina Tungsten Mining Co. Minerals Tungsten
Address Box 1251, Concord, N. C.
Contract Amount, $26,400.00 Government Participation 75 % Amount, $19,800.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY WSM		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting 25ft. @ $37.50	$937.50	$1387.50	$2325.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS				937.50	1387.50	2325.00

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

Date May 7, 1956 *Payee Carolina Tungsten Mining Co.

Per Hal Parker Title Partner

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

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

(Instructions on reverse)

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

$ 703.12

Signature Helen R. Miller (Authorized Certifying Officer)

Date MAY 15 1956 Vou. No.

(See other side)

234.38

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E-869 in accordance with the terms of the contract.

Signature A. L. Peyton Title Mining Engineer Date MAY 14 1956

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. J. Lynch Title ACTING EXECUTIVE OFFICER DMEA REGION V Date MAY 14 1956

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
MAY 16 1956

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of April 196 Docket No. DMEA 3742 Contract No. Idm-E-869
Operator's Name Carolina Tungsten Mining Company Minerals Tungsten
Address Box 1251, Concord, N. C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting	Ft.	$937.50	25	$2325.00	62	$37.50	600	$37.50
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		$937.50	25	$2325.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$937.50	25	$2325.00				

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

Date May 7, 1956 Operator Carolina Tungsten Mining Co.

Per Hoe Lackey Title Partner

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

REMARKS:

(Instructions on reverse)

(For Government use only)

A. L. Peyton
U. S. Bureau of Mines

INSTRUCTIONS

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

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

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

GPO 872894

RECEIVED
MAY 16 1956

Monthly Report for April 1956

Section (c) Narrative

Re: DMEA - 3742, Idm-E 869 (Tungsten), Furniss- Phoenix Mines
Cabarrus County, N. C.

Drifting on the Northeast 170 ft. level was continued during the month of April. Although only 25 feet of advance was accomplished in this heading which is reimbursable under the contract other work in connection with this drifting was accomplished.

Over 75 ft. of bottom was taken up in the Southwest drift on the 170 ft. level together with necessary widening in an effort to begin advancing at the heading on this end of the drift as contemplated by the contract.

Also, the Southwest drift on the 100 ft level was advanced approximately 15 ft. although it likewise is not reimbursable unfer the Contract.

During this month a new jackleg drill was purchased and put into use. It was found to be more easily handled and moved around as is necessary by the type of our operation.

Some sampling work was done on the ore from the 170 ft. level but the results are not available as of this date.

Respectfully submitted,

Carolina Tungsten Mining Company

Hal Lackey

Hal Lackey, Partner

Form [illegible]-104 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE
PAYMENTS K-

OPERATOR'S MONTHLY REPORT AND VOUCHER

RECEIVED
APR 18 1956

Month of Feb-March, 1956 Docket No. DMEA 3742 Contract No. Idm-E869
Operator's Name Carolina Tungsten Mining Co. Minerals Tungsten
Address P.O. Box 1251, Concord, N.C.
Contract Amount, $ 26,400.00 Government Participation: 75 % Amount, $ 19,800.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY WBG: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) ~~Independent~~ Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting 37 ft. @ $37.50	$1,387.50	none	$1,387.50			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS				1387.50		1387.50

I certify that the above bill is correct and just and that payment therefor has not been received.
Date April 12, 1956 Payee Carolina Tungsten Mining Co
Per Hal Parker Title Partner

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

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

(Instructions on reverse)

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

$ 1040.62

Signature Helen R. Miller
(Authorized Certifying Officer)

Date APR 17 1956 Vou. No.
(See other side)

346.88

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E869 in accordance with the terms of the contract.

Signature S. C. Bergman Title Geologist, USGS Date 4/16/56

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

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

MONTHLY REPORT OF OPERATOR

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(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.

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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".

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

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

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

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Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

RECEIVED
APR 18 1956

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Feb-March 1956 Docket No. DMEA 3742 Contract No. Idm-E869
Operator's Name Carolina Tungsten Mining Co Minerals Tungsten
Address P.O. Box 1251, Concord, N.C

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting	Ft.	$1,387.50	37	$1,387.50	37	$37.50	600	$37.50
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		$1,387.50		$1,387.50				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$1,387.50		$1,387.50				

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

Date April 12, 1956 Operator Carolina Tungsten Mining Co.

Per Joel Peeke Title Partner

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

REMARKS:

(Instructions on reverse)

(For Government use only)

J. C. Bergman - Geologist, USGS
4/16/56

INSTRUCTIONS

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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

Monthly Report for February-March 1956

Section (c) Narrative

DMEA-3742, Idm-E869(Tungsten), Furniss-Phoenix Mines
Cabarrus County, N. C.

Initial work under this Contract, during February-March 1956, totalled 37 feet of advance of the Northeast Heading of the 170-ft. level.

As thereby exposed, the present vein is still variable in width and narrow with meager and spotty scheelite showings which are not deemed worthy of sampling. The current strike is approximately N 52 E but the sinuous course from the main crosscut continues to average about N 43 E(magnetic)

After expenditures of some $10,000 for unwatering and rehabilitation of the shaft, access to the 170-ft. level of the Furniss Mine was accomplished late in January but a large amount of mucking, widening of the drifts, and taking up bottom had to be done before track could be laid to either heading. However, work was begun on the Northeast heading under the Contract on or about February 7th and has continued intermittently thereafter. Although several dozen holes have been shot and hundreds of tons of muck removed from the Southwest drift, the track on that end of the level was still over 100 feet from the heading on March 31.

Meanwhile, to check the Contractor's belief that the main vein is still in the footwall, a crosscut was started at a point where good tungsten showings were found as indicated in the map of the Furniss workings in U. S. Bureau of Mines Rept. of Investigations 4724(Sample location #8), about 54 ft. from center line of the main crosscut from the shaft. An 8 - 12 inch quartz vein with massive chalcopyrite was encountered about 9 ft. SE of the vein in the drift. In the opinion of the DMEA Field Team(Messrs. Beck and Bergmann), this is an entirely new vein. The crosscut was continued for a total advance of 22 ft. without encountering another quartz vein or a definite footwall. A channel sample representing the first 15 ft. below the vein of the drift and including the "new" vein, assayed 0.08 oz/T gold, 1.05 oz/T silver, and 0.20% copper. The work in this crosscut, although contributing to geologic information, is not reimbursable under the Contract.

The Southwest drift on the 100-ft level of the Furniss Mine was also re-opened, cleaned out, and heavily timbered. Drilling and blasting began on March 26. Two rounds had been shot when this level was inspected by the DMEA Field Team on March 30. This work, likewise, is not reimbursable under the Contract.

Respectfully submitted,

Carolina Tungsten Mining Co.,

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