DMEA Form 9

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE E-1054 DMEA NO. 4444

Application (Denied
(Withdrawn
(After disposition, delete items not applicable)

Contract (Terminated - not Certified
(Cancelled
(Terminated - Certified
(Royalty Agreement

This is the official contract file containing all official records of the project. The records contained in the files are checked and are arranged in this order:

Left Side

Interim Royalty Audits
Reports of Royalty Review
Certification of Discovery
Certificate of Audit (Final)
Interim Audit(s)
✓ Report of Review
Termination Notice or Agreement
Recision Notice
Assignment of Contract
Contract Amendments (latest on top)
✓ Contract with all exhibits and annexes
✓ Owner's Consent to Lien
Subordination Agreement
✓ Leases and assignments of leases
✓ Application and attachments
(3) Envelope for maps

Right Side

Project summary
✓ Work completed analysis
All other material is filed in chronological order with correspondence including the following reports as checked:

Final Field Team Report (Tab)
✓ Operator's Final Report
(2R) ✓ Interim Reports
(2R) ✓ Operator's monthly reports and all attachments (latest on top)
✓ On-site Exam Report(s) (Tab)
(4) ✓ Settlement Sheets

When the volume of records is expected to warrant additional folders, or when convenience of reference warrants separate folders for certain records, they should be set up in this order:

Left Side

Folder No. 2: (In chron. order)
Interim Summary Reports by W. O. Engineers

Right Side

Operator's Semi-Annual Report for Certified Project, Field Team Interim Reports, Operator's Monthly Report with transmittal, narrative, maps, and Field Team review.

Folder No. 3: Maps (Use pocket folder or envelope. Fold maps with title block out and show reference to related document or correspondence.)

Folder No. 4: Settlement Sheets

Folder No. 5: Drill Logs

R.C.S.

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8/15	Q	220
8/16	Hook	600

Government's copy

Long
Sawyer
Appropr. Off.
Anderson
Louk
Chambers
Martin
Johnson

TERMINATION AGREEMENT

It is agreed this 17th day of July, 1957, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and John Jarrett, hereinafter called the "Operator," parties to that certain Exploration Project Contract Idm-E1054 (Docket No. DMEA-4444), dated January 17, 1957, hereinafter called the "Contract," that:

1. Effective June 12, 1957, the Contract and all obligations of the parties thereunder, except as otherwise herein expressly provided, shall be and are hereby terminated.

2. The Government shall contribute only to the fixed unit costs of work performed prior to said effective date.

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

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

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

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

THE UNITED STATES OF AMERICA

By C O Mittendorf
Administrator, Defense Minerals
Exploration Administration

JOHN JARRETT

John Jarrett

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

John Jarrett
Route 3
Bakersville, North Carolina

pertaining to Exploration Project Contract No. Idm-E1054, DMEA No. 4444, for the months of February 1957 to June 1957, inclusive, covering a project for the exploration of mica on property, known as the Hensley Prospect located in Mitchell County, North Carolina.

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

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

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

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

Total cost as billed by Contractor		$5,692.50
Exceptions:		
Prior to this review	$ -0-	
Herewith	-0-	-0-
Total Accepted Cost		$5,692.50

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 Four thousand two hundred sixty-nine and 37/100 Dollars

$4,269.37

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

E. D. Talbert, Auditor

June 19, 1957

Docket Copy

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MF-200A
(Rev. April 1956)

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

DMEA No.	*Commodity*	*Contract No. Idm–E*	*County*	*State*
4444	Mica	1054	Mitchell	North Carolina

It is agreed 17 JAN 1957, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and John Jarrett

whose mailing address is Route #3
Bakersville, North Carolina
hereinafter called the "Operator," as follows:

ARTICLE 1. *Authority and project.*—(a) 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 Annex I (land description), Exhibit A (work and costs), and the maps and documents listed therein. The project work is a search for indicated or undeveloped deposits of the commodity designated above. The Operator shall begin the work on or before MAR 1 1957, and, subject to the provisions of Article 7 and Exhibit A, shall complete the work within eight months from the date of the contract.

(b) The description of the work and the fixed cost for each unit of work to be performed (per foot of drilling, per foot of drifting, per hour of operations, etc.) are hereby agreed upon as specified in Exhibit A. The estimated total cost of the project work is $6,348.00. The Government will contribute 75 percent of the fixed unit cost of the work performed, not exceeding $4,761.00, in accordance with the provisions of Articles 4 and 5.

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

ARTICLE 2. *Operator's property rights.*—(a) The Operator represents and undertakes that Annex I correctly describes the land which is the subject of this contract and the nature of the Operator's rights of property and possession therein (whether as owner, lessee, or otherwise), and that such right, title, or interest is subject only to the following claims, liens, or encumbrances: Royalty as set forth in the lease.

(b) 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 and Subordination Agreement of C. H. Hensley

(c) 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. 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. Two copies of such instrument shall be furnished to the Government. If the Government's rights to royalty as provided in Article 6 have been terminated, the provisions of this paragraph (c) shall become inapplicable.

ARTICLE 3. *Performance of the work.*—(a) Operator's responsibility.—The work shall be performed diligently, efficiently, expertly, in a workmanlike manner, and in accordance with good mining standards and State regulations governing health, safety, and liability insurance covering employment. The Operator shall provide suitable and adequate equipment, facilities, materials, supplies, and labor to complete the work, as specified in Article 1 (a).

(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 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 4. *Contribution by the Government.*—The Government will make its contribution on the basis of the monthly vouchers referred to in Article 5 (b); but all payments by the Government are provisional only, subject to audit, and until the account between the Operator and the Government is finally audited and settled and the Operator's final report has been rendered, the Government may withhold such sums as it sees fit but not in excess of 10 percent of the estimated total cost of the work. 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 will not contribute to the cost of any work performed prior to the date of this contract. The Government may make payments for the account of the Operator directly to independent contractors and suppliers rather than to the Operator.

ARTICLE 5. *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 all pertinent books, documents, papers, and records of the Operator.

(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 6. *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 the Operator has rendered a sufficient final report (see Article 5), 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 (for example, if the Operator either transfers or fails to retain his interest in the land), 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, for 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, 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, but excluding fabricating or manufacturing) applied to the crude ore or other production after it is extracted from the ground to put it into a commercially marketable form.

(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 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 7. *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 Government may also avail itself of any other remedy the law may provide for breach of contract, including the right to rescind the contract and to demand repayment of all moneys contributed by the Government under the contract.

(c) The giving of any notice by the Government under the provisions of this Article 7 shall not affect the Government's rights as provided for in the contract with respect to a percentage royalty, and liens to secure the payment thereof, and such rights shall be fully preserved.

ARTICLE 8. *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 the mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 9. *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 10. *Changes and added provisions.*—

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

JOHN JARRETT
(Operator)

By John Jarrett

By C P Mittendorf
Administrator, Defense Minerals
Exploration Administration

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

.....

[CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE: 1956—O-383069

Indritz 1/8/57
Dunger
"Appd. Sol. Off."
Hopkins
Hoch
Chambers
Selfridge
H E Johnson

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EXPLORATION PROJECT CONTRACT
JOHN JARRETT
DOCKET NO. DMEA-4444

ANNEX I

The land referred to in Article 2 of the Contract is held by the Operator under a lease from C. H. Hensley dated December 27, 1956, and is described as follows:

> Beginning on an iron stake located N73°30'W 327 feet from a 24" Black Oak on top of ridge which is the northeast corner in the property line of the Clarence Hensley property and running 500 feet south to a stake; thence 500 feet west to a stake; thence 500 feet north to a stake; thence 500 feet east to the point of beginning. The land is a portion of a 28-acre tract described in Deed recorded in Register of Deeds office in Bakersville, North Carolina, at Book #119, Page 132.

The prospect is located on the northwest slope of Burns Mountain, approximately one mile northeast of the Bandana Post Office.

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MF-205
(Combines and supercedes MF-201 and MF-203)
June 1956

For Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator John Jarrett
Docket No. DMEA- 4444
Contract No. Idm-E 1054
Contract Date 17 JAN 1957

RECEIVED
JAN 18 1957
D.M.E.A.

CONSENT TO LIEN
and
SUBORDINATION AGREEMENT 1/

To the United States of America:

Referring to that certain land in the County of Mitchell, State of North Carolina, described as follows: 2/

Beginning on a 24" Black Oak on top of the ridge which is located North 73 degrees, 30 minutes West 327' to a iron stake thence running South 500', thence West 500', thence North 500', thence East 500' to a point of closing, as recorded in Register of Deeds Office in Bakersville, N.C., Book #119, Page #132. This property located one mile North East of ~~Bandana Post Office, N.C.~~

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;

3. Subordinates the undersigned's right, title, claim, or interest in or against the land and in any production therefrom to the rights of the Government under the contract with respect to royalty on production and liens to secure same;

4. Represents and undertakes that there is no claim, lien, or encumbrance upon the undersigned's right, title, claim, or interest in or against the land other than the following: (If "none" insert the word "none." Do not leave lines blank.)

None

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

2/ 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.

5. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflict with the provisions of this Agreement; and (b) to give advance notice of the Government's rights under this Agreement to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, claim, or interest in or against the land, or any production therefrom furnishing the Government with two copies of such notice; and

6. Consents to all amendments (including an agreement of termination) and assignments of the contract without notice thereof, and undertakes and agrees that this Agreement shall extend and apply thereto.

7. Added provision: _____ (State "None" or "See Annex No.____")

Dated this _____ day of _____, 195__.

C. H. Hensley [Seal] Rt. 3, Brevard, N.C. [Address]

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

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]

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EXPLORATION PROJECT CONTRACT
JOHN JARRETT
DOCKET NO. DMEA-4444

EXHIBIT A

Description of the Work

The approximate location of the work is shown on the maps entitled, "Map No. 1, Hensley Prospect, Mitchell County, North Carolina DMEA-4444 (Mica)" and "Map No. 2, The Hensley Prospect. Contains 28 acres DMEA-4444," attached hereto and made a part hereof.

The work consists of the following:

1. Bulldoze an access road having approximate dimensions of 500 feet by 10 feet by 2 feet.

2. 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 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 equipped with the equivalent of a 5-tumbler jarproof lock.

3. Sink a two-compartment shaft a distance of 60 feet.

4. Drift 100 feet from the shaft.

All work shall be timbered as necessary.

The shaft and drifts shall have minimum cross-sectional dimensions of 5 feet by 7 feet in the clear of timber.

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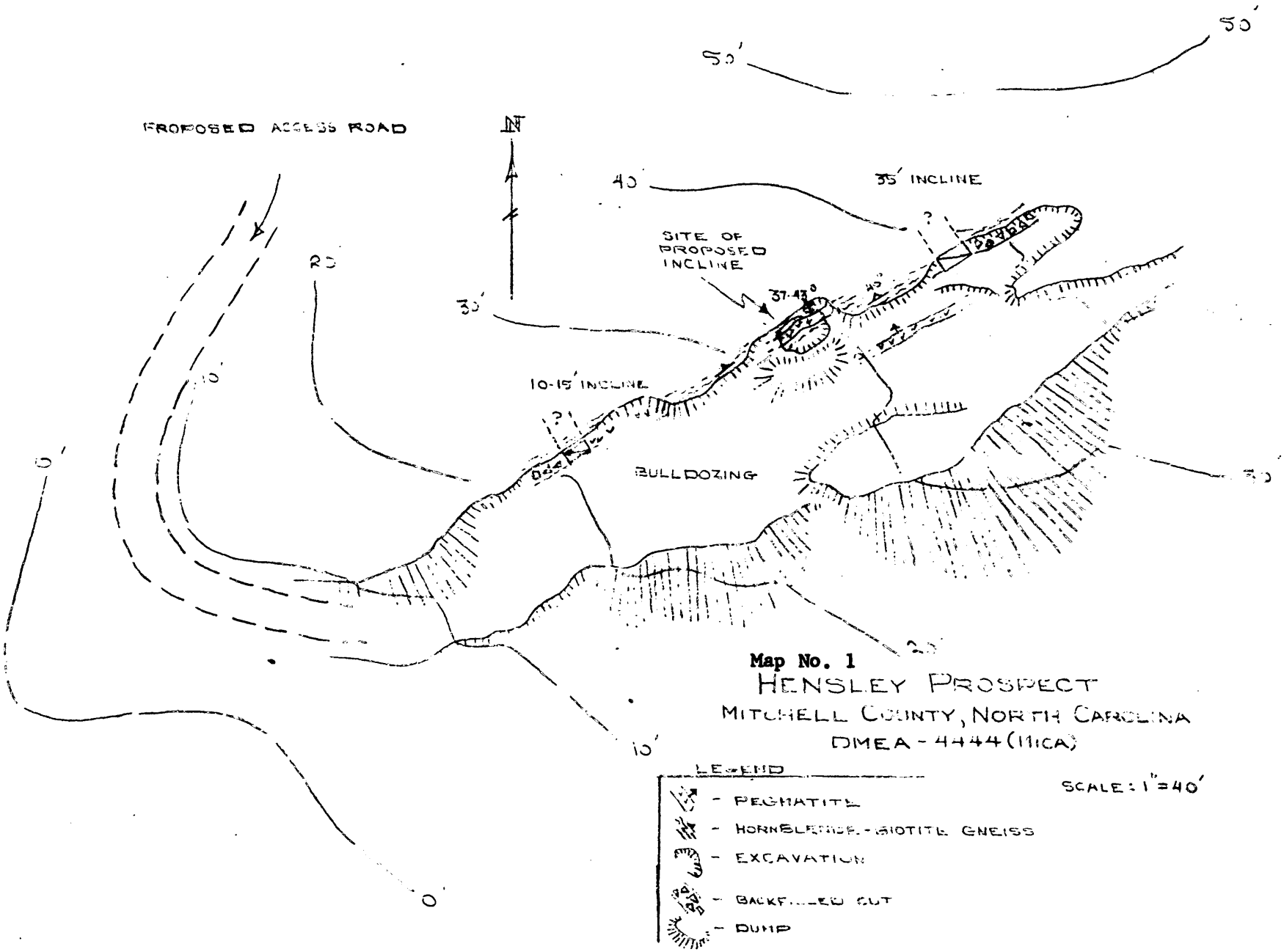
All work shall be on the pegmatite or in as close proximity thereto as possible.

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

Fixed Unit Costs

1.	Access road construction - bulldozing 370 cubic yards @ $0.30/cu. yd.		$ 111.00
2.	Building Construction		
	Toolhouse	$75.00 1/	
	Powder Magazine	26.00 1/	
	Exploder Magazine	16.00 1/	117.00
3.	Sink 60 feet of shaft @ $44.50/ft.		2,670.00
4.	Drive 100 feet of drift @ $34.50/ft.		3,450.00
	Estimated Total Cost of Project		$6,348.00
	Government Participation @ 75%		$4,761.00

1/ Completed work constitutes the unit.



