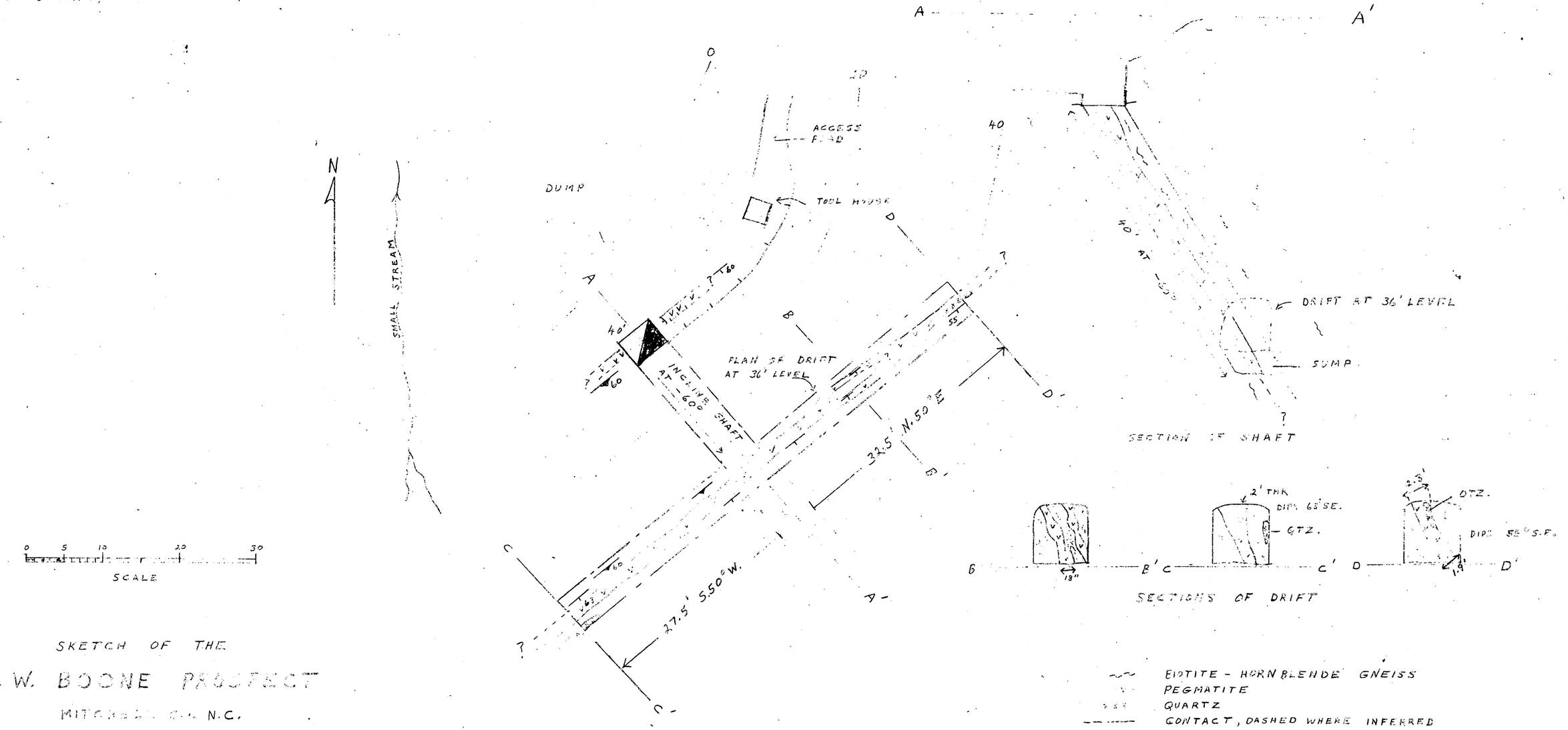
MAPPED: JAN. 5, [illegible]6; BY L.E. SHIRLEY, U.S.B.M., S.C. BERGMAN, USGS & A.F. TAYLOR, USGS.



SKETCH OF THE

J. W. BOONE PROSPECT

MITCHELL CO., N.C.

DMEA - 3899-MICA
JAN., 1956

1-28-56 TAYLOR

RECEIVED
FEB 10 1956

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Paul Hunkins and Claude Hunkins
Route 3
Bakersville, North Carolina

pertaining to Exploration Project Contract No. Idm-2880, Docket No. DMEA-3899, for the months of October 1955, to December 1955, inclusive, covering a project for the exploration of mica on property, known as the J. W. Boone Prospect, located in Mitchell County, North Carolina.

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

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

all of the costs incurred were under a contract provision for payment by the Government on the basis of 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		$4,016.00
Exceptions:		
By DMEA Finance Officer	$ -0-	
Herewith	-0-	-0-
Total Accepted Cost		$4,016.00

The contract calls for a 75 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Three thousand twelve and no/100 Dollars

$3,012.00

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

E. D. Tolbert

E. D. Tolbert, Auditor

January 17, 1956

Division Copy

RECEIVED

OCT 26 1955

MF-200A
(Revised June 1954)

Docket No. DMEA 3[illegible]

Commodity Mica

Contract No. Idm-E 880

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

It is agreed this SEP 26 1955 day of ....., 195..., between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2] Paul Hawkins and Claude Hawkins, Partners, whose mailing address is Route No 3, Mocksville, 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 Mitchell, and is described in Annex I.[3]

(b) The Operator represents and undertakes that:

(1) The Operator is the [4] Lessee of [5] the mineral rights in the land, in possession and entitled to possession for all of the purposes of this contract, under and by virtue of a [6] lease un[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: Consent to Lien of Owner

[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."

16—70618-1

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

ARTICLE 3. *The exploration project.*—The project is a search for indicated or undeveloped deposits of ..... The work to be performed is described in Exhibit "A." The Operator on or before Nov. 15, 1957 shall commence the work, and on or before March 1, 1956 (unless the Operator's obligation to complete the work is terminated—see Article 8) shall complete the work.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

ARTICLE 11. *Changes and added provisions.*—

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

Paul Hudkins and Claude Hudkins
(Operator)

By Frank E. Johnson
ACTING Administrator, Defense Minerals Exploration Administration

By Paul Hudkins (Partner)

By Claude Hudkins (Partner)

Author
Appd. Sol. Off.
Hopkins
J. L. Kessler
Talbert

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]

Selfridge

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

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OCT 2 6 1955

EXPLORATION PROJECT CONTRACT
PAUL HUSKINS AND GLAVIS HUSKINS
DOCKET NO DMRA-3899
ANNEX I

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

Beginning on an ironstake at the center of the J. W. Boone Prospect which is located approximately 185 feet S. W. of a large hickory tree, and running 250 feet north; thence 250 feet west; thence 500 feet south; thence 500 feet east; thence 500 feet north; thence 250 feet west to a point of closing.

The J. W. Boone Prospect is on the west side of Burns Mountain, 2.8 airline miles S 2° W of Bakersville, Mitchell County, North Carolina.

EXPLORATION PROJECT CONTRACT
PAUL HUSKINS AND CLARK HUSKINS
DOCKET NO DMEA-3899

RECEIVED
OCT 26 1955

EXHIBIT "A"

Description of the Work

The approximate location of the proposed exploration is shown, in part, on the map entitled "Sketch of J. W. Boone Pres., Mitchell County, North Carolina, DMEA-3899 (mica)," attached hereto and made a part hereof. The work consists of the following:

1. Construct:

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

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

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

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

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

2. At a point approved by the Government, sink a 40-foot, 2-compartment shaft on the pegmatite. The shaft shall have cross-sectional dimensions of 5 feet by 7 feet in the clear of timber.

3. From the shaft, drive 60 feet of drifts on the pegmatite. The drifts shall have cross-sectional dimensions of 5 feet by 7 feet in the clear of timber.

All work shall be timbered as necessary.

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

FIXED UNIT COSTS

Construct:		
Toolhouse 1/	$ 76.00	
Powder Storage Magazine 1/	26.00	
Exploder Magazine 1/	14.00	
Sink 40 feet of shaft @ $45.00/ft	1800.00	
Drive 60 feet of drifts @$35.00/ft	2100.00	
Estimated total cost of project		$4,016.00
Government Participation @ 75%		$3,012.00

1/ The completed work constitutes the unit.

MF-203
Revised March 24, 1955

RECEIVED
SEP 12 1955

For Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator _____
Docket No. DMEA- _____
Contract No. Idm-E _____
Contract Date _____

CONSENT TO LIEN

To the United States of America:

Referring to that certain land in the County of Mitchell, State of North Carolina, described as follows:1/ Beginning on an iron stake at the center of the J. W. Boone Prospect which is located approximately 185' S.W. of a large Hickory tree and running North 250'; thence West 250'; thence South 500'; thence East 500'; thence 500' North; thence 250' West to a point of closing.

which is the subject of a proposed exploration project contract, hereinafter called the "contract," with the United States of America, hereinafter called the "Government;" in consideration of the contract and as an inducement to the Government to enter into it, the undersigned hereby—

1. Undertakes and agrees that property in which the Government may acquire an interest or equity under the contract may be dismantled, severed from the land, and removed, as may be provided in the contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned;

2. Grants to the Government a lien upon all of the undersigned's right, title, and interest in the land and upon any production of minerals therefrom to secure the payment to the Government of a percentage royalty on production as may be provided for by the contract;2/ and represents and undertakes that there are no claims, liens, or encumbrances upon the undersigned's right, title, or interest in the land prior to that hereby granted to the Government other than the following:3/

None

3. Undertakes and agrees neither to commit any act nor assert any claim in conflict with the provisions of this Consent to Lien; and to give advance notice of the Government's rights under this Consent to Lien to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, or interest in the land; and

1/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated _____, and recorded in book _____ page _____ official records of said county." If (b) is used, the book and page of recordation cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

2/ Mining or production from the land is not required, and in the absence of production there is no obligation to repay the Government.

3/ Write "none" if that is the case. Do not leave lines blank.

4. Consents to all amendments and assignments of the contract without notice thereof, and agrees that this Consent to Lien shall extend and apply thereto.

5. Added provision: _____

_____

_____

_____

_____

_____

_____

_____

Dated this 1st day of September, 1955.

J W Boone [Seal] Rt. 3, Bolerwillo, N.C.

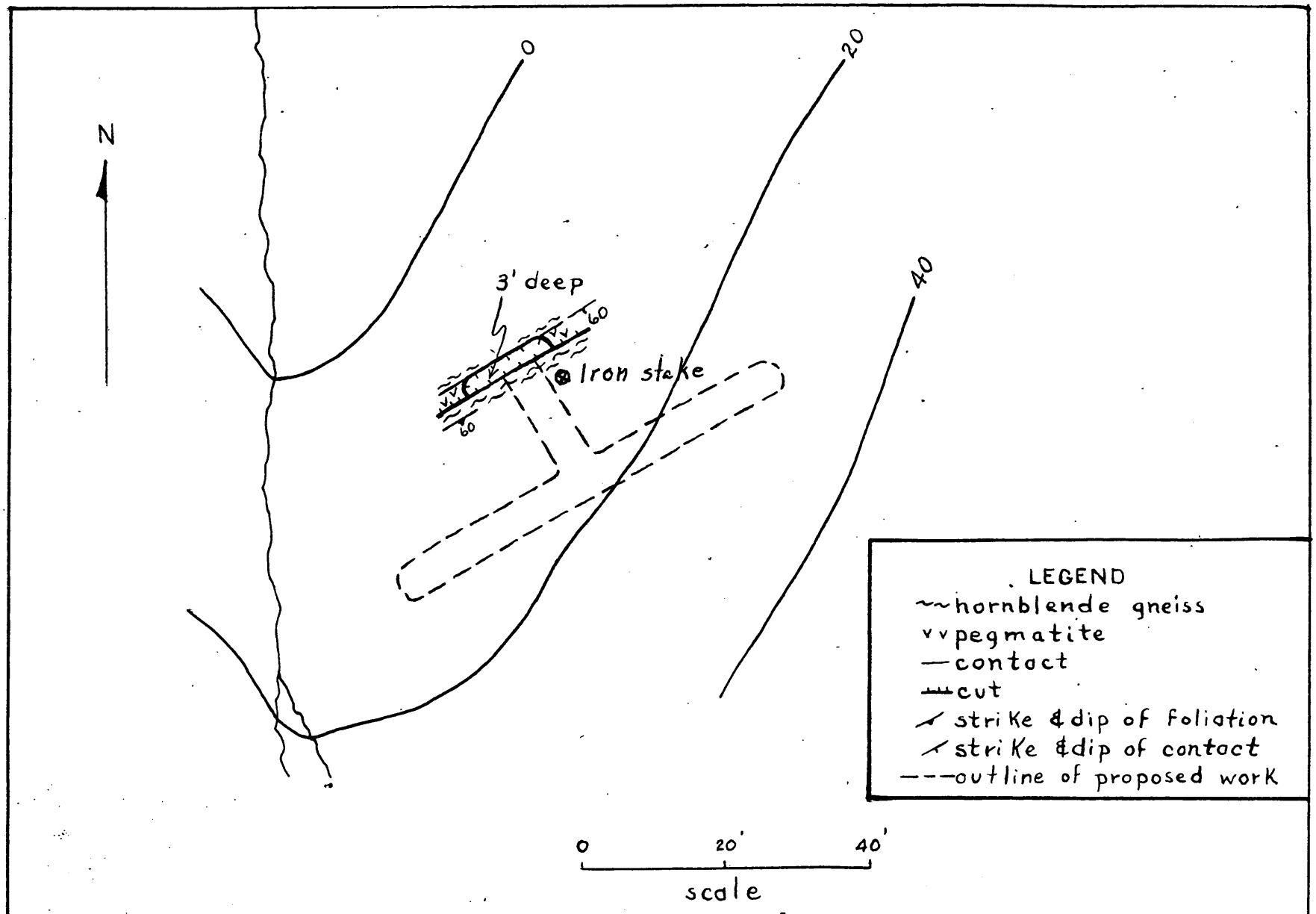
_____ [Seal]

_____ [Seal]

I, _____ certify that I am the _____ (Secretary, etc.) of the corporation named herein; that _____ who signed this agreement was then _____ (President or Vice-President, etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

_____

[Corporate Seal]



SKETCH OF
J.W. BOONE PROS.
MITCHELL CO., N.C.

DMEA-3899 (mica)

600

OCT 25 1956

Mr. J. W. Boone
Route 3
Bakersville, North Carolina

Re: Docket No. DMEA-3899-Mica
Paul and Claude Huskins
J. W. Boone Prospect
Mitchell County, North Carolina
Contract No. Idm-E880

Dear Mr. Boone:

Reference is made to the Consent to Lien which you executed on September 1, 1955 in connection with the DMEA contract for an exploration project on your property located in Mitchell County, North Carolina.

For your information, there is enclosed a copy of our letter of this date to the Messrs. Paul Huskins and Claude Huskins advising that the Government retains no claim or lien against the property described in the contract or on any future production therefrom.

Sincerely yours,

C. O. Mittendorf

Administrator

Enclosure

JHopkins:gad 10/23/56
Copy to: Admr. R. File
Docket
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

Messrs. Paul Huskins and Claude Huskins
Route 3
Bakersville, North Carolina

Re: Docket No. DMEA-3899-Mica
Paul and Claude Huskins
J. W. Boone Prospect
Mitchell County, North Carolina
Contract No. Idm-E880

Gentlemen:

Reference is made to your completed exploration contract with the Government.

We sincerely regret that the work performed did not result in a certification of discovery or development under the provisions of the contract. In the absence of such certification, the Government 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 project. Your attention, however, is called to the provisions of the contract which require the operator to keep and preserve certain records for the period indicated.

Your interest in the DMEA exploration program and participation therein are fully appreciated.

Sincerely yours,

C. O. Mittendorf

Administrator

JHopkins:gad 10/23/56
Copy to: Admr. R. File
Docket
Field Team, Region V
Mr. Chambers
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. J. W. Boone, Route 3, Bakersville, N. C.

Project Summary Report

By: James Hopkins October 23, 1956

1. Docket No. DMEA-3899-Mica
J. W. Boone Prospect
Mitchell County, North Carolina
Contract No. Idm-E880

Application: Dated July 12, 1955

Operators: Paul Huskins and Claude Huskins
Bakersville, North Carolina

Operators' Property Rights: Lessee of mineral rights of land owned by J. W. Boone
Route 3
Bakersville, North Carolina

2. Contract: Dated September 26, 1956

a) Work authorized:

Construct: Toolhouse, Powder and Exploder Magazines	$116.00
Sink 40 feet shaft @ $45.00/ft.	1,800.00
Drive 60 feet drift @ $35.00/ft.	2,100.00
Estimated total cost of project	$4,016.00

b) Amendments: None

c) Work completed:

Construct: Toolhouse, Powder and Exploder Magazines	$116.00
Sink 40 feet shaft @ $45.00	1,800.00
Drive 60 feet drift @ $35.00	2,100.00
Total cost of project	$4,016.00

Work began on October 10, 1955, and completed on December 30, 1955.
Final Field Team Report, January 27, 1956.
Final Operators' Report, January 3, 1956.

There was no production of strategic mica. No royalties are due.

3. Audit: Report of Review dated January 17, 1956

Total cost as billed by the Operators	$4,016.00
Exceptions	None
Total Accepted Cost	$4,016.00
Government participation @ 75%	$3,012.00

4. Certification: No certification of discovery was issued.

5. Comments:

This project was established to explore a new prospect that offered good possibilities for the discovery of a deposit of strategic mica.

The conformable pegmatite is 2 to 3 feet thick and is exposed in a pit 3 feet deep and 15 feet long. No zoning is apparent. The enclosing country rock is layered hornblende gneiss. The mica was distributed uniformly throughout the exposed area and is of excellent quality and rather abundant.

Criteria developed during the project:

Pegmatite was found to be composed of coarse-grained plagioclase, gray quartz, small muscovite and sericite.

Only small sized scrap green muscovite was produced from the shaft and drifts. It was disseminated along with the quartz in the unzoned pegmatite. A few scattered blocks of badly stained muscovite were recovered.

No apparent reserves of strategic muscovite exist in this pegmatite.

The dike was explored sufficiently to locate mica, but only small scrap resulted. No further exploratory work by the Government is warranted. Because there are no reserves the field team recommends that no certification be issued. The Nonmetallic Minerals Division concurs in this recommendation.

The Commodity Divisions of the Bureau of Mines and the Geological Survey also concur in the recommendation.

James Hopkins
Nonmetallic Minerals Division

JHopkins:gad 10/23/56
Copy to: Admr. R. File
Mr. Houk

IN REPLY REFER TO:

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

RECEIVED
MAR - 7 1956

March 7, 1956

Re: DMEA 3899, Idm-2880
Paul and Clyde Huskins
J. W. Keene prospect
Mitchell County, N. C.
Mica

Memorandum

To: L. S. Hook, Defense Minerals Exploration Administration

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

Subject: Review of Final Field Team report.

Expenditure of $4,016.00 was approved in a contract, 2880, and that amount was spent.

Work done consists of:

Sinking	40 feet
Drifting	60 feet

The pegmatite explored consists primarily of coarse grained plagioclase, gray quartz small muscovite, and sericite. The country rock is biotite-hornblende gneiss. The strike and dip are constant, N. 50° E. and 55-60° SE. respectively.

Contrary to the indications at surface, the pegmatite did not come up to expectations. A few scattered blocks of badly stained mica were recovered. No reserves are indicated or inferred and further Government participation is considered unwarranted.

Certification is not recommended. I concur with that recommendation.

N. E. Nelson

N. E. Nelson

NENelson:jeh
3/7/56
cc: Director's reading 4212
Branch reading 4212
DMEA (3)
Docket file
W.F.Dietrich, 3061

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

RECEIVED
FEB 23 1956

February 21, 1956

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-3899 (mica)

Applicant: P. & C. Huskins

Name and Location of Property: J. W. Boone Prospect, Mitchell Co., N. C.

Contract Number: Idm-E 880

Date of Field Team Report: 1/27/56

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 2/14/56

Field Team Recommendation: Recommend no certification.

Comments:

1. Limited quantities of badly stained mica were recovered during exploration.
2. Sufficient work has been done to indicate the pegmatite is not suitable for producing large quantities of strategic mica.
3. Expenditures -

Total approved	$4016.00
Total cost	4016.00
Gov't. share of the cost	3012.00
Value of production during operation	None

Recommendation: I concur with the field team's recommendation.

Signed

W. F. Dietrich

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~

COPY

ROOM 13, POST OFFICE BLDG.
KNOXVILLE 2, TENN.

February 8, 1956

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Final Reports, DMEA-3899, Idm-E880 (mica)
Paul Huskins and Claude Huskins, Bakersville, N. V.
J. W. Boone Prospect, Mitchell County, N. C.

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

Certification is not recommended.

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

V. J. Lynch, Member
Bureau of Mines

RAL/
ZM.

cc:
Lynch
Peyton
Files

Reviewed by
DMEA OPERATING COMMITTEE
2-15-56
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR

RECEIVED
FEB 10 1956

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT
DMEA FIELD TEAM, REGION V

On

DMEA-3899, Idm-E880 (mica) J. W. BOONE PROSPECT
Mitchell County, N. C.

BY

Lawrence E. Shirley, Mining Engineer
Bureau of Mines

and

S. C. Bergman and A. R. Taylor, Geologists
Geological Survey

January 27, 1956

Reviewed by
DMEA OPERATING COMMITTEE
2-15-56
(date)

FINAL REPORT
On

DMEA-3899, Idm-E880 (mica) J. W. BOONE PROSPECT
Mitchell County, N. C.

RECEIVED
FEB 10 1956

Operator: Paul Huskins and Claude Huskins, Route 3, Bakersville, N. C.

Location: 2.8 airline miles S. 2° W. of Bakersville, Mitchell County, N. C.

Summary

Some blocks of badly stained mica were recovered. No further exploration at Government expense is warranted. Because of a lack of reserves, certification is not recommended.

Introduction

Work began on the J. W. Boone prospect on October 10, 1955, and was completed on December 30, 1955. Surface units include a toolhouse, and powder and exploder magazines. An inclined shaft was sunk on a -55° to-60° incline following the pegmatite to a depth of 40 ft. The shaft was floored at the 36-ft level. Two drifts extend for a total distance of 60 ft along the strike of the pegmatite from the 36-ft level. One drift extends 32.5 ft N. 50° E., and the other extends 27.5 ft S. 50° W. from the shaft.

Geology

Pegmatite:

A pegmatite consisting primarily of coarse-grained plagioclase, gray quartz, small muscovite, and sericite, has been intruded conformably into a country rock of biotite-hornblende gneiss. Its thickness is variable, but it is generally about 2 ft in thickness. The strike and dip of the pegmatite is a consistent N. 50° E. and 55° to 60° SE.

At the 14-ft point in the northeast drift the pegmatite divided into two pinching and swelling parallel dikes about one foot apart. They narrowed from 2 ft to about 4 in. at the thinnest segment (map section B -B'). There was small scrap mica in the top of the face at that point. The southwest heading (27.5 ft) contains a small quartz vein 3 ft long and 6 in. thick, parallel to the unzoned pegmatite, on the hanging wall side of the pegmatite-gneiss contact (C - C'). Here, the pegmatite dips 63° SE and thins from 2 ft at the top to 9 in. in thickness at the bottom of the drift, (B - B').

Muscovite:

Only small sized, scrap green muscovite was produced from the shaft and drifts. It was disseminated along with quartz in the unzoned pegmatite. A few scattered blocks of badly stained muscovite were recovered.

Reserves:

No apparent reserves of strategic muscovite exist in this pegmatite. The dike was explored sufficiently to locate mica, but only small scrap resulted. No further exploratory work by the Government seems warranted. The operators do not plan to continue work.

Conclusions and Recommendations

The foreman conducted a good operation, and was very responsive to the directions of the field examiners. He is to be commended for his efficient workmanlike manner.

No further exploration is warranted on this pegmatite. It is recommended that the J. W. Boone prospect not be certified as a discovery because of the lack of reserves of strategic muscovite.

No equipment was purchased by the Government.

Expenditures

(a)	Total approved	$4,016.00
(b)	Total cost of project	4,016.00
(c)	Government's share expended	3,012.00
(d)	Government's share unexpended	None
(e)	Value of production	None
(f)	Royalty paid	None

Lawrence E. Shirley, Mining Engineer
Bureau of Mines

S. C. Bergman and A. R. Taylor, Geologists
Geological Survey

January 27, 1956.

g

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

February 8, 1956

RECEIVED
FEB 10 1956

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Final Reports, DMEA-3099, Idm-E640 (mica)
Paul Huskins and Claude Huskins, Bakersville, N. C.
J. W. Boone Prospect, Mitchell County, N. C.

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

Certification is not recommended.

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

V.J. Lynch, Member
Bureau of Mines

RAL/
LM.

cc:
Lynch
Peyton
Files

RECEIVED
FEB 10 1956

Spruce Pine, North Carolina
January 3, 1956

Mr. Robert A. Laurence, Executive Officer
D.M.E.A., Region V
Room 13, Post Office Building
Knoxville, Tennessee

Re: DMEA-3899. Idm-E 880, (Mica)
J. W. Boone Prospect, Mitchell Co., N.C.
Final Report

Dear Mr. Laurence:

Work began on the J. W. Boone Prospect on October 10, and was completed on December 30, 1955. We constructed toolhouse, powder and exploder magazines and lowered a 5'x7' two-compartment shaft a distance of 40'. From the bottom of the shaft we drove two drifts, North and South, each a distance of 30 feet. The shaft was in vein all the way, ranging from a small vein at the beginning to about two feet at the bottom.

The vein in the two drifts ranged from one to two feet in both directions, and showed some fine mica. No saleable mica was recovered, even though vein looked hopeful most of the way. Excellent progress was made in December and no difficulty was encountered in the e tire project. Work was completed on December 30, and the operators do not deem it wise to continue with the project.

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

Very truly yours,

Paul Huskins

Paul Huskins and Claude Huskins

B/b

RECEIVED
JAN 5 - 1956
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

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

onth of [illegible], 195[illegible] Docket No. DMEA [illegible] Contract No. [illegible]
perator's Name [illegible] Minerals [illegible]
Address [illegible]
ontract Amount, $[illegible] Government Participation: [illegible] % Amount, $[illegible]

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
) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting [illegible]	[illegible]	-	[illegible]			
[illegible]	[illegible]	[illegible]	[illegible]			
Labor and Supervision:						
Labor						
Supervision						
Technical Services						
)perating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
perating Equipment:						
Rental						
Purchase						
Depreciation						
tial Rehabilitation and Repairs						
w Bldgs., Improvements, etc.		[illegible]	[illegible]			
scellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
[illegible]		[illegible]	[illegible]			
ntingencies (specify):						
TOTALS	[illegible]	[illegible]	[illegible]	2280.00	1736.00	4016.00

ify that the above bill is correct and just and that payment therefor has not eived.

[illegible] *Payee [illegible]

[illegible] Title Partner

a voucher is signed or receipted in the name of a company or corporation, the name of the person writing ny or corporate name, as well as the capacity in which he signs, must appear. For example: "John pany, 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 ment or representation to any department or agency of the United States as to any matter within its n.

