DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Report of:

W. S. Flynt

Cressmore, North Carolina

pertaining to Exploration Project Contract No. Idm-8945, Docket No. DMEA-4081, including Amendment Nos. 1 and 2, for the month of May 1956, covering a project for the exploration of strategic mica on property, known as the Leatherman Prospect located in Lincoln County, North Carolina.

My review included an examination of the Monthly Report (Form 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		$400.30
Exceptions:		
By DMEA Finance Officer	$ -0-	
Herewith	-0-	-0-
Total Accepted Cost		$400.30

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 hundred and 22/100 Dollars

$300.22

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

E. D. Talbert, Auditor

October 24, 1956

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

RECEIVED
OCT 18 1956

October 16, 1956

Mr. W. S. Flynt

Crossnore, North Carolina

Re: DMEA-4081, Idm-E945-Mica
Leatherman Mine,
Lincoln County, N.C.

Dear Mr. Flynt:

Your voucher for work at the Leatherman mine has been approved for payment and forwarded to the Finance Office. Because all work was included in one report, we are accepting the narrative which accompanied the voucher in lieu of a final geologic and engineering report.

Because work under Stage I indicated the improbability of making a significant discovery, Stage II is not approved, and therefore the contract is considered to be terminated.

Sincerely yours,

Robert A. Laurence
Executive Officer, DMEA
Region V

t/zm

. Com.-2

ey
e Office

Division copy

Britin Sherman "Appd. Sol. Off."

Stark Chapman Selfridge

EXPLORATION PROJECT CONTRACT
W. S. FLYNT
DOCKET NO. DMRA-4081

AMENDMENT NO. 2

It is agreed this 22nd day of August, 1956, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and W. S. Flynt, that Exploration Project Contract Idm-8945 (Docket No. DMRA-4081), dated April 19, 1956, as amended, is further amended as follows:

1. In Exhibit "A," under Stage I, the work requirement is revised to read:

"Excavate a trench approximately 200 feet long by 15 feet wide by 12 feet deep, or 1334-1/3 cubic yards of excavation."

2. In Exhibit "A," in item numbered 3 under Stage II, the figure "55½" is substituted for the figure "60."

3. In Exhibit "A," under Fixed Unit Costs:

(a) The estimate for Stage I is revised to read as follows:

"1. Excavate 1334-1/3 cubic yards @ $0.30/cu. yd. $ 400.30."

(b) Under Stage II, item numbered 3 is revised to read as follows:

"3. Drive 55½ feet of drift @ $33.40/ft. $1,853.70."

4. In Article 3 of the contract, the completion date "November 30, 1956," is substituted for "October 31, 1956."

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be required to contribute, or the fixed unit cost of any item of work.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By C. W. Mutteadorz
Administrator, Defense Minerals Exploration Administration

W. S. FLYNT
W. S. Flynt

DIVISION COPY

EXPLORATION PROJECT CONTRACT
W. S. FLYNT, Applicant
DOCKET No. DMEA-4081

RECEIVED
AUG - 8 1956

AMENDMENT No. 1

It is agreed this 31st day of July 1956, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and W. S. Flynt, that Exploration Project Contract ICm-2945 (Docket No. DMEA-4081), dated April 19, 1956, is amended as follows:

1. The time for beginning the work specified in the Contract is hereby extended to July 31, instead of May 31, 1956 as originally written.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be required to contribute, nor the agreed unit cost of any item of work.

W. S. Flynt, Operator

THE UNITED STATES OF AMERICA

By: Robert A. Lawson
Executive Officer, DMEA-Region V

Division Copy

RECEIVED
MAY 21 1956

MF-200A
(Revised June 1954)

Docket No. DMEA 4081

Commodity Mica

Contract No. Idm-E 945

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

It is agreed this APR 19 1956 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] W. S. Flynt, whose mailing address is Crossnore, 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 Lincoln, and is described in Annex I.[3]

(b) The Operator represents and undertakes that:

(1) The Operator is the [4] Lessee of [5] the mineral rights in the land, in possession and entitled to possession for all of the purposes of this contract, under and by virtue of a [6] Lease, [7] 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: Royalty as set forth in the lease.

(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."

(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 Strategic Mica. The work to be performed is described in Exhibit "A." The Operator on or before MAY 31 1956 shall commence the work, and on or before October 31, 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 $4,440.00. The Government will contribute 75 percent of the fixed unit costs as work is performed, in a total sum not in excess of $3,330.00: *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.

W. S. FLINT
(Operator)

By .....

.....

THE UNITED STATES OF AMERICA

By C. Mitteudorf

Administrator, Defense Minerals Exploration Administration

Selfridge

Appd. Sol. Off.

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

.....

[CORPORATE SEAL]

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

EXPLORATION PROJECT CONTRACT
W. S. FLYNT
DOCKET NO. DMEA-4081

ANNEX I

The land referred to in Article 2 of the Contract was leased by Nancy L. Leatherman to W. S. Flynt by an instrument, dated November 29, 1955, is situated in Lincoln County, North Carolina, and is more particularly described as follows:

> Beginning at the old shaft of the Brackett-Leatherman Mine which is located 300' West of a large stone on the creek bank, and running 250' North; thence 250' West; thence 500' South; thence 500' East; thence 500' North; thence 250' West to a point of closing. This property located about 10 miles N.E. of Teluca, N. C., two miles East of intersection of Highways #10 and #18.

MF-203
Revised March 24, 1955

For Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator W. S. Flynt
Docket No. DMEA- 4081
Contract No. Idm-E945
Contract Date April 19, 1956

CONSENT TO LIEN

RECEIVED
MAY 21 1956

To the United States of America:

Referring to that certain land in the County of Lincoln, State of North Carolina, described as follows:1/ Beginning at the old shaft of the Brackett Leatherman Mine which is located 300' West of a large stone on the creek bank, and running 250' North; thence 250' West; thence 500' South; thence 500' East; thence 500' North; thence 250' West to a point of closing. This property located about 10 miles N.E. of Toluca, N. C., two miles East of intersection of Highways #10 and #18.,

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 2nd day of May, 1956.

Mrs. Nancy L. Leatherman [Seal]

_____ [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]

RECEIVED
MAY 21 1956

EXPLORATION PROJECT CONTRACT
W. S. FLINT
DOCKET NO. DMEA-4081

EXHIBIT "A"

Description of the Work

The location of the work is shown in part, on the map entitled, "Leatherman Prospect, Lincoln County, N. C. DMEA-4081 (Mica)" attached hereto and made a part hereof. The work consists of two stages. The Operator shall perform the work specified in Stage I and as much of the work specified in Stage II as the Government approves in writing.

Stage I

1. Excavate a trench or trenches aggregating approximately ~~150~~ 200 feet long by 15 ~~feet~~ 15 wide by 10 ~~feet~~ 12 deep.

Stage II

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 doors shall be securely locked with the equivalent of a 5-tumbler jarproof lock.

2. Sink 50 feet of two-compartment shaft.

3. From the shaft, drive 60 feet of exploratory drift on the pegmatite.

The shaft and drift shall be timbered as necessary and shall have minimum cross-sectional dimensions of 5 feet by 7 feet in the clear of timber.

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

Fixed Unit Costs

Stage I

1. Excavate trench or trenches aggregating approximately 150 feet by 15 feet by 10 feet - 833 1/3 cubic yards @ $0.30/cu. yd. 1334 1/3 cu yds $ 250.00 400.30

200 X 15 X 12 =

Stage II

1. Construct:

Toolhouse 1/	$ 75.00
Powder Magazine 1/	85.00
Cap Magazine 1/	16.00

2. Sink 50 feet of shaft @ $41.40/ft. 2,070.00

3. Drive ~~60~~ 55 1/2 feet of drift @ $33.40/ft. 2,004.00 55 1/2 x 33.40 = 1853.70

Estimated Total Cost of Project	$4,440.00
Government Participation @ 75%	$3,330.00

1/ The completed work constitutes the unit.

Mr. W. S. Flynt

Crossnore, North Carolina

Re: Docket No. DMA-4081-Idm
W. S. Flynt
Leatherman Prospect
Lincoln County, North Carolina
Contract No. Idm-5945

Dear Mr. Flynt:

Reference is made to your terminated 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 DMA exploration program and participation therein are fully appreciated.

Sincerely yours,

Administrator

WCAnderson:rai 5/6/57
Copy to: Admr. R. File
Mr. Chambers
Field Team, Region V
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

600

MAY 13 1957

Mrs. Nancy L. Leatherman

R. F. D
Lincolnton, North Carolina

Re: Docket No. DRL-4081-Miss
W. B. Flynt
Leatherman Prospect
Lincoln County, North Carolina
Contract No. Ida-8945

Dear Mrs. Leatherman:

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

This correspondence relates to the Consent to Lien signed by you on May 2, 1956.

Sincerely yours,

C. O. Mittendorf

Administrator

Enclosure

WCanderson:rai 5/6/57
Copy to: Mr. R. File
Mr. Chambers
Field Team, Region V
Operating Committee
Mr. Killingsard, 5222
Mr. Dietrich, 3061
Mr. Houk

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

Re: Docket No. DMEA-4081-Mica
W. S. Flynt
Leatherman Prospect
Lincoln County, North Carolina
Contract No. Idm-E945

Dear Mr. Laurence:

Enclosed is a letter to be forwarded to the signer of the Consent to Lien under the subject contract.

Kindly complete the address and forward, retaining your copies and returning the remaining copies.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

P. F. Yopes

Member, Bureau of Mines

Thor H. Killsgaard

Member, Geological Survey

Enclosure

WCAnderson:rsi 5/7/57
Rewritten
WCAnderson:rsi 5/8/57
Copy to: Admr. R. File
Mr. Chambers
Operating Committee
Mr. Killsgaard, 5222
Mr. Dietrich, 3061
Mr. Rouk

May 6, 1957

Project Summary Report

By: Walter C. Anderson, Nonmetallic Minerals Division

1. Docket No. DMEA-4081-Mica
Contract No. Idm-E945
Leatherman Prospect
Lincoln County, North Carolina

Application: Form MF-103(April, 1952) received December 1, 1955.

Operator: W. S.Flynt
Crossnore, North Carolina

Operator's Property Rights: Five year mining lease on the Leatherman property consisting of 5 plus acres, dated November 29, 1955. Consent to Lien of Owner, dated May 2, 1956.

Work Proposed by Applicant:

60 feet of shaft @ $50.00/ft.	$3,000.00
80 feet of drift @ $35.00/ft.	2,800.00
Amount requested	$5,800.00

2. Contract: Form MF-200A(June, 1954) dated April 19, 1956.

Work Authorized:

Stage I	
Trench excavation - 833 1/3 cubic yards @ $0.30/cu.yd.	$250.00
Stage II	
Construction - Toolhouse, powder and exploder magazine	116.00
50 feet of shaft @ $41.40/ft.	2,070.00
60 feet of drift @ $33.40/ft.	2,004.00
Estimated total cost of project	$4,440.00
Government participation @ 75%	$3,330.00

Amendments:

No. 1. - 7/31/56 - Extends date of starting from 5/31/56 to 7/10/56.

No. 2. - Under stage I, trench excavation is raised from 833 1/3 cubic yards to 1334 1/3 cubic yards. Under stage II, drifting is changed from 60 feet to 55 1/2 feet.

Work Completed:

Trench excavation - 1334 1/3 cubic yards @ $0.30/cu. yd.	$400.30
Total accepted cost	$400.30
Government participation @ 75%	$300.22

Work began on July 5, 1956, ended on August 8, 1956, and was terminated by letter dated October 16, 1956, from Field Team Final Report received January 14, 1957.
Operator's Final Report - Because all work was included in one monthly report, received October 22, 1956, the Field Team accepted the narrative accompanying the voucher in lieu of the final report.
No equipment purchased under contract.

3. Audit: Report of Review issued October 24, 1956.

Total accepted cost	$400.30
Government participation @ 75%	$300.22

4. Certification of Discovery - None issued.
About 20 pounds of "mine-run-block" produced during the project.
No pegmatite at bottom of cut.

5. Comments:
How conducted: All of the work in which the Government participated was acceptable.
Operation: Good.
Engineering: One and only monthly report submitted by the Operator was above average.

Geologic Premise: The premise that a mica-rich pegmatite, as indicated at the surface, would continue in depth and laterally was proven incorrect, as no pegmatite was found in bottom of excavation.

Geologic Criteria Upon Which Work Was Based:
1. Pegmatite: 2 to 3 feet wide, consisting of a soft mixture of weathered soda and potash feldspars with a strong 1½ to 2 foot quartz core. Disformably enclosed in soft weathered sillimanite mica gneiss.
2. Mica: Some "burr" and small sheet mica in place, flat or flat "A" with minor mineral staining at edges.
3. Past production.

Geologic Criteria Developed During Project:
1. Pegmatite: None found at bottom of excavation.
2. Mica: Small amount of ruby mica (which was left in place) in the pegmatite removed by excavation.

Future Possibilities: None.

Recommendations: The Nonmetallic Minerals Division and the Commodity Members of the Bureau of Mines and Geological Survey concur in the Field Team's recommendation that this project should not be certified.

WCAnderson:rsi 5/6/57
Copy to: Admr. R. File
Mr. Houk

W. C. Anderson
Nonmetallic Minerals Division

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

IN REPLY REFER TO:

EXTRA COPY
DMEA
RECEIVED

DATE	IN	CODE

January 18, 1957

Re: ~~DMEA 4681 (Ln-2945)~~
W. S. Flint
Leatherman Prospect
Lincoln County, N. C.
$4,440.00 - Mica

Memorandum

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

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

Subject: Review of Field Team Final Report

A contract was awarded the applicant, approving a 2-stage work program to search for the source of masses of quartz, weathered scrap and sheet mica.

Dragline trenching revealed the upper workings of an old mine and small scattered remnants of what appears to be a largely mined out pegmatite.

The pegmatite probably is mica-bearing but the physical conditions make it questionable whether mining should be resumed. Therefore Stage II or underground work was not undertaken and the examiners and Field Team recommend that certification should not be made.

I concur with that recommendation.

N. E. Nelson

N. E. Nelson

NENelson:jeh
1/18/57
cc: Director's reading 4212
Branch reading 4212
DMEA (3)
W. F. Dietrich 3061
Docket file
Chrono. file

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

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DMEA
RECEIVED JAN 22 1957

DATE	INITIALS	CODE
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		600

January 22, 1957

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: W. F. Dietrich, Chief
Branch of Ceramic and Fertilizer Materials

Subject: DMEA - 4081 (mica)

Applicant: W. S. Flynt

Name and Location of Property: Leatherman Prospect
Lincoln County, North Carolina

Contract Number: Idm-E 945

Date of Field Team Report: January 8, 1957

Date Rec'd. by Br. of Ceramic and Fertilizer Materials: January 15, 1957

Field Team Recommendation: Recommend that no certification be issued.

Comments:

1. Only stage I of a two stage operation was completed on this prospect.

2. Sufficient work has been done to indicate the pegmatite is not suitable for producing large quantities of strategic mica.

3. Expenditures -

Total approved	$4,440.00
Total cost	400.30
Gov't. share of cost	300.22
Gov't's. share unexpended	3,032.78
Value of production during operation	unknown

Recommendation:

I concur with the recommendation of the field team that no certification be issued.

SIGNED

W. F. Dietrich

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D.C.
ROOM 1500 POST OFFICE BLDG
KNOXVILLE 2, TENN.

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January 8, 1957 | | 130 → 10
1/15 | | 600

Memorandum

To: Operating Committee, DMEA, Washington, D. C.

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

Subject: Final Report - W. S. Flynt, Crossnore, North Carolina
DMEA-4081, Idm-E945 (Mica), Leatherman Prospect
Lincoln County, North Carolina

Enclosed are the original and three copies of the subject final report.

The Field Team agrees with the field examiners' recommendation that no certification be issued.

V. J. Lynch
Acting Executive Officer

Helmuth Wedow, Jr.
Geologist
U. S. Geological Survey

Enclosures 4

Reviewed by
DMEA OPERATING COMMITTEE
1-14-57
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR

130
110
130 ~~140~~

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT

DMEA-4081, Idm-E945, LEATHERMAN PROSPECT
Lincoln County, N. C. (Mica)

By

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

and

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

January 4, 1957

Reviewed by
DMEA OPERATING COMMITTEE
1-14-57
(Date)

EXPLORATION PROJECT CONTRACT

FINAL REPORT

DMEA-4081, Idn-E945, (mica) LEATHERMAN PROSPECT
Lincoln County, North Carolina

Operator: W. S. Flynt, Crossnore, North Carolina

Summary

Extensive drag-line operations under Stage I of the amended contract did not reach the bottom of old works. Stage II was not approved because of the improbability of making a significant discovery. It is therefore recommended that no certification be issued.

General

The prospect is 4.0 miles S. 86° E. of the intersection of Highways 10 and 18 at Toluca, Lincoln County, North Carolina.

Trenching by drag-line began on July 5, 1956, and ended on August 8, 1956. About 2300 cubic yards of muck was removed, but no pegmatite was found in place at the bottom, only some remnants that had been left on the sides. The cut is 138 feet long, 25 to 40 feet wide, and 15 to 28 feet deep.

About 20 pounds of "mine-run-block" ruby muscovite was uncovered from the southwestern part of the trench from the pegmatite remnants.

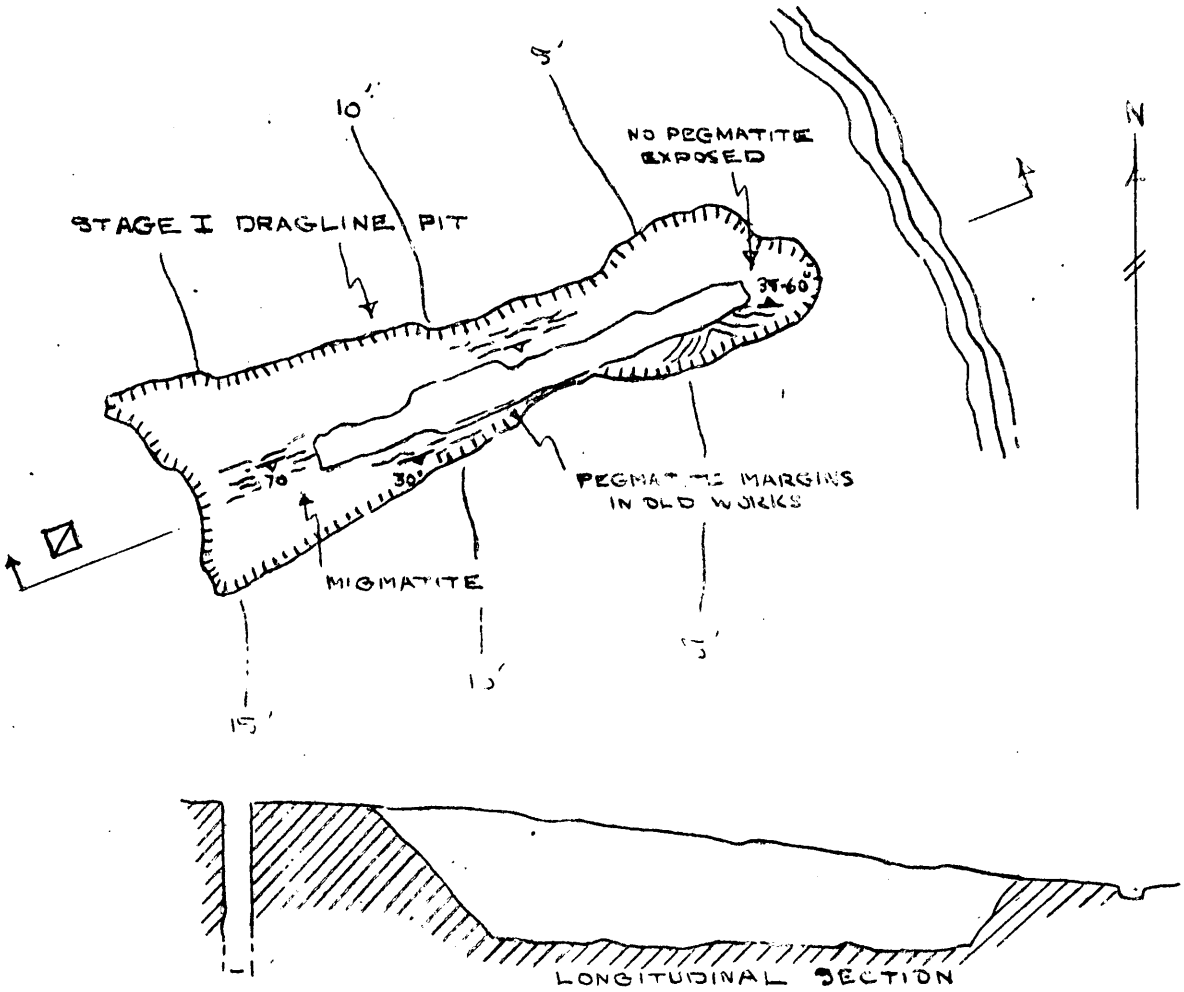
The old workings, together with the great amount of ground water present preclude the possibility or probability of working this prospect in the future. Therefore, the examiners recommend that the project not be certified.

Expenditures:

(a)	Total approved	$4,440.00
(b)	Total cost of project	400.30
(c)	Government's participation	300.22
(d)	Government's share unexpended	3,032.78
(e)	Value of production	Unknown

A. R. Taylor and S. C. Bergman, Geologists
U. S. Geological Survey
L. E. Shirley, Mining Engineer, USBM

g



LEGEND

- PEGMATITE REMNANTS
- SILLIMANITIC MICA GNEISS AND SCHIST
- EXCAVATION
- OLD SHAFT

LEATHERMAN PROSPECT

LINCOLN COUNTY, N.C.

DMEA-4081 IDM-E 945

SCALE: 1" = 10'

RECEIVED
JAN 10 1957
D.M.E.A.

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January 8, 1957 | 130 JHB

Memorandum

To: Operating Committee, DMEA, Washington, D. C.

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

Subject: Final Report - W. S. Flynt, Crossnore, North Carolina
DMEA-4081, Idm-E945 (Mica), Leatherman Prospect
Lincoln County, North Carolina

Enclosed are the original and three copies of the subject final report.

The Field Team agrees with the field examiners8 recommendation that no certification be issued.

V. J. Lynch
Acting Executive Officer

Helmuth Wedow, Jr.
Geologist
U. S. Geological Survey

mg
Enclosures 4
cc
Operating Committee (2)
Lynch
Shirley
File

Reviewed by
DMEA OPERATING COMMITTEE
1-14-57

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UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT

DMEA-4081, Idm-E945, LEATHERMAN PROSPECT
Lincoln County, N. C. (Mica)

By

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

and

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

Reviewed by
DMEA OPERATING COMMITTEE
1-14-57
(date)

January 4, 1957

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EXPLORATION PROJECT CONTRACT

FINAL REPORT

DMEA-4081, Idm-E945, (mica) LEATHERMAN PROSPECT
Lincoln County, North Carolina

Operator: W. S. Flynt, Crossnore, North Carolina

Summary

Extensive drag-line operations under Stage I of the amended contract did not reach the bottom of old works. Stage II was not approved because of the improbability of making a significant discovery. It is therefore recommended that no certification be issued.

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(a)	Total approved	$4,440.00
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(c)	Government's participation	300.22
(d)	Government's share unexpended	3,032.78
(e)	Value of production	Unknown