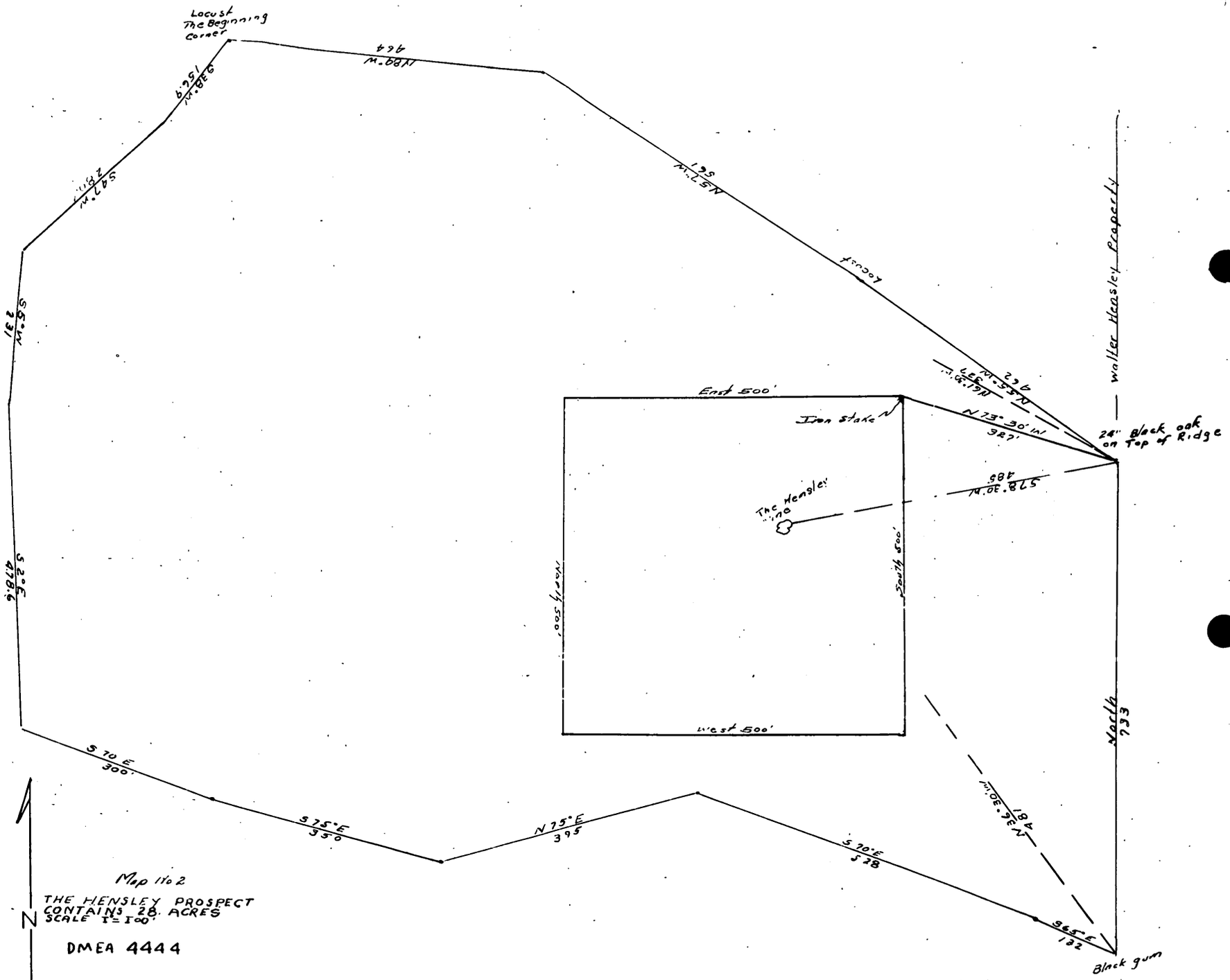
Map No. 1

HENSLEY PROSPECT

MITCHELL COUNTY, NORTH CAROLINA

DMEA - 4444 (MICA)

SCB 10/[illegible]


Locust
The Beginning
Corner
N 28° W
464
N 57° W
561
Locust
N 62° W
156.9
S 27° W
281
S 5° W
231
S 20° E
478.6
S 70 E
300
S 75° E
350
N 75° E
395
S 70° E
328
S 65° E
132
Black gum
N 36° 30' E
481
North
733
Walter Hensley Property
24" Black oak
on Top of Ridge
S 28° 30' W
485
N 73° 30' W
327
N 55° W
462
N 61° 30' W
329
Iron stake
East 500'
The Hensley
Mine
South 500'
North 500'
West 500'
N
Map No 2
THE HENSLEY PROSPECT
CONTAINS 28. ACRES
SCALE 1"=100'
DMEA 4444

MINING LEASE

State of North Carolina Mitchell County:

This indenture made this 27 day of December, 1956 ~~,195X~~

between C.H. Hensley

of Mitchell County and State of North Carolina as party of the first part, and known as lessor, and John Jarrett

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

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

Beginning on a 24" Black Oak on top of the ridge which is located North 73 degrees, 30 minutes West 327' to a iron stake thence running South 500', thence West 500', thence North 500', thence East 500', to a point of closing, as recorded in Register of Deeds Office in Bakersville, N.C. Book #119, Page #132. This property located one mile North East of Bandana Post Office, N.C.

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

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

on the minerals taken and sold from said mines which shall be for the use of the said lands for the aforesaid period of five years. The said amounts shall be payable on the computation of selling bills on the tenth day of each month covering sales made during the previous month. Any minerals other than those set forth above which may be taken and sold shall be paid for and at the usual royalty rate of the minerals taken.

AND IT IS FURTHER AGREED That the lessee, the party of the second part, his heirs or assigns, shall have the option to renew this lease and to extend the period of its running for an additional five years from the date of its present termination. The option shall be exercised by giving formal written notice to the party of the first part or by the continuation of any mining operations then being conducted. The lessor reserve the right to use the land, or convey the same not conflicting with this lease, but under any conveyance the terms of this lease must be recognized by the grantee, purchaser, or assigns thereof. And it is agreed that the lessee may assign this mining lease or any part thereof and that he may sublease.

AND IT IS FURTHER AGREED That the lessee, the party of the second part, his heirs or assigns, is hereby given an option to purchase all the right, title and interest, legal and equitable to and in the real estate described and set forth in this lease for a total purchase price of _____, said purchase price to be paid in full within three years from the date of this instrument and it is agreed that all rental royalties paid to the party of the first part shall apply toward and be a part of the total purchase price above set forth, and that at such time that the total purchase price is paid in the form of royalties or a lump sum payment or a combination of both, the party of the first part will execute a special warranty deed to the party of the second part and that a tender of the remaining purchase price at any time within the next three years shall entitle the party of the second part to specific performance of this option contract.

BUT IT IS EXPRESSLY AGREED That unless mineral or fossil material of practical value for mining purposes shall be found within a period of two years from the date of this instrument, the lease may be terminated by the lessee at any time thereafter on thirty days notice to the lessor. The lessee agrees that during the period of this lease or the continuance of this lease work in said mines or exploration for new mines within the area leased shall not cease longer than ninety days at any one time, unavoidable accidents excepted.

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

Witness: x C H Hensley (Seal)

(Seal)

(Seal)

Kenneth R McKinney
Notary Public
My Comm Exp 8/17/57

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Form Approved.
Budget Bureau No. 42-R1035.2.

APPLICATION FOR AID IN AN EXPLORATION PROJECT, PURSUANT TO DMEA ORDER 1, UNDER THE DEFENSE PRODUCTION ACT OF 1950, AS AMENDED

Not to be filled in by applicant

Docket No. 4444
Metal or Mineral Mica
Date Received 8-30-56
Estimated Cost $5,950
Participation (Government %)

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address: John Jarrett
Route #3
Bakersville, N.C.

(*b*) If other than an individual, add to your name above whether a corporation, partnership, etc., and the name of the State in which incorporated or otherwise organized.

(*c*) If a corporation, add to above statement, titles, names and addresses of officers.

(*d*) If a partnership, add to the above statement the names and addresses of all partners.

2. *General.*—Read DMEA Order 1, "Government Aid in Defense Exploration Projects," before completing this application. Submit this application and all accompanying papers in quadruplicate (four copies), with your name and address on each sheet of the application and on all accompanying papers. Where sufficient space is not provided on the form for all required information, state it on an accompanying paper, with a reference in each case to the instruction to which it refers by number. Comply with all applicable instructions; or, if not applicable, so state. File the application with Defense Minerals Exploration Administration, Department of the Interior, Washington 25, D. C., or with the nearest field executive officer thereof.

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract Legal description given on attached lease.

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

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

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

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

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

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

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

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

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

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

16—66551-1

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AUG 30 1956

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(*b*) How do you propose to furnish your share of the costs?

[X] Money [ ] Use of equipment owned by you [ ] Other

Explain in detail on acompanying paper.

CERTIFICATION

The undersigned, whether as an individual, corporate officer, partner, or otherwise, both in his own behalf and acting for the applicant, certifies that the information set forth in this form and accompanying papers is correct and complete, to the best of his knowledge and belief.

Dated 8-28-56, 195...

John Jarrett
(Applicant)

By John Jarrett

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

U. S. GOVERNMENT PRINTING OFFICE 16—66551-1

MF-103 Continuation Sheet

4. (a) Some prospecting has been done. Applicant has no interest in previous operations.

(b) No past production.

(c) Outcropping of vein indicates that mica will be found by exploration work, and from appearance of previous prospecting work there seems to be a good chance of finding ruby mica.

(d) Project is accessible to road except for short distance.

(e) Manpower, supplies and equipment are available. Power ia about 200 yds. away.

5. (b) We propose to bulldoze access to road, and bulldoze to best locate shaft, then lower a 5' x 7' shaft a depth of 70', then drift with vein 60'.

6. Estimate of costs:

35 hours Bulldozing @ $10.00	$ 350.00
70' Shaft @ $50.00	3500.00
60' Drift @ $35.00	2100.00
Total estimated cost of project:	$5950.00

[illegible] [illegible] shown.

4. (a) Some [illegible] are [illegible] [illegible] [illegible] to [illegible] in [illegible] [illegible].

(b) [illegible] [illegible].

(c) [illegible] of [illegible] [illegible] [illegible]

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
2/14	Anderson	600
2/14	Houk	600
2/14	Tolliver	800
2/19	Selfridge	120
"	Johnson	110
"	Mittendorf	100
2/20	C	220
		600

600

FEB 19 1958

Mr. John Jarrett
Route 3
Bakersville, North Carolina

Re: Docket No. DMEA-4444-Mica
John Jarrett
Hensley Prospect
Mitchell County, North Carolina
Contract No. Idm-81054

Dear Mr. Jarrett:

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 DMEA exploration program and participation therein are fully appreciated.

Sincerely yours,

C. O. Mittendorf

Administrator

WCAnderson:rsi 2/14/58
Copy to: Admr. R. File
Mr. Chambers
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. C. H. Hensley

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
2/14	Anderson	600
2/14	Hart	600
2/14	Talbert	800
2/19	Selfridge	120
"	Johnson	110
"	Mittendorf	100
		220

600

FEB 19 1958

Mr. C. H. Hensley
Route 3
Bakersville, North Carolina

Re: Docket No. DMEA-4444-Mica
John Jarrett
Hensley Prospect
Mitchell County, North Carolina
Contract No. Idm-E1054

Dear Mr. Hensley:

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

This correspondence relates to the undated Consent to Lien and Subordination Agreement signed by you.

Sincerely yours,

C. O. Mittendorf (for)

Administrator

Enclosure

WCAnderson:rsi 2/14/58
Copy to: Admr. R. File
Mr. Chambers
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
2/14	Anderson	600
4/14	Hirsch	600
		110
		100
		220

600

February 14, 1958

Project Summary Report

By: Walter C. Anderson, Division of Nonmetallic Minerals

1. Docket No. DMEA-4444-Mica
Contract No. Idm-E1054
Hensley Prospect
Mitchell County, North Carolina

Application: Form MF-103(April 1952) received August 30, 1956.

Work Proposed by Applicant:

35 hours bulldozing @ $10.00/hr.	$350.00
70 feet of shaft @ $50.00/ft.	3,500.00
60 feet of drifts @ $35.00/ft.	2,100.00
Total amount requested	$5,950.00

Operator: John Jarrett
Route 3, Bakersville, North Carolina

Operator's Property Rights: Five year mining lease on the C. H. Hensley Property, consisting of 5 plus acres, dated December 27, 1956. Consent to Lien and Subordination Agreement, undated.

2. Contract: Form MF-200A(April 1956) dated January 17, 1957.

Work Authorized:

Road construction	$111.00
Construction - toolhouse, powder & exploder magazine	117.00
60 feet of shaft @ $44.50/ft.	2,670.00
100 feet of drifts @ $34.50/ft.	3,450.00
Estimated total cost of project	$6,348.00
Government participation @ 75%	$4,761.00

Amendments - none.

Work Completed:

Road construction	$111.00
Construction - Toolhouse, powder & exploder magazine	117.00
60 feet of shaft @ $44.50/ft.	2,670.00
81 feet of drifts @ $34.50/ft.	2,794.50
Total accepted cost	$5,692.50
Government participation @ 75%	$4,269.37

Work began on February 11, 1957 and was terminated short of completion on June 12, 1957. Field Team Final Report received January 13, 1958. Operator's Final Report received June 17, 1957. No equipment purchased under contract.

Value of production during project	$1,196.97
Royalty paid to date	$59.84

8623

3. Audit: Report of Review issued June 10, 1957.

Total accepted cost	$5,692.50
Government participation	$4,269.37

4. Certification of Discovery - none issued.

5. Comments:

How Conducted: All of the work in which the Government participated was acceptable.

Operation: Very good.

Engineering: Operator's reporting was very good.

Geologic Premise: The strong mica-rich pegmatite thinned at 30 feet in the shaft and contained no mica and pinched out in both drift headings.

Geologic Criteria upon which work was based:

1. Pegmatite: 18 to 36 inches thick, concordantly emplaced in a hornblende gneiss, and consisting of a mixture of coarse grained plagioclase, perthite, and disseminated quartz. Accessory minerals are garnet, apatite, and two varieties of muscovite.
2. Mica: No mica seen in place. Some of that observed on the dump was relatively small, flat, rum-colored books, while some was soft, green, stained, and wedge"A".
3. Past Production:

Geologic Criteria developed during project:

1. Pegmatite: Tabular shaped, 18 to 56 inches thick at the surface, intermittently exposed over a strike length of 160 feet, tapers to 1.5 to 2.5 feet thick at a depth of 30 feet and pinches out entirely at the drift headings, eliminating the possibility of a plunge extension. Concordantly emplaced in a relatively hard, unweathered hornblende gneiss and schist. Near the surface pegmatite is composed of a thin core of medium-coarse grained perthite with irregular wall zones of plagioclase, interstitial quartz, muscovite and minor garnet and apatite. Upon thinning at 30 feet depth, it contains very little muscovite.
2. Mica: Flat, clear, dark reddish-brown books up to 6 by 8 inches across.

Future Possibilities: Little evidence for extension of pegmatite. In upper portion where mica was found, old workings are close, and the pegmatite pinches out in both directions at the drift level.

Recommendations: The Division of Nonmetallic Minerals 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.

Walter C. Anderson

Walter C. Anderson
Division of Nonmetallic Minerals

WCAnderson:rsi 2/13/58
Copy to: Admr. R. File
Mr. Houk

IN REPLY REFER TO:

DMEA
RECEIVED JAN 17 1958

DATE	INITIALS	CODE
1-17	C	220
1/20	Houk	600

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

January 16, 1958
Re: DMEA 4444, Idm-E1054
John Jarrett
Hensley Prospect
Mitchell County, North Carolina
Mica

Memorandum

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

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

Subject: Review of Field Team Final Report

The contract approved the expenditure of $6,348.00 on the exploration of a part of a pegmatite on which other work had been done both to the northeast and southwest, and from which mica had been recovered and sold.