(Instructions on reverse)

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

$1710.00

Signature Helen R. Miller
(Authorized Certifying Officer)

Date [illegible] Vou. No. [illegible]
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E880 in accordance with the terms of the contract.

Signature S. C. Bergman Title Geologist USGS Date 1/10/56

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature N. Lepsch ACTING Title EXECUTIVE OFFICER DMEA REGION V Date JAN 10 1956

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

RECEIVED
JAN 13 1956

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of December 195 5 Docket No. DMEA [illegible] Contract No. [illegible]
Operator's Name Paul Hudson and Charlie Hudson Minerals [illegible]
Address [illegible] Dakersville, 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 [illegible]	ft.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Crosscutting								
Raising								
Shafts [illegible] 45.00	ft.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	45.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Total Distributed Costs		[illegible]		[illegible]				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				[illegible]				
[illegible]				[illegible]				
Total Costs		[illegible]		[illegible]				

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

Date 1-3-56 Operator Paul & Charlie Hudson

Per Paul Hudson Title Partner

Remarks:

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

(Instructions on reverse)

(For Government use only)

S. C. Bergman
Geologist USGS
1/10/56

INSTRUCTIONS

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

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

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

GPO 872894

RECEIVED
JAN 13 1956

OPERATOR'S

Monthly Report of Progress

December, 1955

DMEA-3899

Idm-E 380

Work Accomplished:

We completed the shaft, with about 2 feet of vein at the bottom, and drifted North and South from the shaft a distance of sixty feet. Although some fine mica continued to show in vein, no saleable mica was recovered.

Daily notes:

Shaft

December 1 - 2: Drilled, shot and mucked, lowered shaft to forty feet. Vein about two feet wide.

Drift

December 5 - 9: Installed pump. Began work on drift, going to North. Drilled, shot and mucked. Vein almost two feet wide.

December 12-16: Pumped water. Continued with drift, vein narrowing but still showing fine mica.

December 19-23: Pumped water, Drilled and shot. Mucked out waste. Began drifting in opposite direction from shaft, after reaching about 30'.

December 26-30: Vein looks much the same. Pumped water, repeated drilling, shooting and mucking. Completed contract footage on December 30. No mica recovered.

22
20 on drift
2 on shaft

60' ÷ 20 = 3 feet per shift

Good Progress!

20

INTERIM REPORT

DMEA-3899, Idm-E880 (mica) J. W. BOONE PROSPECT

OPERATOR: Paul Huskins and Claude Huskins, Route #3, Bakersville, N. C.

LOCATION: 2.8 airline miles S2°W of Bakersville, Mitchell Co., N. C.

This contract has been completed without making a sizable discovery of strategic mica. The Examiners are of the opinion that no further exploration at government expense is justified, and certification of the contract will not be recommended.

Work performed under contract consisted of sinking an incline shaft following the dip of the pegmatite to a total depth of 40 feet. The shaft was flowred at a depth of 36 feet, and drift turnoff was made to the northeast and southwest. The drifts were driven simultaneously; 32.5 feet were driven N50°E with the work following a body of variable thickness, and 27.5 feet were driven S50°W in a similar body. The present face in the NE drift shows a pegmatite 2.3 feet thick which narrows toward the floor to 1.9 feet and is composed of quartz, feldspar, and small scrap-size muscovite mica. The southwest drift face exhibits a 2-foot pegmatite narrowing to 9 inches toward the floor. The body dips 55 to 60° SE in both headings. A few scattered blocks of badly stained muscovite mica was recovered from work performed. Certification of this contract is not recommended because no apparent reserves of strategic mica exist on the basis of exploration completed.

This project was conducted safely and efficiently, and the foreman is to be commended for his fine performance.

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

S. C. Bergman and A. R. Taylor, Geologists
U. S. Geological Survey

January 5, 1956

Hopkins

INTERIM REPORT

RECEIVED DEC 27 1955

DMEA-3899, Idm-E880 (mica) J. W. BOONE PROSPECT

OPERATOR: Paul Huskins and Claude Huskins, Route #3, Bakersville, N. C.

LOCATION: 2.8 airline miles S2°W of Bakersville, Mitchell County, N. C.

Inclined shaft sinking has been completed to a total depth of 36 feet. Turnoff has been made from the shaft bottom, and drifts are being driven simultaneously to the northeast and southwest following a pegmatite striking N50°E and dipping 56°SE. In the northeast heading the body is up to 2 feet thick with a parallel pegmatite stringer, contains quartz, and small sizes of muscovite mica, most of which contains black stain. In the southwest heading the body is 2.5 to 3.0 feet thick and has about the same composition as that to the northeast. A total of 24.5 feet of drift has been completed to date.

The operator was advised to install a separated partition with ladders and landing in the shaft in the near future. Progress on this contract is satisfactory.

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

S. C. Bergman and A. R. Taylor, Geologists
U. S. Geological Survey

December 14, 1955

RECEIVED
DEC 15 1955

INTERIM REPORT

DMEA-3930, Idm-E872 (mica) HOWARD SMITH PROSPECT

OPERATOR: Howard Smith, Ingalls, N. C.

LOCATION: 1.15 airline miles S43°W of Pyatte, Avery County, North Carolina

Prospect #2 -

Incline sinking on a -17° slope continues on this contract and is now at 35 feet. The body has thickened considerably since the last visit, and is estimated to be 15 feet from hanging wall to foot wall. A 10-foot vertical section is exposed in the present face. Material encountered is pegmatite composed principally of feldspar, and scattered quartz in close association with small to medium-sized blocks of excellent quality green mica. The Operator was advised to deepen the incline and continue the work to the northwest. About 150 pounds of "mine-run" block mica has been recovered to date.

Muck is being handled by track and car. It was suggested that the hoisting rope pulling the car be replaced immediately because of defects in the cable. Progress on this contract is good.

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

S. C. Bergman and A. R. Tayler, Geologists
U. S. Geological Survey

November 29, 1955

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of November, 1955 Docket No. DMEA 3899 Contract No. Idr-E330
Operator's Name Paul Huskins and Claude Huskins Minerals Mica
Address Route 3, Bakersville, N. C.
Contract Amount, $ 4016.00 Government Participation: 75 % Amount, $ 3012.00

RECEIVED DEC 12 1955

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
17' Shaft @ 45.00	765.00	855.00	1620.00			
(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.	76.00	-	76.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Powder & Exploder Mags.	40.00		40.00			
(8) Contingencies (specify):						
TOTALS	881.00	855.00	1736.00	881.00	855.00	1736.00

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 12-1-55 *Payee Paul and Claude Huskins

Per Paul Huskins Title Operators

*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:

$ 660 75

Signature Helen R. Miller
(Authorized Certifying Officer)

Date DEC 8 1955 Vou. No. 122

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E880 in accordance with the terms of the contract.

Signature Sheldon C. Bergman Title Geologist USGS Date

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Laurence Title Date

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 DMF-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 November 1955 Docket No. DMEA 3899 Contract No. Idm-5330
Operator's Name Paul Huskins and Claude Huskins Minerals Mica
Address Route 3, Bakersville, N. C.

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting								
Crosscutting								
Raising								
17' Shafts 45.00	Ft.	765.00	17	1620.00	36	45.00	40	45.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Total Distributed Costs		765.00		1620.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.		76.00		76.00				
Powder & Exploder Magazines		40.00		40.00				
Total Costs		881.00		1736.00				

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 Paul & Claude Huskins

Per Paul Huskins Title Operators

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)

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

OPERATOR'S

Monthly Progress Report

November, 1955

DMEA-3899

Idm-E 880

Work Accomplished:

We completed 17' of shaft during the month, making a total of 36'. We constructed tool house and powder and exploder magazines. We have been slowed down with quite a bit of water, and we are going to install a sump pump to handle it. We now have about 18" of vein, with some fine mica showing.

Daily Notes:

November 1 - 4: Worked on tool house and magazines.

November 7 - 11: Drilled and shot, mucked. Pumped water. Vein widening some.

November 14-18: Continued down with shaft, drilling and shooting. Water becoming a problem. Vein showing some fine mica.

November 21-30: Lost several days due to extremely cold weather. Drilled and shot, then mucked. Continued to have heavy water. Completed 17' of shaft during month.

INTERIM REPORT

DMEA-3899, Idm-E880 (mica) J. W. BOONE PROSPECT

OPERATOR: Paul Huskins and Claude Huskins, Route #3, Bakersville, N. C.

LOCATION: 2.8 airline miles S2°W of Bakersville, Mitchell County, N. C.

No progress has been made on the incline shaft depth previously reported, and total depth remains at 19 feet. The operator reports that compressor breakdown has prevented any drilling activity during the past two weeks. Timbering of the collar or portal has been in progress, and work completed is in excellent shape. As soon as the compressor is repaired, shaft sinking will be resumed.

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

S. C. Bergman and A. R. Taylor, Geologists
U. S. Geological Survey

November 16, 1955

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

RECEIVED NOV 10 1955

Month of October 195 5 Docket No. DMEA 3899 Contract No. Idm- E330
Operator's Name Paul Huskins and Claude Huskins Minerals Mica
Address Route 3, Bakersville, N. C.
Contract Amount, $ 4016.00 Government Participation: 75 % Amount, $ 3012.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
19' Shaft @ 45.00	855.00		855.00			
(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	855.00		855.00	855.00		855.00

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

Date 11-3-55 *Payee Paul and Claude Huskins

Per Paul Huskins Title Partner

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

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

(Instructions on reverse)

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

$ 641.25

Signature Helen R. Mullin
(Authorized Certifying Officer)

Date NOV 8 1955 Vou. No. 102

(See other side)

213.75

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. 880 in accordance with the terms of the contract.

Signature Alfred R. Taylor Title Geologist USGS Date Nov. 7, 1955

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. J. Lyons Title ..... Date .....

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
NOV 1 0 1955

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of October 1955 Docket No. DMEA 3899 Contract No. Idm-E 880
Operator's Name Paul Huskins and Claude Huskins Minerals Mica
Address Route 3, Bakersville, N. C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting								
Raising								
19' Shafts 0 45.00	Ft.	855.00	19	855.00	19	45.00	40	45.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		855.00		855.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		855.00		855.00				

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

Date 11-3-55 Operator Paul and Claude Huskins

Per Paul Huskins Title Partner

REMARKS:

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

(Instructions on reverse)

(For Government use only)

Alfred R. Taylor
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

OPERATOR'S

Monthly Progress Report

October, 1955

DMEA-3899

Idm-E 880

Work Began: Oct. 10, 1955

Work Accomplished:

We moved in equipment including hoist and air compressor, set up boom and mast poles, and completed 19' of shaft during the last of October. Satisfactory progress has been made, the shaft in hard rock most of the 19 feet. Very little vein so far.

Daily Notes:

October 10 - 14: Moved in equipment, set up mast and boom pole. Prepared to start lowering shaft.

October 17 - 21: Three men began work full time. Drilled and shot in hard rock, lowering shaft. Mucked.

October 24 - 31: Brought in supplies. Continued drilling and shooting all the way in rock and hard material, with little vein. Completed 19' of shaft.

INTERIM REPORT

DMSA-3899, Idm-8880 (mica) J. W. BOONE PROSPECT

OPERATOR: Paul Huskins and Claude Huskins, Route #3, Bakersville, N. C.

LOCATION: 2.8 airline miles 32°W of Bakersville, Mitchell Co., N. C.

Work began on this contract October 24, 1955. Inclined shaft sinking is underway and is now at 19 feet. The work to date has followed the inclination of the pegmatite which averages 16 inches in thickness and is composed of feldspar, quartz, and small mica. The operator was advised to continue sinking until another visit can be made.

Equipment on the job consists of a 125 c.f.m. air compressor with drilling accessories, a gasoline powered hoist, conventional hoisting rig and necessary hand tools. No timbering has been accomplished to date, but necessary work around the collar will be completed within the current week. Progress on this contract has been good.

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

K. H. Teague, S. C. Bergman, and A. E. Taylor
Geologists
U. S. Geological Survey

November 2, 1955

SEP 29 1955

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

Subject: Docket No. DMEA-3899 - Mica
Paul and Claude Huskins
J. W. Boone Prospect
Mitchell County, North Carolina

Dear Mr. Laurence:

Transmitted herewith are copies of memoranda from Mr. N. E. Nelson, dated August 26, and Mr. W. F. Dietrich, dated August 29, 1955, both Members of the Mica Commodity Committee. We inadvertantly omitted these memoranda when transmitting the contract.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

P. F. Yopes

Member, Bureau of Mines

N. E. Nelson

Member, Geological Survey

Enclosures 4

FLKnouse:gad 9/27/55

Copy to: Admr. R. File
Docket
Operating Committee
Mr. Dietrich, 3061
Mr. Kiilsgaard, 5222
Mr. Houk
Mr. Knouse

600

SEP 26 1955

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

Subject: Docket No. DMEA-3899 - Mica
Paul and Claude Hankins
J. W. Boone Prospect
Mitchell County, North Carolina

Dear Mr. Laurence:

Please find herewith the original and five copies of a contract covering the subject exploration project which have been signed by the Administrator for the Government with effective date as shown.

If the contract meets with your approval present it to the Operators for approval and signature. Please explain to the Operators that the contract, when executed, is a firm commitment under the terms of which they are obligated to complete the work outlined at the agreed unit cost. If any part of this contract does not have either your approval or that of the Operators and cannot be amended within your delegated authority, then the original and all copies of the contract are to be returned to this office, together with the proposed changes for consideration.

The legal description of the property refers to an iron stake as the point of beginning of the metes and bounds. Please show the location of this stake on each copy of the map attached to the contract before it is presented to the Operators for signature.

After execution of the contract, the copies are to be distributed in the usual manner. Copies of memoranda from Mr. W. F. Dietrich of the Bureau of Mines, dated July 18, 1955, and from Mr. N. E. Nelson of the Geological Survey, dated July 19, 1955, are enclosed.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

/s/ Robert W. Geehan

Member, Bureau of Mines

N. E. Nelson

Member, Geological Survey

Enclosures 10

JHopkins:gad 9/22/55

Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Hopkins

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

RECEIVED
AUG 31 1955

August 29, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-3899 (mica)

Applicant: Paul and Claude Huskins

Name and Location of Property: J.E. Boone Prospect, Mitchell Co., N. C.

Date of Field Team Report: 8/10/55

Date Rec'd by Br. of Ceramic & Fertilizer Materials: 8/25/55

Field Team Recommendation: Recommend an exploration project at a cost of $4,013.00.

Comments:

1. This deposit appears to have possibilities for the development of strategic mica.

2. Proposed exploration outlined by the field team is consistent with good engineering practices and estimated costs are in line with other DMEA projects.

Recommendation: I concur with the field team's recommendation for a unit cost exploration program.

W. F. Dietrich

IN REPLY REFER TO:

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

August 26, 1955

Re: DMRA 3699
Paul and Claude Hankins
J. E. Boone Prospect
Mitchell Co., N. C.
$4,013.00 - Mica

Memorandum

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

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

Subject: Review of Field Team report.

For a narrow pegmatite this new discovery appears to have more than an average chance since at the outcrop it contains rather abundant mica, uniformly distributed and of good quality.

Like all small pegmatites the tonnage that may be expected to be developed by the 40 feet of shaft and 60 feet of drifting is small, 350-400 tons, and the ore needs to be good.

I concur with the acceptance recommendation of the Field Team.

N. K. Nelson

N. K. Nelson

NKNelson:iml
G-8/26/55

cc: Director's reading, 4212
Branch reading, 4212
DMRA (3)
Docket file
W. F. Dietrich, 3061

Memorandum August 23, 1955

To: File

From: James Hopkins

Subject: Evaluation of application and Field Team examination report

Docket No DMEA 3899- Mica

Paul Huskins & Charles Huskins

J.W. Boone Prospect

Mitchell County, North Carolina

Mica:

The mica is distributed uniformly throughout the exposed pegmatite and is of excellent quality and rather abundant. It is hard, flat, clear, free-splitting and light green color.

Pegmatite:

A conformable pegmatite about 2-3 feet thick rather rich in strategic grade mica is exposed in the pit. The body consists of coarse-grained plagioclase, gray quartz, muscovite and sericite, in order of abundance. No zoning is apparent. The enclosing country rock is biotite hornblende gneiss.

Workings

Only a small amount of work has been done at this place. The pegmatite has been

stripped along the strike for about 25 feet. One pit about three feet deep and 15 feet long has been made in the pegmatite.

Proposed Exploration:

It is proposed to sink a 110-foot incline 5'x7' in cross section on the pegmatite. Then to drive 60 feet of drifts 5'x7' in cross section from the mine. Toolhouse, exploser and powder magazines will be needed.

Economics:

This is a new prospect which offers good possibilities for the discovery of a deposit of strategic mica. The pegmatite is rather rich in strategic grade mica.

Recommendations:

The Field Team has recommended that exploration assistance be granted.

The proposed work is good sound practice.

I concur in the Field Team's recommendation of the proposed work.

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

August 19, 1955

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Field Team Examination Report - DMEA-3899, Paul & Claude Huskins, J. E. Boone Prospect, Mitchell County, N. C. (mica)

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

The Field Team concurs with the recommendations set forth in the report, and recommend a contract on a unit-cost basis.

V. J. Lynch, Acting
EXECUTIVE OFFICER
DMEA REGION V

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AUG 2 1955

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

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UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

EXAMINATION REPORT BY DMEA FIELD TEAM, REGION V

On

DMEA-3899, J. W. BOONE PROSPECT (mica)
Mitchell County, North Carolina

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AUG 2 2 1955

BY

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

and

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

Examined-August 10, 1955

FIELD EXAMINATION REPORT

DMEA-3899 (mica)

Applicant: Paul and Claude Huskins, Route # 3, Bakersville, N. C.

This is a new prospect which offers good possibilities for the discovery of a deposit of strategic mica. The pegmatite is rather rich in strategic grade mica. It is recommended that exploration assistance be granted.

The Prospect was examined August 10, 1955. Mr. J. W. Boone, the land owner, accompanied the examiners on the inspection which required one hour.

The J. W. Boone Prospect is on the west side of Burns Mountain, 2.8 airline miles S. 2° W. of Bakersville, Mitchell County, North Carolina. It is about 700 feet southwest of the John Conely Mine (DMEA-3740). Access by jeep is possible to within 200 feet of the deposit.

Both applicants have had considerable mining experience. The Field Examiners have not seen a copy of the new lease requested of the Applicants by Washington. Only a limited area will be needed to do the proposed work. ?/

Only a small amount of work has been done at this place. The pegmatite has been stripped along the strike for about 25 feet. One pit about three feet deep by 15 feet long has been made in the pegmatite.

A conformable pegmatite about 2-3 feet thick is exposed in the pit. It strikes N. 55-60° E and dips about 60° to the southeast. The body consists of coarse-grained plagioclase, gray quartz, muscovite and sericite, in order of abundance. No zoning is apparent. The enclosing country rock is layered hornblende gneiss.

The mica is distributed uniformly throughout the exposed pegmatite and is of excellent quality and rather abundant. It is hard, flat, clear, free-splitting and light green in color.

It is recommended that exploration consist of constructing a toolhouse and two magazines, sinking a 40-foot incline on the pegmatite, and driving 60 feet of drifts from the incline.

Estimated Costs:

Toolhouse	76.00 $75.00	
Powder Magazine	26.00 25.00	
Exploder "	14.00 ~~13.00~~	~~$113.00~~
		116.00

Sink 40-foot incline 5' x 7' in cross section on the pegmatite (30 shifts).

Labor:		
1 - Miner @ $1.50/hr.	$360.00	22.50
1 - Hoistman @ $1.25/hr.	300.00	
1 - Laborer @ $1.00/hr.	240.00	
	900.00	
Equipment (rental)		
Compressor and drill @ $200/Mo.	330.00	10.12
Hoist @ $50/Mo.	75.00	
	405.00	
Supplies:		
Explosives	125.00	3.12
Timber - 1000 b. f. @ $60/M	60.00	1.50
Gasoline and oil	80.00	2.00
Drill steel	75.00	1.87
Small tools	75.00	1.87
Miscellaneous	25.00	0.62
Insurance	37.00	1.39
Social Security	18.00	$1,800.00

Drive 60 feet of drifts 5' x 7' in cross-section from the incline (30 shifts.

		2'
Labor:		
1 - Miner @ $1.50/hr.	360.00	
1 - Hoistman @ $1.25/hr.	300.00	
2 - Laborers @ $1.00/hr.	480.00	$19.00
	1142.00	
Equipment (rental)		
Compressor, pump, drill and jackleg @ $250/Mo.	375.00	
Hoist @ $50/Mo.	75.00	7.50
	450.00	
Supplies:		
Drill steel	80.00	1.33
Gasoline and oil	100.00	1.66
Explosives	150.00	2.50
Small tools and pipe	75.00	1.25
Miscellaneous	30.00	0.50
Insurance	52.00	1.25
Social Security	23.00	$2,100.00

Estimated Total Cost..... ~~$4,013.00~~

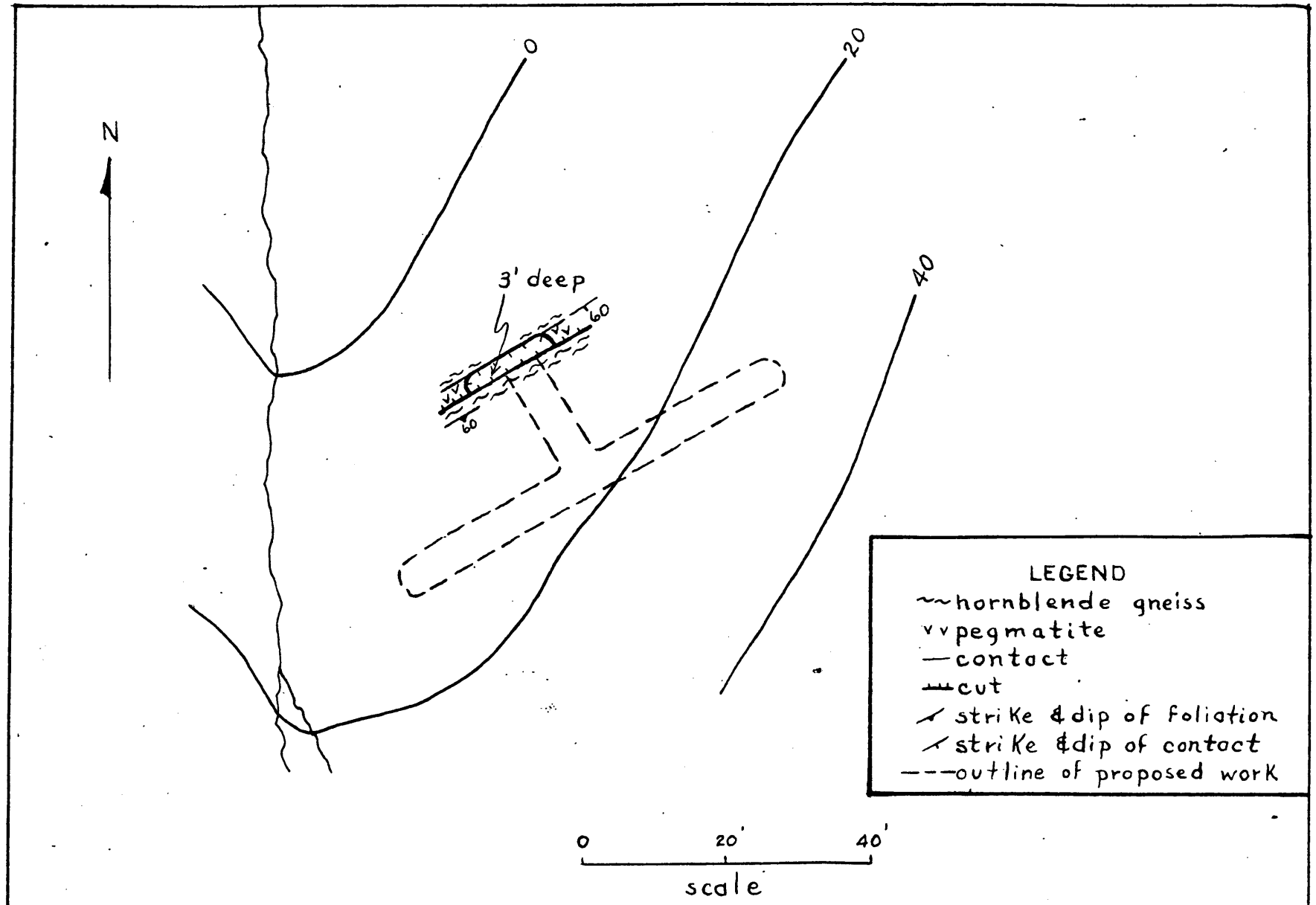
$4016.00

$3012.00

August 19, 1955

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

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



SKETCH OF
J.W. BOONE PROS.
MITCHELL CO., N.C.

DMEA-3899 (mica)

AUG 25 1955

Messrs. Paul and Claude Hankins
Route 3
Bakersville, North Carolina

Re: Docket No. [illegible]-3899 - Mica
Paul and Claude Hankins
J. W. Boone Prospect
Mitchell County, North Carolina

Gentlemen:

Reference is made to our letter, dated July 20, 1955, requesting additional information to process your application. To date, no reply to that letter has been received.

Upon receipt of the requested information, we will continue processing your application.

Sincerely yours,

SIGNED

Frederick L. Krause, Acting Chief
Nonmetallic Minerals Division

JHopkins:pk 8/24/55
Copy to: Admr. R. Fil
Docket
[illegible]
Field Team, Region V
Mr. Killsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Hopkins

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

RECEIVED
JUL 1 9 1955

July 18, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA - 3899 (mica)

Applicant: P. Huskins and C. Huskins

Name and Location of Property: J. W. Boone Prospect
Mitchell County, North Carolina

Date Application Rec'd by Br. of Ceramic and Fert. Mtls.: July 15, 1955

Comments:

1. From the limited information presented, it is difficult to determine if an exploration program is justified or if the proposed plan would be the best method of exploring this property.

2. Although it would be desirable for the applicant to furnish more complete information, it appears that a visit by an examiner would furnish more useful data.

Recommendation:

It is recommended that the field team visit this mine when in that vicinity to ascertain if an exploration project is justified. If so, the field team and applicant should agree on a definite plan of exploration on a unit-cost basis.

W. F. Dietrich

IN REPLY REFER TO:

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

RECEIVED
JUL 19 1955

July 19, 1955

Re: DMEA 399
Paul and Claude Hankins
J. W. Boone Prospect
Mitchell Co., N. C.
50,000 - Mica

Memorandum

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

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

Subject: Review of Application

This application cannot be judged due to lack of information. Apparently no mica has been produced and perhaps none is to be seen.

Under such conditions a staged program, involving stripping and testing by much less work than the proposed 50-foot shaft and 50 feet of drifting, would be more in keeping.

A report by the Field Team is needed and is here recommended.

N. E. Nelson

N. E. Nelson

NENelson:iml
G-7/19/55

cc: Director's reading, 4212
Branch reading, 4212
DMEA (3)
Docket file
W. F. Dietrich, 3061