DMEA Form 9

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE E-1036 DMEA NO. 4453

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(Withdrawn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

Closing Letters
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.

9775

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
6/3	Anderson	600
6/3	Houk	600
6-3	Chambers	800
6/3	Schedza	120
"	Jones	110
"	Mittendorf	100
6/4	C	220
		600

600

JUN 4 1958

Mr. Roy H. Fouts
Carolina Mining Company
P. O. Box 314
Franklin, North Carolina

Re: Docket No. DMEA-4453-Mica
Carolina Mining Company
Roy H. Fouts and William Dinnes
Upper Clark Mine
Jackson County, North Carolina
Contract No. Idm-E1036

Dear Mr. Fouts:

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

We sincerely regret that the work performed did not result in a certification of discovery or development under the provisions of the contract. In the absence of such certification, the Government retains no claim or lien against the property subject to the contract or any future production therefrom. We, therefore, are closing our books and records on this project. Your attention, however, is called to the provisions of the contract which require the Operator to keep and preserve certain records for the period indicated.

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

Sincerely yours,

C. O. Mittendorf

Administrator

WCAnderson:rsi 6/3/58
Copy to: Admr. R. File
Mr. Chambers
Field Team, Region V
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. and Mrs. D. H. Clark
Mr. Thomas C. Cox, Jr.

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
6/3	Anderson	600
6/3	Hooks	600
6-3	Chambers	800
6/3	Selfridge	120
"	Adams	110
"	Rautenberg	100
		220

600

JUN 4 1958

Mr. and Mrs. D. H. Clark
Route 2
Sylva, North Carolina

Re: Docket No. DMEA-4453-Mica
Carolina Mining Company
Roy H. Fouts and William Dinnes
Upper Clark Mine
Jackson County, North Carolina
Contract No. Idm-E1036

Dear Mr. and Mrs. Clark:

Enclosed is a copy of a self-explanatory letter of today to the Operators 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 (fw)

Administrator

Enclosure

WCAnderson:rsi 6/3/58
Copy to: Admr. R. File
Mr. Chambers
Field Team, Region V
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
6/3	Anderson	600
6/3	Houk	600
6-3	Chambers	800
6/3	Jeffcoat	120
"	Johnson	110
"	Muckenhoupt	100
		220

600

JUN 4 1958

Mr. Thomas C. Cox, Jr.
162 West Chestnut Street
Asheville, North Carolina

Re: Docket No. DMEA-4453-Mica
Carolina Mining Company
Roy H. Fouts and William Dinnes
Upper Clark Mine
Jackson County, North Carolina
Contract No. Idm-E1036

Dear Mr. Cox:

Enclosed is a copy of a self-explanatory letter of today to the Operators 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 6/3/58
Copy to: Admr. R. File
Mr. Chambers
Field Team, Region V
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Carolina Mining Company
P. O. Box 314
Franklin, North Carolina

pertaining to Exploration Project Contract No. Idm-E1036, DMEA No. 4453, including Amendments Nos. 1, 2, and 3, for January 1957 to November 1957, inclusive, covering a project for the exploration of mica on property, known as the Upper Clark Mine located in Jackson County, North Carolina.

My review included an examination of the Monthly Reports (Forms MF-104) and supporting documents, comparison of the claimed costs 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 accepted costs were under a contract provision for payment by the Government at fixed unit costs for work performed.

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

Total cost billed by Operator		$5,240.00
Exceptions:		
Prior to this review	$ -0-	
Herewith	-0-	-0-
Total Accepted Cost		$5,240.00

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

Amount payable to Operator	$3,930.00
Amount reimbursed	3,930.00
Balance due Operator	$ -0-

E. D. Talbert

E. D. Talbert, Auditor

February 10, 1958

Government Copy

EXPLORATION PROJECT CONTRACT

Carolina Mining Company, a partnership

DMEA-4453, Mica

AMENDMENT No. 3

It is agreed this 4th day of October 1957, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Carolina Mining Company, a partnership composed of Roy H. Fouts and William Dinnes, of Franklin, North Carolina, that Exploration Project Contract Idm-E1036 (Docket No. DMEA-4453) dated November 9, 1956, and amended December 31, 1956 and May 29, 1957 be further amended as follows:

1. ARTICLE I is further amended to provide for completion of the work within fourteen months from the date of the contract, instead of eleven (11) months as written in Amendment No.2

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be required to contribute, nor the amount of any item designated as "maximum."

Executived in sextuplicate the day and year first above written.

CAROLINA MINING COMPANY

By William Dinnes
Partner

By Roy H. Fouts

THE UNITED STATES OF AMERICA

By Robert A. Lawrence
Executive Officer, DMEA
Region V

OFFICIAL FILE COPY
DMEA
RECEIVED OCT 14 1957
CODE

z

Government Copy

OFFICIAL FILE COPY
DMEA
RECEIVED JUN 20 1957

DATE	INITIALS	CODE

EXPLORATION PROJECT CONTRACT

Carolina Mining Company, a partnership

DMEA-4453-Mica

AMENDMENT No. 2

It is agreed this 29th day of May 1957, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Carolina Mining Company, a partnership composed of Roy H. Fouts and William Dinnes, of Franklin, North Carolina, that Exploration Project Contract Idm-E1036 (Docket No. DMEA-4453) dated November 9, 1956, be further amended as follows:

1. ARTICLE I is further amended to provide for completion of the work within eleven months from the date of the contract, instead of seven (7) months as first written.

2. The maximum period for royalty payments and lien to secure the payment thereof is hereby extended to eleven years from the date of the Contract.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be required to contribute, nor the amount of any item designated as "maximum."

Executed in sextuplicate the day and year first above written.

CAROLINA MINING COMPANY

By William Dinnes

BY Roy H. Fouts

THE UNITED STATES OF AMERICA

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

Z

DOCKET COPY

OFFICIAL FILE COPY
DMEA
RECEIVED FEB 18 1957

DATE	INITIALS	CODE

EXPLORATION PROJECT

DMEA-4453, Idm-61036 - Mica-Upper Clark Mine

AMENDMENT NO.1

It is agreed this 31 day of December 1956, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Carolina Mining Company, a partnership, composed of Roy H. Foute and William Dinnes, that Exploration Project Contract Idm-61036, (Docket No. DMEA-4453) dated November 9, 1956, be amended as follows:

Article 1 is amended to read: "The Operator shall begin work on or before January 10, 1957.....", instead of January 1, 1957 as first written.

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

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By W. Lynch
Acting Executive Officer
DMEA Field Team, Region V

CAROLINA MINING CO.

By Roy H. Foute
Partner

By William Dinnes
Partner

Docket copy

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*
4453	Mica	1036	Jackson	North Carolina

It is agreed NOV 9 1958, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and CAROLINA MINING COMPANY, a partnership composed of Roy H. Fouts and William Dinnes,

whose mailing address is P. O. Box 314
Franklin, 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 JAN 1 1957, and, subject to the provisions of Article 7 and Exhibit A, shall complete the work within 7 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 $ 5,240.00. The Government will contribute 75 percent of the fixed unit cost of the work performed, not exceeding $ 3,930.00, 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: Consent to Lien and Subordination Agreement of Owners.

(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:

(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

CAROLINA MINING COMPANY

(Operator)

By Roy H. Fouts

ACTING Administrator, Defense Minerals Exploration Administration

By Roy H. Fouts (Partner)

By William Dimes (Partner)

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

11/5/56

"Appd. Sol. Off."

Anderson

Talbot

Selfridge

EXPLORATION PROJECT CONTRACT
CAROLINA MINING COMPANY
DOCKET NO. DMEA-4453

ANNEX I

The land referred to in Article 2 of the contract is known as the Upper Clark Mine, and is held by the Operator under two leases on adjoining properties, dated February 14, 1956, and March 31, 1956, from D. H. Clark, et ux., and the heirs of Thomas A. Cox, deceased, respectively. The land is located 7.38 airline miles N. 35° E. from the town square in Franklin, Jackson County, North Carolina. It is shown on the map entitled "Figure 2 - Upper Clark Mine, DMEA-4453 mica, Jackson Co., N. C." attached hereto and made a part hereof, and is more particularly described as follows:

> BEGINNING at the branch at the mine, 800 feet North of a spruce, the beginning corner of the D. H. Clark property and going North 250 feet; thence East 250 feet; thence South 500 feet; thence West 500 feet; thence North 500 feet; thence East 250 feet to the BEGINNING. Containing five acres more or less. Carved out of adjoining properties of D. H. Clark and Thomas A. Cox, both of Jackson County, and recorded in same book of deeds, Book 109, Page 386, and Book 196, Page 172, respectively.

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

For Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator
Docket No. DMEA-
Contract No. Idm-E 1036
Contract Date NOV 9 1958

CONSENT TO LIEN
and
SUBORDINATION AGREEMENT 1/

RECEIVED
SEP 6 1956

To the United States of America:

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

BEGINNING at the branch at the mine, 800 feet North of a spruce, the beginning corner of the D. H. Clark property and going North 250 feet; thence East 250 feet; thence South 500 feet; thence West 500 feet; thence North 500 feet; thence East 250 feet to the BEGINNING. Containing five acres more or less. Carved out of adjoining properties of D. H. Clark and Thomas A. Cox, both of Jackson County, and recorded in same book of deeds, Book 109, page 386, and book 196, page 172, respectively.

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__.

D J Clark	[Seal]	Route #2, Sylva, N. C.	[Address]
Edith Elizabeth Clark	[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]

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

For Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator
Docket No. DMEA-
Contract No. Idm-E 1036
Contract Date NOV 9 1956

CONSENT TO LIEN
and
SUBORDINATION AGREEMENT 1/

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To the United States of America:

Referring to that certain land in the County of Jackson, State of North Carolina, described as follows: 2/
BEGINNING at the branch at the mine 800' North of a Spruce, the beginning corner of the D. H. Clark property and going North 250 feet; thence East 250 feet; thence South 500 feet; thence West 500 feet; thence North 500 feet; thence East 250 feet to the BEGINNING. Containing five acres more or less, carved out of adjoining properties of D. H. Clark and Thomas A. Cox, both of Jackson County, and recorded in same book of deeds, Book #109, page #386, and Book 196, Page 172 respectively.

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__.

_____ [Seal] 162 West Chestnut St. [Address]
Asheville, N. C.

_____ [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]

EXPLORATION PROJECT CONTRACT
CAROLINA MINING COMPANY
DOCKET NO. DMRA-4453

EXHIBIT A

Description of the Work

Exploration for concentrations of strategic mica shall be performed in the area indicated on the map entitled "Figure 1 - Upper Clark Mine, DMRA-4453 mica, Jackson Co., N. C.," attached hereto and made a part hereof as follows:

1. Remove muck and timber a two-compartment shaft to the bottom of the old workings.

2. From the bottom of the rehabilitated shaft specified in item 1 above, sink not more than 50 feet of vertical or inclined two-compartment shaft.

3. Explore the pegmatite by driving, from the bottom or near the bottom of the shaft, not more than 80 feet of drifts and/or crosscuts.

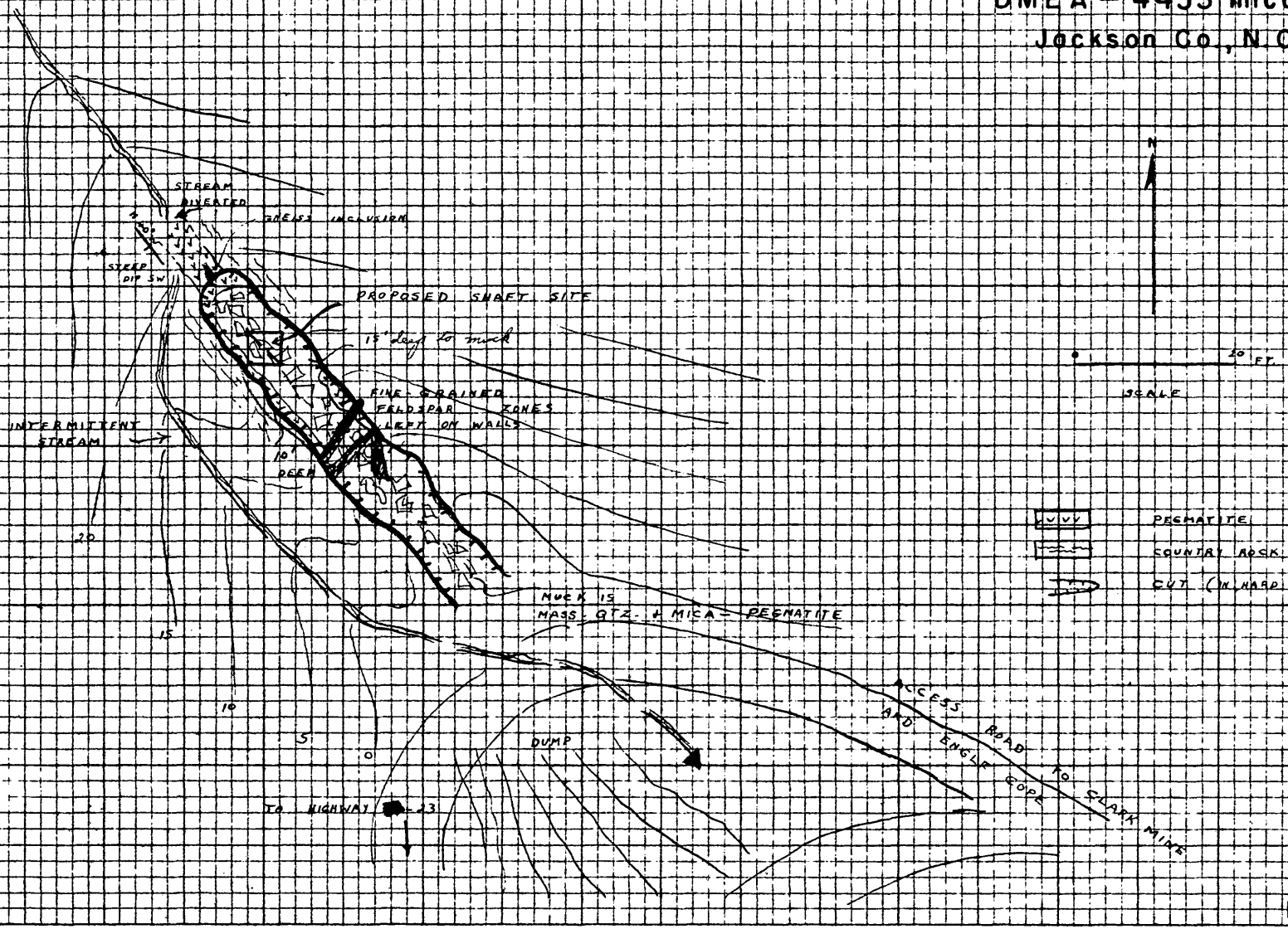
The shaft and the drifts and/or crosscuts shall be timbered as necessary and shall have minimum cross-sectional dimensions of 5 feet by 7 feet in the clear of timber. All work shall be performed on the pegmatite or in as close proximity thereto as possible.