The contract work in the pegmatite consists of 60 feet of inclined shaft and 81 feet in 2 drifts from the shaft. The pegmatite pinches in the shaft and at the ends of the drifts it pinches out.

Mica worth $1,196.97 was recovered in the course of the work and $59.84 in royalty has been remitted. Probably the readily available mica has been mined as old workings near the shaft limit the unmined pegmatite.

The examiners recommend that no certification be made.

I concur with the recommendation.

N. E. Nelson

N. E. Nelson

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

January 16, 1958

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-4444 (mica)

Applicant: John Jarrett

Name and Location of Property: Hensley Prospect, Mitchell County, N. C.

Contract Number: Idm-E 1054

Date of Field Team Final Report: 1/9/58

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 1/14/58

Field Team Recommendation: Recommend no certification

Comments:

1. A total of 60 feet of shaft and 81 feet of drift were completed in a pegmatite, under DMEA contract Idm-E 1054.

2. The work was terminated before completion of authorized drifting because the pegmatite pinched out at both ends as well as with depth.

3. During the first 30 feet of shafting production of mica was good but was very poor below 30 feet.

4. Previous workings have practically depleted pegmatite ore in first 30 feet of depth so reserves are negligible.

5. Expenditures -

Total approved	$6,348.00
Total cost	5,692.50
Gov't. share of the cost	4,269.37
Value of production during operation	1,196.97
Royalty paid to date	59.84

Recommendation: I concur with the recommendation of the field team that certification not be issued.

W. F. Dietrich

W. F. Dietrich

[illegible]

[illegible]

To: [illegible]

Date: [illegible]

Subject: [illegible] (Rule)

Family No: [illegible]

Attorney for Petitioner: [illegible]

Respondent Mother: [illegible]

Father of Minor Child Respondent: [illegible]

Legal Guardian, Custodian, Foster Parent, Relative Caretaker: [illegible]

Minor Child Represented by Counsel: [illegible]

Discussion:

1. [illegible]

2. [illegible]

3. [illegible]

4. [illegible]

5. [illegible] -

[illegible]

[illegible]

[illegible]

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

ROOM 13 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

January 9, 1958

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	[illegible]	130
1/13	[illegible]	110
1/15	[illegible]	130
1/16	C	220
1/16	[illegible]	600

Memorandum

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

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

Subject: Final Report on Docket No. DMEA-444, Contract No. Idm-E1054
John Jarrett, Bakersville, North Carolina
Hensley Prospect (Mica), Mitchell County, North Carolina

Enclosed are the original and two copies of the final report on the Hensley prospect. We agree with the recommendation that it not be certified.

Robert A. Laurence
Robert A. Laurence
Executive Officer

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

Field Team
Final Rpt

Enclosures 3

Reviewed by
DMEA OPERATING COMMITTEE
1-15-58
(date)

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UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT

FIELD TEAM, REGION V

DMEA-4444, Idm-E1054, HENSLEY PROSPECT
Mitchell County, N. C. (mica)

S. C. Bergman, Geologist
Geological Survey

L. E. Shirley, Mining Engineer
Bureau of Mines

January 9, 1958

Reviewed by
DMEA OPERATIONAL CONTROL
1-15-58
[C330]

DMEA
RECEIVED JAN 13 1976
DATE

FIELD TEAM FINAL REPORT

HENSLEY PROSPECT
Mitchell County, North Carolina

DMEA-4444, Idm-E1054(mica)

Operator: John Jarrett, Bakersville, North Carolina

SUMMARY

In addition to the construction of access road, toolhouse, and magazines, a total of 65 feet of inclined shaft (5 ft at Operator's expense), and 81 feet of drift were completed on pegmatite. Pegmatite was highly productive down to about the 30-foot level, below which the structure thins and becomes quartz-and muscovite deficient. The structure thins and pinches out in both drift headings, at which point termination was recommended. The productive upper shaft section is bounded on either side by old shallow inclines so that little in the way of reserves can be outlined. Certification is not recommended.

INTRODUCTION

Location:

The prospect is located on the northwest slope of Burns Mountain, about 3050 to 3075 feet in elevation and 0.8 airline miles S70°E of Bandana, Mitchell County, North Carolina. It is in the northwest 1/9th of the Micaville, N.C. Quad. USGS-TVA Ed. 1934, 1:24,000(209-NW).

Work Completed:

Contract work began February 11, 1957, and was terminated short of completion as of June 12, 1957. About 600 linear feet of road were completed totalling more than 370 cubic yards of excavated material. A combination tool and hoist house as well as powder and exploder magazines were constructed. Sixty-five feet of inclined shaft (average-45°slope) was sunk downdip in a S30°E direction on pegmatite. Five feet of shaft was sunk at the Operator's expense. From the 62-foot level on the in-

cline, 41 feet of drift was driven on pegmatite in a general N45°E and 40 ft in a S70°W direction. The Operator's work progress, efficiency, and cooperativeness with the Field Team were very good. The Operator reported that he would return to about the 25 ft level in the shaft and mine out what ground remained between the shaft and old works. Whether this was done is not known and no reflection of this was noted in reported mica sales.

GEOLOGY

Concordant tabular-shaped pegmatite 18 to 56 inches thick is intermittently exposed along the surface or reflected in backfilled and caved inclines of unknown origin over a strike distance of about 160 feet. The structure strikes N58°E and dips 37 to 43° SE. A parallel 2 to 3 feet thick pegmatite of contrasting composition is exposed about 15 feet in the footwall of the subject pegmatite. About 30 feet downdip, the pegmatite tapers to a thickness of 1.5 to 2.5 feet. Pegmatite gradually tapers in both directions from the shaft bottom to less than 4 inches in thickness in both headings and to complete extinction in the floor of the headings (see map). Pegmatite at the drift level strikes N45° to 70°E and dips from 40 to 48°SE. The structure is concordantly emplaced in a relatively hard unweathered hornblende gneiss and schist, which is interlayered with a moderately weathered quartz-muscovite-biotite gneiss.

Pegmatite at or near the surface is composed of a thin intermittent core of medium-coarse grained perthite, with

irregular wall zones of medium to medium-coarse grained plagioclase, interstitial quartz, muscovite, and very minor garnet and apathite. Roughly 18% of the muscovite is a relatively soft, mineral-stained, wedge "A" variety which is found near the footwall contact. The larger proportion of the muscovite is in flat, clear, dark reddish-brown books up to 6 x 8 inches across. The first 30 feet of pegmatite contained roughly 3.4 lbs total muscovite per cubic foot of pegmatite. Upon thinning downdip, pegmatite becomes an unzoned aggregate of medium to medium-fine grained plagioclase with very minor interstitial quartz and small muscovite. An estimated 5000 to 5500 lbs of mine-run block was recovered, out of which about 3400 lbs was hand-cobbed. A sale of 57.12 lbs of full trimmed sheet is recorded at the GSA Depot with a value of $597.57 (3-25-57). Also recorded is a block sale of 2220 lbs valued at $599.40 (6-19-57).

The footwall pegmatite consists of an unzoned mixture of medium-grained perthite, and minor plagioclase, quartz and rare muscovite. It was not considered to be in the least attractive as an exploration target.

CONCLUSIONS AND RECOMMENDATIONS

The downdip extensions of a tabular, mica-bearing pegmatite were thoroughly explored by the contract work. Little evidence exists for an extension of the pegmatite since the drift work appears to have been conducted at or near the keel of the

structure. The lateral pinching of the pegmatite in both directions eliminates the possibility of a plunge extension. There is some indication that closely parallel or en echelon pegmatite structures may exist at other stratigraphic positions, but without the proper equipment, this possibility could not be tested.

Although pegmatite in the upper shaft was highly productive, the proximity of shallow inclines on either side indicates that reserves are very limited. Certification of discovery is not recommended.

EXPENDITURES

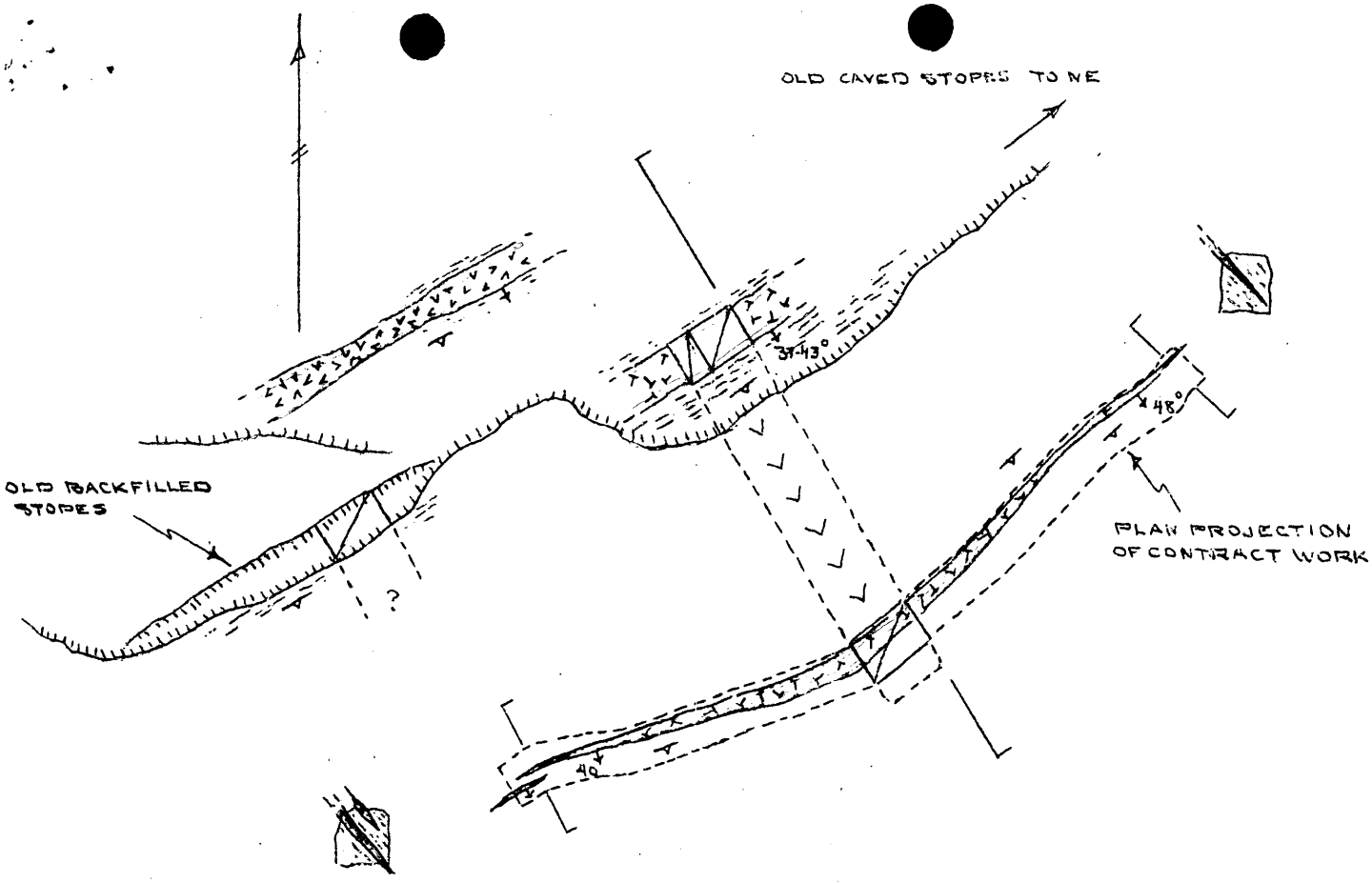
(a)	Total approved	$6,248.00
(b)	Total cost of project	5,692.50
(c)	Government's share of cost	4,269.37
(d)	Government's share unexpended	491.63
(e)	Value of production	1,196.97
(f)	Royalty paid todate	59.84

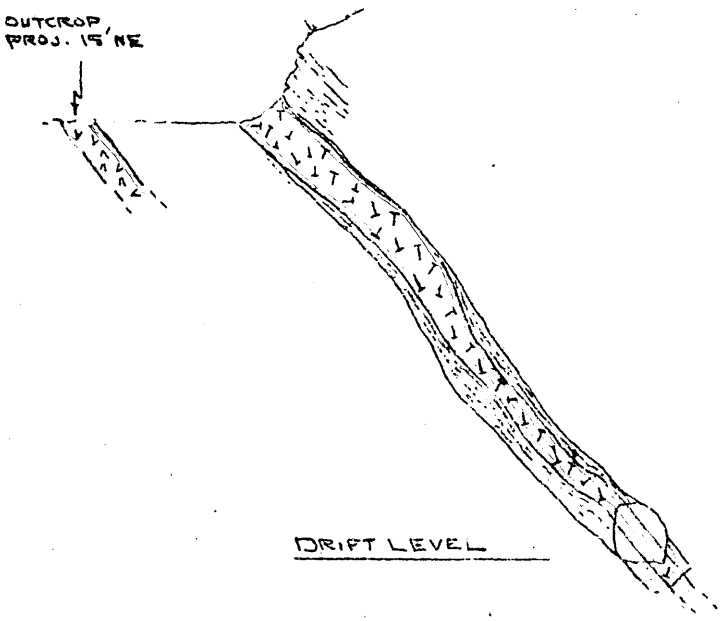
S. C. Bergman, Geologist
Geological Survey

L. E. Shirley, Mining Engineer
Bureau of Mines

January 9, 1958

z





LEGEND

- PLAGIOCLASE-QUARTZ-MUSCOVITE PEGMATITE
- PERTHITE-QUARTZ PEGMATITE
- FINE GRAINED HORNBLENDE GNEISS INTERLAYERED QTZ-BIOTITE-MUSCOVITE GNEISS
- PLAN PROJECTION OF UNDERGROUND WORKS
- EXCAVATION

HENSLEY PROSPECT

MITCHELL COUNTY NORTH CAROLINA

DMEA-4444, Idm.-E1054

(MICA)

SCALE: 1" = 20'

copy

OFFICIAL FILE COPY
DMEA
RECEIVED SEP 16 1957

DATE	INITIALS	CODE
9/17	C	220
9/17	Frank	600

GENERAL SERVICES ADMINISTRATION
FINAL SETTLEMENT
Mica Purchasing Depot, Spruce Pine, N. C.

Date Purchased 6-19-57

Acceptance No. 174(a)

Certificate Authorization No. 356-B LOT No. B SP- 174(a)

VOUCHER No.

	TOTAL Wt. Lb	Lbs-G.S	Lbs-Stained	Lbs-Hy-Stained	Total Value
Processed for Payment	99.44	47.50	35.88	16.06	599.40

No Processed Pay't	
THINS	
BLACK Dots Spots Stains	
Undersized	
Process- Gain Loss	
Total Lbs Purchased	2220.00

166.05
8.3025

Less: Initial Payment - Voucher No.		Sch. No.	433.35
Balance Due	Government	Seller X	166.05

Seller's Name: Arthur Mining Co

Address: Spruce Pine, N.C.
(John Garrett)

NAME OF MINE: Henseley

DMEA No. 4444 Idm-E 105-4

Approved

Date:

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
9/13	Houk	600
9/13	GCS	130
9/11	Johnson	110
9/13	Q	220
		600

600

SEP 13 1957

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

Re: Docket No. DMEA-4444-Mica
John Jarrett
Hensley Prospect
Mitchell County, North Carolina
Contract No. Idm-81054

Dear Mr. Laurence:

Reference is made to your letter of September 5, 1957, to Mr. John Jarrett requesting that he execute the termination agreement forwarded by you.

Mr. John Jarrett returned the termination agreement, prepared in this office, directly to Washington without a covering letter. You will find enclosed the Finance Office copy, the Field Team copy and an extra copy of the executed agreement. We are sorry to have overlooked sending you your copies.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

Frank D. Lamb

Member, Bureau of Mines

Thor H. Kiilsgaard

Member, Geological Survey

Enclosures 3

LGHouk:gad 9/13/57
Copy to: Admr. R. File
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

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

OFFICIAL FILE COPY DMEA RECEIVED SEP 13 1957		
DATE	INITIALS	CODE
9/13	G	220
9/17	[illegible]	800
[illegible]	[illegible]	600

September 11, 1957

Mrs. Betty J. Grindstaff
Bookkeeper, Arthur Mining Co.
Spruce Pine, N. C.

Re: DMEA-4444, Idm-E1054-Mica
John Jarrett
Hensley Prospect, Mitchell
County, N.C.

Dear Mrs. Grindstaff:

Thank you for your note advising me that Mr. Jarrett signed and returned the termination agreement for the Hensley Prospect.

Evidently these went astray in the mail, as they were not received here. Therefore, I have prepared a new set exactly like the original, except that these are signed for the Government by me instead of by the Administrator. Please ask Mr. Jarrett to sign all five copies, keep the Operator's copy and return all the others to me.

Sincerely yours,

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

RAL/zm
cc
Opr. Com.-2
Lynch
Shirley
Files

ORIGINAL FILE COPY
DMEA
RECEIVED SEP 18 1957

DATE	INITIALS	CODE

Operating Comm.

OFFICIAL FILE COPY
DMEA
RECEIVED SEP 9 1957

DATE	INITIALS	CODE
9/9	Q	220
9/9		800
9/9		600

September 5, 1957

John Jarrett
Route 3
Bakersville, North Carolina

Re: DMEA-4444 (Mica)
Hensley Prospect
Mitchell County, N. C.
Contract No. Idm-E1034

Dear Mr. Jarrett:

On July 23, I sent you, for signature, five copies of a proposed agreement for termination of the Hensley prospect exploration contract, but I have not received the signed copies.

Please sign and return all copies except the Operator's copy as soon as possible. If you never received my July 23 letter and the agreement, please let me know.

Sincerely yours,

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

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

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K- 79

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of June, 1957 Docket No. DMEA 4444 Contract No. Idm-E 1054
Operator's Name John Jarrett Minerals Mica
Address Route #3, Bakersville, N.C.
Contract Amount, $ 6,348.00 Government Participation: 75 % Amount, $ 4,761.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing		111.00	111.00			
Crosscutting						
21' Drifting @ $34.50	724.50	2070.00	2794.50			
Shaft		2670.00	2670.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.		75.00	75.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Powder & Exploder Mags.		42.00	42.00			
(8) Contingencies (specify):						
TOTALS	724.50	4968.00	5692.50	724.50	4968.00	5692.50

RECEIVED JUL 1 1957 D.M.E.A.

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 6-12-57 *Payee John Jarrett
Per John Jarrett 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:
$ ~~4,761.00~~ 543.37
Signature Helen R. Miller
(Authorized Certifying Officer)
Date JUN 27 1957 Vou. No. 211
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E-1034 in accordance with the terms of the contract.

Signature J. Lynch Title MINING ENGINEER U. S. BUREAU OF MINES Date JUN 24 1957

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA FIELD TEAM REGION V Date JUN 24 1957

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

Month of June 1957 Docket No. DMEA 4444 Contract No. Idm E-1054

Operator's Name John Jarrett Minerals Mica

Address Route #3, Bakersville, N.C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting	Ft.	724.50	21	2794.50	81	34.50	100	34.50
Crosscutting								
Raising	Ft.			2670.00	60	44.50	60	44.50
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Bulldozing	Cu. Yds.			111.00	370	0.30	370	0.30
TOTAL DISTRIBUTED COSTS		724.50		5575.50				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				75.00				
Powder & Exploder Mags.				42.00				
TOTAL COSTS		724.50		5692.50				

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

Date 6-12-57 Operator John Jarrett

Per John Jarrett 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.

(Instructions on reverse)

REMARKS:

(For Government use only)

RECEIVED JUL 1 1957 DMEA

D. J. Lynch
MINING ENGINEER
U. S. BUREAU OF MINES

INSTRUCTIONS

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

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

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

GPO 872894

EXTRA COPY
D M E A
RECEIVED JUL 1 1957
DATE | INITIALS | CODE

OPERATOR'S

Monthly Progress Report

DMEA #4444, Idm-E 1054

Hensley Prospect

Mitchell County, N.C.

Work Accomplished:

We continued to work on drift,in this month we have completed 21' making a total of 81' of drift to date, 40' South West, and 41' North East, at this point the operator is requesting that the contract be terminated, because of the extremely small amount of vein material showing. The operator has sold approximately $600.00 worth of mica to date.

Daily Notes:

3 - 12 : Shot, drilled and mucked out waste daily, continuing to work on drift and completing 21' in this month, making a total of 81' of drift to date, and we are requesting that the contract be terminated at this point.

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
7/15	Anderson	600
7/15	Houk	600
7-16	Chambers	800
7/17	Martin	130
"	Johnson	110
"	Mattendorf	100
7/18	C	220
		600

600

JUL 18 1957

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

Re: Docket No. DMEA-4444-Mica
John Jarrett
Hensley Prospect
Mitchell County, North Carolina
Contract No. Idm-E1054

Dear Mr. Laurence:

Reference is made to the Field Team's memorandum of June 20, 1957, recommending termination of the subject contract by mutual agreement.

Enclosed are the original and four copies of a proposed termination agreement signed by the Administrator for the Government. Two extra copies are enclosed for the use of the Field Team.

If the proposed termination agreement meets with your approval, present it to the Operator for execution.

If any part of this agreement does not have either your approval or that of the Operator, and cannot be amended within your delegated authority, then the original and all copies are to be returned to this office, together with the proposed changes for consideration.

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

Sincerely yours,

Approved:

P. F. Yopes (JLB)
Member, Bureau of Mines

W. S. Martin
ACTING Chairman, Operating Committee (JLB)

Thor H. Kiilsgaard (JLB)
Member, Geological Survey

Enclosures 7

WCAnderson:rsi 7/15/57
Copy to: Admr. R. File
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

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

July 5, 1957

Memorandum

To: Finance Officer, DMEA -Region V

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

Subject: Royalty Payment - Idm-E1054-DMEA-4444-mica
John Jarrett, R#3, Bakersville, N.C.

Transmitted is a sales sheet and a royalty check for 5% of the sale in the amount of $21.67 to be credited to the subject contract.

Robert A. Laurence

z

CC
Lynch
Mittendorf
Shirley
Files

OFFICIAL FILE COPY
DMEA
RECEIVED JUL 8 1957

DATE	INITIALS	CODE
7-9	C	220
7/9	Lynch	600

GENERAL SERVICES ADMINISTRATION WARRANTY, ACCEPTANCE AND INVOICE MICA PURCHASING DEPOT, SPRUCE PINE, N. C. B		DATE PURCHASED 6-19-57 ACCEPTANCE NO. Max. 0540. B[redacted]
CERTIFICATE AUTHORIZATION NO. DMS-4-336 A	LOT NO. SP B[redacted]	VOUCHER NO.
RUBY ☐ NON-RUBY ☒	TOTAL LBS. PURCHASED	VALUE - INITIAL PAYMENT
PRELIMINARY PAYMENT	2200.00	433.35

This lot of mica, weight above indicated, is accepted for the Government subject to all pertinent regulations and laws governing the domestic mica procurement program.

GENERAL SERVICES ADMINISTRATION

BY

R. S. Burleson

SIGNATURE

BUYER

FOR USE BY GSA ONLY

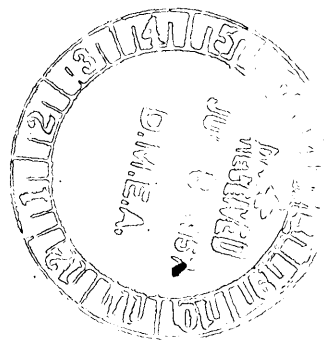
The undersigned warrants that this lot of mica, weight above indicated, meets the requirements of all applicable regulations and laws governing the mica program. Further, the undersigned hereby sells this lot of mica to the Government subject to all laws and regulations governing the purchase of mica by the Government and agrees to accept the processing results as valid and correct and to refund unconditionally any overpayment with the understanding that any underpayment will be made by the Government upon completion of the processing of this mica. This invoice is correct and just and payment therefor has not been received.

NAME AND LOCATION OF MINE

Kenaley-Mitchell County, N. C.

SELLER	DATE
Arthur Mining Co.	6-19-57
ADDRESS Box 35, Spruce Pine, N. C.	
BY	TITLE Partner

Form R4-T35, May 1956



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

OFFICIAL FILE COPY
DMEA
RECEIVED JUN 24 1957

DATE	INITIALS	CODE
6-25	C	220
6/26	[illegible]	130
		600

June 20, 1957

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: DMEA-4444, Idm-E1054-mica. John Jarrett, Opr.
Hensley Prospect, Mitchell County, N.C.

The Field Team agrees with the Field Examiners in recommending termination of the subject contract by mutual agreement, for reasons fully explained in the attached Interim Report.

If you are in agreement, please prepare a Termination Agreement by Mutual Consent, effective June 12, 1957 Certification will not be recommended.

Robert A. Laurence
EXECUTIVE OFFICER
DMEA FIELD TEAM
REGION V

V. J. Lynch
V. J. LYNCH
MEMBER, BUREAU OF MINES

OFFICIAL FILE COPY
DMEA
RECEIVED JUN 24 1957

DATE	INITIALS	CODE
6/25	C	220
25	Com	100
6/26	H	600

INTERIM REPORT

DMEA-4444, Idm-E-1054, Hensley Prospect
(mica)

Operator: John Jarrett, Bakersville, North Carolina

Location: 0.77 airline miles S76°E from Bandana, Mitchell Co., N.C.

Drifting has been in progress on this contract during the Interim. Drifts from the shaft bottom have been driven simultaneously and totals 81 feet; 41 feet have been driven in a N45°E direction and 40 feet in a S70°W direction. The pegmatite thickness along the trend has varied from 1.5 to 2.5 feet, but at the time of this inspection the body had narrowed to 4 inches or less in both headings. The southwest drift face showed 2 narrow stringers less than 4 inches thick and the northeast drift face showed pegmatite about 4 inches thick. The Field Examiners are of the opinion that no additional drift work is advantageous to the government since little or no reserves can be outlined by such a thin body, and recommend that the contract be terminated by mutual consent of both parties. Discussion was held with one of the partners in the operation and he was in agreement that termination was in order.

The operators future plans at this prospect include returning to the 20 to 25 foot shaft level where thicker pegmatite and mica was evident and driving levels in both directions. Drifting will be limited at this level, however, because of old workings on both ends of the trend known to exist.

The examiners recommend that this contract be terminated by mutual

consent of both parties. An efficient job was accomplished on all of the shaft and drift work.

Messrs. R. A. Laurence, Executive Officer of DMEA, Region V, and Stuart Maher, Tennessee Department of Conservation, Division of Geology, accompanied the Field Examiners on this visit to the mine.

Inspected: June 11, 1957

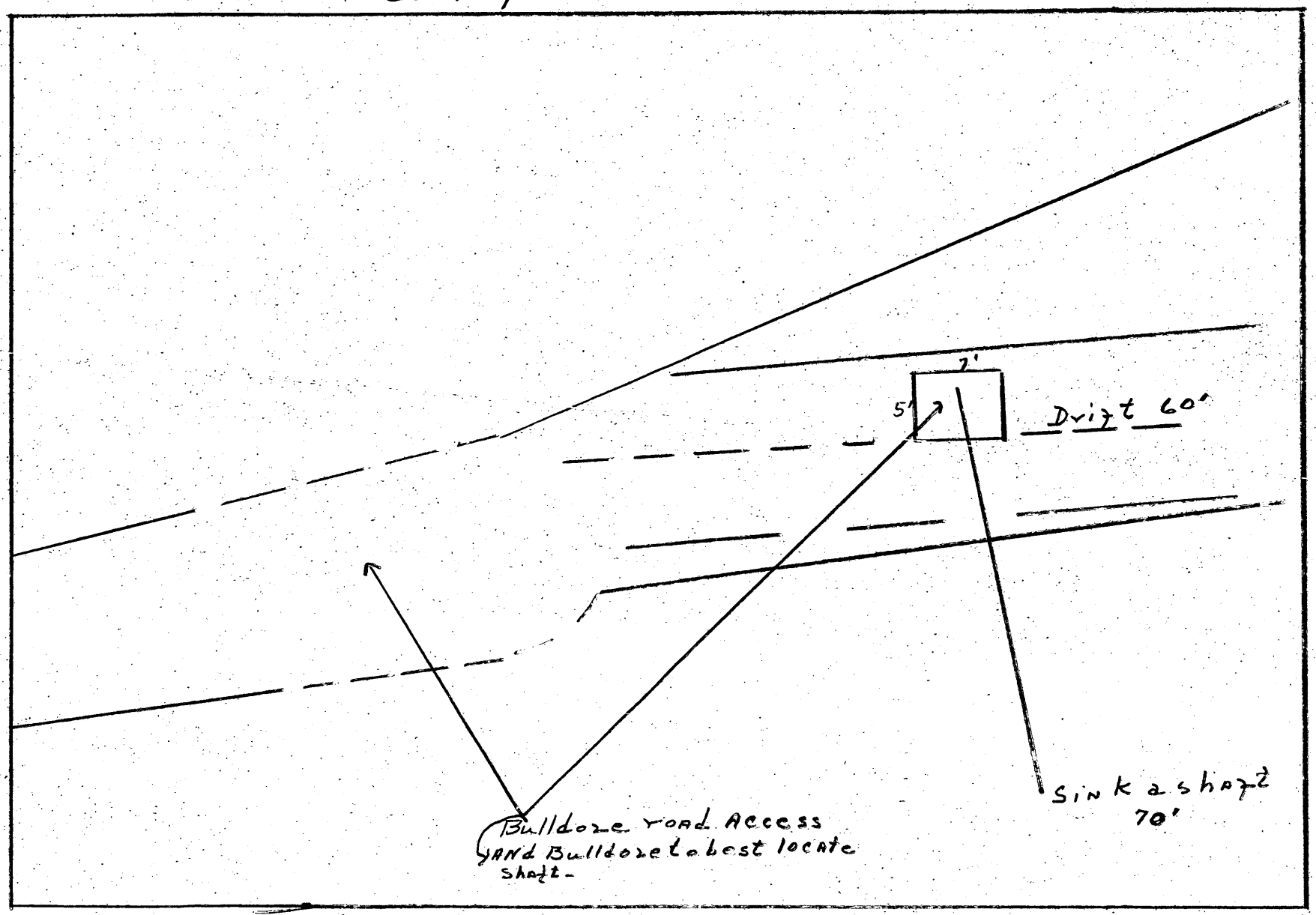
L. E. Shirley

L. E. Shirley, Mining Engineer
Bureau of Mines

S. C. Bergman, Geologist
Geological Survey

Hensley Prospect

Mitchell, N.C.
County-



Sam L. Phillips
Spruce Pine, N.C.

Mr. Lawrence G. Hauk, Chief
Nonmetallic Minerals Division
U.S. Dept. of the Interior, D.M.E.A.
Washington 25, D.C.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1010 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

WASHINGTON 25, D.C.

June 19, 1957

OFFICIAL FILE COPY
DMEA
RECEIVED JUN 21 1957

DATE	INITIALS	CODE
6/21	C	220
6/24	[illegible]	800
6/24	[illegible]	600

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Operator's Final Report, DMEA-4444, Idm-E1054(mica)
John Jarrett, Bakersville, N.C.
Hensley Prospect, Mitchell County, N.C.

Enclosed are the original and three copies of the Operator's final report on the subject project. More than 85% of the contract work was completed; work was stopped because the pegmatite pinched out in both headings.

Termination will be requested.

V. J. Lynch

V. J. Lynch, Acting
Executive Officer,
DMEA Field Team, Region V

Helmuth Wedow, Jr.

Helmuth Wedow, Jr.
Geologist
Geological Survey

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RECEIVED
JUN 17 1957
U. S. BUREAU OF MINES
DEF. MIN. ADM.
Knoxville, Tennessee

OFFICIAL FILE COPY
DMEA
RECEIVED JUN 21 1957
DATE | NAMES | CODE

Spruce Pine, North Carolina
June 12, 1957

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

Final report

Re: DMEA #4444, Idm-E 1054
Hensley Prospect
Mitchell County, N.C.

Dear Mr. Laurence:

Work began on January 29, 1957, and we stopped work on the contract June 12, 1957.

The work consisted of bulldozing road access, setting up powder and exploder magazines, and sinking a 5 X 7' shaft a depth of 60' in vein material, the vein material consisted of quartz, feldspar and some mica. At the point that we begin sinking the shaft the vein was approximately 4' thick and maintained this thickness for about 20', at which point the vein begin to narrow and at the 60' depth of the shaft the vein was approximately 8" thick. At the bottom of the shaft a drift was driven to the South West and a drift to the North East in hopes that the vein would thicken. The drift to the South West was driven 40' and the vein continued to narrow to approximately 4". The drift to the North East failed to produce any favorable results, and very little vein could be noticed in the head of the drift.

The 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 are as follows: in the very begining of the shaft approximately $650.00 worth of mica was recovered, but on either side of the shaft it is only a short distance to old workings, it might be that a ton or a ton and a half or mica might be recovered near the top of the ground before encountering old works. To date the operator has sold approximately $600.00 worth of mica and the operator has on hand a few hundred pounds of hand cobber mica which will be sold in the near future. It is the opinion of the operator that the ore reserves would be limited to possible 2000 pounds of hand cobbed mica and that it would be a waste of money to continue to drive the drifts at the bottom of the shaft. The contract called for 100' of drift, and the operator to date has completed 81' of drift and due to the extremely small amount of vein material showing in the heads of the drift the operator is requesting a termination of the contract at this point.

We wish to thank the Field Team for their assistance on the Hensley Project.

Final Operation Rpt.

Very truly yours,

John Jarrett

John Jarrett

RECEIVED
JUN 17 1957
Survey
Geologic Division
Knoxville, Tenn.

P/bjg

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
6/19	Talbert	800
6/20	JWB	220
6/20	Hook	600

JUN 20 1957

Mr. Robert A. Laurence
Executive Officer
DMEA Field Team, Region V
Room 14, Post Office Building
Knoxville 2, Tennessee

Re: Docket No. DMEA-4444 (Mica)
John Jarrett
Hensley Prospect
Mitchell County, North Carolina
Contract No. Idm-E1054

Dear Mr. Laurence:

As requested in your memorandum of June 17, 1957, a Report of Review in lieu of a final audit of the referenced project has been prepared. The original and two copies thereof, together with the original of the final MF-104 submitted with your memorandum, are enclosed.

If you concur with the facts stated in this Report of Review, the original and one copy should be forwarded to the regional finance officer and one copy should be retained in your files. If for any reason you do not concur, please return the original and both copies to this Division with your comments.

It is noted that confirmation of the access road construction is not included in your memorandum. Therefore, acceptance of the costs claimed for this work has been based on the Field Team's Interim Report of February 19, 1957, which specifically states that the access road was completed with the bulldozing of 370 cu. yds. of material. It is requested that future memoranda requesting Reports of Review specifically confirm the completion of all units of works.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Director
Contract Administration
and Audit Division

Enclosure

EDTalbert/wb 6/19/57

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

8623

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.5

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K- 74

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of May, 1957 Docket No. DMEA 4444 Contract No. Idm-E 1054
Operator's Name John Jarrett Minerals Mica
Address Route #3, Bakersville, N.C.
Contract Amount, $ 6,348.00 Government Participation: 75 % Amount, $ 4,761.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing		111.00	111.00			
Crosscutting						
60' Drifting @ $34.50	2070.00		2070.00			
Shaft		2670.00	2670.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.		75.00	75.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Powder & Exploder Mags.		42.00	42.00			
(8) Contingencies (specify):						
TOTALS	2070.00	2898.00	4968.00	2070.00	2898.00	4968.00

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

Date 6-3-57 *Payee John Jarrett

Per John Jarrett 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:

$ 1552.50

Signature Helen R. Miller
(Authorized Certifying Officer)

Date JUN 10 1957 Vou. No. 199
(See other side)

517.50

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E-1054 in accordance with the terms of the contract.

Signature [signature] Title MINING ENGINEER U. S. BUREAU OF MINES Date JUN 5 1957

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA FIELD TEAM REGION V Date JUN 5 1957

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

Month of May 1957 Docket No. DMEA 4444 Contract No. Idm-E 1054
Operator's Name John Jarrett Minerals Mica
Address Route #3, Bakersville, N.C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting	Ft.	2070.00	60	2070.00	60	34.50	100	34.50
Crosscutting								
Raising								
Shafts	Ft.			2670.00	60	44.50	60	44.50
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Bulldozing	Cu.Yds.			111.00	370	0.30	370	0.30
TOTAL DISTRIBUTED COSTS		2070.00		4851.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				75.00				
Powder & Exploder Mags.				42.00				
TOTAL COSTS		2070.00		4968.00				

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

Date 6-3-57 Operator John Jarrett

Per John Jarrett 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)

RECEIVED JUN 12 1957 D.M.E.A.

N. J. Lynch
MINING ENGINEER
U. S. BUREAU OF MINES

INSTRUCTIONS

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

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

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

GPO 872894

OPERATOR'S

Monthly Progress Report

DMEA #4444, Idm-E 1054

Hensley Prospect

Mitchell County, N.C.

Work Accomplished:

We completed shaft work in last month, this month we have worked on drift and have completed 60' to date 30' North East and 30' South West. The vein is 15" wide in each heading, there is feldspar, flint, quartz and a little scrap mica.

Daily Notes:

1 - 10 : Continued to work on drift.

13 - 17 : Shot, drilled and mucked out water daily, continued to work on drift.

20 - 24 : Continued to work on drift, vein is 15" wide in each heading.

27 - 31 : Completed 60' of drift in this month, findind a little scrap mica.

JUN 12
RECEIVED
JUN 5 - 1957

INTERIM REPORT

DMEA-4444 Idm-E1054 (Mica) HENSLEY PROSPECT

Operator: John Jarrett, Bakersville, N. C.

Location: 0.77 airline miles S76°E from Bandana, Mitchell Co., N. C.

Drifting continues from the incline bottom in both directions, following the trend of the pegmatite. A total of 54 feet of drift have been completed; 27 feet have been drive N45°E and 27 feet have been driven S70°W. The pegmatite has thinned during the interim in both headings and is now from 10 inches to 18 inches in the NE face, and 12 inches in the southwest face. No changes in material were noted. Mica production during the interim totals about 100 pounds, according to the operator.

Instructions were given for continued drifting in both headings. Progress on this contract has been satisfactory.

L. E. Shirley

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

S. C. Bergman

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

May 28, 1957

OFFICIAL FILE COPY
DMEA
RECEIVED JUN 7 1957

DATE	INITIALS	CODE
6/7	JWQ	220
10	CEM	100
17	Hmk	100

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 24 1957

DATE	INITIALS	CODE
5/24	C	220
27	Com	100
28	H	Geo

INTERIM REPORT

DMEA-4444, Idm-E1054(mica) HENSLEY PROSPECT

Operator: John Jarrett, R#3, Bakersville, North Carolina

Location: 0.77 airline miles S76°E from Bandana, Mitchell County, North Carolina

A total of 28 feet of drift has been driven from the 62-foot level of the inclined shaft during this interim. Twelve feet has been driven N 48°E and 16 feet S 70°W. The pegmatite is from 1 to 2 feet thick, strikes N 50° to 75°E and dips 50° SE. Both headings have medium grained plagioclase with a little quartz and good quality ruby muscovite showing. Approximately 100 pounds of "mine-run" block mica has been recovered during this period.

Progress on this contract has been very good.

Inspected: May 14, 1957

S. C. Bergman

S. C. Bergman, Geologist
Geological Survey

Wm. A. Beck

Wm. A. Beck, Mining Engineer
Bureau of Mines

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EXTRA COPY
DMEA
MAY 24 1957
MINERALS
COPY

INTERIM REPORT

DMEA-4444, Idm-E1054(mica) HENSLEY PROSPECT

Operator: John Jarrett, R#3, Bakersville, North Carolina

Location: 0.77 airline miles S76°E from Bandana, Mitchell County, North Carolina

A total of 28 feet of drift has been driven from the 62-foot level of the inclined shaft during this interim. Twelve feet has been driven N 48°E and 16 feet S 70°W. The pegmatite is from 1 to 2 feet thick, strikes N 50° to 75°E and dips 50° SE. Both headings have medium grained plagioclase with a little quartz and good quality ruby muscovite showing. Approximately 100 pounds of "mine-run" block mica has been recovered during this period.

Progress on this contract has been very good.

Inspected: May 14, 1957

S. C. Bergman, Geologist
Geological Survey

Wm. A. Jeck, Mining Engineer
Bureau of Mines

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K- 67

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of April, 1957 Docket No. DMEA 4444 Contract No. Idm-E 1054
Operator's Name John Jarrett Minerals Mica
Address Route #3, Pakersville, N.C.
Contract Amount, $ 6,348.00 Government Participation: 75 % Amount, $ 4,761.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing		111.00	111.00			
Crosscutting						
Drifting						
15' Shaft @ $44.50	667.50	2002.50	2670.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.		75.00	75.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Powder & Exploder Mags.		42.00	42.00			
(8) Contingencies (specify):						
TOTALS	667.50	2230.50	2898.00	667.50	2230.50	2898.00

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

Date 5-1-57 *Payee John Jarrett

Per John Jarrett 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)

RECEIVED MAY 13 1957 D.M.E.A.

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

$ 500.63

Signature Helen R. Miller
(Authorized Certifying Officer)

Date MAY 9 1957 Vou. No. 187

(See other side)

166.87

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. 14m E 1054 in accordance with the terms of the contract.

Signature W. M. Beck Title MINING ENGINEER U. S. BUREAU OF MINES Date MAY 3 1957

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA FIELD TEAM REGION V Date MAY 3 1957

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

Month of April 1957 Docket No. DMEA 4444 Contract No. Idm-E 1054
Operator's Name John Jarrett Minerals Mica
Address Route #3, Bakersville, N.C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts	Ft.	667.50	15	2670.00	60	44.50	60	44.50
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Bulldozing	Cu. Yds.			111.00	370	0.30	370	0.30
TOTAL DISTRIBUTED COSTS		667.50		2781.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				75.00				
Powder & Exploder Mags.				42.00				
TOTAL COSTS		667.50		2898.00				

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

Date 5-1-57 Operator John Jarrett

Per John Jarrett 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. A. Beck
MINING ENGINEER
U. S. BUREAU OF MINES
MAY 3 1957

INSTRUCTIONS

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

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

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

GPO 872894

OPERATOR'S

Monthly progress report -

DMEA #4444, Idm-E 1054, Mica

Hensley Prospect, Mitchell Co,, N.C.

Work Accomplished:

We continued to work on shaft, in this month we have completed 15' making a total of 60' of shaft, which completes the shaft work called for in the contract. The vein is approximately 1' wide. We have recovered 100# of mica this month, making approximately 2600# to date.

Daily Noted:

1 - 5 :	Continued to work on shaft.
8 - 12 :	Drilled, shot and mucked out waste daily.
15 - 19 :	Continued down with shaft, vein is 1' wide.
22 - 30 :	Completed total shaft called for in the contract, recovered 100# of mica this month.

RECEIVED
MAY 3 - 1957

INTERIM REPORT

DMEA-444, Idm-E1054 (Mica) HENSLEY PROSPECT

Operator: John Jarrett, Bakersville, N. C.

Location: 0.77 airline miles S76°E from Bandana, Mitchell Co., N. C.

Shaft sinking has been completed to a total depth of 65 feet; the last 5 feet of sinking was conducted at the operator's own expense. Turnoff from the shaft bottom will be made from the 63 ft. level, allowing the remaining 2 feet for a sump. Drifts will be driven simultaneously in both directions from the shaft bottom for the present time. The pegmatite varies from 18 inches to 2.5 feet in thickness, at this level, and is composed of Na feldspar, quartz, small mica and accessory garnet. Mica production has continued and about 350 lbs of mine-run block has been recovered during the interim.

Mr. V. J. Lynch, Bureau of Mines member of the Field Team, Region V, accompanied the Examiners on this visit to the mine.

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 13 1957

DATE	INITIALS	CODE
5/13		220
"	Com	100

L. E. Shirley

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

S. C. Bergman

S. C. Bergman and E. L. Boudette
Geologist, U. S. Geological Survey

April 30, 1957

OFFICIAL FILE COPY
D M E A
RECEIVED APR 29 1957

DATE	INITIALS	CODE
4-29	C	220
5/1	CONC	100
5/2	Hmk	

INTERIM REPORT

DMEA-4444, Idm-E1054 (mica) HENSLEY PROSPECT

Operator: John Jarrett, Bakersville, N. C.

Location: 0.77 airline miles S76°E from Bandana, Mitchell Co., N. C.

Inclined shaft sinking continues on this contract and present depth is 53 feet, plus 1 to 3 feet of broken muck. The pegmatite body at this depth is 20 inches to 2 feet thick, and mineralogical composition is the same as reported two weeks ago. The mine was not working at the time of this visit, and mica production during the interim is not known. Shaft sinking will continue to a total depth of 60 feet.

L. E. Shirley

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

E. L. Boudette

E. L. Boudette, Geologist
U. S. Geological Survey

April 16, 1957

EXTRA COPY
D M E A
RECEIVED APR 29 1957

DATE	INITIALS	CODE

INTERIM REPORT

DMEA-4444, Idn-31054 (mica) HENSLEY PROSPECT

Operator: John Jarrett, Bakersville, N. C.