A. R. Taylor and S. C. Bergman, Geologists
U. S. Geological Survey
L. E. Shirley, Mining Engineer, USBM

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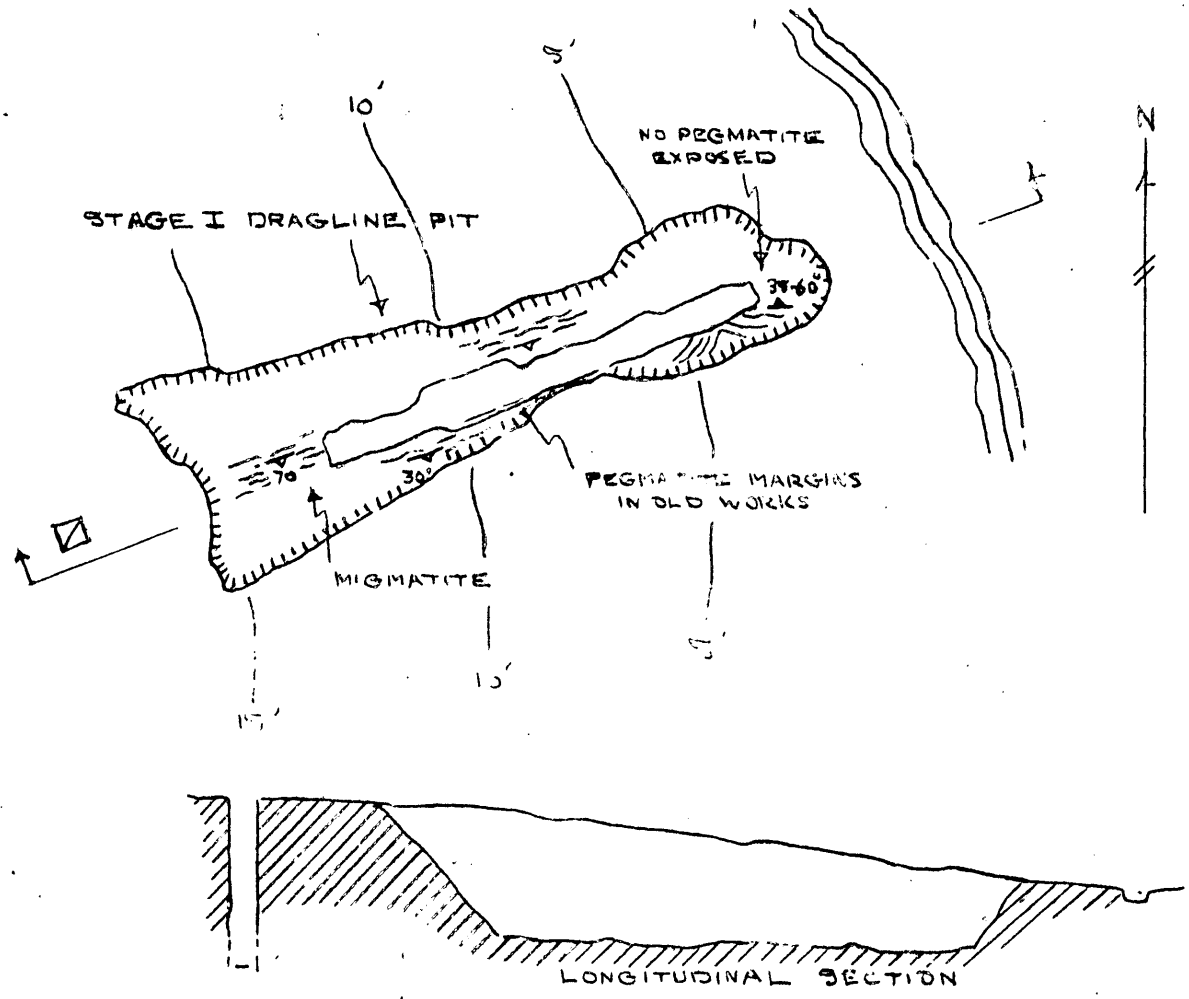

LEGEND

- PEGMATITE REMNANTS
- SILLIMANITIC MICA GNEISS AND SCHIST
- EXCAVATION
- OLD SHAFT

LEATHERMAN PROSPECT

LINCOLN COUNTY, N.C.

DMEA-4081 IDM-E 945

SCALE: 1" = 40'

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JAN 10 1957
E.M.E.A.

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

Budget Bureau No. 42-R1036.5

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K

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OCT 22 1956

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

Month of May, 1956 Docket No. DMEA 4081 Contract No. Idm-E 945
Operator's Name W.S. Flynt Minerals Mica
Address Crossnore, N.C.
Contract Amount, $ 4,440.00 Government Participation: 75 % Amount, $ 3,330.00

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						
1334 1B Bulldozing @ $ 0.30	400.30		400.30			
Crosscutting						
Drifting						
(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	400.30		400.30	400.30		400.30

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

Date 10-9-56 *Payee W.S. Flynt

Per W S Flynt 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:

$ 300.22

Signature Helen R. Mellen
(Authorized Certifying Officer)

Date OCT 18 1956 Vou. No. 59

(See other side)

100.08

(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. E945 in accordance with the terms of the contract.

Signature V. J. Lynch Title Mining Eng. Date 10-15-56

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

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

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

RECEIVED
OCT 22 1956

Month of May 1956 Docket No. DMEA 4081 Contract No. Idm-E 945
Operator's Name W.S. Flynt Minerals Mica
Address Crossnore, 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								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
1334 1/3 Cu.Yds.Bull-dozing	cu.yds.	400.30	1334 1/3	400.30	1334 1/3	0.30	1334 1/3	$0.30
TOTAL DISTRIBUTED COSTS		400.30		400.30				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		400.30		400.30				

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

Date 10-9-56 Operator W.S. Flynt

Per W S Flynt Title Partner

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

REMARKS:

(Instructions on reverse)

(For Government use only)

W. J. Lynch
Bureau of Mines
10-15-56

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

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OCT 22 1956

OPERATOR'S

Monthly Progress Report

DMEA-4081, Idm-E 945
Leatherman Prospect
Lincoln County

Work Accomplished

We begin excavating on the above project approximately 20' from creek and struck rock at about 10' depth. We continued up hill towards old shaft 325' and struck old works, at about 32' leavel and recovered approximately 100 lbs. of scrap mica which had been left in old works. We do not know how much further old works continue past existing shaft. We encountered water at approximately 5' depth.

Daily Notes:

May 16-18:	Moved in bulldozer.
" 21-28:	Begin approximately 20' from creek, struck rock at about 10' depth, and continued up hill 325' and struck old works.
" 28-31	We recovered approximately 100 lbs. of scrap mica which had been left in old works.

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

RECEIVED
OCT 17 1956

October 11, 1956

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region V - Knoxville

Subject: Amendment No.2 - Idm-E945, DMEA-4081-Mica
W. S. Flynt, Crossnore , N.C.

Transmitted are three signed copies of the subject amendment.

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

Robert A. Laurence

ZM
cc
Lynch
Finance Office
Shirley
Files

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

Re: Docket No. DMEA-4081-nlsc
W. S. Flynn
Leatherman Prospect
Lincoln County, North Carolina
Contract No. Lds-2945

Dear Mr. Lawrence:

Reference is made to the Field Team memorandum of August 1, 1956, requesting an amendment providing for 500 cubic yards of additional trenching, on the subject property.

We have prepared and enclose the original and five copies of Amendment No. 2 which have been signed by the Administrator for the Government. Two extra copies are enclosed for the use of the Field Team. If it meets with your approval, please present it to the operator for approval and signature.

After execution of the amendment, the copies are to be distributed in the usual manner.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

FRANK D. LAMB

Member, Bureau of Mines

W. P. Williams

Member, Geological Survey

Enclosures: 8

JHopkins:ms 8/20/56
Copy to: Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Hopkins
Admr. R. File

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

August 14, 1956

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: DMEA-4081, Idm-B945 (mica) W.S. Flynt, Crossmore, N.C. Leatherman Mine, Lincoln County.

Enclosed are four copies of the latest interim report on the subject contract, and three copies of a letter from the Operator requesting another amendment. Please refer to our letter of August 1 in which amendment No.2 was requested.

The Operator has now done the additional open-cut work requested August 1 in anticipation of approval of amendment No.2, in order to utilize equipment already at the site. We still recommend approval of amendment No.2 to authorize that work.

Unfortunately, old workings were far more extensive than anyone anticipated, and all the work done to date has not yet made it possible to determine whether Stage II is justified. It is extremely doubtful that a ten-foot test pit in the present bottom of the open cut could be done for $20 per foot, or that it would be deep enough to expose any new pegmatite.

It is our opinion now, shared by the Field Examiners, that enough work has been done to show that the target is much smaller than originally expected, and is insufficient to justify the additional work which would be necessary to complete the originally proposed Stage II work.

Therefore, we recommend:

1. Approval of Amendment No.2, as already requested.

2. Denial of Operator's request for Amendment No.3.

3. Termination of contract at end of Stage I, by Non-approval of Stage II.

Robert A. Laurence
Executive Officer, DMBA
Region V

V. J. Lynch, Member
Bureau of Mines

RAL/sm
cc:
Lynch
Shirley
Files

Opr. Com.

RECEIVED
AUG 16 1956

INTERIM REPORT

DMEA-4081, Idm-E945 (mica) LEATHERMAN PROSPECT

Operator: W. S. Flynt, Crossnore, North Carolina

Location: 4.0 miles S86° E of the intersection of highways 10 and 18 at Toluca, Lincoln County, N.C.

Trenching has continued at this Prospect since the last interim report (July 27,1956) was submitted. All recent work has consisted of extending the trench to the southwest toward the old 35-foot shaft (see exam. report map). The trench is now 138 feet by 25 to 40 feet wide by 15 to 28 feet deep.

The pegmatite terminates along strike near both ends of the trench. The southwest termination is about 40 feet northeast of the shaft. At this point the body changes to a thin migmatite z zone which gradually grades into normal country rock. Old underground works extend along most of the bottom of the trench which is well below ground water level.

Only remnants of unmined pegmatite are present in the trench bottom; thus, little can be ascertained about its character and thickness. About 20 lbs of "mine-run" block mica were recovered from the southwestern half of the trench in pegmatite left from former mining.

Depth and ground water prevent further deepening of the trench. Results of trenching are not conclusive as to the character of the pegmatite or its mica content but do not appear favorable due to the limited strike extent of the body.