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

Fixed Unit Costs

1. Remove muck and timber not more than 15 feet of two-compartment shaft to bottom of old workings @ $18.00/ft.	$ 270.00	
2. Sink 50 feet of additional shaft @ $45.00/ft.	2,250.00	
3. Drive 80 feet of drifts and/or crosscuts @ $34.00/ft.	2,720.00	
Estimated Total Cost of Project		$5,240.00
Government Participation @ 75%		$3,930.00

Figure 1.
UPPER CLARK MINE
DMEA – 4453 mica
Jackson Co., N.C.



10-10-56

MINING LEASE

Please Return

STATE OF NORTH CAROLINA

COUNTY OF JACKSON

This Lease Agreement, made and entered into this the 31st day of March, 1956, by and between all of the heirs at law of Thomas A. Cox, deceased of Jackson County, viz: Cora K. Cox, widow; Katharine Elizabeth Cox, single; George C. Cox and wife, Genevieve Freeman Cox, of Kanawha County, West Virginia; St. John Cox and wife, Nora Cater Cox, of Erie County, New York; David D. Cox and wife, Nina Hurley Cox, of Jefferson County, Alabama; Henry L. Cox and wife, Josephine Hummer Cox, of Cook County, Illinois; and Hannah Julia Cox, single, of Washington, D. C., acting by and through their attorney in fact, Thomas A. Cox, Jr., said Power of Attorney being recorded in Deed Book 196, page 72, et seq, Register of Deeds Office, Jackson County, North Carolina; and Thomas A. Cox, Jr. and his wife, Elsie B. Cox, of Buncombe County, North Carolina, parties of the first part, and Carolina Mining Company, party of the second part.

WITNESSETH:

That subject to the terms and conditions hereinafter set forth, said parties of the first part have let and leased and by these presents do hereby let and lease unto said party of the second part, its successors and assigns, the right and privilege to mine, dig, mill, process and remove all mica, clays, rocks, and other minerals now in, under or upon a certain tract or parcel of land lying and being in Jackson County, North Carolina, and more particularly described and bounded as follows:

Being a part of what is known as the Cox "Savannah" properties and being part of Entry 130, Grant 172. BEGINNING at a stake (Hickory gone) the southeast corner of Grant 879 granted to Isaac Ashe, and running thence east 20 poles, more or less, to a stake in the line of the "Bumgarner 50 acre tract"; thence with that line south 10° west 40 poles, more or less, to a stake at the corner of said tract; thence south 80° east 39 poles to a stake in a line of said "50 acre" tract; thence south 20° west 22 poles to a stake, original corner of Entry 130; thence south 70° east 100 poles to a stake; thence south 20° west 17 poles to a stake; thence south 32° west 52 poles to a stake, "Jones Corner"; thence south 58° east 15 poles to a stake; thence south 20° west 7 poles to a stake; thence north 60° west 63 poles to

"Please Return"

Original returned.

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SEP - 6 1956

a stake; thence south 60 poles to a stake in the old "Allison and Keener" line; thence west 60 poles to a stake in Clark's line; thence north 10 poles to a stake Clark's corner; thence west 100 poles to a stake Clark's northwest corner; thence south 80 poles to a stake Clark's corner; thence south approximately 1 pole to a stake in the original line; thence N 70° W 73 poles to a stake the S.W. corner of Entry #130 thence with the line of said entry N 20° E 163 poles to a stake (White Oak gone) in the line of the Jones Copper mine tract; thence with said line East 79 poles to the beginning including the Cope Mica Mine tract and a part of Entry #130.

The terms and conditions of this lease are as follows:

Unless sooner terminated as herein provided, this lease shall exist and continue for three years and until the 30th day March 1959.

As rental, the party of the second part shall pay or cause to be paid to the parties of the first part, or their duly constituted agent, the following:

(1) Five percent (5%) of the market value of all scrap mica mined and removed.

(2) Ten percent (10%) of the market value of all other Mica and clays mined and removed. This amount is to include 5% which Defense Minerals Exploration Administration receives from Exploration contract on Engle Cope Mine, however; at such time as said contract is paid in full, the total of 10% will be paid to party of the first part, but during such period until said contract is paid in full, party of first part will receive 5% and Defense Minerals Exploration Administration will receive 5%, making a total of 10% to be paid by party of the second part.

(3) Ten percent (10%) of the market value of all other minerals mined and removed, this shall include all Feldspar and Feldspar minerals.

(4) Five cents ($.05) per cubic yard for all rock mined and removed.

(5) Should after one months operation, the total rents or royalties under Items (1) to (4) above be less than $20.00 for a month - then the lessee shall pay a minimum royalty of $20.00 per month for each month the total rents and royalties fail to amount to $20.00 for that month so long as the lessee desires this lease to remain in force. Said minimum royalty shall be due by and collectable from the lessee up to the termination of this lease or until the lessee shall give the lessors thirty days notice of his desire to terminate this lease.

Said rental shall be paid monthly on or before the 15th day of each calendar month of all sums due for the proceding month. Failure of the lessee to make payment of rent or royalties when due shall be cause for and the lessor may terminate this lease upon giving 15 days notice to the lessee.

The party of the second part shall keep a correct record of all mica, clays, rock and other minerals mined and removed under this lease, and such records may at any time be inspected by parties of the first part, or their duly constituted representative, for the purpose of ascertaining the amount of rental and or royalties due. Party of the second part shall furnish to parties of the first part a duplicate invoice of all mica, clays, rock and other minerals sold.

So long as this lease remains in force, party of the second part shall in connection therewith have and enjoy the following rights and privileges: Full mining rights and privileges to the extent now owned by the parties of the first part, which include:

(a) The right to the use of the surface of said land to the extent that such use is reasonably necessary in mining, digging, and removing said mica, clays, rock and other minerals.

(b) The right to construct and place upon said land buildings and machinery for mining purposes and to remove the same.

(c) The right to construct and maintain roads in such locations as may be necessary or convenient in operating under this lease, together with the right to clear such roadway, rights-of-way as are herein designated.

(d) The right to cut and use such timber for mining purposes as may be reasonably necessary for such operation.

If operation is not completed at the end of the above mentioned 3 years, it is expressly understood and agreed that the party of the second part shall have the bonafide refusal of an additional 3 years lease at not to exceed the best bonafide offer the parties of the first part may have for such a lease.

(a) Should the parties of the first part, transfer, alienate or assign their ownership or rights in and to the properties included in this lease to a third party, - then it shall be the duty of such third party or parties to notify the lessee when and where payments due thereafter under the terms of this lease shall be paid and delivered. Failure to pay rents and

royalties to such a third party by the lessee until so notified shall not operate to affect nor defeat this lease. It is hereby agreed this lease shall only be assigned by the lessee with the written permission of the parties of the first part.

If at any time there be as many as four parties entitled to receive rental or royalties, the lessee may withhold payments thereof unless and until said parties designate in writing, in a recordable instrument delivered to the lessee, a common agent to receive all payments due hereunder, and to execute division and transfer orders on behalf of said parties and their respective successors in title.

Thomas A. Cox, Jr. of Asheville, Buncombe County, North Carolina, is so designated and payment to him at his residence in Asheville, N. C. is the designated place for delivery of payments of rents and royalties.

IN WITNESS WHEREOF, the parties hereunto have set their hands and seals the day and year first above written, in triplicate.

Cora K. Cox (SEAL)
By Thomas A. Cox Jr
Her Attorney in Fact

Katherine Elizabeth (SEAL)
By Thomas A. Cox Jr
Her Attorney in Fact

George C. Cox, (SEAL)
By Thomas A. Cox Jr
His Attorney in Fact

Genevieve Freeman Cox (SEAL)
By Thomas A. Cox Jr
Her Attorney in Fact

St. John Cox (SEAL)
By Thomas A. Cox Jr
His Attorney in Fact

Nora Cater Cox (SEAL)
By Thomas A. Cox Jr
Her Attorney in Fact

David R. Cox (SEAL)
By Thomas A. Cox Jr
His Attorney in Fact

Nina Hurley Cox (SEAL)
By Thomas A. Cox, Jr.
Her Attorney in Fact

Henry L. Cox (SEAL)
By Thomas A. Cox, Jr.
His Attorney in Fact

Josephine Hummer Cox (SEAL)
By Thomas A. Cox, Jr.
Her Attorney in Fact

Hannah Julia Cox (SEAL)
By Thomas A. Cox, Jr.
Her Attorney in Fact

Thomas A. Cox, Jr. (SEAL)

Elsie B. Cox (SEAL)

Attest _____
Secretary

Carolina Mining Company (SEAL)
By Ray H. Gantt (SEAL)
Partner
By William Dunn (SEAL)
Partner

STATE OF NORTH CAROLINA,

BUNCOMBE COUNTY.

On this the 10 day of April before me personally came Thomas A. Cox, Jr., to me known to be the person described in, and who executed the foregoing instrument, and duly acknowledged to me that he had executed the foregoing instrument as the act of Cora K. Cox, Katharine Elizabeth Cox, George C. Cox, Genevieve Freeman Cox, St. John Cox, Nora Cater Cox, David D. Cox, Nina Hurley Cox, Henry L. Cox, Josephine Hummer Cox and Hannah Julia Cox, by virtue of a certain Power of Attorney, executed by the said Cora K. Cox, Katharine Elizabeth Cox, George C. Cox, Genevieve Freeman Cox, St. John Cox, Nora Cater Cox, David D. Cox, Nina Hurley Cox, Henry L. Cox, Josephine Hummer Cox and Hannah Julia Cox bearing date of _____ day of _____, and recorded in the office of the office of the Register of Deeds of Jackson County, North Carolina, in Book 196 Page 72.

Witness my hand and Notarial Seal, this the 10 day of April 1956

My commission expires:
August 13, 1956

Charles N. Baumann
NOTARY PUBLIC

STATE OF NORTH CAROLINA,

BUNCOMBE COUNTY.

I, Charles N. Baumann Notary Public, hereby certify that Thomas A. Cox, Jr. and wife, Elsie B. Cox, personally appeared before me this day and severally acknowledged the due execution by them of the foregoing instrument.

Witness my hand and Notarial Seal, this the 10th day of April 1956.

Charles N. Baumann
NOTARY PUBLIC

My commission expires:
August 13, 1956

STATE OF NORTH CAROLINA,

COUNTY OF ~~JACKSON~~ Macon.

I, Marie Jennings a Notary Public for the county and state above mentioned, do hereby certify that Roy H. Fouts & William Dinnes who ~~states~~ ~~he is~~ are partners in ~~of~~ the Carolina Mining Company, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and Notarial Seal, this the 14th day of April, 1956.

Marie Jennings
NOTARY PUBLIC

My commission expires:
July 26, 1956

STATE OF NORTH CAROLINA,

JACKSON COUNTY.

The foregoing certificates of Charles N. Baumann and Marie Jennings, Notary Publics, are adjudged to be in due form and correct and the foregoing instrument is adjudged to have been duly executed and acknowledged. Let the instrument, together with the certificates be registered.

Witness my hand and official signature, this the 18 day of April, 1956

Margaret W. Jenson
CLERK SUPERIOR COURT
JACKSON COUNTY, NORTH CAROLINA

STATE OF NORTH CAROLINA
JACKSON COUNTY

Office of Register of Deeds

Filed for registration on the 18 day of April 1956, at 12 O'clock A M and duly registered in said office, this 20 day of Apr. 1956

in Book 209 Page 224

Ellen Hughes
Register of Deeds

Recorded and Verified

Reg. Fee 40¢ due
C.S.C. 75¢ due

O.B.O. Fee 75¢ Due

NORTH CAROLINA
MACON COUNTY

This Lease Agreement, made and entered into this the 14th day of February, 1956, by and between D. H. CLARK and wife, EDITH ELIZABETH CLARK, parties of the first part; and CAROLINA MINING COMPANY, party of the second part;

W I T N E S S E T H:

That subject to the terms and conditions hereinafter set forth, said parties of the first part have let and leased and by these presents do hereby let and lease unto said party of the second part, its successors and assigns, the right and privilege to mine, dig, mill, process and remove all mica, clays, rocks, and other minerals now in, under or upon a certain tract or parcel of land lying and being in Savannah Township, Jackson County, North Carolina, and more particularly described and bounded as follows:

> BEGINNING on a spruce pine on the East side of the Steven Hyde branch; then running East 65 poles crossing State Highway 285 to a stake; thence crossing said highway, North 80 poles to a stake in the outside line of the Collins fifty (50) acre tract; thence West 65 poles to a stake; thence South 80 poles to the BEGINNING. Containing 35 acres, more or less.

The terms and conditions of this lease are as follows:

Unless sooner terminated as herein provided, this lease shall exist and continue until the 14th day of February, 1959.

As rental, party of the second part shall pay or cause to be paid to parties of the first part, or their duly constituted agent the following:

(1) Ten percent (10%) of the gross receipts of all scrap mica mined and removed.

(2) Ten percent (10%) of the gross market value of all other mica and clays mined and removed.

(3) Ten percent (10%) of the gross market value of all other minerals mined and removed.

(4) Five cents ($.05) per ton for all rock mined and removed.

Said rentals shall be paid monthly on or before the 15th day of each calendar month of all sums due for the proceding month.

Party of the second part shall keep a correct record of all mica, clays, rock and other minerals mined and removed under this lease, and such records may at any time be inspected by parties of the first part, or their duly constituted representative, for the purpose of ascertaining the amount of rental due on or at any rental payment date. Party of the second part shall furnish to parties of the first part a duplicate invoice of all mica, clays, rock and other minerals sold.

So long as this lease remains in force, party of the second part shall in connection therewith have and enjoy the following rights and privileges:

(a) The right to the use of the surface of said land to the full extent that such use is reasonably convenient or necessary in mining digging, and removing said mica, clays, rock and other minerals.

(b) The right to construct and place upon said land buildings and machinery and to remove the same.

(c) The right to construct and maintain roads in such locations as may be necessary or convenient in operating under this lease, together with the right to cut and remove timber to clear such roadways; any construction of roads shall be done in a manner beneficial to the parties of the first part with reference to grade and width upon the completion of the contract.

(d) The right to cut and remove such timber as may be reasonably necessary or convenient for such operation.

It is expressly understood and agreed that the mining operation under this lease shall begin within one year from the date hereof, and failure to operate under this lease, on a commercial basis, after operations have begun, for a period of sixty (60) days, shall terminate this lease. Parties hereto expressly agree and contract that the commercial operations under this lease shall not be discontinued at any time for more than sixty (60) days, and

that during the life of this lease operations may not be discontinued more than two times. Ceasing of operations under this lease more than twice shall cause a forfieture of all rights under this contract by the party of the second part. Failure to pay the rental as hereinabove provided, when due, shall also terminate this lease.

It is further expressly understood and agreed that party of the second part, its successors and assigns, shall have the right to extend the term of this lease for an additional period of Fife (5) years, Beginning on the day of this lease, upon the same terms and conditions as hereinabove set out, except as follows: In Any renewal lease rentals shall be: (1) Twelve (12%) percent of the gross market value of all scrap mica mined and removed. (2) Twelve (12%) percent of the gross market value of all other mica and clays mined and removed. (3) Twelve (12%) percent of the gross market value of all other minerals mined and removed. (4) Five cents ($.05) per ton for all rock mined and removed; Provided, the parties of the first part are notified by parties of the second part in writing of its intention to extend same, and said notice is to be given at least thirty (30) days prior of its termination of said lease, and provided further that this lease has not sooner terminated as hereinabove provided.

If the estate of either party hereto, is assigned, and the privilege of assigning in whole or in part is expressly allowed, the covenants hereof shall extend to their heirs, executors, administrators, successors or assigns, but no change in the ownership or assignment of rental or rayalties shall be binding on the lessee until after the lessee has been furnished with a written transfer or assignment or a true copy thereof; and it is hereby agreed in the event this lease shall be assigned, as to a part or parts of the above described lands, and the assignee or assignees of such parts shall fail or make default in the payment of the pro-

portionate part of the rents due from him or them, such default shall not operate to defeat or affect this lease in so far as it covers a part or parts of said lands which the said lessee or any assignee thereof shall have made due payment of said rental.

If at any time there be as many as four parties entitled to rental or royalties, lessee may withhold payments thereof unless said parties designate in writing, in a recordable instrument to be filed with the lessee, a common agent to receive all payments due hereunder, and to execute division and transfer orders on behalf of said parties and their respective successors in title.

IN TESTIMONY WHEREOF, said parties hereto have executed this Lease Agreement in triplicate, one of which is retained by each of the parties, and one for Defense Minerals Exploration Administration, Washington, D.C., the day and year first above written.

D H Clark (SEAL)

Edith Elizabeth Clark (SEAL)

CAROLINA MINING COMPANY

BY Roy H. Fouts

BY William Dinnes

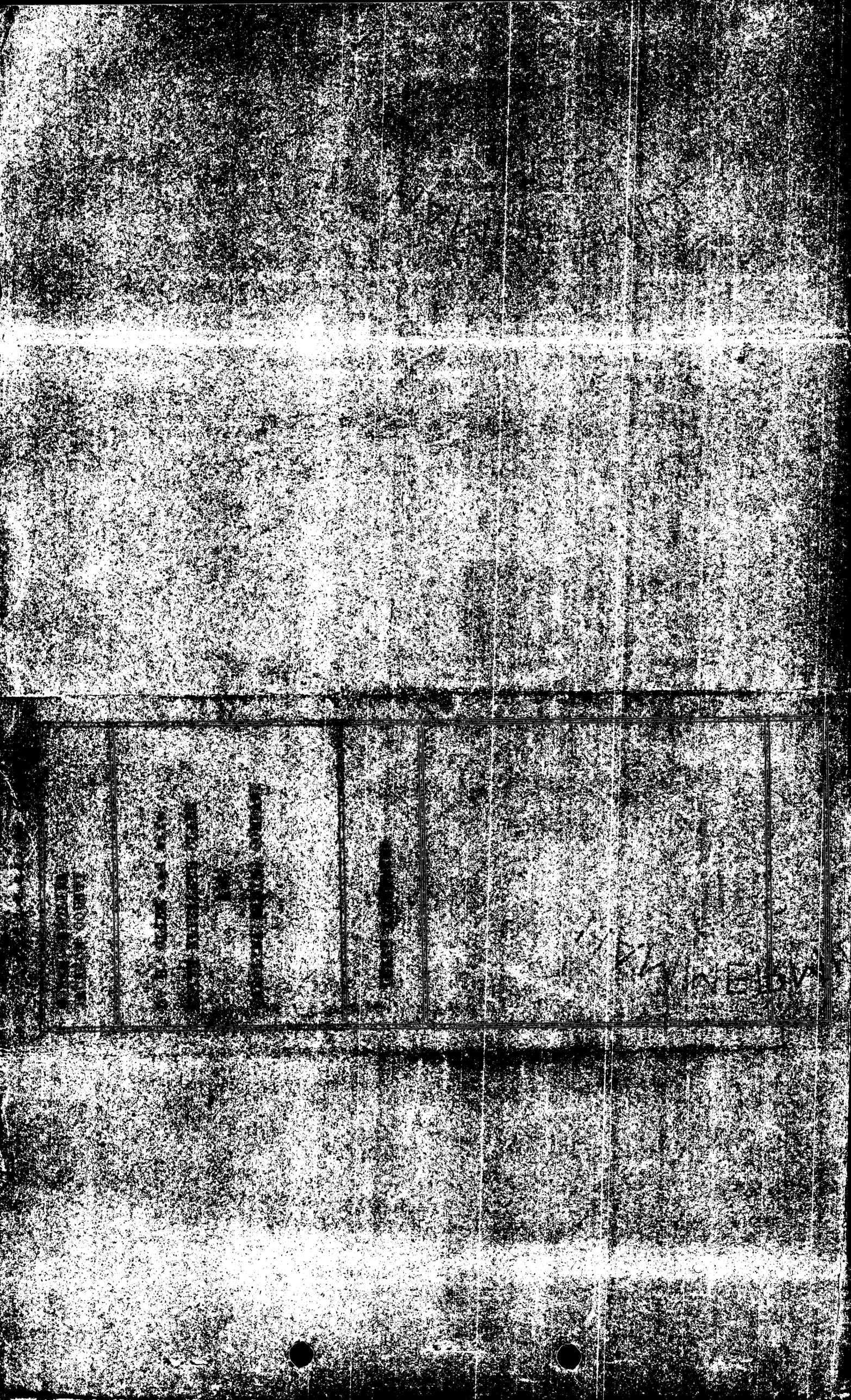
NORTH CAROLINA
JACKSON COUNTY

Personally appeared before me this day D. H. CLARK and wife Edith Elizabeth Clark and Roy H. Fouts and William Dinnes, trading as Carolina Mining Company, who acknowledged the due execution of the foregoing lease agreement for the purposes therein expressed. WITNESS my hand and notarial seal;

This, the 29th day of February, 1956.

Marie Jennings
Notary Public of Macon County, N. C.

My Commission Expires July 28, 1956



MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

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SEP - 6 1956

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. 4453
Metal or Mineral Mica
Date Received 9-6-56
Estimated Cost $6750
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: CAROLINA MINING COMPANY, a partnership consisting of Roy H. Fouts and William Dinnes
P. O. Box 314
Franklin, North Carolina

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SEP 4 - 1956

(*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 Being a tract of land carved out of adjoining properties of D. H. Clark and Thomas A. Cox, both of Jackson County and recorded in same book of Deeds, Book 109, page 386, and book 196, page 172 respectively.

(*b*) State any mine name by which the property is known. Upper Clark

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

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SEP 4 - 1956

(*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. Enclosed or attached

(*e*) If you own the land, describe any liens or encumbrances on it

(*f*) If the land consists of unpatented claims, add to the description above, the book and page numbers for each recorded location notice.

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.

(*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. 1,000' from Highway #441, accessible road, 9 miles from Sylva on Savanah creek. State the availability of manpower, materials, supplies, equipment, water, and power.

16—66551-1

Manpower plentyful, material and supplies fair, Water & Electricity on property, equipment can be had in Atlanta, Ga. or Spruce Pine, N. C. both 140 miles away.

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

(*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.

(*c*) The work will start within 90 days and be completed within 6 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.

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.

(*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?

☒ 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 ....., 195..

.....
(Applicant)

By .....

.....

.....

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

EXHIBIT "A"

4 - a, - There was an open cut 60 feet long put in several years ago which cut the pegmatite which is located in the branch on a medium slope. This open cut exposed the pegmatite and penetrated the granite, but not enough depth was gained to successfully mine the pegmatite dike.

b, - Production records are not available, but reports from the owner indicate worthwhile amounts of mica was removed from the mine.

c, - The pegmatite body cuts the gneiss and is about five feet wide. The foliation of the gneiss is uniform and dips at an angle of about 60 degrees northwest. The pegmatite consist of sugary quartz and flanked by feldspar with biotite and muscovite.

5 - b, - We plan to sink a shaft on the pegmatite 65', this shaft having a partition, one being a manaway 2' X 7' and the other a haulage way 5' X 5'.

c, - The applicant is associated with Mica Development Corporation, supervising the mining, extraction, and prepairing Mica for market for the past several years. Monroe L. Wilson will supervise the operations.

E X H I B I T "B"

6, - Estimate of cost:

1 - Sixty Five feet of shaft @ $50.00 per foot - - -	$ 3,250.00
2 - One Hundred feet of Drift @ $35.00 per foot - - -	3,500.00
	$ 6,750.00

Mine tool shed - - - - - - - - - - - - -		$ 78.00
Magazine for Dynamite- - - - - - - - -		25.00
Magazine for Exploders - - - - - - - -		13.00
Power Line - - - - - - - - - - - - - - -		150.00
Labor:		
Foreman - - - - - -	$ 12.00	
Driller - - - - - -	10.00	
Mucker - - - - - -	8.00	
Hoist Operator- - -	8.00	
Total per day - - -	$ 38.00	
$38.00 per day and 115 days to complets the contract- - - - - - - - - - - - - -		4,370.00
Dynamite & Exploders - - - - - - - - -		719.90
Drill Steel- - - - - - - - - - - - - - -		208.80
Mine Timber- - - - - - - - - - - - - - -		275.00
Gasoline, grease, oil & repairs- - -		325.00
Rental on Equipment- - - - - - - - - - -		575.00
Misc.- - - - - - - - - - - - - - - - - - -		10.30
TOTAL- - - - - - - - -		6,750.00

6.750.00

☐ Audited

☐ Certified

WO[illegible] ANALYSIS SHEET - DMEA PROJECT [illegible]

Analysis as of 9-3-57

Incl. Voucher for 2-17

☐ Actual Cost

☑ Agreed Unit Costs

Name Carolina Mining Co.

State No. Carolina

Commodity Mica

Docket No. 4453

Idm-E No. 1036

OPERATION	AUTHORIZED Units	AUTHORIZED Cost	COMPLETED Units	COMPLETED Cost	NET COST
Drifting & Crosscutting	80 Ft.	$2,720.00	80	2720.00	
Raising					
Shafts	50 Ft.	$2,250.00	50	2250.00	
Winzes					
Drilling (Specify)					
Surface Excavation					
Underground Excavation					
Roads and Trails					
Operating Equipment Purchased					
Surface Rehabilitation & Repairs					
Underground Rehabilitation		270.00		270.00	
New Building, Improvements, etc.					
Other (Specify)					
Totals		$5,240.00		5240.00	

Prepared by Walter C. Anderson

71626

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
6/3	Anderson	600
		600
		110
		100
		220

May 29, 1958

Project Summary Report

By: Walter C. Anderson, Division of Nonmetallic Minerals

1. Docket No. DMEA-4453-Mica
Contract No. Idm-E1036
Upper Clark Mine
Jackson County, North Carolina

Application: Form MF-103 (April 1952) received September 6, 1956.
Work proposed by Applicant:

65 feet of shaft @ $50.00/ft.	$3,250.00
100 feet of drift @ $35.00/ft.	3,500.00
Total amount requested	$6,750.00

Operators: Roy H. Fouts and William Dinnes
d/b/a Carolina Mining Company
P. O. Box 314, Franklin, North Carolina

Operator's Property Rights: Three year mining lease on the D. H. Clark property, containing 35 acres, more or less, dated February 14, 1956. Consent to Lien and Subordination Agreement, undated.

2. Contract: Form MF200A(April 1956), dated November 9, 1956.
Work Authorized:

Rehabilitate 15 feet of old shaft @ $18.00/ft.	$270.00
Sink 50 feet of additional shaft @ $45.00/ft.	2,250.00
80 feet of drifts and/or crosscuts @ $34.00/ft.	2,720.00
Estimated total cost of project	$5,240.00
Government participation @ 75%	$3,930.00

Amendments: No. 1 - 12/31/56.
The date for starting work was moved up from January 1 to January 10, 1957.
No. 2 - 5/29/57.
Extends completion date from June 9, 1957 to October 9, 1957, and the maximum period for royalty payments was extended to 11 years.

Work Completed: Same as authorized.
Work began January 7, 1957, and was completed by November 15, 1957. Field Team Final Report received April 17, 1958. Operator's Final Report received December 5, 1957. No equipment purchased under contract.

Recovery of mica during project:
1. Mine-run block - about 700 pounds
2. Recovery from block - 14.86 lbs. sheet (2.4%), 100 pounds punch, 500 pounds scrap.
3. All recovered mica sold for $189.47
4. Royalty paid - $9.47

3. Audit: Report of Review issued February 10, 1958

Total accepted cost	$5,240.00
Government participation @ 75%	$3,930.00

4. Certification of Discovery - none issued.

5. Comments:

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

Operation: Good.

Engineering: Reporting by Operator was acceptable.

Geologic Premise: The pegmatite tapered to extinction in all directions and the mica recovered was of poor quality, contrary to geological criteria indicated at surface.

Geologic Criteria upon which work was based:

1. Pegmatite: Unweathered, hard, averaging about 7 feet in thickness, concordant with foliation of enclosing gneiss, exposed over a length of 50 feet. Composed of plagioclase, quartz, muscovite and a little microcline.
2. Mica: Strategic quality, ruby, most is flat, hard and clear. Bending the chief defect, ruling is minor and staining is rare.
3. Past Production: No records available.

Geologic Criteria developed during project:

1. Pegmatite: Contorted, lens-like, at drift level is 85 feet long, and 12 to 15 feet thick. Contacts are a sequence of en echelon dragfolds, discordantly emplaced in a fine-grained, highly contorted quartz-biotite-gneiss and thin interlayered hornblende gneiss and schist. Mica zone occurring along the margin of the core is of small extent.
2. Mica: In books up to 6 X 8 inches across and 3 inches thick, clear ruby, ruled, bent and/or twisted, and locky.

Future Possibilities: Prospect after being thoroughly explored, shows none.

Recommendations: The Division of Nonmetallic Minerals and the Commodity Members of the Geological Survey and Bureau of Mines 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 5/29/58
Copy to: Admr. R. File
Mr. Houk

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

May 12, 1958

Memorandum

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 14 1958

DATE	INITIALS	CODE
5/14	C	220
5/14	Hook	600

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA - 4453 (mica)

Applicant: Carolina Mining Company

Name and Location of Property: Upper Clark Mine
Jackson County, North Carolina

Contract Number: Idm-E 1036

Date of Field Team Final Report: April 15, 1958

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: April 21, 1958

Field Team Recommendation: Recommend denial of certification on this project.

Comments:

1. Work consisting of 65 feet of shafting, 80 feet of drifting, and 4 feet of crosscutting was completed under contract.

2. Past operations at this site have proven unprofitable.

3. Although some mica books up to 6 by 8 inches across occur, the mica is damaged by post-pegmatite fracturing.

4. The mica zone outlined by exploration work is limited and reserves are negligible.

5. Expenditures -

Total approved	$5,240.00
Total cost	5,240.00
Gov't. share of the cost	3,930.00
Value of production during operation	189.47
Royalty paid to date	9.47

Recommendation:

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

W. F. Dietrich

W. F. Dietrich

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

April 15, 1958

OFFICIAL FILE COPY
DMEA
RECEIVED APR 17 1958

DATE	INITIALS	CODE
4/17	C	220
4/17	esy	130
4/17	[illegible]	110
4/21	[illegible]	130
		220

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Field Team Final Report - DMEA-4453, Idm-E1036-mica.
Upper Clark Mine, Jackson County, N.C.
Carolina Mining Co., Franklin, North Carolina

Transmitted are three copies of the subject report with maps attached.

The Field Team concurs with the Field Examiners in their recommendation for denial of a certification on this project.

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

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

Field Team Final Rpt.

Reviewed by
DMEA OPERATING COMMITTEE
4-21-58
(date)

OFFICIAL FILE COPY
DMEA
RECEIVED APR 17 1958

DATE	INITIALS	COPY
4/21	JB	130
		220

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT
FIELD TEAM REGION V

DMEA-4453, Idm-E1036(mica) UPPER CLARK
Jackson County, North Carolina

S. C. Bergman and F. G. Lesure, Geologists
U. S. Geological Survey

L. E. Shirley and S. A. Feitler, Mining Engineers
U. S. Bureau of Mines

April 14, 1958

Reviewed by
DMEA OPERATING COMMITTEE
4-21-58
(date)

OFFICIAL FILE COPY
DMEA
RECEIVED APR 17 1958
DATE | INITIALS | CODE

FINAL
FIELD TEAM REPORT

DMEA-4453, Idm-E1036, UPPER CLARK MINE
(mica)
Jackson County, North Carolina

Operator: Carolina Mining Company, P.O. Box 314, Franklin, N.C.

SUMMARY

From the bottom of an old, backfilled, trench excavation dating back to 1928(Kolb Mica Mine), 15 feet of shaft was cribbed through backfilling, through several feet of pegmatite, unexpectedly into approximately 17 feet of timber and muck-filled stope. Shaft was continued through the stope into unweathered pegmatite to a total depth of 65 feet. From the bottom of the shaft, a total of 80 feet of drift and 4 feet of crosscut were completed. Pegmatite is an extremely contorted discordant lens which tapers to extinction in both drift headings, and reaches a maximum thickness just southeast of the shaft station. A considerable amount of relatively large, but poor quality muscovite is localized along the southwest margin of a thin quartz core which is exposed for about 24 feet along the drift. The Operator requested an amendment to deepen the contract shaft, as it appeared that the mica-bearing zone extends to depth along the steeply plunging quartz core. Because of the limited size of the mica-zone, and the indicated poor quality of the recovered muscovite, an extension of the contract work was denied. No certification of discovery is recommended.

INTRODUCTION

Location: The Upper Clark Mine is in Jackson County, N. C., 7.38 airline miles N35°E of the Franklin town square. It occurs in the bottom of the narrow steep valley of the northwest fork of Sugar Branch, approximately 2,000 feet northwest of Clarke's waterwheel, and 3000 feet northwest of U.S. Highway 23.

Previous Work: What is now known as the Upper Clark Mine, reportedly was first worked by Rubin and Garrett for a short period in 1928. Their work consisted of excavating a narrow open cut in the stream bed, and drifting 20 feet along strike from the upstream or northwest end of the cut. No records of production are available from this operation.

In September 1943, C. C. Harris and H. A. Lawhead of Sylva, leased the mining rights from a Mr. Kolb of the Tuckaseigee Mining Company, New York, N.Y. and in November of the same year, commenced operations. Development continued until late September 1944, when the mine closed down, reportedly with little or no prospects of re-opening. Colonial Mica Corporation reportedly advanced $900 for cleaning out and developing the mine. Production figures from December 1943 thru July 1944 indicate a recovery of 818.36 lbs. of sheet (?) muscovite with a value of $4,861.19. Reportedly operating costs for the same period were around $5,000. During this operating period, the stream drainage was diverted,, the original cut and drift cleaned out and extended to the northwest on both an incline and level. The amount of work in this driection is uncertain, but is not believed to be anywhere near as extensive as reported (95 ft of 65° incline, 30 ft of level). The last work done was a small amount of open cutting to the northwest of the incline.

The Kolb Mica Mine is described in a U.S.Geol. Survey File Report, dated January 8, 1944 by D. M. Larrabee and E.Wm. Heinrich, and R. A. Swanson, with supplemental reports dated January 27, September, and December, 1944. No other activity is known at the site from that time until the present contract period.

<u>Contract Work</u>: Contract work began January 7, 1957, and completed November 15, 1957. The northwest end of the old open cut was largely cleaned out and shaft cribbing built up from the solid bottom to the start of the rehabilitation work, (15 ft), which was a convenient

collar or working level in reference to the original ground level. Shaft was sunk through about 3 to 4 feet of hard unweathered pegmatite, unexpectedly into approximately 17 feet of old timber and muck-filled stope. A considerable amount of time and effort was consumed in chopping through about 3 feet of timber mat, and cribbing and excavating through the water-saturated muck back into solid pegmatite. shaft was then continued in pegmatite to a total depth of 65 feet (including rehabilitation). A total of 80 ft of drift and four feet of crosscut was driven from the shaft bottom. To the southeast, 13 feet was driven S76°E and 45 feet S35° with 4 feet of crosscut driven to the southwest. Twenty-three feet of drift was driven N45°W. In addition to the shaft and drift work, a combination tool and hoist house, and powder and exploder magazines were constructed. The work progress was extremely slow because of unusually heavy rainfall, the prospects position in a stream bed, and the almost continual working of the old stope muck into the contract workings. In spite of these difficulties, the Operator carried out the terms of the contract very well.

After completion of the contract drift, the Operator stoped in pegmatite about 15 feet along the southeast drift wall to a height of about 8 feet above the drift back. This work as well as 4 feet of drift was at the Operator's own expense. The Operator requested an amendment to deepen the contract shaft as it appeared that the mica-bearing material outlined in the drift, plunged steeply downdip, but this was justifiably denied.

GEOLOGY

A contorted, lens-like pegmatite was explored by the contract work, down dip and from end to end along strike. Pegmatite at the drift level is approximately 85 feet end to end along strike, and a maximum of 12 to 13 feet thick at a point about 15 feet southeast of the shaft. The overall structure strikes N46°E and dips from 80° northeast to 85° southwest, with a dominant dip to the northeast. Much flatter local dips are reported in parts of the surface excavations. The pegmatite contacts are largely a repetitious sequence of en echelon dragfolds and at any one point, the contacts make an acute angle (5 to 15°) to the gross strike (see map). Pegmatite is discordantly emplaced along a northwest-trending fracture in a fine-grained, highly contorted quartz-biotite gneiss and thin interlayered hornblende gneiss and schist. The structure has been intensely drag-folded by differential movements possibly at least in part contemporaneous with pegmatite emplacement. The foliation of the country rock has an attitude N25-55°E60-75° NW and N40-70°W80-90°NE.

A correlation of the contract exposures with the wartime mapping, indicates that the pegmatite plunges steeply (70-75°) to the southeast. The pegmatite could have considerable elongation in the plunge direction below the contract drift. The wartime report indicates a shallow northwest plunge (25°) of the core, although very likely what was measured was the trace of the up-plunge termination of the core in the old drift. Several thin contorted quartz core lenses are exposed in the drift. The largest has a strike length of 25 feet and a maximum thickness of 3 feet. It is more or less continuous from the bottom of the old stope to an unknown depth below

bumps direction below --

displaces a smaller northwest bump (25°) to the core. --

likely what was measured was the trace of the up-bumps termination

to the core in the old drill. Several fish contorted steep core

the the drift level. The other segment of core occurs to the southeast and slightly overlaps the larger segment. Its strikes extent is about 20 feet with a maximum thickness of 2 feet. Wall zone material consists of medium to coarse-grained plagioclase, minor institial quartz, and isolated small crystals of muscovite, except for a zone along the southwest margins of the larger core segment. A few isolated crystals and one small lens of coarse-grained, light flesh-colored microcline was noted in the drift. Muscovite in the core margin zone, occurs in books up to 6 x 8 inches across and 3-inches thick. The muscovite is a claar ruby color except for an occasional green mottling, particularly near the crystal margins, which may represent an alteration phenomana. The books are generally ruled, bent and/or twisted, but this is somewhat variable depending on the proximity of several noticeable post-pegmatite fractures in and adjacent to the pegmatite. Some of the books are intergrown or locky and some fine mineral intergrowth (biotite ?) was noted. An estimated 600 to 700 pounds of mine run block of limited quality was recovered from the contract shaft and drift work, but only in proximity to core material. Of this block, 14.86 pounds of sheet, 100 lbs of punch , and 500 pounds of scrap were sold. The recovery of sheet out of the block is approximately 2.4% with an indicated value of less than $12.00 per pound.

CONCLUSIONS AND RECOMMENDATIONS

The prospect was thoroughly explored by the contract work both structurally and compositionally, but not without considerable

unforeseen difficulties. The mica zone outlined was small and of poor quality. The quality of the muscovite is most affected by post-pegmatite shearing and there is little prospect that additional work would improve the environment. Reserves are entirely too small and of sub-marginal quality for the examiners to recommend a certification of discovery.

EXPENDITURES

(a)	Total approved....	$5,240.00
(b)	Total cost of Project....	5,240.00
(c)	Government's share of cost...	3,930.00
(d)	Governmemt's share unexpended	0
(e)	Value of production	189.47
(f)	Royalty paid to date	9.47

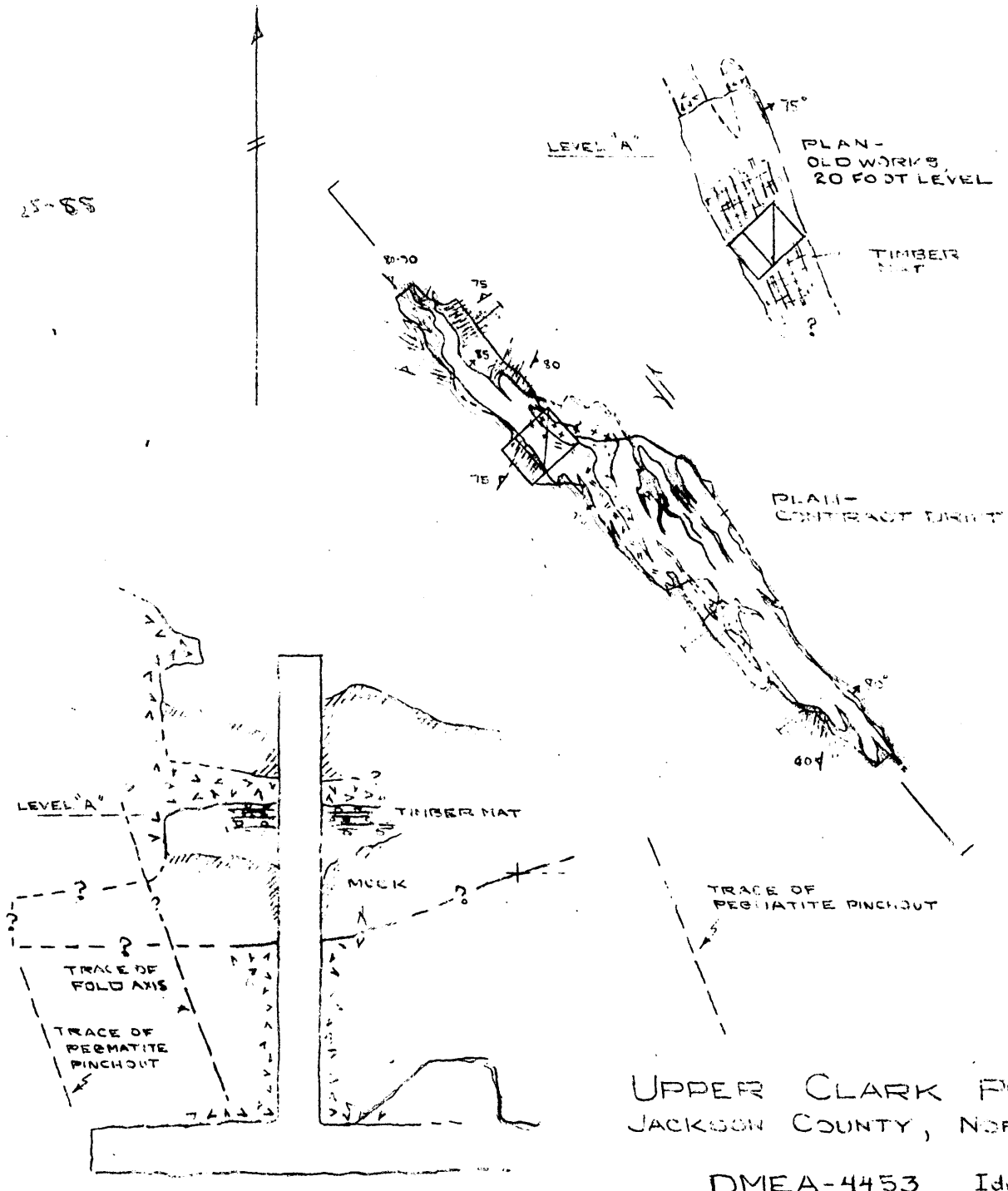
S. C. Bergman and F. G. Lesure, Geologists
Geological Survey

L. E. Shirley and S. A. Feitler, Mining Engrs.
Bureau of Mines

z

April 14, 1958

25-85



UPPER CLARK PROSPECT

JACKSON COUNTY, NORTH CAROLINA

DMEA-4453 Idm-E1036

(MICA)

LEGEND

- PLAGIOCLASE-QTZ PEGMATITE
- QTZ-BIOTITE GNEISS INTERLAYERED HORNBLENDE GNEISS & SCHIST
- QTZ CORE
- TIMBER MAT
- MUCK & BACKFILL
- PERCUSSION DRILL TEST HOLE

SCALE: 1" = 20'

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
2/20	Anderson	600
2/20	Houk	600
2/20	Selfridge	130
"	Jackson	130
		130
		110
"	Mittendorf	100
2/21		220
		600

600

FEB 20 1958

Mr. Roy H. Fouts
Carolina Mining Company
P. O. Box 314
Franklin, North Carolina

Re: Docket No. DMEA-4453-Mica
Carolina Mining Company
Roy H. Fouts and William Dinnes
Upper Clark Mine
Jackson County, North Carolina
Contract No. Idm-E1036

Dear Mr. Fouts:

Your request for an amendment to the contract to provide for additional work and other reports available to us in Washington relating to the subject property have been reviewed.

Careful study of all our information indicates to us that the probability of disclosing significant reserves of strategic mica by this additional work is not sufficiently promising to justify Government participation. We regret to advise you, under these circumstances, that your request for an amendment to do additional work is denied.

We wish to thank you for calling our attention to the possibilities of additional exploration work.

Sincerely yours,

C. O. Mittendorf (for)

Administrator

WCAnderson:gad 2/14/58
Rewritten
WCAnderson:rsi 2/20/58
Copy to: Admr. R. File
Operating Committee
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

DMEA Form 7
(12-56)

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Date	Surname	Code
2/14	Anderson	600
2/14	Houk	600
2/19	Selfridge	130
2/19	Lerch	130
2/19	Williams	~~130~~
		110
		~~100~~
		~~220~~

600

Mr. Roy H. Fouts
Carolina Mining Company
P. O. Box 314
Franklin, North Carolina

Re: Docket No. DMEA-4453-Mica
Carolina Mining Company
Roy H. Fouts and William Dinnes
Upper Clark Mine
Jackson County, North Carolina
Contract No. Idm-E1036

Dear Mr. Fouts:

Your request for an amendment to the contract to provide for additional work, and other reports available to us in Washington relating to the subject property have been reviewed.

Careful study of all our information indicates to us that the probability of disclosing significant reserves of strategic mica by this additional work is not sufficiently promising to justify Government participation. We regret to advise you, under these circumstances, that your request for ~~your proposed~~ an amendment to do additional work is denied.

We wish to thank you for calling our attention to the possibilities of additional exploration work.

Sincerely yours,

Administrator

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

8623

OFFICIAL FILE COPY

Date	Surname	Code
2/10	Talbert	800
2/11	C	220
2/11	Hrach	600

FEB 10 1958

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

Re: Docket No. DMFA-4453 (Mica)
Carolina Mining Company
Upper Clark Mine
Jackson County, North Carolina
Contract No. Idm-E1036

Dear Mr. Laurence:

Enclosed are the original and three copies of a Report of Review in lieu of a final audit of the referenced project.

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

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Director
Contract Administration
and Audit Division

Enclosure

EDTalbert/wb
February 10, 1958

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

8623

February 10, 1958

Mr. L. G. Houk telephoned Mr. R. A. Laurence in Knoxville, Tenn.

Re: Docket No. DMEA-4453-Mica
Carolina Mining Co.
Upper Clark Mine
Jackson County, N. C.
Contract No. Idm-E1036

Mr. Anderson discussed DMEA-4453 with Mr. Laurence and was informed that there will be no amendment recommended by the Field Team and no certification.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

ROOM 13 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

February 6, 1958

DMEA
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60.0

Memorandum

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

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

Subject: Docket No. DMEA-4453, Contract Idm-E1036 (Mica)
Carolina Mining Company, Franklin, North Carolina
Upper Clark mine, Jackson County, North Carolina

Reference is made to our memorandum of November 22, 1957:

Sales of mica from the Upper Clark have been disappointing, with the mica averaging less than $12.00 per pound. Considering this and the small size of the target for the proposed extension of the contract, we do not recommend approval of the Operator's request for an amendment for an additional 35 feet of shaft and 75 feet of level work. We do not expect to recommend certification.

Robert A. Laurence
Robert A. Laurence
Executive Officer

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

February 7, 1958

Memorandum

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

From: Personal Assistant, Norris, Tennessee

Subject: Monthly reports and vouchers

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

Idm-P1036	Carolina Mining Company Docket No. DMEA-4453 7th payment - month of November 1957 Amount $153.00
Idm-E1106	Homer Boone Docket No. DMEA-4534 3rd payment - month of October 1957 Amount $480.00
Idm-E1145	Sam L. Phillips Docket No. DMEA-4805 2nd payment - month of January 1958 Amount $322.50

Helen R. Miller

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

EXTRA COPY
DMEA
RECEIVED FEB 10 1958
DATE | INITIALS | CODE
2/10 | | 110
2/10 | | 600

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PARTIAL VOUCHER & SCHEDULE OF PAYMENTS A-40

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of NOVEMBER, 195 7 Docket No. DMEA 4653 Contract No. Icm-E-1036
Operator's Name CAROLINA MINING COMPANY Minerals MICA
Address P.O. Box 314, Franklin, N.C.
Contract Amount, $ 5,240.00 Government Participation: 75 % Amount, $ 3,930.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting 2/0z drift	204.00	2526.00	2730.00			
Drifting & timber	none	270.00	270.00			
Shaft sinking	none	2250.00	2250.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	204.00	5036.00	5240.00	204.00	5036.00	5240.00

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

Date 11-15-57 *Payee CAROLINA MINING COMPANY

Per [signature] 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:

$ 153.00 (153.00)

Signature Helen R. Miller
(Authorized Certifying Officer)

Date FEB 7 1958 Vou. No. 125

(See other side)

51.00

OFFICIAL

(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-1036 in accordance with the terms of the contract.

Signature V. J. Lynch Title MINING ENGINEER U. S. BUREAU OF MINES Date FEB 5 1958

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA FIELD TEAM REGION V Date FEB 5 1958

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

RECEIVED FEB 10 1958

Month of November 195 7 Docket No. DMEA 4453 Contract No. Jdn-E-1036
Operator's Name CAROLINA MINING COMPANY Minerals Mica
Address P.O. Box 314, Franklin, 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	Ft	205.00	6	2720.00	80	34.00	80	32.00
Raising	Ft	none	none	270.00	15	18.00	15	10.00
Shafts Sinking	Ft	none	none	2250.00	50	45.00	50	35.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Total Distributed Costs		205.00		5240.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		205.00		5240.00				

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

Date 11-15-57 Operator CAROLINA MINING COMPANY

Per Ray N. Lewis 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)

W. 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

NARRATIVE
MONTHLY REPORT FOR
NOVEMBER 1957

CAROLINA MINING COMPANY
P.O. BOX 314
Franklin, North Carolina

Contract No. Idm-E-1036
DMEA - 4453 - Mica
Upper Clark
Jackson County, N.C.

Date	Description of work
11-1-57	Drilled and blasted. Had to put new spark plugs in Hoist. Track had to be lengthened on top where we dump the ore out of the mine bucket in the Mine Car. This system is used instead of using a Dozer to push away the ore when it piles up. Not over place you can use this method, but since we are on a rather steep slope this works very nicely.
11-2-57	Mucked all day.
11-3-57	No work
11-4-57	Drilled half the heading and blasted
11-5-57	Mucked. Had trouble with the Pump. There is a lot of water due to so much rain, however; we have a very good pump, but the best of equipment will give some trouble.
11-6-57	Drilled and blasted.
11-7-57	Mucked. - Finished Contract.

EXTRA COPY
D M E A
RECEIVED
DATE

The contract is completed but we are not satisfied with the results and are going to do some stoping. In advancing in the Drift going in the Northernly direction the slate horses seem to be climbing up and squeezing the pegmatite out. In the drift going in the Southerhly direction the slate horses seem to be dieing out and giving way to the pegmatite. It's true the pegmatite is 9' wide in the widest place, but it narrows down sharply as if you were in a side vein or a shute from the main peg. At this wide place it seems to be vertical as if it goes up. We revovered about 300 lbs of bulk, part of which is green, however; we did find some very good Ruby in this 300 lbs. We believe by doing some more exploration work some reserve ore could be established.

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

WASHINGTON 25, D.C.

DMEA
RECEIVED JAN 27 1958

1-27	C	220
1/28	Hook	600

January 23, 1958

Memorandum

To: Finance Officer, Region V - DMEA

From: Acting Executive Officer, DMEA-Region V

Subject: Royalty Payment - DMEA-4453, Idm-E1036-mica
Carolina Mining Co. Upper Clark Mine
Franklin, N.C.

Attached is a settlement sheet of mica sold from the subject mine, and a check No.357, dated Jan.13,'58 in the amount of $9.47 as royalty.

V. J. Lynch

s

Mittendorf
Lynch
Files

FORM APPROVED BY COMP. GEN., U.S. MARCH 25, 1957

GENERAL SERVICES ADMINISTRATION

FINAL SETTLEMENT - MICA PURCHASE

MICA PURCHASE DEPOT - Spruce Pine, N. C.

PROGRAM: [X] A [ ] B

DATE PURCHASED: 11-26-57

ACCEPTANCE NUMBER: [illegible]

CERTIFICATE AUTHORIZATION NUMBER: [illegible]-4-1872 A

LOT NUMBER: [illegible] (8)

VOUCHER NUMBER:

SCHEDULE NUMBER:

EVALUATION DATA

RUBY

QUALITY	HALF TRIM POUNDS	HALF TRIM PRICE PER LB.	HALF TRIM AMOUNT	FULL TRIM POUNDS	FULL TRIM PRICE PER LB.	FULL TRIM AMOUNT
GOOD STAINED AND BETTER						
GRADES NO. 3 AND LARGER		$	$		$ 70.00	$ 22.40
GRADES NO. 4 AND 5				.56	40.00	[illegible]
GRADES NO. 5½ AND 6				1.62	17.70	[illegible] 67.44
STAINED						
GRADES NO. 3 AND LARGER		12.00		.03	31.90	.96
GRADES NO. 4 AND 5		5.00		.75	18.25	[illegible] 13.69
GRADES NO. 5½ AND 6		3.00		[illegible]	7.55	[illegible] 66.74
HEAVY STAINED						
GRADES NO. 3 AND LARGER		8.00			14.80	62
GRADES NO. 4 AND 5		4.00		.89	6.85	[illegible]
GRADES NO. 5½ AND 6		2.00		.78	4.00	[illegible]
TOTALS			$			$ 2.12

NONRUBY

QUALITY	HALF TRIM POUNDS	HALF TRIM PRICE PER LB.	HALF TRIM AMOUNT	FULL TRIM POUNDS	FULL TRIM PRICE PER LB.	FULL TRIM AMOUNT
GOOD STAINED AND BETTER						
GRADES NO. 3 AND LARGER		$	$		$ 70.00	$
GRADES NO. 4 AND 5					40.00	
GRADES NO. 5½ AND 6					17.70	
STAINED						
GRADES NO. 3 AND LARGER		9.60			25.55	
GRADES NO. 4 AND 5		4.00			14.60	
GRADES NO. 5½ AND 6		2.40			6.55	
HEAVY STAINED						
GRADES NO. 3 AND LARGER		6.40			11.85	
GRADES NO. 4 AND 5		3.20			5.45	
GRADES NO. 5½ AND 6		1.60			4.00	
TOTALS			$			$ 174.97

TOTAL YIELD AND VALUE [X] RUBY [ ] NONRUBY (*Half trim plus full trim*) [illegible] LBS. $ [illegible]

ADJUSTED VALUE WHEN LESS THAN 18% GS & B (ABOVE VALUE $ _____ X _____ ÷ 18) $

FOR PROGRAM B, DEDUCT $4.00 PER POUND FOR RIFTING AND TRIMMING 174.97

FINAL BASIS FOR PAYMENT $ [illegible] 90.70

LESS INITIAL PAYMENT VOUCHER NUMBER SCHEDULE NUMBER [illegible]

BALANCE DUE [X] SELLER [ ] GOVERNMENT $ [illegible] 84.27

NAME AND LOCATION OF MINE

Upper Cane-Mitchell County, N. C.
T 96 & S 29.41

PROCESSED FOR PAYMENT (LBS.)	[illegible] 14.84
PROCESSED - NO PAYMENT (LBS.) THINS	189.81
BLACK (*Dots, Spots, Stained*)	
UNDERSIZED	.34
PROCESSING LOSS	
TOTAL POUNDS PURCHASED	[illegible] 15.00

SELLER'S NAME AND ADDRESS (*Type or print*)

Cumulus Mining Co.
Franklin, N. C.

RECEIVED JAN 27 1958 D.M.E.A.

APPROVED

DEPOT SUPERINTENDENT

DATE [illegible]-10-57

GSA WASH D C 58-3177

Upper Clar[illegible] Mine - Jackson County, N.C.

General Service Administration	15 lbs-sheet	174.97
Franklin Mineral Product Co.	50[illegible] lbs scrap	7.50
Sam Duncan -	100 lbs punch	7.00
Grant Total----------		$ ~~336.26~~ 189.47

Some of the above sales were made during the period we worked the Eangle Cope, but never sent in due to an oversite.

Yours very truly,

CAROLINA MINING COMPANY

Roy H. Fouts

ROY H. FOUTS

RECEIVED

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

WASHINGTON 25, D.C.

December 3, 1957

RECEIVED DEC 5 1957

DATE		
12/5	C	220
12/6	[illegible]	800
12/6	Hall	600

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Operator's Final Engineering and Geological Report-DMEA-4453, Idm-E1036 (mica) Upper Clark Mine, Jackson County, N.C. Carolina Mining Co., Franklin, N.C.

Transmitted are three copies of the subject report.

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

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

Operator's Final Rpt

GENERAL ACCT
DMEA
RECEIVED

CAROLINA MINING COMPANY
P.O. Box 314
Franklin, North Carolina

Contract No. Idm-E-1036
Docket No. 4453 - DMEA - Mica
Jackson County, North Carolina

November 25, 1957
Upper Clark Mine
Jackson County, N.C.

Engineering and Geologic Report

The contract between the United States of America, acting through the Department of the Interior, DMEA, and Carolina Mining Company, a partnership composed of Roy H. Fouts and William Dinnes was signed on or about November 9, 1956.

This contract was to have been completed within 7 months from the date of contract, but due to delay from construction of the Electric Power Line and the rainy season it took one year from date to complete. Had this contract not been in the branch the water would not have delayed us, but we had to divert the branch and when the rains would start the water would then apear.

This contract was executed on a unit cost basis which is as follows: No buildings of any nature were necessary as they were already there.

1. The muck was removed and a two-compartment shaft to the bottom of old works was completed which necessitated fifteen feet.

2. From the bottom of old works we sank vertical a continuation of the two-compartment to the depth of another 50 feet, making a total of 65 feet.

3. Drove 80 feet of drift work, 5x7 feet, The location, direction, inclination, and extent of all work was agreed upon between the operator and the government.

When the muck was removed to the bottom of old works we hit what we though was a solid bottom which extended five to seven feet. From the slope below we found that an inclined cut had been made near where we put the shaft down. This extended to within 15 or 20 feet of the 65 foot level. This information was found out when we did some stoping in the Southern Adit after the contract was completed.

The pegmatite general speaking was vertical, and consisted of quartz, feldspar, muscovite, and biotite, some garnite and a little perthite.

Going South in the adit we followed a small quartz, large at the shaft but started to thin down with distance. Country appeared in the pegmatite but also disappeared with distance and naturally the Pegmatite widened, and to nine feet. but started disappearing and almost played out. The adit going north did just the opposite as if we went over the pegmatite.

We believe the pegmatite went down on an angle as we stoped an area 15'x 15' just South nine feet of the shaft which indicates this. From the total work that was don about 500 lbs of book mica recovered, most of which was done in the stoped area.

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
11/29	Talbert	800
12/2	C	220
12/4	Hook	600

DEC 2 1957

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

Re: Docket No. DMEA-4453 (Mica)
Carolina Mining Company
Upper Clark Mine
Jackson County, North Carolina
Contract No. Idm-E1036

Dear Mr. Laurence:

By memorandum dated November 26, 1957, you submitted the enclosed November 1957 MF-104 applicable to the referenced project, confirmed the acceptable performance of the project work, and requested the issuance of a Report of Review in lieu of a final audit.

The review has disclosed that the total costs of $5,240.00 claimed by the Operator are acceptable and the present status of the project account is as follows:

Amount payable to Operator	$3,930.00
Amount reimbursed	3,777.00
Balance due Operator	$ 153.00

However, inasmuch as amendment of the contract to provide for additional work is under consideration, the release of a Report of Review is being held in abeyance.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Director
Contract Administration
and Audit Division

Enclosure

EDTalbert/wb 11/29/57

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

8623

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

OFFICIAL FILE COPY
DMEA
RECEIVED
11/25 gb 220
25 cdu 100

November 22, 1957

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: DMEA-4453, Idm-E1036(mica). Carolina Mining Co. Franklin, N. C. Upper Clark Mine, Jackson County, N.C.

Enclosed are the original and two copies of the final interim report on the subject exploration project. Preparation of a final report will be delayed until the mica has been processed and sold.

At present, it would be difficult to recommend certification. Although the target for the Operator's proposed extension is somewhat small, the possibility remains that the additional work might show enough to raise this to certifiable status. To a considerable extent, this depends upon evaluation of the mica produced.

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

V. J. Lynch
V. J. Lynch, Member
DMEA Field Tea, Bureau of Mines

OFFICIAL FILE COPY
DATE
RECEIVED NOV 25 1957
DATE

INTERIM REPORT

DMEA-4453, Idm-E1036(mica) UPPER CLARK MINE

Operator: Carolina Mining Co., P.O. Box 314, Franklin, N.C.

Location: In Jackson County, 7.38 airline miles N35°E from the town square of Franklin, North Carolina.

Work has been completed on this contract. The southeast drift was advanced 10 ft leaving a face in which the pegmatite has pinched to 6 inches. From northwest to southeast, the drifts expose the pegmatite for 84 feet measured on a straight line with a pinch at both ends.

As provided in the contract, 15 ft of shaft were rehabilitated, 50 feet of new shaft sunk, and 80 feet of drift and crosscut driven from the shaft bottom. Four feet of drift were driven in addition to the above, at the Operator's expense.

The pegmatite exposed, contained little strategic mica except along the quartz core margins. The shaft followed the core and the contract drifting indicated a possible stope length of not more than 15 feet on the core at the drift level.

However, after completion of the contract work, the Operator raised southeast at 30 to 35° on the core starting 9 ft southeast of the shaft and reached a point 15 feet above sill level. This work widens the drift on the southwest side (exposing more core) and increases the stope length to not more than 25 ft at sill level.

Mica produced during the program has been accumulated and is being processed. The value of the mica as determined by preparation and sale will be valuable in assessing the problem of certification as well as the merit of the Operator's request for an amendment to provide additional funds for more work.

Unless the mica proves to be of above average value and the stope length can be expected to increase with depth, the Examiners believe that additional work would not be justified as the target is small.

Recommendation on certification would be negative now, but if the value of the mica is appreciably higher than expected, this might be reversed.

Inspected: Nov. 15, 1957.

Stanley A. Feitler, Mining Engr.
Bureau of Mines

S. C. Bergman, Geologist
Geological Survey

z

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1010 NORTH DEC BLDG.
WASHINGTON 25, D.C.
KNOXVILLE 2, TENN.

(OFFICIAL FILE COPY
DMEA
RECEIVED NOV 25 1957
DATE | MINES | ACCT
11/25 | gb | 220
11/29 | | 800
11/29 | wra | 600

November 22, 1957

Mr. Roy H. Fouts
Carolina Mining Co.
P.O. Box 314
Franklin, N. C.

Re: DMEA-4453 (mica)
Upper Clark Mine
Jackson County, North Carolina
Contract No. 1036

Dear Mr. Fouts:

Your request for an amendment to the contract to provide for additional work at the Upper Clark Mine, has been forwarded to our Washington office. As you know, the Field Team does not have the authority to make such amendments.

As soon as the mica recovered in the contract work has been processed and sold, please send me the sales data, as this information will have an important bearing on the disposition of the request for additional work.

I see no advantage in continuing to keep the mine pumped out, unless you are continuing to work it, because of the unavoidable delay in processing your request. It will probably be less expensive to pump it out again if operations are resumed.

Sincerely yours,

Robert A. Laurence
Executive Officer, DMEA
Region V

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D.C.
KNOXVILLE 5, TENN.

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

CENTRAL FILE COPY
DMEA
RECEIVED NOV 22 1957
DATE | INITIALS | CODE

November 19, 1957

Carolina Mining Company
P.O. Box 314
Franklin, North Carolina

Re: DMEA-4453, Idm-E1036-Mica
Carolina Mining Company
Upper Clark Mine
Jackson County, N. C.

Gentlemen:

This will acknowledge receipt of the proposed amendment to the Upper Clark contract. It will be forwarded to our Washington office in accordance with established procedure.

Now that the subject contract has been completed it will be necessary for you to submit a final report describing the work accomplished. This is required regardless of the fact that you have requested an amendment to do additional work. Please forward the report at your earliest convenience.

Robert A. Laurance
Executive Officer, DMEA
Region V

VJL/zm
cc
Opr. Com.-2
Lynch
Files

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1300 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

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RECEIVED NOV 21 1957

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		130
11/22	Hook	600

November 19, 1957

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: DMEA-4453, Idm-E1036 (mica) Carolina Mining Co.
Upper Clark Mine, Jackson County, North Carolina

All work under the subject contract was completed November 7, 1957.

Attached are the original and 2 copies of a proposed amendment to the contract submitted by the Operator. The proposal would provide for an additional 35 feet of shaft and 75 feet more drifting.

Our comments on the proposal will be sent to you at a later date.

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

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

Estimate of Cost
PROPOSED AMENDMENT

CAROLINA MINING COMPANY
P.O. BOX 314,
Franklin, North Carolina

Contract No. Idm E-1036
DMEA-4453-Mica
Jackson County, N.C.

The following is a proposed additional work which we think is necessary to accomplish the original purpose of the contract. It is to the benefit of the government as well as ourselves to c complete the contract in the most effedtive manner possible and to do this we believe the contract should be amended to include this contingencie, in ore to establish some reserves

1. Shaft sinking 35 feet @ $50.00 per foot----$ 1750.00
2. Crosscut/and or drift 75 feet @ 35.00 per Ft. 2625.00

Total---------- $ 4375.00

Labor per Shift:	Foreman:	12.00
	Driller:	10.00
	Mucker:	10.00
	Hoist Opr.	8.00
	Total per S.	$ 40.00

35 shift for completion og shaft---	$ 1400.00	
38 shift for completion of Crosscut	1520.00	
Rental on Equipment----------	700.00	
Electric Power----------	75.00	
Fuel for Compressor & Hoist--------	82.29	
Grease, oil, etc.----------	3.00	
Drill Steel----------	190.00	
Dyanmite & Exploders----------	404.71	
Grand Total------	$ 4375.00	4375.00

After reviewing the work completed on Idm-E-1036, we gained three points of information. One of which are facts, one of which are estimates and one of which are calcuative, all of which are inclined to make us believe we should do additional exploration.

The facts were we encountered more old works than had been anticipated. Had we know this in the beginning we would have purposed a 100 foot shaft instead of 65 feet. After completing the first 15 feet of removing muck and timbering the shaft to the bottom of old workings we hit hard firm ground for several feet. In around and near the shaft from the slope below we found as we went down that other old works existed to within 15 or 20 feet from the 65 foot level.

We estimated the geological structure and followed the pegmatite in our drift as closely as possible and gaining information while driving the headings. The drift going in the southernly direction we found the slate horses died out leaving way for the pegmatite, but in the northernly direction they seem to rise and squeeze out the pegmatite. When the slate horses gave way to the pegmatite going south widening of the pegmatite was encouraging, but as we drove our heading the pegmatite thined down and played out as if it went in another direction possibly up, Possible up, since it was 9 feet wide and sitting vertical.

The contract was completed but we were not satisfied with the results and started doing some stoping 9 feet from the shaft in the South adit where pegmatite started to widen. We stoped an area 15 to 20 feet long and 15 feet high and found the pegmatite is going up, angle of which we did not establish as we were getting close to old works. Since the Pegmatite goes up we calcuate it goes down on an angle into the slope of the mountain, and if the mica is as good as observed in the stope it is our belief that worthwhile amount of ore can be blocked with the proposed amendment.

November 12, 1957

Memorandum

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

From: Personal Assistant, Norris, Tennessee

Subject: Monthly report and voucher

We are enclosing two copies of the following monthly report and voucher:

Idm-71036 Carolina Mining Company
Docket No. DMEA-4453
6th payment - month of October
Amount $1249.50

Helen R. Miller

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

EXTRA COPY
DMEA
RECEIVED NOV 14 1957

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

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

Month of OCTOBER 1957 Docket No. DMEA [illegible] Contract No. [illegible]
Operator's Name CALIFORNIA MINING COMPANY Minerals [illegible]
Address P.O. Box 32A, Fresnito, Ca.
Contract Amount, $ 5,250.00 Government Participation: [illegible] Amount, $ [illegible]

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting	1666.00	850.00	2516.00			
Drifting	none	270.00	270.00			
Road Linking	none	2250.00	2250.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	1666.00	3370.00	5036.00	1666.00	3370.00	5036.00

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 10/31/57 *Payee CALIFORNIA MINING COMPANY
Per [signature] 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:
$ 1249.50
Signature Helen R. Miller
(Authorized Certifying Officer)
Date NOV 12 1957 Vou. No. 82
(See other side)

416.50

(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. E1036 in accordance with the terms of the contract.

Signature S. Feuder Title MINING ENGINEER U. S. BUREAU OF MINES Date NOV 8 1957

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: acting EXECUTIVE OFFICER

Signature V. J. Lynch Title DMEA REGION V Date NOV 8 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

RECEIVED NOV 4 1957 D.M.E.A.

Month of OCTOBER 1957 Docket No. DMEA 453 Contract No. Icm E-1036

Operator's Name CAROLINA MINING COMPANY Minerals Icm

Address P.O. Box 314, Franklin, 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 & Drift	Ft	1666.00	49	3516.00	74	34.00	00	30.00
Raising	Ft	none	none	270.00	15	18.00	15	18.00
Shafts sinking	Ft	none	none	2250.00	50	45.00	50	45.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Total Distributed Costs		1666.00		5036.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		1666.00		5036.00				

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

Date 10/6/57 Operator CAROLINA MINING COMPANY

Per Roy H. Forster 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)

S Fritter

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

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NARRA TIVE
MONTHLY REPORT FOR
October 1957

Contract No. Idm-E-1036
DMEA * 4453 - Mica
Upper Clark
Jackson County, N.C.

CAROLINA MINING COMPANY
P.O. Box 314
Franklin, North Carolina

Date	Discription of work
10-1-57	Mucked out clean.
10-2-57	Drilled and blasted.
10-3-57	Mucked, trouble with hoist -
10-4-57	Finished mucking - drilled and blasted.
10-5-57	Pumped water.
10-6-57	No work - checked pump
10-7-57	Mucked all day.
10-8-57	Drilled and blasted - Shot never pulled.
10-9-57	Re-loaded holes blasted, repaired blower, mucked.
10-10-57	Mucked, drilled and blasted. Extension on Blower line.
10-11-57	Mucked, trouble with pump, drilled.
10-12-57	Finished drilling out and blasted,
10-13-57	No work - checked pump
10-14-57	Most of the loss time is from Pumping water and getting the s moke out. We blast when it can be arranged when the shift is going off, but you have to blow smoke out and reset pump, which necessitates going in the bottom and setting float switch. - Mucked out clean.
10-15-57	Drilled and blasted - Trouble with all the holes not going - loss time is three hours.
10-16-57	Mucked. The ground is so hard we have to use more dynamite than common. The muck pile must be warshed down with water and the blower has to run over half the time while mucking as the gases in the muck pile or rough.
10-17-57	Drilled and blasted, mucked out.
1018-57	Drilled and blasted, trouble with pump, loss two hours.
10-19-57	No work- pumped water.
10-20-57	No work- pumped water- checked blower, small repair.
10-21-57	mucked Out.
10-22-57	Drilled and blasted.
10-23-57	Mucked.
10-24-57	Mucked.-Drilled and blasted.
10-25-57	Mucked.
10-26-57	Drilled and blasted.
10-27-57	No work
10-28-57	Drilled andbblasted.
10-29-57	Mucked.
10-30-57	Drilled and blasted.
10-31-57	Mucked. Completed 74 feet. The Peg. narrowed down going in a Northernly direction and we concentrated our efforts in the Southernly direction. Geological structor is somewhat the same, but the Pegmatite is wides going South.

RECEIVED NOV 7 1957
DATE | Minerals | CODE
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INTERIM REPORT

DMEA-4453, Idm-E1036(mica) UPPER CLARK MINE

Operator: Carolina Mining Co., P.O. Box 314, Franklin, N. C.

Location: In Jackson County, 7.38 airline miles N35°E from the town square of Franklin, North Carolina.

The southeast drift was advanced 22 ft S35°E on pegmatite which strikes N30°W and is almost vertical. A crosscut was driven 4 ft S65°W to the hangingwall from the drift 31 ft southeast of the shaft. Only scrap size mica was found on the hangingwall, although a 12-inch quartz core segment was exposed near the rib of the drift.

The pegmatite contains plagioclase, perthite and quartz with a little garnet. Muscovite is present only in scrap size and small quantity. Three stringers of schist 10 to 16 inches thick divide the pegmatite in and near the face.

No mica has been recovered during the month, although drift progress has been good.

The 6-feet of drift to complete the contract will be driven southeast.

Inspected: October 31, 1957

S. A. Feitler, Mining Engineer
Bureau of Mines

S. C. Bergman, Geologist
Geological Survey

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DMEA
RECEIVED OCT 28 1957
10/28 gb 220

INTERIM REPORT

DMEA-4453, Idm-E1036(mica) UPPER CLARK MINE

Operator: Carolina Mining Co., P.O. Box 314, Franklin, N.C.

Location: In Jackson County, 7.38 airline miles N 35°E from the town square of Franklin, North Carolina

The northwest drift was advanced 9 feet during the interim. The face is 23 feet from the shaft and contains several stringers of pegmatite up to 6 inches thick, rich in plagioclase, but with or no mica. A 6-foot hole is to be drilled in the northeast rib to test for a parallel pegmatite body.

The southeast drift was advanced 10 feet S35°E for a total of 25 feet. Pegmatite containing several narrow stringers of schist is more than 7 feet thick, but only scrap size mica is exposed. The thickening here may be the result of folding.

The Operator was advised to continue drifting to the southeast and to try and maintain contact with the quartz core with test holes.

Progress is satisfactory.

Inspected: Oct. 18, 1957

S. A. Feitler, Mining Engineer
Bureau of Mines

S. C. Bergman, Geologist
Geological Survey

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INTERIM REPORT

DMEA-4453, Idm-E1036(mica) UPPER CLARK MINE

Operator: Carolina Mining Co., P.O. Box 314, Franklin, N. C.

Location: In Jackson County, 7.38 airline miles N 35°E from the town square in Franklin, N.C.

During the interim, 17 feet of drift were completed.

The N38°W heading was advanced 2 feet and the pegmatite in the face is only 14 inches thick but contains small quartz and muscovite in plagioclase. Two feet back, it was 18 inches thick and plagioclase was the only mineral identified.

A new heading was driven 15 feet S80°E. The pegmatite turns to S 35°E 80°SW and is 4 feet thick in the rib of the drift. Quartz core has an average thickness of 1 foot. Good books of muscovite up to 6 inches long by 2 to 3 inches thick are sparsely scattered along the core and in the wall zone. An inclusion 18-inches to 3 feet thick splits the pegmatite near the hangingwall.

The Operator was advised to turn with the pegmatite and follow it to the southeast.

Blasting is being done carefully to avoid disturbing the shaft timber again.

About 200 lbs of block mica was recovered during the interim.

Inspected: October 3, 1957

S. A. Feitler, Mining Engineer
Bureau of Mines

S. C. Bergman, Geologist
Geological Survey

z

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
10/15	Anderson	600
		110
		100
		220

600

October 15, 1957

Memorandum

To: Mr. C. O. Mittendorf, Administrator

From: Lawrence G. Houk, Director, Division of Nonmetallic Minerals

Subject: Amendment No. 3 - Docket No. DMEA-4453-Mica
Carolina Mining Company
Upper Clark Mine
Jackson County, North Carolina
Contract No. Idm-E1036

The Division of Nonmetallic Minerals concurs in Amendment No. 3 to the subject contract as written and executed in the field. This amendment extends the completion date from October 9, 1957, as provided for in Amendment No. 2, to January 9, 1958.

Amendment No. 3 was necessary because the exploration work was retarded due to inclement weather.

Walter C. Anderson
Walter C. Anderson
Division of Nonmetallic Minerals

WCAnderson:rsi 10/15/57
Copy to: Admr. R. File
Mr. Houk

8623

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1305 FDC BLDG.
KNOXVILLE 2, TENN.

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DMEA
RECEIVED OCT 14 1957

DATE	[illegible]	COST
10/14	C	220
	es	130
		600

October 11, 1957

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Amendment No.3 to DMEA-4453, Idm-E1036-mica.
Carolina Mining Co., Franklin, North Carolina
Upper Clark Mine, Jackson County, N.C.

Attached are ~~three~~ two signed copies of the subject amendment.

The usual distribution of the other copies has been made.

This amendment was necessary due to inclement weather.

V. J. Lynch

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

RECEIVED OCT 9 1957 D.M.E.A.

Budget Bureau No. 42-R1036.5

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

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K- 17

Month of Sept, 1957 Docket No. DMEA 4453 Contract No. Idm-E 1036

Operator's Name CAROLINA MINING COMPANY Minerals Mica

Address P.O. Box 314, Franklin, N.C.

Contract Amount, $ 5,240.00 Government Participation: 75% Amount, $ 3,930.00

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						
Crosscutting A or drift	850.00	none	850.00			
Timbering A Timber	none	270.00	270.00			
Shaft Sinking	none	2250.00	2250.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	850.00	2520.00	3370.00	850.00	2520.00	3370.00

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

Date 10/1/57 *Payee CAROLINA MINING COMPANY

Per Tony H. Coates 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.

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(Instructions on reverse)

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

$ 637.50

Signature Helen R. Meller
(Authorized Certifying Officer)

Date OCT 4 1957 Vou. No. 61

(See other side)

212.50

(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-1036 in accordance with the terms of the contract.

Signature W. J. Lynch Title MINING ENGINEER U. S. BUREAU OF MINES Date OCT 3 - 57

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION V Date OCT 3 - 57

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:

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

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

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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 Sept. 1957 Docket No. DMEA 4453 Contract No. Idm E1036
Operator's Name CAROLINA MINING COMPANY Minerals Mica
Address P.O. Box 314, Franklin, 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 & or drift	Ft	850.00	25	850.00	25	34.00	80	34.00
Muck & Timber	Ft	none	none	270.00	15	18.00	15	18.00
Shafts Sinking	Ft	none	none	2250.00	50	45.00	50	45.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		850.00		3370.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		850.00		3370.00				

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

Date 10/1/57 Operator CAROLINA MINING COMPANY

Per [signature] 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)

[signature]
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

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RECEIVED OCT 9 1957
DATE | INITIALS | CODE
220
110
600

NARRATIVE
MONTHLY REPORT FOR
September 1957

CAROLINA MINING COMPANY
P.O. Box 314
Franklin, North Carolina

Contract No. Idm*E 1036
DMEA -4453 - Mica
Upper Clark
Jackson County, N.C.

Date	Discription of work
9-5-57	Started repairing shaft which had been somewhat distorted caused by the effects of the first blast when started on the crosscutting and or drift. One section of the shaft took weight, and this had to be elimated and more timber, and braces, were needed to put it back in a safe workman like manner. This took from the 5th to the 11th of September.
9-12-57	Drilled four holes, blasted and mucked out.
9-13-57	Drilled eight holes, blasted and started mucking. Shaft is in very good shape. lot of water.
9-16-57	Drilled and blasted.
9-17-57	Mucked, Drilled and blasted.
9-18-57	Mucked.
9-19-57	Drilled and blasted. Rock very hard.
9-20-57	Visited by the Field Team. Drilled, blasted, mucked.
9-23-57	Drilled, blasted, mucked. the Peg. is narrowing down.
9-24-57	Finished mucking, got some mica, but small and shot up, as it was in the cut. Drilled out a complete 5x7 heading.
9-25-57	Blasted the cut, then blasted the rest of the heading. mucked the rest of the day.
9-26-57	Finished mucking, drilled and blasted.
9-27-57	Mucked. Trouble with pump. Repaired ladder.
9-30-57	Drilled, blasted and mucked.

Completed 25 feet. The country rock is very hard due so much fine-grained-garnetiferous gneiss. The drills wear very fast and have to be sharpened often. We have drifted about 15 feet in a Northernly direction and the pegmatite has narrowed down from around five or six feet to about 18 inches. We have also drifted in a Southernly direction about 15 feet and the Pegmatite has narrowed down from five or six feet to about three feet. The country rock is foliated and is not conformable with the Pegmatite. The quartz are lacking both directions, however; the feldspar is medium grained with quartz. A large block of muscovite was present, but it was bent with waves. We got some good small muscovite that will sheet, about 50 lbs, Mine run.

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RECEIVED SEP 30 1957

DATE		CODE
9/30	C	220
"	Chm	100
10/7	Hmh	600

INTERIM REPORT

DMEA-4453, Idm-E1036(~~zinc~~ mica) UPPER CLARK ~~MINE~~

Operator: Carolina Mining Company, O.P.Box 314, Franklin, N.C.

Location: In Jackson County, 7.38 airline miles N35°E from the town square in Franklin, North Carolina

A drift has been driven 12 ft N38°W from the shaft bottom. The pegmatite is 1 1/2 ft thick in the face and is composed almost entirely of plagioclase. In the shaft the pegmatite is 5 ft thick and contains mica in books up to 6 inches across between the hanging wall and the quartz core.

It was suggested that a water ring at the bottom of the timber could be used to reduce the waterfall in the shaft. It was recommended that the bent nails and odd pieces of 2 x 4 be removed from the manway.

The Operator was advised to drift southeast on the pegmatite.

Inspected: Sept. 20, 1957

S A Feitler

S. A. Feitler, Mining Engineer
Bureau of Mines

F. G. Lesure

S. C. Bergman and F. G. Lesure, Geologists
Geological Survey

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INTERIM REPORT

DMEA-4453, Idm-E1036 (mica) UPPER CLARK MINE

Operator: Carolina Mining Co., P. O. Box 314, Franklin, N. C.

Location: In Jackson Co., 7.38 airline miles N35°E from the town square in Franklin, N. C.

Work during the interim has been confined to shaft rehabilitation. According to the Operator, heavy blasting resulted in timber movement on the northwest side of shaft, allowing loose material from above to move downward causing the timbers to buckle on one end and side of the shaft. Level work is expected to resume sometime during the coming week. The shaft bottom contained several feet of water and level work completed could not be examined.

L. E. Shirley

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

F. G. Lesure

F. G. Lesure, Geologist
U. S. Geological Survey

Date inspected:
September 6, 1957

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D M E A
RECEIVED SEP 18 1957

DATE	INITIALS	CODE
9/16	Hook	600

August 28, 1957

Carolina Mining Company
P. O. Box 314
Franklin, North Carolina

Re: Contract Idm-K3036
Docket No. DMEA-4453
Commodity: Mica

Gentlemen:

Reference is made to your July voucher covering the above contract.

Your voucher is being processed for payment in the amount of $303.75, which is 75% of the approved monthly total of $405.00. Contract Idm-K3036 calls for 50 feet of shaft sinking, and you have claimed, to date, a total of 55 feet. Therefore it is necessary to delete 5 feet of shaft sinking from this voucher (paying for a total of 9 feet instead of the 14 feet claimed). Claims prior to this voucher are as follows:

January voucher	5 feet
May voucher	20 feet
June voucher	16 feet
Total	41 feet

Very truly yours,

Helen R. Miller
Personal Assistant

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D M E A
RECEIVED
DATE 1957
CODE
8/30 Q 220
9/4 800
600

/hbm
Copies to R. A. Laurence
V. J. Lynch
Jay L. Chambers
Norris files
Day files

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

AUG 30 1957 D.M.E.A.

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K- 8

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of JULY, 1957 Docket No. DMEA 4453 Contract No. Idn E 1036

Operator's Name CAROLINA MINING COMPANY Minerals MICA

Address P.O. Box 314, Franklin, N.C.

Contract Amount, $ 9,240 Government Participation: 75 % Amount, $ 3,930.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Dirt & Timber	none	270.00	270.00			
Sheet Mining	630.00	1620.00	2250.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	630.00	1890.00	2520.00	630.00	1890.00	2520.00

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

Date 8/8/57 *Payee CAROLINA MINING COMPANY

Per [signature] 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: 303.75

$ ~~[illegible]~~

Signature Helen R. Mellin (Authorized Certifying Officer)

Date AUG 28 1957 Vou. No. 36

(See other side)

15750

(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-1036 in accordance with the terms of the contract.

Signature S. Fitzler Title MINING ENGINEER U. S. BUREAU OF MINES Date AUG 12 1957

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA FIELD TEAM REGION V Date AUG 12 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 JULY 1957 Docket No. DMEA 4453 Contract No. Idm E 1036
Operator's Name CAROLINA MINING COMPANY Minerals MICA
Address P.O. Box 314, Franklin, 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: Muck & Timber	Ft.	none	none	270.00	15	18.00	15.00	18.00
Shaft Sinking	Ft.	630.00	14	2250.00	50	45.00	50.00	45.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Total Distributed Costs		630.00		2520.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		630.00		2520.00				

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

Date 8/8/57 Operator CAROLINA MINING COMPANY

Per [signature] 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)

S Feitler AUG 12 1957

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

NARRATIVE
MONTHLY REPORT FOR
July 1957

Contract No. Idm-E 1036
DMEA -4453 - Mica
Upper Clark
Jackson County, N.C.

CAROLINA MINING COMPANY
P.O. Box 314
Franklin, North Carolin

Date,	Discription of Work
1957	
1	Mucked.
2	Drilled and Blasted. - Mucked -
3	Mucked
4	No work
5	Drilled and blasted.
6	Mucked - Timbered.
8	Mucked - Lots of water - Trouble with pump
9	Drilled and blasted -
10	mucked. There is a nice white vein, which constitutes about half of the shaft.
11	Mucked
12	Drilled and blasted.
15	mucked - Timbered.
16	Mucked - Trouble with Pump -
17	Drilled and Blasted.
18	Mucked -
19	Mucked - Timbered -
22	Drilled and blasted.
23	No work - One man absent - Sick.
24	Mucked.
25	Drilled and blasted - Mucked.
26	Mucked.
29	Drilled and blasted.
30	Mucked - Drilled and blasted. Vein very hard.
31	Mucked.

The country rock is a fine-grained, garnetiferous biotite gneiss, a nd during the last 14 feet gained in this report it is highly fractured and the attitude of its foliation varies considerably. In the bottom of shaft at the 65 foot level the foliation is conformable. The thickness of Vein is over six feet. It is medium-grained qua rtz -feldspar rock. Muscovite occurs in the vein but is not a defined zone. Some of it is pure scrap and some of the blocks are good-stained material., but very few. Large red garnets occur. We haven't shot through to both sides of the vein as we are interested in completion of shaft which this reports covers and during August we will start crosscutting and can see what both sides of the vein look like. About 150 lbs of Mine Run Mica has been taken out. There has been a lot of water, but due to dry weather it isn't so bad now.

INTERIM REPORT

DMEA-4453, Idm-E1036, UPPER CLARK Mine
(mica)

Operator: Carolina Mining Co., P.O. Box 314, Franklin, North Carolina

Location: In Jackson County, 7.38 airlines miles N 35°E from the townsquare in Franklin, N.C.

Shaft sinking is virtually complete, as the present total depth is 64 1/2 feet (15 ft. rehabilitation, 49 1/2 ft new). Drifts are being started in both directions at about 63 1/2 ft; the shaft will be deepened about 2 or 3 feet (at Operator's own expense) to provide an adequate sump, as much water is flowing into the shaft.

About 3 1/2 ft of pegmatite is exposed at the shaft bottom, as the dip has carried the dike partly out of the shaft on the northeast side. The drifts will crosscut it at a slight angle until they are entirely in pegmatite, and then will follow the strike of the dike.

About 40 lbs. of mine-run block mica, of fair quality, was seen in the toolhouse. It is not known whether this represents all the mica recovered since the last inspection.

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Inspected: August 9-14, 1957.

DATE	INITIALS	CODE
8-19	C	220
19	Conc	100
20	Hank	600

F. G. Lesure and R. A. Laurence,
Geologists, Geological Survey

z

INTERIM REPORT

DMEA-4453, Idm-E1036 (mica) UPPER CLARK MINE

Operator: Carolina Mining Co., P. O.Box 314, Franklin, N. C.

Location: In Jackson Co., 7.38 airline miles N35°E from the town-square in Franklin, N. C.

Shaft sinking continues slowly on this contract, and the present depth in new ground is 44 feet. Pegmatite exposed in the shaft bottom is about 3 feet thick and is gradually dipping out of the shaft on the northeast side. The true thickness of the pegmatite at this depth is not known, but it is believed to be in excess of 5 feet. The contact with biotite gneiss country rock strikes N45°W and is near vertical. About 150 pounds of mine-run block in sizes up to 4 inches x 8 inches by 1 inch thick has been produced during the Interim. Heavy blasting, the presence of stain and the bent or curved characteristics of this mica will allow only a small return if this mica is processed.

Instructions were given for continued sinking to a total depth of 50 feet and for turning off drift levels when shafting is complete.

L. E. Shirley

L. E. Shirley and S. A. Feitler, Mining Engineers
U. S. Bureau of Mines

F. G. Lesure, Geologist
U. S. