OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Washington office pertaining to Contract Idm-2835, Docket DMEA-3813 (mica), dated June 30, 1955, with

T. B. Vance
Plumtree, North Carolina

for the purpose of determining the amount of royalty payable to the U. S. Government on sales of minerals from property referred to as the Shuffle Vance, Red, or Charlie Burleson Mine located in Avery County, North Carolina, during the period November 2, 1960, through September 20, 1963.

A certification of discovery or development was issued on May 9, 1956, and, in accordance with Article 7 of the contract, royalty is payable on all minerals produced from the land described in Article 2 of the contract for a period of 10 years from the date of the contract or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first. A Report of Review dated February 8, 1956, indicated accepted costs under the exploration contract amounting to $5,310.00 with the Government's contribution on a 75 percent basis being $3,982.50.

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

This review found no sales subject to the Government's royalty subsequent to the period covered by a prior Report of Royalty Review which found the sales subject to the Government's royalty through November 1, 1960, to be $5,983.01. The royalty account as of November 1, 1960, was:

Total Royalty Payable	$299.15
Total Royalty Paid	299.15
Balance of Royalty Due	$ -0-

As of September 20, 1963, the royalty account of this project was found to be:

Total Royalty Payable	$299.15
Total Royalty Paid	299.15
Balance of Royalty Due	$ -0-

E. D. Talbert

E. D. Talbert, OME Auditor

November 12, 1963

Idm-8835 T. B. Vance DMEA-3813

STATUS OF PROJECT, SCOPE OF REVIEW
AND REASONS THEREFOR

This contract provides that the Operator, as principal if the producer or as surety if not the producer, shall pay to the Government a percentage royalty on all minerals produced from the land thereunder. The land consists of a plot of about 26 acres on a spur of Doublehead Mountain about 1 mile N 61° W of Plumtree. At the time the contract was executed the Operator was the owner.

Exploration work under the contract was completed on January 6, 1956. Production during the exploration period by the Operator and intermittently thereafter by lessees (Dave Dellinger and William Stafford) and the Operator resulted in sales through November 6, 1958, to the G.S.A. Mica Purchase Depot at Spruce Pine, one sale to M. K. Burleson in August 1958, and a commercial sale of scrap during 1958. These sales, which aggregated 332.75 lbs. of trimmed, 5,925 lbs. of hand-cobbed, and 2,030 lbs. of scrap, are covered by Reports of Royalty Review dated March 18, 1958, and November 2, 1960.

Examinations of the property, checks of the Mica Purchase Depot's records, and inquiries by regional OME representatives indicated that the property was inactive from November 1958 through June 15, 1960. An examination of the Depot's records during June 1962 by a representative of this Division disclosed no unreported sales. By December 1962 and September 1963 replies to MME Form 63 inquiries the Operator has advised that neither production nor change in property status has occurred since June 15, 1960.

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

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

NOV 29 1963

Memorandum

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

From: Chief, Division of Field Operations, OMK

Subject: IMRA-3813 (Mica)
T. B. Vance
Shuffle Vance Mine
Avery County, North Carolina
Contract Idm-8835

Enclosed for your files is the original of a Report of Royalty Review, dated November 12, 1963, on the subject contract.

George C. Selfridge

Enclosure

GCSelfridge/gla (11-29-63)
cc to: Director's Reading File
CA&A Division
Docket
G.C.Selfridge
R. A. Laurence, USGS, Reg. IV, w/cy of Report of Royalty Review dtd 11/12/63 & Orig. cy of memo dtd 11/26/63 to Chief, Div. of Field Operations from CA&A Division.
Avery Reed, USBM, Reg. IV, w/cy of each item sent to Mr. Laurence

NOV 26 1963

Memorandum

To: Chief, Division of Field Operations

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

Subject: DMEA-3813 (Mica)
T. B. Vance
Shuffle Vance Mine
Avery County, North Carolina
Contract Idm-K835

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

(a) Original to the Fiscal Section, Division of Management Operations, Office of the Secretary; and

(b) Two copies to Region IV files.

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

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

Enclosures

EDTalbert/ama 11-26-63

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

EPS 4-269B
EPS 4-358A

E 835 6/30/55 DMBA-3813 T.B. Vance

Avery County, N.C. Shuffle Vance, Red, Charlie Burleson Mine

Last reported Depot sale 11/6/58 lot 335 $13289 T.B. Vance Jr.

Other known parties of possible interest:

M. E. Burleson - Bought 25 lbs 13 oz for $258.12 in August 1958. Royalty paid 1/59
Dave Mellinger
William Stafford
Joe Vance

No record located in S.P. Depot of any sale from this property subsequent to lot span 335 sold by T.B. Vance, Jr for $132.89.
C.E.F. 6/21/62

A ✓

NME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
6/26		800
		500
		120
		110
		100
		220

June 26, 1962

Memorandum

To: The File

From: C. E. Fisher, OMM Auditor

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

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

Contract No.	Docket No.	Operator	Mine Names
E- 684	3244	Alex Teague	Old Denson (Denison)
687	3256	Glenn C. Rathburn	Fox, Busby Creek
692	3260	Sam L. Phillips	W. A. McKinney, McKinney No. 1
694	3199	W. B. Chrisman	R. D. (W. H.) Westall
712	3410	Rock Mining Company	Rock
737	3469	A. Ward	Elmore
757	3559	C. R. Phillips, et al.	Sugar Dave, Ralph
762	3577	Keller Mining Co.	Boyster
805	3720	Alvin White, et al.	Howard
830	3265	Mines and Mining, Inc.	Farlow Gap
835	3813	T. B. Vance	Shuffle Vance, Red, Charlie Burleson
840	3799	J. R. Beam	Bennett, Mica Field
865	3860	Ed Boone	Goog Rock
88[illegible]	3924	J. R. Beam & John Phillips	Little Ray, Pat
[illegible]	3543	Buchanan Minerals, Inc.	Buchanan, Dream
900	3942	Sam G. Smith	Coe Hill, Sam Smith
962	4147	Sam L. Phillips	Old Buchanan
1005	4239	John Phillips	Robby (Robby)
1008	4332	John Phillips	John (John's) Brown
1037	4268	Murphy Mining Co.	Murphy, Murphy Rock
1042	4449	Clifton D. Buchanan	Boone, Phillips
1089	4554	Sam L. Phillips	Black Mountain

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

CEFisher/amm
6-26-62

63603

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Office of Minerals Exploration, Washington, D. C., pertaining to Contract No. Idm-8835, Docket No. DMSA-3813 (Mica), dated June 30, 1955, with

T. B. Vance
Plumtree, North Carolina

for the purpose of determining the amount of royalty due the U. S. Government on sales of minerals from property referred to as Shuffle Vance Mine located in Avery County, North Carolina, during the period February 20, 1958, through November 1, 1960.

A certification of discovery or development was issued on May 9, 1956, and, in accordance with Article 7 of the contract, royalty is payable on all minerals mined or produced from the land described in Article 2 of the contract for a period of 10 years from the date of the contract or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first. A Report of Review in lieu of final audit dated February 8, 1956, indicated accepted costs under the exploration contract amounting to $5,310.00 with the Government's contribution, on a 75 percent basis, being $3,982.50.

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

This review established the total sales of mica for the period to be $977.22. Royalty due the Government at rates specified in the contract is $48.86.

A prior Report of Royalty Review found the sales subject to Government royalty through February 19, 1958, to be $5,005.79 which added to the sales for this subsequent period make a total of $5,983.01. The royalty account as of February 19, 1958, was:

Total Royalty Due	$250.29
Total Royalty Paid	204.58
Balance of Royalty Due	$ 45.71

At November 1, 1960, the royalty account of this project was found to be:

Total Royalty Due	$299.15
Total Royalty Paid	299.15
Balance of Royalty Due	$ -0-

November 2, 1960

C. E. Fisher, OME Auditor

STATUS OF PROJECT, SCOPE OF REVIEW
AND REASONS THEREFOR

Intermittent operations were conducted subsequent to the exploration period through the latter part of 1958. The last sale of production of record consisted of 9.25 pounds of trimmed mica being lot No. 335 sold to the Spruce Pine Depot on November 6, 1958.

My review included the recomputation and tabulation of settlement data in the Washington office files. A summary of sales and royalty receipts follows:

Type of mica	Pounds	Value	Royalty
Trimmed	332.75	$4,641.13	$232.06
Hand-cobbed	5,925	1,311.43	65.57
Scrap	2,030	30.45	1.52
Totals	8,287.75	$5,983.01	$299.15

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

(1) Inspection reports by field representatives of the Government and correspondence in the Washington office files indicates that all production to date has been reported and proper royalty has been received; and

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

MME Form 22
April 59

DEPARTMENT OF THE INTERIOR
Office of Minerals Exploration

CHECK SHEET OF EXAMINING ENGINEER

Operator's Name T. B. Vance

Address Plumtree, North Carolina

Exploration Contract No. Idm-E835 Docket No. DMEA-3813

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

November 1, 1960
Date

George C. Selfridge
Mining Engineer

53362

MME Form 22
April 59

DEPARTMENT OF THE INTERIOR
Office of Minerals Exploration

CHECK SHEET OF EXAMINING ENGINEER

Operator's Name T. B. Vance

Address Plumtree, North Carolina

Exploration Contract No. Idm-E835 Docket No. DMEA-3813

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

November 1, 1960
Date

George C. Selfridge
Mining Engineer

53362

EXTRA COPY
O. M. E
RECEIVED NOV 1960

DATE	INITIALS	
		800

NOV 15 1960

Mr. T. B. Vance

Plumtree, North Carolina

Re: Docket DMEA-3813 (Mica)
T. B. Vance
Shuffle Vance Mine
Avery County, North Carolina
Contract Idm-E835

Dear Mr. Vance:

Enclosed for your information and records is a copy of a Report of Royalty Review prepared by the Office of Minerals Exploration which has succeeded the Defense Minerals Exploration Administration.

Sincerely yours,

George C. Selfridge

George C. Selfridge
Chief, Division of
Field Operations

Enclosure

LGHouk:gad 11/14/60
Copy to: Wash. Off. (2)
Region IV (2)
Mr. Houk

EXTRA COPY
O. M. E
RECEIVED NOV
DATE | INITIALS | CODE
800

November 14, 1960

Memorandum

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

From: Chief, Division of Field Operations, OME

Subject: DMEA-3813 (Mica)
T. B. Vance
Shuffle Vance Mine
Avery County, North Carolina
Contract Idm-E895

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

George C. Selfridge

George C. Selfridge
Chief, Division of Field Operations

Attachment

LCHouk:gad 11/14/60
Copy to: Region IV (2)
Wash. Off. (2)
Mr. Houk

E-835

For Certificate of Deposit No. 17, dated December 8, 1959, giving royalty payment of $94.57, see E-57.

DEC 3 1959

Memorandum

To: Executive Officer, OME Field Team, Region V

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

Subject: Docket No. DMRA-3813 (Mica)
T. B. Vance
Shuffle Vance Mine
Avery County, North Carolina
Contract No. Ida-E855

Attached for deposit in the usual manner is a personal check from Mr. T. B. Vance in the amount of $94.57 representing royalty due on the above cited project. This collection resulted from the Acting Director's letter to Mr. Vance dated November 23, 1959, two copies of which were furnished you.

Attachment

AMAlley/ama
December 3, 1959

Copy to: Docket
Director's Reading File
CA & A Division
Mrs. Helen R. Miller

NOV 23 1959

Mr. T. B. Vance

Plumtree, North Carolina

CERTIFIED MAIL

Re: Docket No. DMEA-3813 (Mica)
T. B. Vance
Shuffle Vance Mine
Avery County, North Carolina
Contract No. Ida-8835

Dear Mr. Vance:

The records of the Office of Minerals Exploration indicate that you are indebted to the U. S. Government in the amount of $94.57 for royalty due on production and sale of mica from the Shuffle Vance Mine during the past two years. This obligation arises under Article 7 of the above referenced contract. The efforts of our field representatives to collect this past due royalty have proven unsuccessful and the matter has been referred to this office for appropriate action.

Demand is therefore made for payment of the amount of $94.57 within 60 days. If you are not in position to pay this amount within such time, a payment on account and assurance of regular periodic payments to liquidate the balance will be considered by this office.

An early reply to this letter is requested.

Sincerely yours,

(signed) FRANK E. JOHNSON
Acting Director

CEFisher/ama
November 20, 1959

Copy to: Docket
Director's Reading File
CA & A Division
OME Field Team, Region V (2)

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

EXTRA COPY
O. M. E.
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DATE	INITIALS	CODE
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November 10, 1959

Memorandum

To: Operating Committee, OME - Washington

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

Subject: DMEA-3813, Idm-E835 (mica) T. B. Vance, Operator
Shuffle Vance Mine, Avery County, North Carolina
Your Memo of November 6, 1959

No progress has been made in collecting the $94.57 which is overdue. When Mr. Lynch was in Spruce Pine recently, he asked Mrs. Vance about this and was told that as a result of financial reverses, the Vances had lost everything they had and simply were unable to pay anything. It is doubtful if the situation will improve in the near future.

A letter from the Washington office might bring results but it is not likely.

Robert A. Laurence
Executive Officer, OME, Reg.V

V. J.Lynch, Member
Bureau of Mines

RAL/zm
Lynch
Laurence

NOV

Memorandum

To: Executive Officer, OME Field Team, Region V

From: Chairman, Operating Committee

Subject: Docket No. DREA-3813 (Mica)
T. B. Vance
Shuffle Vance Mine
Avery County, North Carolina
Contract No. Idm-8835

The files of the Washington office include a copy of Mr. Lynch's letter dated February 16, 1959, requesting the operator to pay past due royalty under the subject contract amounting to $94.57. We have no record of any subsequent collection efforts.

Please make further attempts to collect this amount, together with any additional royalty which may be due on subsequent production and sales from the property. If your collection efforts should prove unsuccessful, the matter should be referred to the Washington office for appropriate action as provided by the Special Notice in Operating Committee Minutes No. 395, dated July 30, 1954, and reiterated by the Special Notice in Operating Committee Minutes No. 883, dated October 18, 1957.

George C. Selfridge

APPROVED:

Frank D. Lamb
Member, Bureau of Mines

Harold Kirkemo
Member, Geological Survey

CEFisher/ama
November 5, 1959

Copy to: Docket
Director's Reading File
Operating Committee
CA & A Division
Mr. M. L. Skow, USBM
Mr. Harold Kirkemo, USGS

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DATE | INITIALS | CODE
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February 16, 1959

Mr. T. B. Vance, Jr.

Plumtree, N. C.

Re: DMEA-3813, Idm-E835-mica.
Shuffle Vance Mine
Avery County, N.C.

Dear Mr. Vance:

Since this office wrote you on December 5, 1958 about royalty due the Government on sales of mica from production on the property covered by the subject contract, there has come to our attention that two additional sales not listed in that letter have been made. These sales are listed below:

Date	Lot	Pounds	Value
11-6-58	335	9.25	$132.89
August 1958, to M. E. Burleson (25 lbs, 13 oz.)			258.12
		Total...	$391.01

This brings the total value of sales of which we have record on which no royalty has been paid to $1,891.32. Royalty due the Government at 5 percent on this amount is $94.57. Please send this office your check in the above amount plus 5 percent of any punch or scrap sold.

Very truly yours,

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

WAB
[redacted]/zmon-2
Lynch
Files

Reporting Committee

EXTRA COPY
O. M. E.
RECEIVED DEC 8 1958

DATE	INITIALS	CODE
		800

December 5, 1958

Mr. T. B. Vance, Jr.

Plumtree, N. C.

Re: DMEA-3813, Idm-E835-mica.
Shuffle Vance Mine
Avery County, N.C.

Dear Mr. Vance:

When Mr. Wm. A. Beck conferred with you on July 31, 1958, you told him that upon receipt of the final settlement on a sale of mica you made July 1 you would add more to it and pay the royalty owed the Government on production covered by the subject contract. You have received that final settlement and also made a sale on September 2, 1958 for which you received a total of $144.05. To this date we have not received the royalty promised. Total royalty due on production to date amounts to $75.02. For your information there is listed below the sales for which we have record and on which royalty has not been paid:

Date	Lot	Pounds	Value
11-12-57	451	24.20	$411.88
11-19-57	472	11.19	128.45
12-17-57	567	18.07	373.77
3-25-58	826	11.37	183.05
6-10-58	1044	10.56	144.66
7-1-58	4	7.82	84.00
9-2-58	162	6.87	144.05

Deducted amount 3/26/62

Total sheet.... $1,469.86

Scrap mica, 2,030 pounds 30.45

Value of sales $1,500.31
Royalty due Government at 5%... 75.02

Please send me your check in the above amount, plus 5 percent of the value of any mica sold that is not listed above. If payment is not received within 30 days from the date of this letter, it will be necessary to again refer your delinquency to our Washington office for appropriate action.

Sincerely yours,
EXECUTIVE OFFICER
OME FIELD TEAM
REGION V

JUN 13 1958

Mr. T. B. Vance

Plumtree, North Carolina

Re: Docket No. DMFA-3813 (Mica)
T. B. Vance
Shuffle Vance Mine
Avery County, North Carolina
Contract No. Idm-2835

Dear Mr. Vance:

Mr. Robert A. Lawrence, Executive Officer, DMEA Field Team, Region V, Knoxville, Tennessee, has advised me that you have not replied to his letter dated April 29, 1958, wherein request was made for the payment of $45.71 royalty due to the Government in connection with three sales of mica produced from the Shuffle Vance mine.

I am sure that you will wish to fulfill your royalty obligation under this contract and will forward the amount due at your earliest convenience. Will you please take care of this matter at once so that your account will again be on a current basis and we can close our file pertaining to this delinquency?

Sincerely yours,

C. O. Mittendorf

Administrator

CEFisher/ama
June 11, 1958

Copy to: Docket
Administrator
Admr. Reading File
Field Team, Region V (2)
Mr. Chambers

DMEA
RECEIVED
CODE
800
any to 600

May 29, 1958

Memorandum

To: Operating Committee, DMEA, Washington

From: Executive Officer, DMEA Field Team, Region V

Subject: DMEA-3813, Idm-E835 (Mica)
T. B. Vance, Plumtree, North Carolina
Shuffle Vance Mine, Avery County, N. C.

Mr. T. B. Vance has not replied to my letter of April 29, 1958, and the $45.71 royalty has not been paid.

Robert A. Laurence

cc: Opr. Com. (2)

MAY 1 1958
800

April 29, 1958

Mr. T. B. Vance

Plumtree, North Carolina

Re: Docket No. DMEA-3813 (Mica)
Shuffle Vance Mine
Avery County, North Carolina
Contract No. Idm-E835

Dear Mr. Vance:

On March 26, Mr. W. A. Beck discussed with you the production records of the Shuffle Vance mine and pointed out that $45.71 is due the Government as royalty. This is explained in the Report of Royalty Review dated March 18, which was sent to you on March 24.

Please send me your check for that amount, plus 5 percent of the value of any mica which has been sold since March 18. If payment is not received within 30 days from the date of this letter, it will be necessary to refer the matter to our Washington office for appropriate action.

Sincerely yours,

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

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

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the records of the Executive Officer, DMEA Field Team, Region V, Knoxville, Tennessee, pertaining to Contract Idm-E835, Docket No. DMEA-3813 (Mica), dated June 30, 1955, with

T. B. Vance
Plumtree, North Carolina

for the purpose of determining the amount of royalty due the U. S. Government on sales of mica from property referred to as Shuffle Vance Mine, located in Avery County, North Carolina, during the period June 30, 1955, to February 19, 1958.

A certification of discovery or development was issued on May 9, 1956, and, in accordance with the contract, royalty is payable on the net proceeds realized from production as a result of such discovery or development during a period of 10 years from the date of the contract or until the amount of the Government's contribution to exploration costs has been repaid, without interest, whichever occurs first. A report of review in lieu of final audit dated February 8, 1956, indicated accepted costs under the exploration contract amounting to $5,310.00 with the Government's contribution, on a 75 percent basis, being $3,982.50. The scope of this royalty review and the reasons therefor are stated on Schedule "A" attached.

My review established the total sales of mica to be $5,005.79. Royalty due the Government at the 5 percent rate specified in the contract is $250.29. The royalty paid and balance due are as follows:

Total Royalty Due	$250.29
Total Royalty Paid	204.58
Balance of Royalty Due per Schedule "A"	$ 45.71

C. E. Fisher, Auditor

March 18, 1958

Schedule "A"

Contract Idm-8835, Docket No. DMEA-3813 (Mica)
Report of Royalty Review

This review was limited to the listing of sales of sheet and hand-cobbed mica to the Mica Purchase Depot, Spruce Pine, North Carolina, shown by the records of the DMEA Region V office pertaining to production from Shuffle Vance Mine on which royalty was due the Government. This list, which is filed with my audit work papers, was checked with the purchase records of the Depot. A summary of the indicated production, sales, and royalty due and paid follows:

Item	Production (Pounds)	Sales
Sheet mica	261.07	$3,694.36
Hand-cobbed mica	5,925.00	1,311.43
Totals	6,186.07	$5,005.79
Royalty due @ 5%		$ 250.29
Royalty paid		204.58
Balance of Royalty Due*		$ 45.71

*Applicable to the following sales of sheet mica to the Depot:

Date Sold	Pounds	Proceeds
11-12-57	24.20	$411.88
11-19-57	11.19	128.45
12-17-57	18.07	373.77
Totals	53.46	$914.10

It is recommended that the regional office also ascertain the quantities and value of any scrap or punch mica on which royalty should be paid to the Government.

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

Check Sheet of Examining Engineer

Operator's Name T. B. Vance

Address Plumtree, North Carolina

Shuffle Vance Mine

Exploration Contract No. Idm-E835 Docket No. DMEA-3813

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

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

3.(a) Operator stockpiles mica sc rap until a sufficient amount is obtained to make a sale.

6. Operator never reports his production or pays his royalty until called upon to do so by the Examining Engineer.

Date 2-19-58

Wm. A. Beck, Mining Engineer

82448

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

Re: Docket No. DMEA-3813 (Mine)
T. N. Vance
Shuffle Vance Mine
Avery County, North Carolina
Contract No. IAm-2835

Dear Mr. Lawrence:

I am enclosing the original and two copies of Mr. Fisher's report of royalty review dated March 18, 1958, pertaining to the subject contract.

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

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Director
Contract Administration
and Audit Division

Enclosures

CEFisher/sms
March 19, 1958

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

TRIPLICATE

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

THIS DEPOSIT IS NOT SUBJECT TO CHECK

Oak Ridge, Tennessee

DEPOSIT NO. 14-23-070-50

For credit of 5369 Br. Trsy. Regional Office, Oak Ridge, Tenn. 12/10/57
(Name, title, and disbursing or identification symbol of accountable officer) (Date sent)

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

$ 175.92

for accounts listed below. SCHEDULE NOS.

ACCOUNT SYMBOL	TITLE OF ACCOUNT TO BE CREDITED	AMOUNT
14X4401	Idm-E1008 John Phillips (Royalty Payment)	17.52
	Idm-E835 T. B. Vance (Royalty Payment)	158.40

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

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

SPACE BELOW TO BE USED BY DEPOSITARY ONLY

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

(Authorized signature)

(Date of credit in Treasurer's account)

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

16—59686b-1 GPO

CENTRAL FILE COPY
DWEA
RECEIVED DEC 12 1957

DATE		CODE
12/12/	H. J.	225
		800

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

PROGRAM DATE CODE 800

November 13, 1957

Mr. T. B. Vance, Jr.

Plumtree, North Carolina

Re: DMEA-3813, Idm-E835-mica
Shuffle Vance Mine
Avery County, N. C.

Dear Mr. Vance:

It has come to our attention that considerable mica has been mined on property covered by the subject contract since the first of the year. According to Mr. William A. Beck, of our office, who visited you on April 23 and October 25, you are aware of your obligation to pay the Government royalty on any production from the land covered by the contract.

Our records show that sales on which no royalty has been paid amounting to $3300.70 has been made this year. The last sale on our record was made by you September 25, 1957. The royalty on these sales amount to $165.03. As you made an overpayment of $6.63 in May 1956, the royalty now due is $158.40. The Government is also entitled to royalty on sales of scrap and punch mica that was recovered in processing the above mica.

We cannot indefinitely postpone collection of these long overdue royalties and if settlement is not made within thirty (30) days we will refer this matter to our Washington office for further action.

Very truly yours,

V. J. Lynch, Acting Executive Officer
Bureau of Mines

WAB/zm
cc
Opr. Com-2
Lynch
Laurence

E-835

For Certificate of Deposit No. 110, dated June 14, 1956, giving royalty repayment of $46.18, see E-410.

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

T. B. Vance

Plumtree, North Carolina

pertaining to Exploration Project Contract No. Idm-2835, Docket No. DMEA-3813, including Amendment No. 1, for the months of July 1955, to January 1956, inclusive, covering a project for the exploration of mica on property, known as Shuffle Vance Mine located in Avery County, North Carolina.

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

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

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

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

Total cost as billed by Contractor		$5,310.00
Exceptions:		
By DMEA Finance Officer	$ -0-	
Herewith	-0-	-0-
Total Accepted Cost		$5,310.00

The contract calls for a 75 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Three thousand nine hundred eighty-two and 50/100 Dollars

$3,982.50

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

C. E. Fisher

C. E. Fisher, Auditor

February 8, 1956

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

2

OPERATOR'S MONTHLY REPORT AND RECEIPT

RECEIVED
FEB - 3 1956

Month of Dec. & Jan., 195 5 & 56 Docket No. DMEA 381 Contract No. 10-R 835
Operator's Name T. B. VANCE Minerals MICA
Address PRESCOTT, N. C.
Contract Amount, $ ONLY 5310.00 Government Participation: 75 % Amount, $ 3982.50

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		60.00	60.00			
Crosscutting						
Drifting Feet	1330.00	3920.00	5250.00			
(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	1330.00	3980.00	5310.00	1330.00	3980.00	5310.00

I certify that the above bill is correct and just and that payment therefor has not been received.
Date Jan. 13-56 *Payee T. B. VANCE

Per T B Vance Title OPERATOR

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

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

(Instructions on reverse)

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

$ 997.50

Signature Helen R. Miller
(Authorized Certifying Officer)

Date FEB 1 1956 Vou. No.
(See other side)

C 1-7-56

3982.50

(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. E835 in accordance with the terms of the contract.

Signature W. J. Lynch Title Mining Eng. Date 1/31/56

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION V Date JAN 31 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

RECEIVED
FEB - 3 1956

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Dec. & Jan. 1955 & 56 Docket No. DMEA 3313 Contract No. Ida-E 835
Operator's Name T. B. VANCE Minerals MICA
Address PRINCETON, 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	Feet	1330.00	38	5250.00	150	5250.	150	5250.00
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
BULLDOZING				60.00	1	60.	1	60.00
TOTAL DISTRIBUTED COSTS		1330.00		5310.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		1330.00		5310.00				

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 Jan. 13, 1956 Operator T. B. Vance

Per T B Vance Title Operator

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

REMARKS: This report includes all work accomplished in December and five days work in January which finished the project.

(Instructions on reverse)

(For Government use only)

V. J. Lynch
Bureau of Mines
1/31/56

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

GOVERNMENT MONTHLY REPORT OF PROGRESS

T. D. VANCE
Spruce Pine, N. C.

Site 3113 MICA
Contract No. Ica-S 835

RECEIVED
FEB - 3 1956

WORK ACCOMPLISHED MONTH OF DECEMBER AND FINISHED UP IN JANUARY.

Dec. 5 - Moved equipment for fan from Powder Mill to mine.

" 6 - Set up fan and connected up pipes and tested blower. It worked.

" 7 - Mucked out, drilled and shot.

" 8 - Mucked out-got one block mica weighed 15#.

" 12 - Drilled one round, shot & mucked.

" 13 - Drilled, mucked, shot & got one block mica.

" 14 - Drilled, shot, slate showing on both sides.

" 15 - Mucked out, vein looked good, got about 50# mica, mostly scraps.

" 16 - Drilled, shot and got some mica but it was damaged with powder burns.

" 19 - Mucked out clean, about two feet vein next slate. Drilled.

" 20 - Drilled & shot. Mucked, recovered dynamite box mica very puffy.

" 21 - Drilled, Shot, Mucked. Vein looked good.

" 22 - Mucked out clean, drilled shot & shot out all the vein.

" 23 - Mucked, Drilled & shot. Vein built up to one to four feet. some mica showing.

" 26 - Mucked out. drilled, shot, got some mica.

" 27 - Mucked, Drilled, Shot, 2 feet slateshowing in heading of mine.

" 28 - Slate had a white streak all through it. Drilled, shot, about all vein showing up mica.

" 29 - Mucked, drilled, shot. got about 25# good mica.

Jan. 2 - Worked on Air Blower fan and lines.

" 3 - Drilled, shot, got some mica.

" 4 - Visited by field team. They looked over all works and instructed me to finish up the project before sending in report. Drilled.

" 5 - Worked most of day widing out tunnel and mucking.

" 6 - Drilled, shot, mucked, got some of the best mica recovered so far.

This finished my footage on the project and it looks like I just got to the mica bearing pegmatite. The mica that I have out will be sold under the "A" & "B" program to the U.S.Govn. Mica Depot in Spruce Pine, N. C. Upon receipt of the Government check I will pay the 5% due to the U.S. Treasury.
/ for the mica.

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

ON VOUCHER & SCHEDULE
PAYMENTS

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of Nov., 1955 Docket No. DMEA 3813 RECEIVED Contract No. IDM-E 835
Operator's Name T. B. VANCE Minerals MICA
Address PLUMTREE, N. C. DEC 12 1955
Contract Amount, $ 5310.00 Government Participation: 75 % Amount, $ 3982.50

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing		60.00	60.00			
Crosscutting						
Drifting Feet	385.00	3535.00	3920.00			
(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	385.00	3595.00	3980.00	385.00	3595.00	3980.00

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

Date 12-1-55 *Payee T. B. VANCE

Per T B Vance Title OPERATOR

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

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

(Instructions on reverse)

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

$ 288.75

Signature Helen R. Melin
(Authorized Certifying Officer)

Date DEC 8 1955 Vou. No.

(See other side)

96.25

(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. E835 in accordance with the terms of the contract.

Signature Sheldon C. Benjamin Title Geologist USGS Date DEC 7 1955

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Laurence Title EXECUTIVE OFFICER ~~DMEA REGION V~~ Date DEC 7 1955

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
DEC 12 1955

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Nov. 1955 Docket No. DMEA 3813 Contract No. IDM-E 835
Operator's Name T. B. VANCE Minerals MICA
Address PLUMTREE, 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	Feet	385.00	11	3920.00	112	3920.	150	5250.00
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Bulldozing				60.00	1	60.	1	60.00
TOTAL DISTRIBUTED COSTS		385.00		3980.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		385.00		3980.00				

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

Date 12-1-55 Operator T. B. Vance

Per T B Vance Title Operator

REMARKS:

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

(Instructions on reverse)

(For Government use only)

Sheldon C. Bergman
12/7/55

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
DEC 12 1955

OPERATORS MONTHLY REPORT OF PROGRESS

T. B. VANCE
PLUMTREE, N.C.

DMEA 3813 MICA
CONTRACT NO. IDM-E-835

WORK ACCOMPLISHED MONTH OF NOVEMBER WORK CONTINUED

Nov. 1- Drilled, shot, mucked out. Recovered 2 small blocks mica.

" 2- Drilled, shot, mucked out. Recovered 25lbs. mica mostly scraps.

" 3- Drilled, shot, micked out. " 100 lbs. soft puffey mica.

" 4- Started to widen tunnell, shot & mucked, recovered some mica.

Nov. 7- Drilled, shot, mucked out, moved water line. Vein looked good.

" 8- Drilled, shot, mucked out. Vein looked dull, no mica.

" 9- Drilled, shot, mucked. vien bad, no mica.

" 10- Mucked, drilled, shot. recovered about 25 lbs. mica.

" 11- Drilled, shot, mucked. Vien 12" thick, 24" across, 1 block mica showing

Nov.14- Drilled, shot, mucked. 50 lbs. mica, mostly puffy & stained.

" 15- Drilled and shot, mucked. No Mica. Visited by Field Team.

" 16- Drilled and shot, mucked. No mica. Air getting bad.

" 17- Mucked and shaped up heading, vien looked bad, air in mine getting bad.

" 18- Drilled and shot- smoke stayed in mine all day.

Nov.21- Mucked out and found the air still bad. Drilled.

" 22- Shot and had to leave as air & smoke too bad to work.

I am getting a Fan rigged up and will get it set up at mine next month.

Nov. 29-Field team went up to mine. Measured number of feet pulled this month. Smoke slowed progress. Will improve with Fan.

MF-104 (Rev.)
pril 1952)

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

RECEIVED NOV - 9 1955

Month of October, 1955 Docket No. DMEA 3813 Contract No. Idm-E 835
Operator's Name T. B. VANCE Minerals Mica
Address PLUMTREE, N. C.
Contract Amount, $ 5,310.00 Government Participation: 75 % Amount, $ 3,982.50

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing		60.00	60.00			
Crosscutting						
Drifting Feet	1050.	2485.00	3535.00			
(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	1050.00	2545.00	3595.00	1050.00	2545.00	3595.00

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 11-1-55 *Payee T. B. Vance
Per T B Vance Title Operator

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

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

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:
$ 787.50
Signature Helen R. Miller (Authorized Certifying Officer)
Date NOV 7 1955 Vou. No. 86
(See other side)

4

262.50

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

Signature [illegible] Title Mining Eng. Date 11/4/55

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title EXECUTIVE OFFICER DMEA REGION V Date NOV 7 1955

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

RECEIVED
NOV - 1955

Month of Oct. 195 5 Docket No. DMEA 3813 Contract No. Idm-E 835
Operator's Name T. B. VANCE Minerals Mica
Address PLUMTREE, 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	Feet	1050.00	30'	3535.00	101	35.35	150	5250.00
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Bulldozing	1			60.00	1	60.	1	60.00
TOTAL DISTRIBUTED COSTS		1050.00		3595.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		1050.00		3595.00				

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 ~~Sept~~ 11-1-55 Operator T. B. Vance

Per T B Vance Title Operator

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

(Instructions on reverse)

REMARKS:

(For Government use only)

V. J. Lynch
Mining Eng.
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

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NOV - 1955

OPERATORS MONTHLY REPORT OF PROGRESS

T. B. VANCE
PLUMTREE, N. C.

DMEA 3813 MICA
CONTRACT NO. Idm-E 835

WORK ACCOMPLISHED MONTH OF OCTOBER WORK CONTINUED

Oct. 3 - Drilled & mucked morning shift, Shot, drilled afternoon, shot.

" 4 - Mucked, Visited by field team, told to pull north 3o degrees west, drilled and shot in afternoon.

" 5 - Mucked morning, extended air line and drilled afternoon, shot.

" 6 - Mucked out clean, pegmatite shows some small mica. Drilled.

" 7 - Drilled, shot and mucked.

" 10 - Cleaned out mine, drilled w rounds, shot.

" 11 - Mucked, adjusted Air Compressor, drilled.

" 12 - Drilled and shot, mucked out afternoon.

" 13 - Drilled shot and mucked.

" 14 - Extended water line and drilled and shot.

" 17 - Mucked mine out clean, pegmatite changed. Drilled into slate.

" 18- Visited by Field Team, told to drive north. Mucked-

" 19 - Drilled through slate back into pegmatite, shot and mucked.

" 20 - Mucked and drilled and shot.

" 21 - Mucked, drilled and shot one pound.

" 24 - Mucked, extended water line and air line, drilled. Pegmatite contains small mica.

" 25 - Drilled, shot and mucked

" 26 - Mucked, found small books of mica in muck. Drilled.

" 27 - Drilled, shot and mucked.

" 28 - Drilled, shot and mucked.

" 31 - Mucked Mine out clean.

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

25

RECEIVED OCT 7 - 1955

Month of September, 1955 Docket No. DMEA 3813 Contract No. 835
Operator's Name T. B. Vance Minerals Mica
Address Plumtree, N.C.
Contract Amount, $ 5,310.00 Government Participation: 75% Amount, $ 3,982.50

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing		60.00	60.00			
Crosscutting						
Drifting	700.00	1785.00	2485.00			
(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	700.00	1845.00	2545.00	700.00	1845.00	2545.00

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

Date Oct. 1, 1955 Payee T. B. Vance

Per T B Vance Title Operator

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

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

(Instructions on reverse)

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

$ 525.00

Signature Helen R. Mullin
(Authorized Certifying Officer)

Date OCT 5 1955 Vou. No. 67

(See other side)

3

17500

(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. E835 in accordance with the terms of the contract.

Signature W. Lynch Title Mining Eng. Date 10/3/55

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION V Date OCT 3 1955

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
OCT 7 - 1955

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of September 1955 Docket No. DMEA 3813 Contract No. 835
Operator's Name T. B. Vance Minerals Mica
Address Plumtree, 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	Feet	700.00	20	2485.00	71	2485.	150	5250.00
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Bulldozing	1			60.00	1	60.0	1	60.00
TOTAL DISTRIBUTED COSTS		700.00		2545.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		700.00		2545.00				

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 Oct. 1, 1955 Operator T. B. Vance

Per T B Vance Title Operator

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

REMARKS:

(Instructions on reverse)

(For Government use only)

V J Lynch Mining Eng.
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

September Monthly Report of Progress DMEA 3813 Mica
Contract No. 835

T. B. Vance, Plumtree, N. C.

RECEIVED
OCT 7 - 1955

Work accomplished

Due to a change over in labor did not operate the first half of month.

Sept. 19 Drilled morning, shot and mucked out, drilled afternoon.

" 20 Visited by field Team, mucked out clean, drilled and mucked.

" 21 Drilled morning shift, mucked and worked on air line.

" 22 Equipped mine with new drill, steel, hose and Jack-leg, drilled and mucked morning shift, drilled and mucked afternoon shift.

" 23 Mucked out and drilled.

" 26 Drilled, shot and mucked.

" 27 Drilled morning shift, shot, mucked and drilled afternoon, shot.

" 28 Mucked and drilled morning, mucked afternoon.

" 29 Drilled, shot, and mucked. Drilled afternoon. Shot.

" 30 Mucked and drilled, shot, mucked, drilled and shot afternoon.

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS No. 18

OPERATOR'S MONTHLY REPORT AND VOUCHER

RECEIVED SEP - 9 1955

Month of August 1955 Docket No. DMEA 3813 Contract No. 835

Operator's Name T. B. VANCE Minerals Mica

Address PLUMTREE, N. C.

Contract Amount, $ 5,310.00 Government Participation: 75 % Amount, $ 3,982.50

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing	—	60.00	60.00			
Crosscutting						
Drifting	1,085.00	700.00	1,785.00			
(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	1,085.00	760.00	1,845.00	1085.00	760.00	1845.00

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

Date 9-2-55 *Payee T. B. Vance

Per T B Vance Title Operator

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

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

(Instructions on reverse)

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

$ 813.75

Signature Helen R. Miller
(Authorized Certifying Officer)

Date SEP 7 1955 Vou. No. 48

(See other side)

271.25

(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. IdmE835 in accordance with the terms of the contract.

Signature Henry H. Cuos Title Geologist: USGS Date Sept. 6, 1955

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION V Date SEP 6 1955

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
SEP - 9 1955

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of August 1955 Docket No. DMEA 3813 Contract No. 635
Operator's Name T. B. Vance Minerals [illegible]
Address [illegible], 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
						35.00		35.00
Drifting	Foot	1085.00	31	1,785.00	51	2585.00	100	3250.00
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails				60.00	1	60.00	1	60.00
Total Distributed Costs		1085.00		1,845.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		1085.00		1,845.00				

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 9-6-55 Operator T. B. Vance

Per T B Vance Title Operator

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

(Instructions on reverse)

Remarks:

(For Government use only)

Henry H. Amos
Geologist, USGS
Sept. 6, 1955

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

RDA No. 3813

RC-3 635

RECEIVED

SEP - 9 1955

Month of August

Work Accomplished

August 1- Morning worked on water line. Drilled in afternoon, exposed some pegmatite in bottom.
2- Mucked out, drilled in afternoon and shot.
3- Mucked out, exposed 3' vein in bottom.
4- Drilled, shot mucked out. Got 10 pounds small black mica.
5- Mucked out, drilled, shot.

8- Drilled all day, shot and exposed more vein in bottom.
9- Inspected by Field Men. They thought mine looked better.
10- Mucked out, Drilled fouled up, waited only 2 hours, got back up.
11- Mucked and drilled. Shot.
12- Drilled and exposed more vein. Slate all disappeared except on north side. Slate 3' thick on north side.

15- Mucked out drilled, shot
16- Mucked out, extended air line.
17- Drilled 2 rounds, shot, mucked.
18- Mucked morning shift. Drilled afternoon shift. Shot.
19- Worked 1 hour on machinery, mucked.

22- Drilled, pegmatite looked much better for mica.
23- Mucked morning, drilled and visited by Field Men in afternoon.
24- Mucked and drilled.
25- Worked on Air Compressor, drilled in afternoon and shot.
26- Mucked out and drilled.

29- Mucked out, drilled, shot. Pegmatite showing all over head of tunnel.
30- Mucked out morning, drilled and shot in afternoon.
31- Laid more air line, mucked and drilled one round.

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS No. 8

RECEIVED
AUG - 5 1955

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of July, 1955 Docket No. DMEA 3813 Contract No. 835
Operator's Name T. B. Vance Minerals Mica
Address Plumtree, North Carolina
Contract Amount, $ 5,310.00 Government Participation: 75 % Amount, $ 3,982.50

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing	60.00	0	60.00			
Crosscutting						
Drifting	700.00	0	700.00			
(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	760.00	0	760.00	760.00		760.00

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

Date 8-1-55 *Payee T. B. Vance

Per T B Vance Title Operator

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

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

(Instructions on reverse)

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

$ 570.00

Signature Helen R. Mellin
(Authorized Certifying Officer)

Date AUG 3 1955 Vou. No.

(See other side)

190.00

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E835 in accordance with the terms of the contract.

Signature Keyton H. Teague Title Geologist, U.S.G.S. Date 8/2/55

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION V Date AUG 2 1955

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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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).

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
AUG - 5 1955

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of July 1955 Docket No. DMEA 3013 Contract No. ~~838~~ 835
Operator's Name T. B. Vance Minerals Mica
Address Plumtree, North Carolina

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	Feet	700.00	20'	700.00	20' ~~250.00~~	700.00	150	5250.00
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Bulldozing	1	60.00	1	60.00	1	60.00	1	60.00
TOTAL DISTRIBUTED COSTS		760.00		760.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		760.00		760.00				

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 8-1-55 Operator T.B. Vance

Per T B Vance Title Operator

REMARKS:

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

(Instructions on reverse)

(For Government use only) Keyton H. Teague, Geologist

INSTRUCTIONS

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

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

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

GPO 872894

DMEA No. 3813

IDM-E 835

RECEIVED
AUG - 5 1955

Month of July

Date work began July 7, 1955

Work accompliched

July 7- Moved machinery to the mine

8- Drilled ~~xxxx~~ slate at entrance of mine.

9- Bulldozed 10 hours at entrance to mine and on road.

10- Drilled balance of slate at entrance of mine and mucked out.

12- Not able to work because of heavy rain.

13- Began to drill in head of mine.

14- Drilled two rounds and mucked out.

15- Drilled all morning, blasted and mucked afternoon.

18- Mucked morning and drilled evening.

19- Extende air & water line, mucked.

20- Drilled one round, mucked afternoon.

21- Drilled morning shift-some small block mica showing.

22- Mucked morning and drilled afternoon.

25- Worked on air line, mucked out -clean-.

26- Drilled morning, blasted and showed one block mica, mucked out.

27- Mucked out morning, moved air-Compressor, Vistied by Field Men.

28- Drilled two rounds.

29- Mucked out, extended air & water line.

OCT 20 1965

Mr. T. B. Vance

Plumtree, North Carolina

Re: DMEA-3813 (Mica)
T. B. Vance
Shuffle Vance Mica
Avery County, North Carolina
Contract Ldm-E833

Dear Mr. Vance:

By the terms of the subject Exploration Project Contract, as amended, and the certification of discovery or development dated May 9, 1956, all minerals mined or produced from June 30, 1955, to June 30, 1965, were subject to the Government's royalty as set forth in said contract.

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

Sincerely yours,

(signed) FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

MMarrithew/mm (10/20/65)
cc: Director's Reading File
Division File
Economic Geology File
OME File
OMR Reading File
Branch of Budget & Finance, Rm. 5406
C. Curtin
120M

R. A. Laurence, Knoxville, Tenn. w/cy of incoming Form 63

Certification File
Admr. L. File

Field Team, Region V
Finance Office
Mr. Killingsord, 5222
Mr. Kimerlah, 3061
Mr. Hook
Mr. Hopkins

Operating Committee
Mr. Johnson
Mr. Chambers
Mr. Clarence A. Fredell, EPS,GSA

Copy to: Docket 4/27/56

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

To: T. E. Vance

Pleasantree, North Carolina

Pursuant to the provisions of Exploration Project Contract No. [illegible], dated June 30, 1955, Docket No. [illegible], hereinafter called the "contract", between you and the United States of America, hereinafter called the "Government", to establish and fix the Government's percentage royalty on production and its lien therefor and on the land described in the contract, the Government considers and therefore certifies that discovery or development from which production may be made has resulted from the exploration work.

The nature of said discovery or development is described broadly or indicated as follows: The project work consisting of drifting and raising exposed strategic mica concentration in an unexposed, lenticular pegmatite that is conformable to the enclosing biotite gneiss. The discovery furnished sufficient data to enable the calculation of indicated and inferred reserves of strategic mica.

THE UNITED STATES OF AMERICA

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

Dated MAY 9 1956

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

MAY 10 1956

Mr. T. B. Vance

Flumtree, North Carolina

Re: Docket No. DMEA-3513-mica
T. B. Vance
Shuffle Vance Mine
Avery County, North Carolina
Contract No. Idm-E835

Dear Mr. Vance:

Transmitted herewith is a certification of discovery or development under Contract No. Idm-E835 on the Shuffle Vance Mine, Avery County, North Carolina.

By the terms of the Exploration Project Contract and of the certification, all production from the date of the Exploration Project Contract, June 30, 1955, is subject to the Government's percentage royalty as set forth in the contract until the sum of $3,982.50 is paid or until June 30, 1965, whichever occurs first.

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

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

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

Sincerely yours,

C. O. Mittendorf

Administrator

Enclosure

Mr. Killgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Hopkins
Admr. R. File
Certification File

Hopkins:ms 5/7/56
Copy to: Docket
Operating Committee
Mr. Johnson
Mr. Chambers
Field Team, Region V

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

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

MAR 20 1956

Re: Docket No. DMEA-3813-mica
T. B. Vance
Shuffle Vance Mine
Avery County, North Carolina
Contract No. Idm-E835

Dear Mr. Fredell:

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

The exploration contract was signed on June 30, 1955, with the Government participating to the extent of 75 percent of $5,310.00 or $3,982.50. The project was started on July 6, 1955 and completed on January 7, 1956, after the expenditure of $5,310.00, which is the total net accepted cost according to the Audit Review. The Government paid 75 percent of the total accepted cost or $3,982.50.

The work performed on this project consisted of cleaning out the portal of a tunnel, drifting 112.5 feet and raising 37.5 feet on a pegmatite.

About 2500 pounds of "mine-run" block mica was produced during the operation. The project work furnished sufficient data to calculate the following types of strategic mica reserves:

Indicated - 17,500 pounds "mine-run" block mica
Inferred - 72,000 pounds "mine-run" block mica

The DMEA is of the opinion that the project work was of definite benefit to the property and, therefore, we have certified that a discovery or development resulted from the work.

Sincerely yours,

C. O. Mittendorf

Administrator

Enclosure

Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Hopkins
Certification File
Admr. R. File

JHopkins:ms 4/27/56
Copy to: Docket
Operating Committee
Mr. Johnson
Mr. Chambers
Field Team, Region V

Government Copy

RECEIVED
DEC 28 1955

EXPLORATION PROJECT CONTRACT

AMENDMENT No. 1

DMEA-3813, Idm-E835 (Mica) SHUFFLE VANCE MINE

Contract Idm-E835, DMEA-3813, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration and T. B. Vance of Plumtree, North Carolina, dated June 30, 1955, is amended as follows:

1. Article 3 is amended to read...."and on or before February 29, 1956 shall complete the work" instead of December 15, 1955, as originally stated in contract.

Dated: December 13, 1955

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be obligated to pay, or the percentage of the cost which the Government may be obligated to pay, under the provisions of Article 5 of the contract form.

T. B. Vance, Operator

T B Vance

UNITED STATES OF AMERICA

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

g

Docket No. DMEA - 3813

Commodity Mica

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

STRATEGIC AND CRITICAL MINERALS EXPLORATION PROGRAM

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

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

Contract No. Idm-E 835

Date of Contract ~~xxxxxxxxxxxx~~ June 30, 1955

Name and Address of Operator:

T. B. Vance
Plumtree, North Carolina

Amount of Government participation ____ $ 3,982.50

Percent of Government participation 75 %

Region: V State: North Carolina

(Name)
J. L. Chamber
Chief, Contract Administration and Audit Division

(Title)

Date Delivered to Bureau of Mines, Washington. 6/30/55

54458

Government copy RECEIVED
JUL 18 1955

MF-200A
(Revised June 1954)

Docket No. DMEA -3813

Commodity Mica

Contract No. Idm-E 835

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

It is agreed this 30th day of June, 1955, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2] T. B. Vance, whose mailing address is Plumtree, North Carolina, hereinafter called the "Operator," as follows:

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

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

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

(b) The Operator represents and undertakes that:

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

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

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

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

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

ARTICLE 3. *The exploration project.*—The project is a search for indicated or undeveloped deposits of mica. The work to be performed is described in Exhibit "A." The Operator on or before AUG 22 1955 shall commence the work, and on or before December 15, 1955 (unless the Operator's obligation to complete the work is terminated—see Article 8) shall complete the work.

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

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

ARTICLE 5. *Contribution by the Government.*—A fixed cost for each unit of work to be performed (per foot of drifting, per foot of drilling, per hour of operations, etc.) is hereby agreed upon, and is set forth in Exhibit "A" in connection with the estimated total cost of the project in the sum of $5,310.00 The Government will contribute 75 percent of the fixed unit costs as work is performed, in a total sum not in excess of $3,982.50: *Provided,* That until the Operator has rendered to the Government his final report, and any final auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of 10 percent of the estimated total cost of the work. The Government will make its contribution on the basis of the monthly vouchers referred to in Article 6(b), but all payments by the Government are provisional only, subject to audit, until the account between the Operator and the Government is finally audited and settled. To the extent that excesses over fixed unit costs or any excess over the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such excesses for his own account without contribution by the Government. The Government may make payments directly to independent contractors and suppliers for the account of the Operator rather than to the Operator.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

ARTICLE 11. *Changes and added provisions.*—

Executed in sextuplicate the day and year first above written.

T. B. VANCE
(Operator)

~~XXX~~ T. B. Vance

THE UNITED STATES OF AMERICA

By O. Mitchell Redondo
Administrator, Defense Minerals
Exploration Administration

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

.....

[CORPORATE SEAL]

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

EXPLORATION PROJECT CONTRACT
T. B. VANCE
DOCKET NO. DMEA-3813

ANNEX I

The land referred to in Article 2 of the contract form is as follows:

Beginning at a White Oak Tree on Corner of Houston & Vance line on west side of Doublehead Ridge and running south 800 feet to the mouth of Houston & Guy Tunnel, thence east 750 feet to an Ash Tree, thence north 1500 feet to a Sugar Tree in Avery & Vance line, thence west 850 feet to a Poplar Tree, thence south 600 feet to the beginning, the said Shuffle Vance Mine Portal being nearly centrally located in the above described plot of land.

EXPLORATION PROJECT CONTRACT
T. B. VANCE
DOCKET NO. DMEA-3813

EXHIBIT "A"

Description of the Work

The location of the exploration work is shown, in part, on the map entitled "Sketch of Shuffle Vance Mine, Avery Co., N. C. DMEA-3813 June 1, 1955," attached hereto and made a part hereof. The work consists of the following:

1. With a D-4 or equivalent bulldozer, clear muck from portal of adit.

2. Drive 150 feet of drift and/or raise having minimum cross-sectional dimensions of 5 feet by 7 feet in the clear of timber.

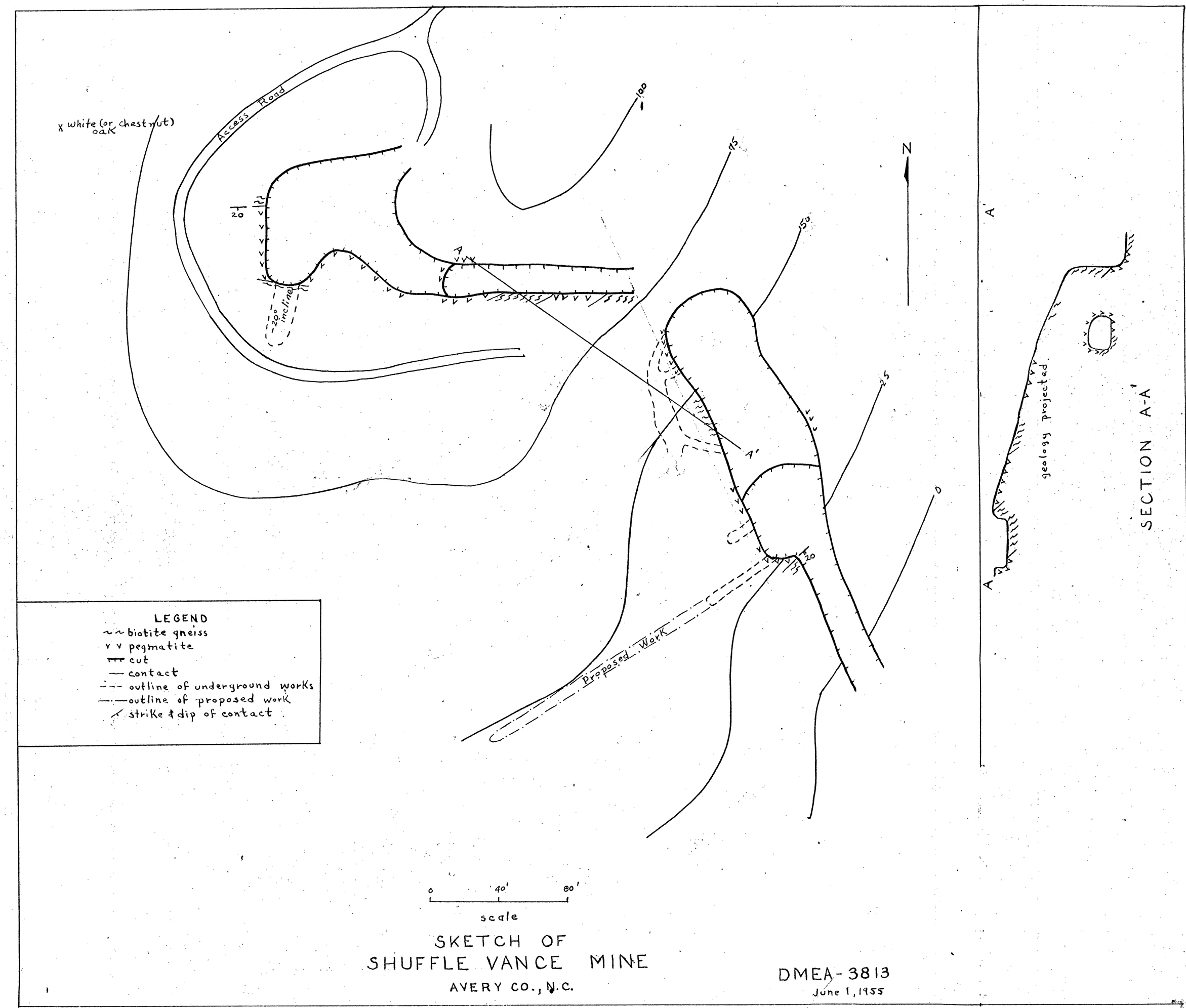
All work shall be timbered as necessary.

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

Fixed Unit Costs

(The unit costs include all costs whatsoever necessary to complete the work.)

Bulldozing - clearing muck from portal of adit, 6 hours @ $10/hr.	$ 60.00	
150 feet of drifts and/or raises @ $35/ft.	5,250.00	
Estimated Total Cost of Project		$5,310.00
Government Participation @ 75%		$3,982.50



SKETCH OF
SHUFFLE VANCE MINE
AVERY CO., N.C.

DMEA-3813
June 1, 1955