Inspected: Aug.8, 1956. S. C. Bergman and D. H. Amos

Spruce Pine, North Carolina
August 9, 1956

RECEIVED
AUG 16 1956

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

Re: Docket No. DMEA-4081-Mica
W.S. Flynt
Leatherman Prospect
Lincoln County, North Carolina

We would like to do some further work at the Leatherman Mine in Lincoln County, North Carolina, and we wish to request an amendment to the contract to cover this additional work.

Our request is for two test pits, 10' deep each @ $20.00 per foot.

The field team is familier with this project. If you need further information from me, please let me know.

Very truly yours,

W.S. Flynt

F/g

RECEIVED
AUG 13 1956
U. ... Survey
Geologic Division
Knoxville, Tenn.

Houk

600

August 9, 1956

Memorandum

To: Mr. C. O. Mittendorf, Administrator

From: Lawrence G. Houk, Chief
Nonmetallic Minerals Division

Subject: Amendment No. 1 - Docket No. DMEA-4081-mica
W. S. Flynt
Leatherman Prospect
Lincoln County, North Carolina
Contract No. Idm-E945

The Nonmetallic Minerals Division concurs in Amendment No. 1 to the subject contract as written and executed in the field. This amendment changes the starting date from May 31, 1956 to July 10, 1956.

Amendment No. 1 is necessary because the operator was unable to obtain equipment or a crew before the expiration of the time to commence work.

James Hopkins
Nonmetallic Minerals Division

JHopkins:ms 8/9/56
Copy to: Admr. R. File
Mr. Houk

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

RECEIVED
AUG - 8 1956

August 6, 1956

Memorandum

To: Operating Committee, DMEA - Washington

From: Acting Executive Officer, DMEA - Region V

Subject: DMEA-4081, Idm-E 945, W. S. Flynt (mica) Amendment No. 1
Leatherman Pros. Lincoln County, N.C.

Transmitted are three signed copies of the subject amendment.

This amendment was necessary because the applicant was unable to obtain equipment or a crew before the expiration of the time given to commence work.

V. J. Lynch

ZM.
cc:
Lynch
Finance Office
Shirley
Files

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

RECEIVED
AUG - 6 1956

August 3, 1956

Memorandum

To: Operating Committee - DMEA - Washington, D. C.

From: Field Team - DMEA - Knoxville, Tennessee

Subject: DMEA-4081, Idm-E945 (Mica)
W. S. Flynt, Crossnore, N. C.
Leatherman Prospect Lincoln County, North Carolina

Reference is made to our memorandum of August 1.

Enclosed are the original and three copies of a letter from the Operator, requesting amendment no. 2, which was recommended in our memorandum.

Robert A. Laurence
Executive Officer

V. J. Lynch
Member, Bureau of Mines

RAL/mg
Enclosures 4
cc
Operating Committee (3)
Lynch
Shirley
files

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

RECEIVED
AUG - 6 1956

August 3, 1956

Memorandum

To: Operating Committee - DMEA - Washington, D. C.

From: Field Team - DMEA - Knoxville, Tennessee

Subject: DMEA-4081, Idm-E945 (Mica)
W. S. Flynt, Crossnore, N. C.
Leatherman Prospect Lincoln County, North Carolina

Reference is made to our memorandum of August 1.

Enclosed are the original and three copies of a letter from the Operator, requesting amendment no. 2, which was recommended in our memorandum.

Robert A. Laurence
Executive Officer

V. J. Lynch
Member, Bureau of Mines

RAL/mg
Enclosures 4
cc
Operating Committee (3)
Lynch
Shirley
files

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

RECEIVED
AUG - 6 1956

August 3, 1956

Memorandum

To: Operating Committee - DMEA - Washington, D. C.

From: Field Team - DMEA - Knoxville, Tennessee

Subject: DMEA-4061, Idm-E945 (Mica)
W. S. Flynt, Crossnore, N. C.
Leatherman Prospect Lincoln County, North Carolina

Reference is made to our memorandum of August 1.

Enclosed are the original and three copies of a letter from the Operator, requesting amendment no. 2, which was recommended in our memorandum.

Robert A. Laurence
Executive Officer

V. J. Lynch
Member, Bureau of Mines

RAL/mg
Enclosures 4
cc
Operating Committee (3)
Lynch
Shirley
files

RECEIVED
AUG - 6 1956

Spruce Pine, North Carolina
August 1, 1956

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

Re: DMEA-4081 (Mica)
Leatherman Prospect
Lincoln County, N. C.

Dear Mr. Laurence:

We wish to request an amendment to our contract on the Leatherman Prospect which would allow an additional fifteen hours of bulldozing work. We did not anticipate the need for as much bulldozing work as we have found necessary since we began work at the project.

Your early consideration of this request will be appreciated. We would like to continue while our equipment is set up at the prospect.

Very truly yours,

W. S. Flynt

W. S. Flynt

WSF/mb

RECEIVED
AUG 8 - 1956
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

RECEIVED
AUG - 6 1956

Spruce Pine, North Carolina
August 1, 1956

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

Re: DMEA-4081 (Mica)
Leatherman Prospect
Lincoln County, N. C.

Dear Mr. Laurence:

We wish to request an amendment to our contract on the Leatherman Prospect which would allow an additional fifteen hours of bulldozing work. We did not anticipate the need for as much bulldozing work as we have found necessary since we began work at the project.

Your early consideration of this request will be appreciated. We would like to continue while our equipment is set up at the prospect.

Very truly yours,

W. S. Flynt

W. S. Flynt

WSF/mb

RECEIVED
AUG 8 - 1956
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

RECEIVED
AUG - 6 1956

Spruce Pine, North Carolina
August 1, 1956

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

Re: DMEA-4081 (Mica)
Leatherman Prospect
Lincoln County, N. C.

Dear Mr. Laurence:

We wish to request an amendment to our contract on the Leatherman Prospect which would allow an additional fifteen hours of bulldozing work. We did not anticipate the need for as much bulldozing work as we have found necessary since we began work at the project.

Your early consideration of this request will be appreciated. We would like to continue while our equipment is set up at the prospect.

Very truly yours,

W. S. Flynt

W. S. Flynt

WSF/mb

RECEIVED
AUG 2 - 1956
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

RECEIVED
AUG - 3 1956

August 1, 1956

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: DMEA-4081, Idm-E945 (mica) W. S. Flynt, Crossnor, N. C.
Leatherman Prospect, Lincoln County, N. C.
Request for Amendment No.2

Enclosed are four copies of the latest interim report on the subject exploration contract.

On the basis of completed work (about ~~50~~ 500 cu. yds over the amount authorized), it is imposaible to determine whether Stage II is justified. Depth to the pegmatite in the area west of the old dump exceeded the estimates; also the pit is full of water. We agree with the Field Examiners conclusion that extending the trench to the slightly higher ground to the west is desirable, and therefore request permission to prepare an amendment providing for 500 cu.yds. additional trenching at 30¢ per yard. This could be obtained by reducing the amount of drifting by 4.4 feet.

10 to 12

from 150 to 200

$\frac{200 \times 15 \times 12}{27} = 1333\frac{1}{3}$

Please note that this would be Amendment No.2. Amendment No. 1 (not yet signed by the Operator) extended the starting date from May 31 to July 10, as the Operator was unable to obtain a crew and equipment before the date originally specified in the contract.

V. J. Lynch, Member
Bureau of Mines

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

RECEIVED
AUG - 3 1956

INTERIM REPORT

DMEA-4081, Idm-E945 (Mica) LEATHERMAN PROSPECT

Operator: W. S. Flynnt, Crossmore, North Carolina

Location: 4.0 miles S86°E of the intersection of highways 10 and 18 at Teluca, Lincoln County, North Carolina

The starting date on this contract is July 5, 1956. Stage I, consisting of trenching, is underway but not complete. Considerable difficulty has been encountered in trying to properly expose the pegmatite, and the bottom of old works had not been located at the time of this inspection. A dragline is in use on the northeast end of the prospect and a cut has been made 60' x 20' x 20' deep. Allowable funds for Stage I are exhausted. The operator and the Field Examiners are of the opinion that additional trenching to the southwest is necessary to expose the pegmatite properly. The Field Examiners recommend that an ammendment be prepared allowing for the removal of an additional 500 cubic yards of material at $0.30 per cubic yard. Underground work cannot be attempted on the basis of completed work and additional work along the projected strike of the body is deemed necessary. Another visit will be made to the project in the near future.

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

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

July 27, 1956

May 17, 1956

RECEIVED
MAY 21 1956

Memorandum

To: Operating Committee, DMEA - Washington

From: Acting Executive Officer, DMEA - Region V

Subject: Signed Contract - Idm-E945, Docket No. DMEA-4081 - Mica
W. S. Flynt, Crossnore, North Carolina

Transmitted are three copies of the subject contract, with corrected forms MF-203 attached and properly signed.

The usual distribution of the other copies has been made.

V. J. Lynch

ZM.
cc:
Finance Office
Lynch
Shirley
Files

C
O
P
Y

Crossnore, N. C.
April 10, 1956

Mr. Lawrence G. Houk, Chief
Nonmetallic Minerals Division
Washington 25, D. C. 600

re: Docket No. DMEA-4081-Mica
W. S. Flynt
Leatherman Prospect
Lincoln County, N. C.

Dear Mr. Houk:

Upon receipt of your letter of March 30th we contacted Mr. Laurence of Region 5, Knoxville, Tennessee, and he advised that he would give you the requested information. If this has not been done, please advise.

We will appreciate anything you may do for us in the way of expediting this application as the Lessor of this prospect is becoming impatient with us because of our slow starting.

Thanking you and with kind regards, I am

Yours very truly,

/s/ W. S. Flynt

W. S. Flynt

WSF:rhc

copied by ms 4/20/56

RECEIVED
Apr. 18, 1956

APR 19 1956 600

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

Re: Docket No. DMEA-1061-Mica
W. S. Flynk
Leatherman Prospect
Lincoln County, North Carolina

Dear Mr. Lauterman:

Enclosed are the original and five copies of a proposed contract which have been signed by the Administrator for the Government with effective date as shown. Attachments to the contract are Annex I, Consent to Lien, Exhibit "A" (2 pages), and map of the Leatherman Prospect. Two extra copies of Annex I, Exhibit "A" and the map are enclosed for the use of the Field Team.

It is noted that the spelling of the Owner's name on the Consent to Lien does not agree with the spelling on the Lease. The Owner should be requested to state in writing that she is one and the same person who signed the Consent to Lien and Lease; or if she regularly spells her name "Leatherman", she should be asked to re-execute the Consent to Lien.

If the proposed contract meets with your approval, present it to the Applicant for execution. Please explain to the Applicant that the contract is a firm commitment to complete the work outlined at the agreed cost. Copies of the executed contract are to be distributed in the usual manner.

If any part of this proposed contract does not have either your approval or that of the Applicant and cannot be amended within your delegated authority, then the original and all copies of the contract and the two extra copies of Annex I, Exhibit "A" and the map are to be returned to this office, together with the proposed changes for consideration.

Copies of memoranda dated February 28 and March 2, 1956, by Mr. W. F. Hinkrich, USGS, and Mr. H. E. Nelson, USGS, respectively, relating to the project are enclosed.

Enclosures: 12

Approved:

/s/ Robert W. Geehan

Member, Bureau of Mines

Thor H. Kiilsgaard

Member, Geological Survey

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Implications 4/27/56
Copy to: Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Hinkrich, 1061
Mr. Hunt
Mr. Hopkins
Adm. R. File

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

APR 13 1956

Memorandum

To: The Administrator, BMSA
Attention: Chief, Nonmetallic Minerals Division

From: Associate Solicitor, Division of Mineral Resources

Subject: Docket No. BMSA-4081 (Mica)
W. S. Flynt

Pursuant to your request, we have prepared the attached draft of contract.

Your attention is called to the fact that the name of the owner as signed to the Consent to Lien is spelled differently than as signed on the lease. The owner should be requested to state in writing that she is one and the same person who signed the Consent to Lien and Lease; or if she regularly spells her name "Leatherman," she should be asked to re-execute the Consent to Lien.

Robert P. Dwyer

P. Indritz/weg
April 12, 1956
Copy to: Solicitor's Docket (2)
BMSA Docket
L.G.Houk (2)
R.P.Dwyer
P.Indritz
Chron.

Memorandum April 6 - 1956

To: Files

From: James Hopkins

Subject Evaluation of application and Field Team report
Docket No DMEA 4081 Mica
W. S. Flynt
Leatherman Prospect
Lincoln County, North Carolina

Mica

Mica was seen in the dumps from the shaft and opencut. The examiner reports that the dumps are literally covered with bleached, weathered, scrap sheets and thin books of muscovite ranging up to 6 inches in diameter. Almost all mica seen was flat or flat "A" with minor mineral staining at the sheet edges. There is some "burr" and small sheet mica in place.

Pegmatite:

A pegmatite - apparently 150 feet long and 2 to 3 feet wide is exposed at the SW end of a trench 10 feet deep. It is a soft mixture of weathered soda and potash feldspars with a 1½ to 2-foot wide quartz core. It is enclosed in a soft weathered sillimanite mica gneiss, and is disconformable with the foliation.

Old Workings:

A limited amount of exploration has been

performed along a strike length of 150 feet.

Workings consist of a 35-foot shaft which shows little mica on the dumps; and 32 feet northeast of the shaft a trench 15 feet long by 10 feet deep has been excavated.

Economics:

There is no record of any production from the prospect

Proposed Work

It is proposed to excavate a trench 150 long on the strike of the pegmatite. At the most favorable point, it is proposed to sink a shaft 50 feet and drift 60 feet from the shaft.

Recommendation

This proposed work is considered to be sound exploration of a pegmatite showing evidence of some strategic mica and on which very little work has been done.

I concur in the Field Team's recommendation.

James S. Boyle

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

RECEIVED
APR 4 - 1956

April 2, 1956

Memorandum

To: Operating Committee, DMEA, Washington, D. C.

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

Subject: DMEA-4081 (Mica)
W. S. Flynt, Crossnore, North Carolina
Leatherman Mine, Lincoln County, North Carolina

Reference is made to the examination report, and your letter of March 30 to the applicant.

While in Spruce Pine last week, our field examiners re-checked the lease description with the applicant, and they are now satisfied that the correct property is described in the lease which accompanied the application. Apparently, there has been a change of names, in the two Leatherman prospects since publication of Professional Paper 248-D which led to the original confusion.

We therefore recommend approval of the contract as outlined in the examination report.

Robert A. Laurence
Executive Officer

V. J. Lynch, Member
Bureau of Mines

RAL/mg
cc - Operating Committee (2)
Mr. V. J. Lynch
Mr. L. E. Shirley
Files

600

MAR 30 1956

Mr. W. S. Flynt

Greensboro, North Carolina

Re: Docket No. [illegible]
W. S. Flynt
Leatherman Prospect
Lincoln County, North Carolina

Dear Mr. Flynt:

Reference is made to a request by the Executive Officer, BSSA Field Team, Region V, for satisfactory proof of your leasehold interest in the subject property. To date this information has not been received.

Upon receipt of this information we will continue to process your application.

Sincerely yours,

Lawrence G. Hook, Chief
Nonmetallic Minerals Division

JHopkins:rms 3/29/56
Copy to: Docket
Field Team, Region V
Mr. Killingsard, 5322
Mr. Dietrich, 3061
✓Mr. Hook
Mr. Hopkins
Admr. R. File

IN REPLY REFER TO:

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

RECEIVED
MAR - 5 1956

March 2, 1956

Memorandum

To: L. G. Henk

From: N. E. Nelson

Re: DMTA 4061, W. S. Flynt. Leatherman prospect, Lincoln Co., N. C. $4,805.00 - Mica

Subject: Review of Field Team report

The applicant requested assistance in searching for and, if found, exploring a pegmatite. Little pegmatite is exposed but abundant weathered scrap mica sheets and masses of quartz suggest a nearby source looking for which by bulldozing is warranted.

A 2-stage work program is recommended by the examiners to consist of:-

Stage I

Bulldozing 833 cu. yds. @ 30¢	$250.00

Stage II

Buildings	$115.00
Sink 50 feet	2,410.00
Drift 60 "	2,030.00
Total	4,805.00

I concur with the 2-stage work recommendation of the examiners and Field Team.

N. E. Nelson

Ned E. Nelson

Copy to: Director's Reading File
Branch Reading, Room 4212
DMTA (3)
Docket file
W. F. Dietrich, Room 3061

PGRusby:ldw
GS-3/2/56

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

RECEIVED
FEB 29 1956

February 28, 1956

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-4081 (mica)

Applicant: W. S. Flynt

Name and Location of Property: Leatherman Prospect, Lincoln Co., N. C.

Date of Field Team Report: 2/21/56

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 2/28/56

Field Team Recommendation: Recommend a two-stage contract.

Comments:

1. The uncertainty regarding the area covered by the lease should be resolved.

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

3. Total estimated costs are in the amount of $4,805.00.

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

Signed
W. F. Dietrich

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

RECEIVED
FEB 23 1956

FEB 21 1956

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Field Examination Report, DMEA-4081 (mica) W. S. Flynt, Crossmore, N. C., Applicant. Leatherman Prospect, Lincoln County, N. C.

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

There is some uncertainty as to whether the applicant's lease actually covers the Prospect which was examined. He has been requested to clarify this and to submit a new lease if necessary.

Although the pegmatite is not sufficiently exposed to permit actual measurements of its size, structure and mineral content, the geologic evidence which is available strongly suggests presence of a zoned, mica-bearing pegmatite, and we consider the proposed trenching to be a proper part of exploration.

Therefore, if the applicant submits satisfactory proof of his leasehold interest, we recommend approval of a two-stage contract for work at the northeast end of the prospect as outlined in the report.

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

RAL/sm
cc:
Lynch
Shirley
Files.
Enc.-13

V. J. Lynch, Member
Bureau of Mines

Reviewed by
DMEA OPERATING COMMITTEE
2-27-56
(date)

RECEIVED
FEB 23 1956

FIELD EXAMINATION REPORT

On

DMEA-4081, LEATHERMAN PROSPECT (mica) (Brackett Tract)

Applicant: W. S. Flynt, Crossnore, North Carolina

Location: 4.0 miles S 86° E of the intersection of highways 10 and 18 at Toluca, Lincoln County, N. C.

There has been a limited amount of exploration along a strike length of 150 feet that indicates a very favorable enviroment for the discovery of strategic mica.

Although little pegmatite is exposed, there has been a great deal of mica removed, as evidenced by the abundant weathered scrap mica sheets which cover the dumps. Some of the mica has been of strategic grade and is found in sheets up to 6 inches in diameter. Large quartz masses 1 to 3 feet in diameter, liberally strewn over the dumps and adjacent field, indicate a strong quartz core. On this evidence, the examiners recommend a two stage exploration contract be established.

On January 12, 1956, the property was examined in the company of Messrs. J. R. Beam and John Jarrett. Two hours were spent by the examiners at the prospect site. The applicant, Mr. W. S. Flynt, has had a long successful association with mica mining and with other DMEA exploration ventures.

Referring to the Shelby-Hickory District Report (USGS-Professional Paper 248-D), the prospect site examined is one marked No. 12 on the accompanying plate 19, and is listed as the J. G. Leatherman Mine. The workings and situation fit the description given on page 239 of the Pink Leatherman Mine, which is described as being some 2 miles to the NW (Site 13) of this site. The applicant's location of his lease is not clear as to which property is covered. He has been requested to clarify this situation.

Workings consist of a 35-foot shaft which shows little mica on the dumps, and 32 feet to the NE, a 15-foot long trench 10 feet deep, which has a 2 to 3 foot wide pegmatite in its SW end. The pegmatite is a soft mixture of

Reviewed by
DMEA OPERATING COMMITTEE

(date)

weathered soda and potash feldspars with a strong 1 1/2 to 2 foot quartz core. The pegmatite strikes N 70° E and dips 75 - 80° NW. There is some "burr" and small sheet mica in place. The vein is disconformably enclosed in a soft weathered sillimanite mica gneiss which has an attitude of N 83° W 30° SW to N 60° E 45° SE. Sixty-eight feet along strike to the NE, is a 30 x 15 by 10 foot deep (at present) open pit. Dumps along its southern margin are literally covered with bleached, weathered, scrap sheets and thin books of muscovite ranging up to 6-inches in diameter. Almost all mica seen was flat or flat "A" with minor mineral staining at the sheet edges. The area is strewn with large irregular masses of quartz from 1 to 3 feet in diameter. All evidence seems to indicate a strong, zoned, mica-bearing pegmatite at the NE end of the Prospect. It is at this end of the Prospect that the proposed work will be concentrated.

T he examiners recommend bulldozing a trench along strike for approximately 150 feet to establish vein continuity at the NE end and select a spot for Stage II exploration. It is suggested that Stage II consist of 50 feet of shaft and 60 feet of drift.

<u>Stage I</u> - Bulldoze along strike, a trench or trenches aggregating 150' x 15' x 10' deep.

833 1/3 cu. yds. @ $ .30/cu.yd $ 250.00

<u>Stage II</u>

Toolhouse	75.00	
Powder magazine	26.00	
Cap Magazine	14.00	115.00

Sink 50 feet of shaft, location dependant on results of Stage I (30 shifts) (27 sinking, 3 timbering)

Labor:

1 - Miner @ $1.50/hr.	$360.00	1140 240
1 - Hoistman @ $1.25/hr.	300.00	
1 ~~2~~ - Laborers @ $1.00/hr.	240 ~~480.00~~	900.00
Labor reduced to 1.	7140	

Equipment (rental)

Compressor and drill @ $230/Mo.		345.00
Hoist @ $50/Mo.	160	75.00
Pump @ $20/Mo.	20	30.00
	40	
	15	
	235	

$1\frac{1}{2}$ mos. @ 235.00 = 352.00

Supplies:

Explosives		165.00	
Drill steel		90.00	
Small tools and pipe		100.00	
Gasoline and oil		100.00	
Timber, 1500 b.f. @ $65/M		100.00	
Miscellaneous		110.00	665.00
		665.00	
Insurance	$115.00		
Social Security	23.00		
Sales Tax	17.00	155.00	155.00

Total estimated cost of drifting..... ~~$2,410.00~~ $2070.00

41.40/ft

Drive 60 feet of exploratory drift in pegmatite (25 shifts)

Labor:

1 - Miner @ $1.50/hr.	300.00	
1 - Hoistman @ $1.25/hr.	250.00	
2 - Laborers	400.00	950.00
	950.00	

Equipment (rental)

Compressor, drill & Jackleg @ $250/Mo.		315.00
Hoist @ $50/Mo.		65.00
Pump @ $20/Mo.	250	25.00

$1\frac{1}{4}$ mos. @ 250.00 = 315.00

$1944.60
32.40/ft

Supplies:

Explosives		$185.00	
Drill steel		90.00	
Small tools and pipe		70.00	
Gasoline and Oil		110.00	
Miscellaneous		90.00	545.00
		545.00	
Insurance	$95.00		
Social Security	19.00		130.00
Sales tax	16.00	130.00	
Total estimated cost of drifting			~~$2,030.00~~ 1940.00 4.00
Total cost of exploration.....			~~$4,805.00~~ $4624.00
			$3468.00

Govt

Examined: January 12, 1956

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

and

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

600

DEC 14 1955

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

Subject: Docket No. DMEA-4061 - Mica
W. S. Flynt
Leatherman Mine (Brackett Tract)
Avery County, North Carolina

Dear Mr. Lawrence:

Please review the subject application and arrange for a field examination if you deem it necessary.

Copies of memoranda dated December 5 and December 6, 1955, by H. E. Nelson, USGS, and W. F. Dietrich, USBM, respectively, relating to the project are enclosed.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

/s/ Robert W. Geehan

Member, Bureau of Mines

Thor H. Kiilsgaard

Member, Geological Survey

Enclosures 4

JHopkins:ad 12/13/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Hopkins

DEC 1 4 1955

Mr. W. S. Flynt

Greensboro, North Carolina

Re: Docket No. DMEA-4061 - Mica
W. S. Flynt
Lockhamsen Mine (Beaudoin Tract)
Avery County, North Carolina

Dear Mr. Flynt:

Your application for assistance in exploring the subject property has been reviewed by the Domestic Minerals Division of the Defense Minerals Exploration Administration and has been referred to Mr. Robert A. Lawrence, Executive Officer, DMEA Field Team, Region V, Room 13, Post Office Building, Knoxville 2, Tennessee, for further consideration and possibly a field examination.

The Regional Office will contact you at an early date if an examination is to be made. Any assistance you may give the members of the Field Team during the examination will be appreciated.

Sincerely yours,

C. O. Mittendorf

Administrator

JHopkins:ed 12/13/55
Copy to: Admr. R. File
Docket
Operating Committee
Field Team, Region V
Mr. Deitrich, 3061
Mr. Killegaard, 5222
Mr. Hank
Mr. Hopkins

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

RECEIVED
DEC - 8 1955

December 8, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA - 4081 (mica)

Applicant: W. S. Flynt

Name and Location of Property: Leatherman Mine, Avery County, N. C.

Date Application Rec'd. by Br. of Ceramic & Fertilizer Materials: 12/2/55

Comments:

1. No data available in this office on subject mine.

2. 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.

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.

SIGNED

W. F. Dietrich

IN REPLY REFER TO:

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

RECEIVED
DEC - 6 1955

December 5, 1955

Re: DMEA 4081
W. S. Flynt
Leatherman Mine (Brachett Tract)
Avery County, North Carolina
$5,800.00 - Mica

Memorandum

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

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

Subject: Review of application.

The applicant requests assistance in looking for a "lost vein" by sinking a shaft 60 feet and drifting 80 feet at a cost of $5,800.00. Some high quality ruby mica is said to have been recovered but no official records are quoted.

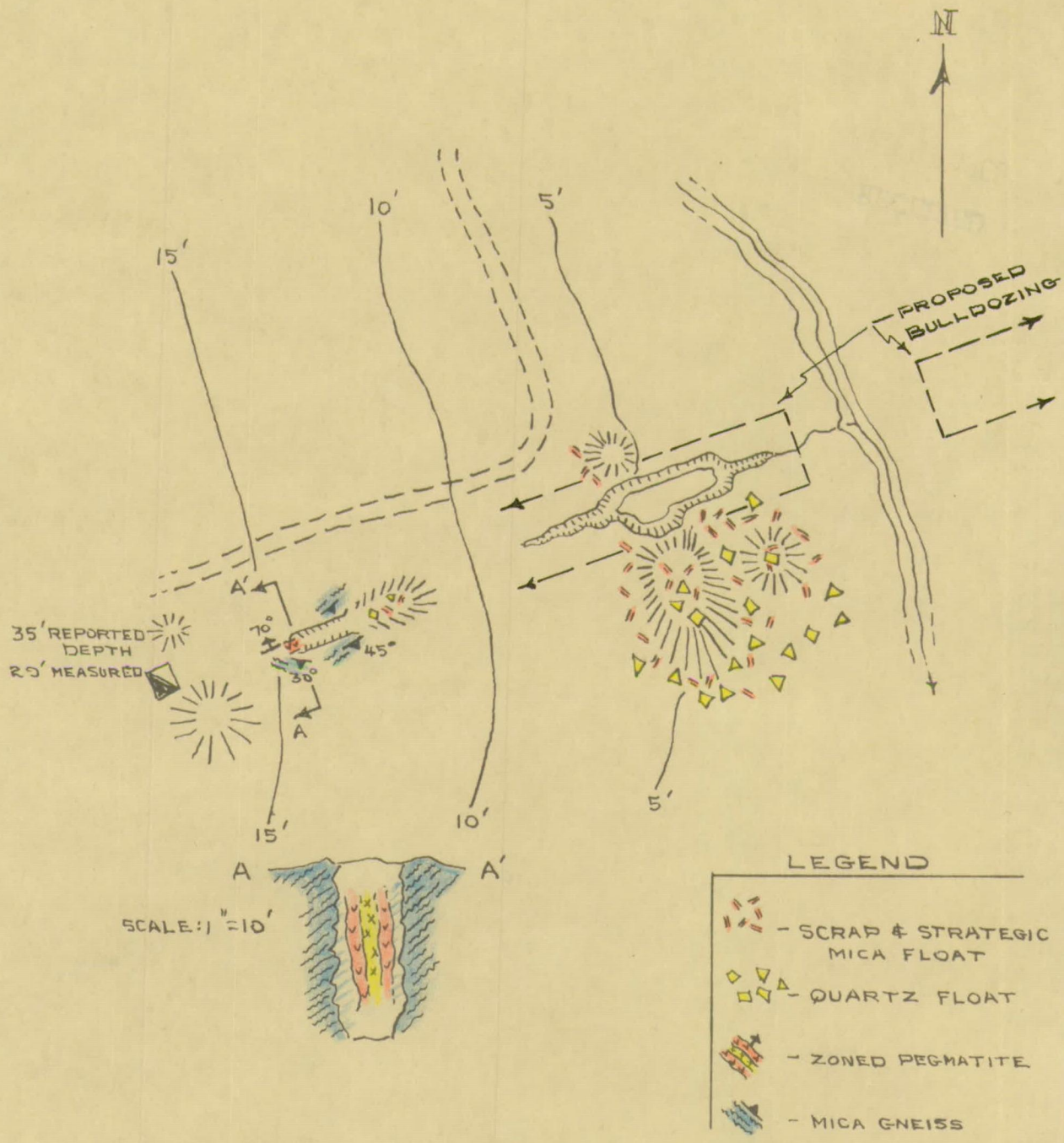
Referral to the Field Team is recommended.

N. E. Nelson

N. E. Nelson

NENelson:iml
G-12/5/55

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



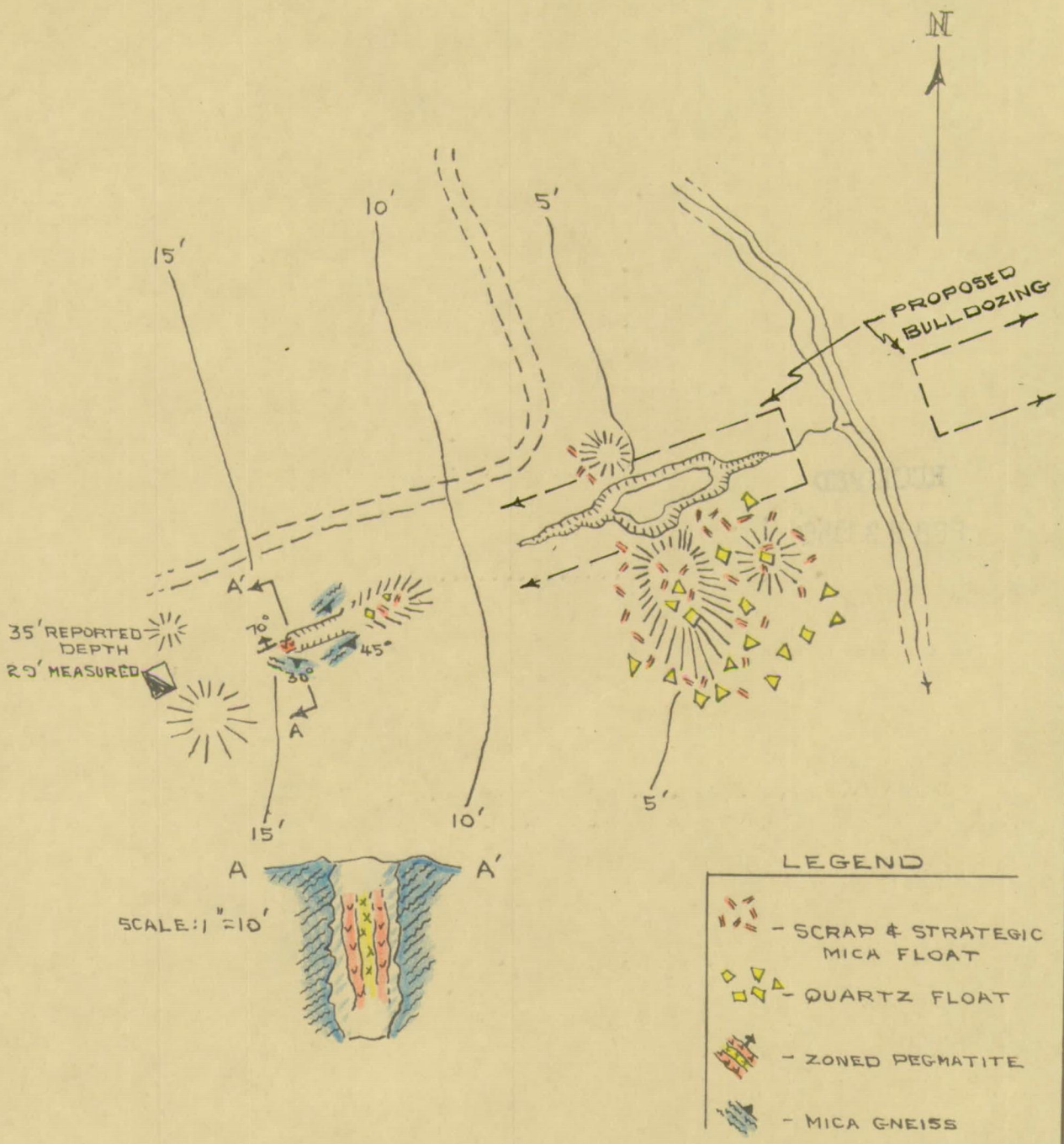
LEATHERMAN PROSPECT

LINCOLN COUNTY, N.C.

DMEA-4081 (MICA)

SCALE: 1" = 40'

RECEIVED
FEB 23 1956



LEATHERMAN PROSPECT

LINCOLN COUNTY, N.C.

DMEA-4081 (MICA)

SCALE: 1" = 40'

RECEIVED
FEB 23 1956