Location: 0.77 airline miles S76°E from Bandana, Mitchell Co., N. C.

Inclined shaft sinking continues on this contract and present depth is 53 feet, plus 1 to 3 feet of broken muck. The pegmatite body at this depth is 20 inches to 2 feet thick, and mineralogical composition is the same as reported two weeks ago. The mine was not working at the time of this visit, and mica production during the interim is not known. Shaft sinking will continue to a total depth of 60 feet.

L. S. Shirley, Mining Engineer
U. S. Bureau os Mines

E. L. Boudette, Geologist
U. S. Geological Survey

April 16, 1957

Mittendorf

RECEIVED
APR
D.M.E.A.

April 26, 1957

Memorandum

To: Finance Officer, Region V, Norris, Tennessee

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

Subject: Royalty Payment - Idn-E1054, DMEA-4444 (Mica)
John Jarrett, Spruce Pine, North Carolina
Hensley Prospect, Mitchell County, North Carolina

Transmitted is a bill-of-sale in the amount of $148.30 and a check for 5% royalty for $7.41 to be credited to subject contract.

V. J. Lynch

mg
Enclosures 2
cc - Mr. C. O. Mittendorf
Mr. V. J. Lynch
Files

GENERAL SERVICES ADMINISTRATION

FINAL SETTLEMENT

MICA PURCHASING DEPOT, SPRUCE PINE, N. C.

DATE PURCHASED: 3-[illegible]-57

ACCEPTANCE NO.: A[illegible] (a)

CERTIFICATE AUTHORIZATION NO.: [illegible] A

LOT NO.: SP A[illegible] (a)

VOUCHER NO.:

	TOTAL WGT (LBS)	LBS. - G. S.	LBS. - STAINED	LBS.-HVY. STAINED	TOTAL VALUE
PROCESSED FOR PAYMENT	37.12	18.75	[illegible]	16.[illegible]	397.37
PROCESSED - NO PAYMENT					
THINS					
BLACK - DOTS SPOTS STAIN					
UNDERSIZED					
PROCESS - CAIN [illegible]	.12				
TOTAL LBS. PURCHASED	37.00				

FOR USE OF CERTIFYING OFFICER

LESS: INITIAL PAYMENT - VOUCHER NO. SCH. NO. 249.37

BALANCE DUE GOVERNMENT [ ] SELLER [X] 148.30

SELLER'S NAME AND ADDRESS

Arthur Mining Co.
Box 35
Spruce Pine, N. C.

NAME OF MINE AND LOCATION

[illegible] Prospect-Mitchell County, N. C.

APPROVED

[illegible] 4-17-57

DEPOT SUPERINTENDENT DATE

Form R4-T36, May 1956

DMEA - 4444

EXTRA COPY
DMEA
RECEIVED APR 29 1957

DATE	INITIALS	CODE
4/30	[illegible]	

OFFICIAL FILE COPY
DMEA
RECEIVED APR 15 1957
DATE | INITIALS | CODE
220
4/5 Com 100
4/17 100

INTERIM REPORT

DMEA-4444, Idm-E1054 (mica) HENSLEY PROSPECT

Operator: John Jarrett, Bakersville, N. C.

Location: 0.77 airline miles S76°E from Bandana, Mitchell Co., N. C.

Inclined shaft sinking continues on this contract, and the present depth is 46 feet. The shaft is being sunk on a -45° slope, and no change was noted in the attitude of the pegmatite, which strikes N70°E and dips 50°SE (hanging wall contact). The body is composed of Na feldspar, quartz, mica, and accessory garnet. Mica production has declined since the pegmatite has narrowed, and about 150 pounds of mine-run book was repoted for the interim. Instructions were given for continued shaft sinking. Progress on this contract is satisfactory.

L. E. Shirley

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

E. L. Boudette

E. L. Boudette, Geologist
U. S. Geological Survey

April 2, 1957

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

OFFICIAL FILE COPY
DMEA
RECEIVED APR 8 1957

DATE	INITIALS	CODE
4/8	C	220
4/8	[illegible]	800
4/9	[illegible]	600

April 4, 1957

Mr. Sam L. Phillips
Spruce Pine, North Carolina

Re: DMEA-4444, Idm-K1054 (mica)
John Jarrett, Hensley Prospect,
Mitchell County, N. C.

Dear Mr. Phillips:

This refers to your telephone call in which you stated that Mr. Jarrett had not received his February check.

This check was approved for payment in the amount of $838.50 on March 7. The check was mailed to "John Jarrett, Spruce Pine, N. C," the address shown on the voucher. It was returned by the Post Office with the notation "Unknown." The Disbursing Officer at Oak Ridge has been requested to mail the check to Mr. Jarrett at Route 3, Bakersville, North Carolina, the address shown on the contract.

This has happened before, in cases where the Operator's address is given differently on the voucher and on the contract. Please be sure that the voucher shows the correct mailing address of the Operator. Where an Operator's address is changed after execution of the contract, it would be well to notify me by letter, so as to avoid any confusion.

If Mr. Jarrett's check does not arrive soon, please let me know. His March voucher has also been approved and forwarded to the Finance Office.

Sincerely yours,

Robert A. Laurence
Executive Officer, DMEA
Region V

RAL/as
cc
Opr. Com. 2
Finance Office
Lynch
Shirley
Files

ORIGINAL FILE COPY
DMEA
RECEIVED APR 13 1951
CODE

RECEIVED
APR 8 1957
D.M.E.A.

April 4, 1957

Memorandum

To: Finance Officer, DMEA - Region V

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

Subject: Royalty Payment - Idm-E1054, DMEA-4444 (Mica)
John Jarrett, Spruce Pine, N. C.
Hensley Prospect, Mitchell County, N. C.

Transmitted is a bill-of-sale in the amount of $449.27 and a check for 5% royalty for $22.46 to be credited to subject contract.

Robert A. Laurence

AS
Mittendorf
Lynch
Files

Mittendorf

GENERAL SERVICES ADMINISTRATION WARRANTY, ACCEPTANCE AND INVOICE MICA PURCHASING DEPOT, SPRUCE PINE, N. C.		DATE PURCHASED 3-25-57 ACCEPTANCE NO. [redacted]
CERTIFICATE AUTHORIZATION NO. [redacted] A	LOT NO. SP [redacted]	VOUCHER NO.
RUBY ☐ NON-RUBY ☒	TOTAL LBS. PURCHASED	VALUE - INITIAL PAYMENT
PRELIMINARY PAYMENT	97.00	449.27

This lot of mica, weight above indicated, is accepted for the Government subject to all pertinent regulations and laws governing the domestic mica procurement program.

GENERAL SERVICES ADMINISTRATION

BY [redacted]

SIGNATURE [signature]

The undersigned warrants that this lot of mica, weight above indicated, meets the requirements of all applicable regulations and laws governing the mica program. Further the undersigned hereby sells this lot of mica to the Government subject to all laws and regulations governing the purchase of mica by the Government and agrees to accept the processing results as valid and correct and to refund unconditionally any overpayment with the understanding that any underpayment will be made by the Government upon completion of the processing of this mica. This invoice is correct and just and payment therefor has not been received.

BUYER

FOR USE BY GSA ONLY

NAME AND LOCATION OF MINE
Hensley Prospect-Mitchell County, N. C.

SELLER Arthur Mining Company

DATE 3-25-57

ADDRESS Box 35, Spruce Pine, N. C.

BY

TITLE Partner

Form R4-T35, May 1956

Royalty check $22.46.

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K- 61

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of March, 1957 Docket No. DMEA 4444 Contract No. Idm-E 1054
Operator's Name John Jarrett Minerals Mica
Address Route #3, Bakersville, N.C.
Contract Amount, $ 6,348.00 Government Participation: 75 % Amount, $ 4,761.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing		111.00	111.00			
Crosscutting						
Drifting						
25' Shaft @ $44.50	1112.50	890.00	2002.50			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.		75.00	75.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Powder & Exploder Fees.		42.00	42.00			
(8) Contingencies (specify):						
TOTALS	1112.50	1118.00	2230.50	1112.50	1118.00	2230.50

RECEIVED APR 3 1957 D.M.E.A.

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

Date 4-1-57 *Payee John Jarrett

Per John Jarrett 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:

$834.37

Signature Helen R. Meeler
(Authorized Certifying Officer)

Date APR 4 1957 Vou. No. 166
(See other side)

278.13

(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. Idm E1054 in accordance with the terms of the contract.

Signature [illegible] Title MINING ENGINEER U. S. BUREAU OF MINES Date APR 3 1957

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION V Date APR 3 1957

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 872893

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of March 195 7 Docket No. DMEA 4444 Contract No. Idm-E 1054
Operator's Name John Jarrett Minerals Mica
Address Route #3, Bakersville, N.C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts	Ft.	1112.50	25	2002.50	45	44.50	60	44.50
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Bulldozing	Cu.Yds.			111.00	370	0.30	370	0.30
TOTAL DISTRIBUTED COSTS		1112.50		2113.50				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				75.00				
Powder & Exploder Mags.				42.00				
TOTAL COSTS		1112.50		2230.50				

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

Date 4-1-57 Operator John Jarrett
Per John Jarrett 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)

RECEIVED APR 3 1957 U.M.E.A.

MINING ENGINEER
U. S. BUREAU OF MINES

APR 3 1957

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

EXTRA COPY
D M E A
RECEIVED APR 8 1957

DATE	INITIALS	CODE

Operator's

Monthly Progress Report

DMEA #4444, Idm-E 1054 (Mica)

Hensley Prospect - Mitchell County

Work Accomplished:

In this month we have completed 25' of shaft making a total of 45' to date, there is 2' of vein, and we have recovered approximately 1000# of mica in this month.

Daily Notes:

1 - 8 : Drilled, shot and mucked out waste daily.

11 - 15 : Continued to work on shaft, finding some mica.

18 - 22 : There is a 2' vein and we have recovered approximately 1000# of mica in this month.

25 - 29 : Completed 25' of shaft in this month, making a total of 45' to date.

APPROVED
APR 3 - 1957

EXTRA COPY
D.N.E.A
RECEIVED

DATE	NAME	CODE

INTERIM REPORT

DMEA-4444, Idm-1054 (mica) HENSLEY PROSPECT

Operator: John Jarrett, Bakersville, N. C.

Location: 0.77 airline miles S76°E from Bandana, Mitchell Co., N. C.

Inclined shaft sinking on a -45° to -50° slope continues on this contract, and the present depth is 35 feet. The body continues to narrow as depth is attained and varies from 2.0 to 1.5 feet in thickness from northeast to southwest trend. The body is composed of quartz and mica on the hanging wall, grading into feldspathic material toward the footwall. About 1,000 pounds of mine-run book has been produced during the interim, most of which is of fair quality in small to medium-sized books. Instructions were given for continued sinking to follow pegmatite.

Temporary ladders have been installed, but a partitioned manway and permanent ladders will not be installed in the incline until the shaft is bottomed at 60 feet. Progress on this contract is satisfactory.

L. E. Shirley

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

S. C. Bergman E. L. Boudotte

S. C. Bergman and E. L. Boudotte, Geologists
U. S. Geological Survey

March 19, 1957

OFFICIAL FILE COPY
DMEA
RECEIVED APR 2 1957

DATE	INITIALS	CODE
4/2	C	220
"	[illegible]	100

INTERIM REPORT

DMEA-4444, Idm-E1054 (mica) HENSLEY PROSPECT

Operator: John Jarrett, Bakersville, N. C.

Location: 0.77 airline miles S76°E from Bandana, Mitchell Co., N. C.

Equipment was moved to this site on January 29, 1957, which amends the February 11, 1957 starting date, as previously reported. Inclined shaft sinking is in progress on this contract and is now at 26 feet. The body has narrowed about 1 foot, is now about 3.5 feet thick, and is composed of quartz, minor feldspar, and considerable mica on both the hanging and footwall. The hanging wall contact of the body strikes N80°E and dips 46°SW. Mica recovery has been good, with an estimated 3,000 pounds of mine-run book produced to date; about 2,000 pounds of this amount is processable mica, and the remaining 1,000 pounds, recovered from the footwall, is "A" mica, chubby, and of very poor quality.

Instructions were given for continued sinking to follow the inclination of the body. Suggestions were made concerning the necessary timber work to follow.

Mr. V. J. Lynch, Bureau of Mines member of the Field Team, Region V, accompanied the Examiners on this visit to the mine.

L. E. Shirley

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

E. L. Boudette

E. L. Boudette, Geologist
U. S. Geological Survey

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 15 1957

DATE	INITIALS	CODE
3/18	CDM	100
3/18	C	220
3/21	mra	600

March 5, 1957

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K- 55

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of February, 1957 Docket No. DMEA 4444 Contract No. Idm-E 1054
Operator's Name John Jarrett Minerals Mica
Address Spruce Pine, N.C.
Contract Amount, $6,348.00 Government Participation: 75 % Amount, $4,761.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent / Short Form Contracts:						
Drilling						
C.I. 370 Bulldozing @ $0.30	111.00		111.00			
Crosscutting						
Drifting						
20' Shaft @ $44.50	890.00		890.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.	75.00		75.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Powder & Exploder Mags.	42.00		42.00			
(8) Contingencies (specify):						
TOTALS	1118.00		1118.00	1,118.00		1,118.00

RECEIVED MAR 11 1957 D.M.E.A.

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

Date 3-1-57 *Payee John Jarrett

Per John Jarrett 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:

$ 838.50

Signature Helen R. Miller
(Authorized Certifying Officer)

Date MAR 7 1957 Vou. No. 145

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E 1054 in accordance with the terms of the contract.

Signature S. C. Bergman Title GEOLOGIST, U. S. G. S. Date MAR 5 1957

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION V Date MAR 5 1957

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

Month of Feb. 1957 Docket No. DMEA 4444 Contract No. Idm-E-1054
Operator's Name John Jarrett Minerals Mica
Address Spruce Pine, N.C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts	Ft.	890.00	20	890.00	20	44.50	60	44.50
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails Bulldozing	Cu. Yds.	111.00	370	111.00	370	0.30	370	0.30
TOTAL DISTRIBUTED COSTS		1001.00		1001.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.		75.00		75.00				
Powder & Exploder Magazines		42.00		42.00				
TOTAL COSTS		1118.00		1118.00				

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

Date 3-1-57 Operator John Jarrett

Per John Jarrett Title Partner

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

REMARKS:

(Instructions on reverse)

(For Government use only) S. C. Bergman
GEOLOGIST, U. S. G. S.

MAR 5 1957

MAR 11 1957
DMEA

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

EXTRA COPY
D M E A
RECEIVED MAR 11 1957

DATE	INITIALS	CODE

Operator's

Monthly Progress Report

DMEA - 4444, Idm-E 1054 (Mica)

Hensley Prospect, Mitchell Co.

Work Accomplished:

We began work on Jan.29th. and bulldozed road access, sat up powder and exploder magazines, and constructed toolhouse. We began work on shaft and to date we have completed 20' of shaft work, there is a 4' vein and we have recovered 1500# of mica.

Daily Notes:

Jan; 29 - Feb. 8 : Bulldozed road access, sat up powder and exploder magazines, constructed toolhouse.

Feb. 11 - 15 : Began work on shaft, drilled, shot, and mucked out waste daily.

18 - 22 : Continued work on shaft, we have a 4' vein.

25 - 28 : We have completed 20' of shaft work and recovered 1500# of mica to date.

INTERIM REPORT

DMEA-444, Idm-E1054 (mica) HENSLEY PROSPECT

Operator: John Jarrett, Bakersville, N. C.

Location: 0.77 airline miles S76°E from Bandana, Mitchell Co., N. C.

The starting date on this contract is February 11, 1956. Inclined shaft sinking has just begun, and the present depth is 5 feet. The pegmatite is about 4.5 feet thick and is composed of quartz, feldspar, and medium to large sizes of mica. The better mica appears to occur near the hornblende gneiss hanging wall contact. About 250 pounds of mine-run book has been reported to have been recovered from the 5 feet of shaft completed.

Equipment at the site consists of a 105 c.f.m. compressor with drilling attachments, a single-drum gasoline-powered hoist and hand tools. A conventional hoisting frame has been erected, and a tool house, powder magazine, and exploder magazine have been built. Access road construction consisting of bulldozing 370 cubic yards of material, has been completed.

Shaft sinking will continue as the weather permits. Progress to date on the contract is satisfactory.

OFFICIAL COPY
DMEA
RECEIVED MAR 4 1957

DATE	INITIALS	CODE
3/5	CBM	100
3-5	C	220
3/6	Hook	

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

S. C. Bergman
S. C. Bergman and E. L. Boudette
Geologists, U. S. Geological Survey

February 19, 1957

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

WASHINGTON 25, D. C.

January 28, 1957

OFFICIAL FILE COPY
DMEA
RECEIVED JAN 30 1957

DATE	INITIALS	CODE
1-30	cw	220
1-31	JB	215
2-4	ewa	600

Memorandum

To: Operating Committee, DMEA - Washington

From: Acting Executive Officer, DMEA - Region V -

Subject: Signed Contract - Idm-E1054, DMEA-4444 - mica
John Jarrett, Bakersville, N. C.

Transmitted are three signed copies of the subject proposed contract. The usual distribution of the other copies has been made by this office.

V. J. Lynch

V. J. Lynch

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
1/14	Hopkins	600
1/14	Houk	600
1-14	Chamber	800
1/16	Selfridge	130
	Fleman	110
	Hastings	100
1-17	CWT	22B

600

JAN 17 1957

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

Re: Docket No. DMEA-4444-Mica
John Jarrett
Hensley Prospect
Mitchell County, North Carolina

Dear Mr. Laurence:

Enclosed are the original and five copies of a proposed short-form contract signed by the Administrator for the Government. It consists of the form, Annex I (1 page), Consent to Lien and Subordination Agreement, Exhibit A (2 pages), and two maps. Also enclosed are two extra copies of Annex I, Exhibit A, and the maps for Field Team use.

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 maps are to be returned to this office, together with the proposed changes for consideration.

Copies of memoranda dated November 2 and 9, 1956, by Mr. N. E. Nelson, USGS, and Mr. Donald R. Irving, USBM, respectively, relating to the project are enclosed.

Please note that in preparing Annex I of the Contract, the direction and distance given in the Consent to Lien and Subordination Agreement and the Lease have been used which do not agree with the Field Team Report. This should be checked for accuracy and, if necessary, the three documents should be corrected to reflect the correct facts before presenting the contract to the Applicant for execution.

JHopkins:gad 1/14/57
Copy to: Admr. R. File
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

Approved:

Frank D. Lamb (SHB)
Member, Bureau of Mines

N. E. Nelson (SHB)
Member, Geological Survey

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (SHB)

Enclosures 12

8623

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

JAN - 9 1956

Memorandum

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

From: Associate Solicitor, Division of Mineral Resources

Subject: Docket No. DMEA-4444 (Mica)
John Jarrett
Hensley Prospect
Mitchell County, North Carolina

The Lease and Consent to Lien state that the land is one mile northeast of Bandana Post Office, North Carolina. The Field Team Report states that the land is located 0.77 airline miles southeast of Bandana, Mitchell County, North Carolina.

In preparing Annex I of the Contract, we have used the distance and direction given in the lease and Consent to Lien. The Field Team should be requested to check the accuracy of this point, and, if necessary, correct the three documents to reflect the correct facts.

Robert P. Dwyer

Robert P. Dwyer

PIndritz/wog
January 8, 1956
Copy to: Solicitor's Docket (2)
DMEA Docket
L.G.Houk (2)
R.P.Dwyer
P.Indritz
Chron.

[redacted]

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

DOCKET COPY
Surname:

DEC 19 1956

Mr. John Jarrett
Route #3
Bakersville, North Carolina

Re: Docket No. DMEA-4444 (Mica)
John Jarrett
Hensley Prospect
Mitchell County, North Carolina

Dear Mr. Jarrett:

Reference is made to the revised property map which you submitted in response to a request by the Executive Officer, DMEA Field Team, Region V.

This map is acceptable to DMEA but the tie-in of the 500-foot square tract to a "large Cucumber tree" is not acceptable, and must be revised. A tie from the "24" Black Oak on top of the ridge, N 16° 30' W 327 feet to the northeast corner of the tract will be acceptable.

The executed copies of your lease and Consent to Lien and Subordination Agreement are being returned for revision. Please obtain new documents having a legal description containing the tie from the Black Oak on top of the ridge to an iron stake, which you must set at the northeast corner of the 500-foot square tract of land. New copies of a Consent to Lien form are enclosed for your convenience.

Upon receipt of the revised documents properly executed, we will continue to process your application.

Sincerely yours,

SIGNED

Lawrence G. Houk, Chief
Nonmetallic Minerals Division
JHopkins:ms 12/19/56
Copy to: Docket
Field Team, Region V
Mr. Killsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Admr. R. File

Enclosures: 14

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 4, POST OFFICE BLDG.
KNOXVILLE 2, TENNESSEE

WASHINGTON 25, D.C.

RECEIVED DEC 17 1956 D.M.E.A.

December 13, 1956

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: DMEA-4444 (mica) John Jarrett, Bakersville, N. C.
Hensley Prospect, Mitchell County, N.C.

Enclosed is a revised copy of the property map submitted by the applicant in response to our letter of November 16.

It now appears that the mine is correctly located and that the leased square is within the borders of the Hensley tract.

However, the location of the "large cucumber tree" on the map does not fit the description given in the lease. One is forced to conclude that whoever put the cucumber tree on the map did so without actually locating it. The locust on the northeast boundary is almost where the cucumber tree should be.

If the map is acceptable, we suggest that it be incorporated in the contract. If it is not acceptable, we suggest that you return it to the applicant and request an acceptable one.

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

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

Operating Committee.

H

November 16, 1956

Mr. John Jarrett
Route 3
Bakersville, North Carolina

Re: DMEA-4444 (Mica)
Hensley Prospect
Mitchell County, North Carolina

Dear Mr. Jarrett:

I have received the survey of the Hensley prospect which you sent in response to my letter of October 25, 1956. However, this survey contains certain discrepancies, as follows:

1. The lease describes the beginning iron stake as being 250 feet south of the north boundary of the leased square and 250 feet west of its east boundary. The survey shows it to be 299 feet south of the north line and 105 feet west of the east line.

2. The tie-in line to the 24" black oak on the top of the ridge is indicated, on the map, as 460 feet N. 80° W. from the iron stake, but as plotted on the map it is 460 feet N. 62° 30' E. from the stake. If plotted at 460 feet on a N. 80° W. bearing, the stake would be only 222 feet south of the boundary of the Hensley property and a portion of the leased square would lie outside the Hensley property.

3. The lease describes the beginning stake as being N. 26° W. of a large cucumber tree, but this tree is not shown anywhere on the survey map.

Further processing of the application will await clarification of these matters.

Sincerely yours,

RAL

Operating Committee

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

RECEIVED
NOV 19 1956
D.M.E.A.

RAL/mg
cc - Operating Committee (3)
Lynch
Shirley
File

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

November 9, 1956

RECEIVED NOV 9 1956

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Donald R. Irving, Acting Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-4444 (mica)

Applicant: John Jarrett

Name and Location of Property: Hensley Prospect, Mitchell County, N. C.

Date of Field Team Report: 10/25/56

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 10/29/56

Field Team Recommendation: Recommend approval of an exploration program.

Comments:

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

2. This prospect produced 183.3 pounds of trimmed mica valued at $2,582.38, between February 10, 1955 and June 10, 1956.

Recommendation:

I concur with the recommendation of the field team.

Donald R Irving
Donald R. Irving

IN REPLY REFER TO:

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

H

RECEIVED
NOV 5 1956
D.M.E.A.

November 2, 1956

Re: DMEA 4444
John Jarrett
Hensley Prospect
Mitchell Co., N. C.
$6,926.00 - Mica

Memorandum

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

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

Subject: Review of Field Team Report.

The applicant requested assistance in exploring a pegmatite on which, according to the application, some prospecting had been done but no production achieved.

The examiners found evidence of much work, including a 35-foot shaft, and the records show mica worth $2,582.38, from the property, was sold in 1955 and 1956.

A pegmatite dike 18-36 inches wide and exposed intermittently in a trench for 160 feet contains enough mica to cause the examiners to recommend further work. The proposed work consists of road work, 60 feet of shaft and 100 feet of drifting.

I concur with the recommendation of the examiners and the Field Team.

N. E. Nelson

N. E. Nelson

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D.C.
ROOM 15 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

RECEIVED
OCT 29 1956

October 25, 1956

Memorandum

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

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

Subject: Field Examination Report, DMEA-4444 (Mica)
John Jarrett, Bakersville, North Carolina
Hensley Prospect, Mitchell County, North Carolina

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

We agree with the examiners' conclusion, and recommend approval of a contract as outlined in the report.

We have requested the Applicant to provide the location of the iron stake which is the beginning point of the land description, as the examiners could not find it. We have also requested an adequate tie-in to a property corner. When we get this information, it will be forwarded to you.

Robert A. Laurence
Robert A. Laurence
Executive Officer

L. E. Shirley
L. E. Shirley for V. J. Lynch
Member, Bureau of Mines

Enclosures 13

Reviewed by
DMEA OPERATING COMMITTEE
10/31/56
(date)

Operating Comm.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
ROOM 151 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

RECEIVED
OCT 29 1956

October 25, 1956

Mr. John Jarrett
Route 3
Bakersville, North Carolina

Re: DMEA-hhhh (Mica)
Hensley Prospect
Mitchell County, North Carolina

Dear Mr. Jarrett:

The land description in your lease begins "on an iron stake at the center of what is known as the Hensley Prospect." Our field examiners could not locate this stake. Please indicate its location on the enclosed map and return the map to me.

Also, please give me the distance from this stake to the large cucumber tree which is a corner in the property line between Clarence Hensley and Grover Gouge.

Also, please provide the boundaries of the C. H. Hensley property as they are described in the deed.

We are unable to proceed with further processing of your application without the above information.

Sincerely yours,

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

RAL/mg
Enclosure
cc - Operating Committee (2)
Lynch
Shirley
File

Reviewed by
DMEA OPERATING COMMITTEE
10/31/56
(date)

RECEIVED
OCT 2 0 1980

UNITED STATES
DEPARTMENT OF THE INTERIOR

RECEIVED
OCT 29 1956

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FIELD EXAMINATION, REGION V

On

DMEA-4444, HENSLEY PROSPECT - Mica
Mitchell County, North Carolina

ON-SITE EXAM.

By

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

and

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

Reviewed by
DMEA OPERATING COMMITTEE
10/31/56
(Date)

Examined: October 2, 1956

RECEIVED
OCT 29 1956

FIELD EXAMINATION REPORT

On

DMEA-4444 (mica) Hensley Prospect

Applicant: John Jarrett, Route #3, Bakersville, North Carolina

Location : The mine is located 0.77 airline miles S 76° E from Bandana, Mitchell County, N. C., on the northwest slopes of Burns Mountain at an elevation of 3050 feet.

Summary

An irregular concordant dike-like pegmatite has been intermittently exposed and surficially explored over a strike distance of at least 160 feet. Good mineralogic environment and continuity lead the examiners to recommend DMEA assistance. A second concordant pegmatite is exposed about 15 feet in the footwall, but exhibits a rather poor environment for the occurence of strategic muscovite.

Introduction

On October 2, 1956, the examiners spent two hours inspecting the subject property in the company of Mr. John Phillips. The pegmatite is situated along the steep to overhanging northwest edge of a northeast-trending bulldozer cut approximately 250 feet long, a maximum of 40 feet wide and 10 to 15 feet deep on the uphill side. The cut lies on a moderately steep, thickly wooded slope at fairly high elevation. It is about 350 to 400 feet northwest of the recently denied Hectorfield Prospect (DMEA-4396).

Previous workings consist of a 35-foot deep incline at the northeast end of the exposure. Some work had been done to the northeast as evidenced by about 20 feet of backfilled cut. About 35 feet southwest is a 15' x 10' x 5' deep test pit exposing strong mica-bearing pegmatite. Sixty feet southwest is another incline and series of old backfilled openings reportedly not more than 10 feet in depth (see map).

Government Depot records indicate that between February 10, 1955 and June 10, 1956, 185.30 pounds of trimmed mica valued at $2,582.38 was sold from the prospect in the names of Ervin Reid, Jr., Dallas Young, Green Ledford, and the Hensley Mining Company. It is not known how much work, if any, was done before the present buying program.

An antiquated broken down hoist and crude shelter

are the only equipment at the prospect site. The applicant has carried a number of DMEA contracts to completion, has always operated in a most satisfactory manner and has been very cooperative with the field examiners.

Geology

Approximately 160 feet of mica-bearing pegmatite is intermittently exposed in extensive bulldozer trench (see map). Shallow pits and inclines mark the strike length extent of the work. The pegmatite is dike-like, 18 to 36 inches thick and concordant in a hornblende gneiss. Its strike is N 58° E dipping from 37° to 43° NW. The pegmatite consists of a mixture of coarse grained plagioclase, perthite and disseminated quartz. Some of the quartz is smoky and in large masses. Accessory minerals consist of very coarse crystalline garnet, occasional apatite, and two varities of muscovite. Very little of the mica was seen in place, but there was evidence of considerable muscovite in the dumps. Some of the mica was in relatively small, flat, rum-colored books, while some was soft, green, stained, and wedge "A" to herringbone reeved. The exact source of each type is not known.

A second two to three foot thick dike-like pegmatite is exposed for about 30 feet in the floor of the cut about 15 feet to the southeast of the main pegmatite. This structure is also concordant and essentially parallel to the other pegmatite. No visible work has been done on this second pegmatite which is composed of predominantly potash feldspar and is barren of muscovite.

RECOMMENDATIONS

The Field Examiners are of the opinion that this prospect may contain strategic mica in commercial quantities and recommend the following program:

Construct 500 feet of access road, build toolhouse, powder and exploder magazines, sink 60 feet of inclined shaft on the pegmatite, and from the shaft bottom drive 100 feet of drift.

Estimated Costs:

Access Road - 500' x 10' x 2' 370 cu yds @ $0.30¢/cu.yd		$111.00
Toolhouse (7' x 8' x 10')	$75.00	
Powder Magazine	25.00	
Exploder Magazine	15.00	115.00

Sink 60 ft of two-compartment shaft,
5' x 7' in cross-section (40 shifts)

Labor:

1 - Foreman-Miner @ $1.75/hr.	$560.00
1 - Hoistman @ $1.50/hr.	400.00
1 - Laborer @ $1.00/hr.	320.00

Equipment Rental

1 - Compressor @ $200/Mo.	400.00
1 - Rock Drilll w/hose @ $40/Mo.	80.00
1 - Air sump pump @ $85/Mo.	170.00
1 - Hoist, gasoline-powered @ $50/Mo.	100.00

Supplies:

Explosives	180.00
Drill steel	100.00
Gasoline and oil	120.00
Timber - 3000 b.f. @ $65/M	195.00
Small tools, pipe, etc.	125.00
Liability Ins., & Social Sec.	140.00
Sales tax	20.00

$48.50/ft) Estimated Total cost of Shaft sinking ——— $2,910.00

Drive 100 feet of 5' x 7' drift,
timbered where necessary - 50 shifts.

Labor:

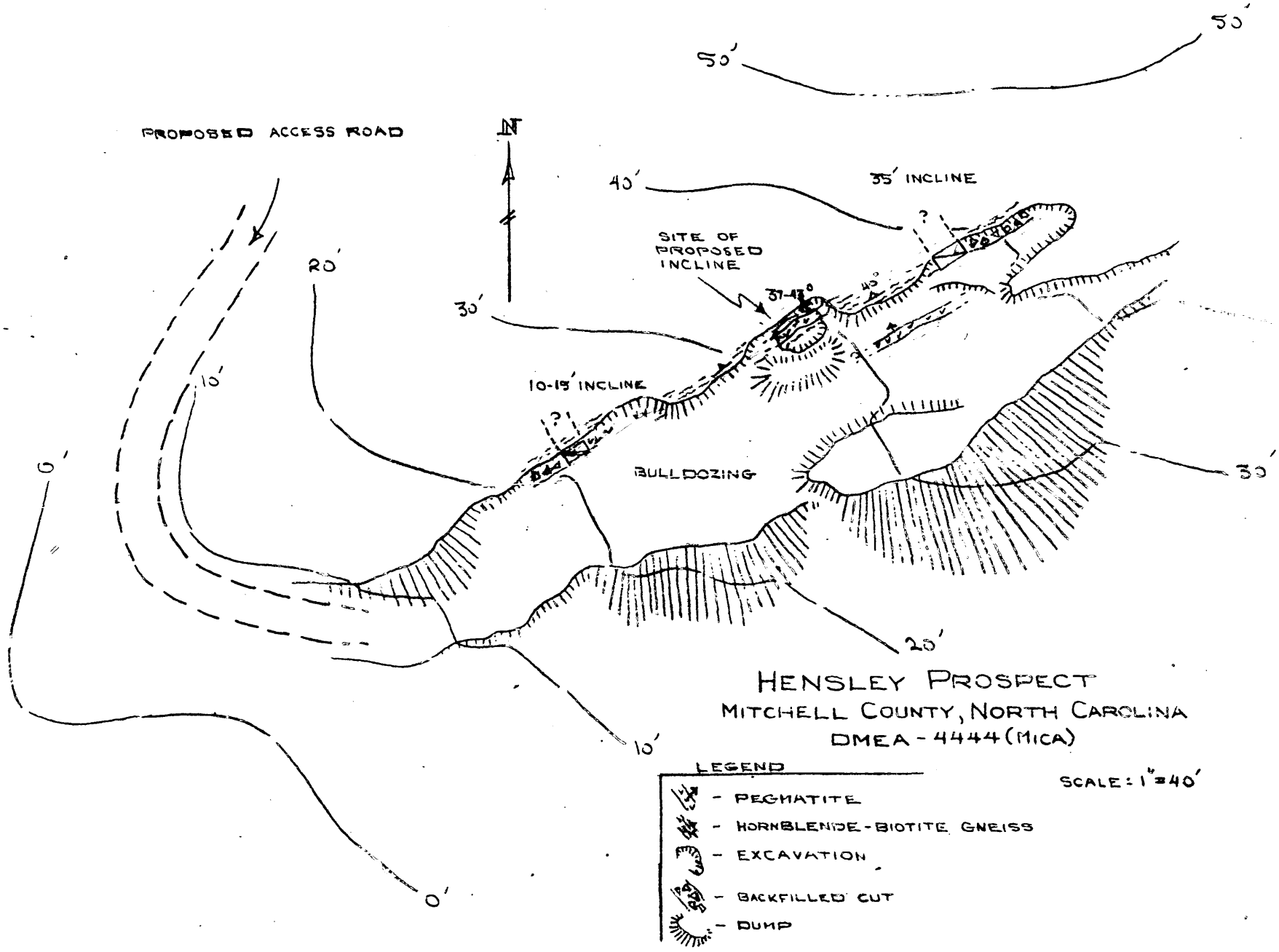
1 - Foreman-Miner @ $1.75/hr.	700.00
1 - Hoistman @ $1.50/hr.	600.00
1 -Laborer @ $1.00/hr.	400.00

Equipment (rental) 2 1/2 months

1 - Air Compressor @ $200/Mo.	500.00
1 - Drill w/hose @ $40/Mo.	100.00
1 - Air jackleg @ $25/Mo.	62.50
1 - Sump Pump @ $85/Mo.	212.50
1 - Hoist, gas powered @ $50/Mo.	125.00

Supplies:

Explosives	275.00
Drill Steel	150.00
Gasoline and oil	200.00
Timber - 2000 b.f. @ $65/M	130.00



HENSLEY PROSPECT

MITCHELL COUNTY, NORTH CAROLINA

DMEA - 4444 (MICA)

SCALE: 1" = 40'

SCB 10/56

Docket Copy
Surname:

Hopkins
Houk
Selfridge
Johnson

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

SEP 11 1956

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

Subject: Docket No. DMEA-4444-Mica
John Jarrett
Hensley Prospect
Mitchell County, North Carolina

Dear Mr. Laurence:

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

Copies of memoranda dated August 31 and September 6, 1956, by Mr. N. E. Nelson, USGS, and Mr. W. F. Dietrich, USBM, respectively, relating to the project are enclosed.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

Frank D. Lamb

Member, Bureau of Mines

Thor H. Kiilsgaard

Member, Geological Survey

Enclosures 4

JHopkins:gad 9/7/56
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

Docket Copy
Surname:

Hop
Houk
Lamb
Kiilsgaard
Selfridge

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

SEP 11 1956

Mr. John Jarrett
Route #3
Bakersville, North Carolina

Re: Docket No. DMEA-4444-Mica
John Jarrett
Hensley Prospect
Mitchell County, North Carolina

Dear Mr. Jarrett:

Your application for assistance in exploring the subject property has been reviewed by the Nonmetallic Minerals Division of the Defense Minerals Exploration Administration and has been referred to Mr. Robert A. Laurence, 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,

Frank E. Johnson

ACTING Administrator

JHopkins:gad 9/7/56
Copy to: Admr. R. File
Docket
Operating Committee
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

RCh.

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

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

RECEIVED
SEP - 6 1956

September 6, 1956

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

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

Subject: DMEA-4444 (mica)

Applicant: J. Jarrett

Name and Location of Property: Hensley Prospect, Mitchell County, N. C.

Date Application Rec'd. by Br. of Ceramic & Fertilizer Materials: 8/31/56

Comments:

1. This is a new prospect and no data available in this office on this property.

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

Recommendation:

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

W. F. Dietrich

W. F. Dietrich

Attachment

IN REPLY REFER TO:

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

August 31, 1956

Re: DMEA 4444
John Jarrett
Hensley Prospect
Mitchell County, N. C.
$5,950 - Mica

Memorandum

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

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

Subject: Review of application

The applicant requests assistance in exploring a pegmatite on which some prospecting has been done but there has been no past production.

The proposed work consists of bulldozing, shaft sinking, and drifting.

Referral of the application to the Field Team is recommended.

N. E. Nelson

N. E. Nelson

RECEIVED
AUG 31 1956

August 31, 1956

Mr. John Jarrett
Route # 3
Bakersville, N. C.

Subject: DMEA-4444
Re: Exploration Assistance
Hensley Prospect

Dear Mr. Jarrett

The receipt of your application dated August 28, 1956 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA-4444 and referred to the Nonmetallic Minerals Division.

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

Sincerely yours,

Allen S. Dakan
~~Robert E. Adams~~ Chief
Operations Control and
Statistics Division

Memorandum

To: Files

From: James Fitzpatrick

Subject: Review of application for exploration assistance and field report

Docket No DMR-[illegible] Mica

John Smith

Hensley Prospect

Mitchell County, N.C.

The applicant requests assistance in the amount of $950.00 to explore a pegmatite that has been intermittently exposed and superficially explored over a strike distance of 150 feet.

Mica:

The pegmatite contains two varieties of muscovite. During the field examination, very little of the mica was seen in place but there was evidence of considerable muscovite in the dumps. Some is in relatively small, flat rum-colored books while some is soft green stained and wedge "A" to herringbone veined.

Pegmatite:

The pegmatite is 18 to 36 inches thick and concordant in a hornblende gneiss. It consists of a mixture of coarse grained plagioclase, perthite and fresh-looking quartz. Accessory minerals consist of very coarse crystalline garnet, occasional apatite and the remains of muscovite.

Workings:

The pegmatite is situated along a bulldozer cut 250 feet long, a maximum of 40 feet wide and 10 to 15 feet deep.

Previous workings consist of a 35-foot incline at northeast end of the exposure. A 20-foot backfilled cut is evidence of other work.

About 35 feet southwest is a 15'x10'x5' pit.

Sixty feet southwest is another incline and series of old backfilled openings reportedly not more than 10 feet in depth.

Economics:

Government Depot records indicate that between February 10 1955 and June 10, 1956 185.30 pounds of tinnest ore valued at $2,582.38 was sold from the prospect.

Drill Team Proposal and Recommendations

Good mineralogic environment and continuity lead the examiners to recommend DMSA exploration.

The proposed work and estimated costs are as follows:

Construct access road	111.00
Construct tailings, camp & equipment	115.00
Sink 60 feet of shaft @ $48.50/ft	2910.00
Drive 100 feet of Drift @ $37.90/ft	3790.00
Total estimated Cost	$6926.00

The field team proposal is sound exploration practice but the costs appear out of line.

The writer recommends an exploration project with DMEA assistance and the following costs:

60' Shaft sinking @ $44.50/ft		$2670.00
100' Drifting	@ 34.50	$3450.00

The field report does not state the rock and pegmatite conditions - whether weathered or unweathered.

Supplies cont'd

Small tools, pipe,etc.	115.00	
Liability Ins. & Social Sec.	190.00	
Sales tax	30.00	
$37.90/ft.(Estimated Total cost of drifting		$3,790.00
Estimated Total cost of project		$6,926.00

Examined: October 2, 1956

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

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

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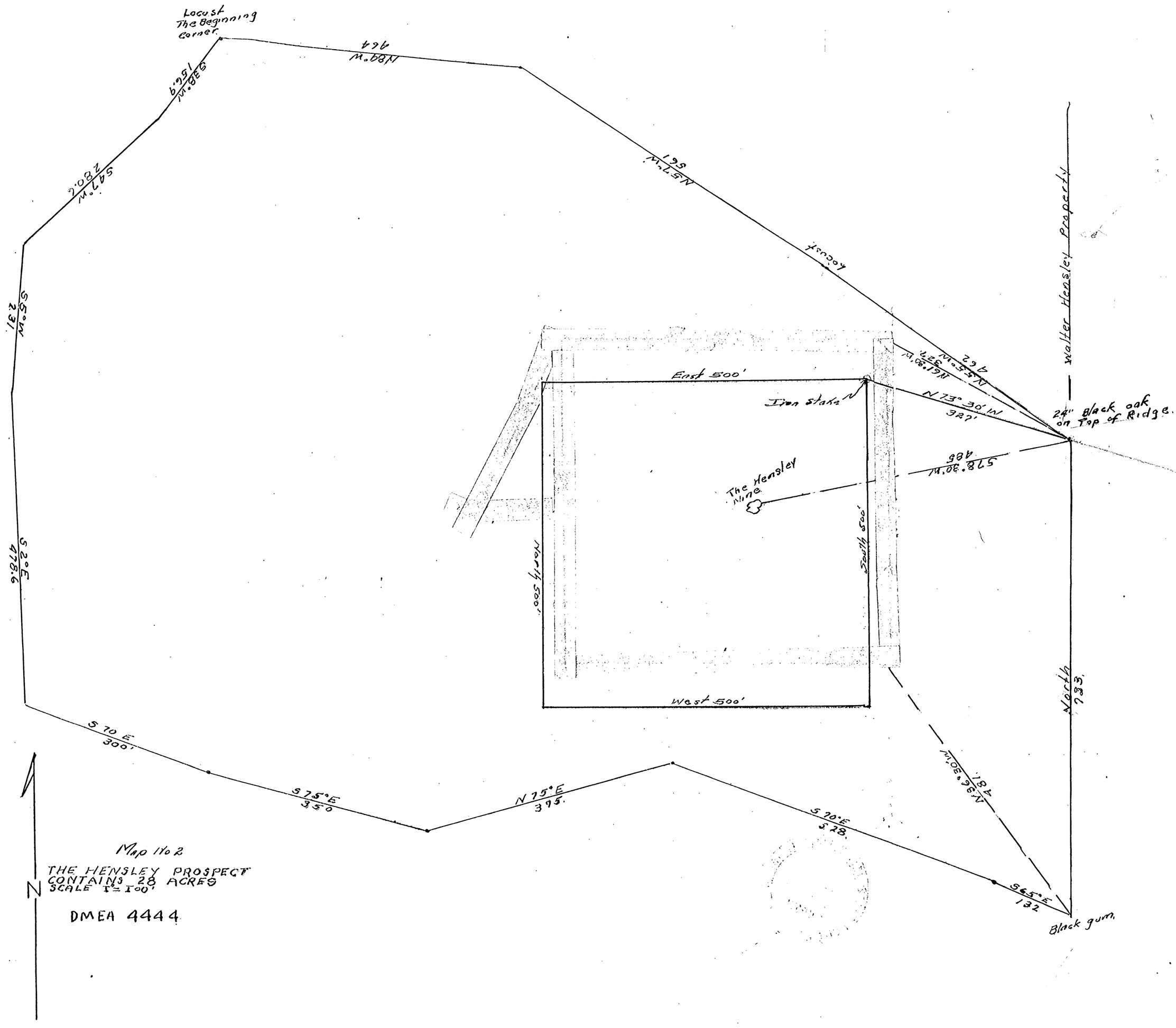
Locust
The Beginning
Corner.
N89°W
464
S28°W
156.9
S27°W
280.6
S6°W
231
S2°E
478.6
S70°E
300'
S75°E
350
N75°E
375.
S70°E
378.
S65°E
132
Black gum.
N36°30'W
481
North
783.
Walter Hensley Property
24" Black oak
on Top of Ridge.
N73°30'W
327'
N61°30'W
327'
N55°W
462
Locust
N57°W
561
S18°30'W
486
East 500'
Iron stake
The Hensley
Mine
North 500'
South 500'
West 500'
N
Map No 2
THE HENSLEY PROSPECT
CONTAINS 28 ACRES
SCALE 1"=100'
DMEA 4444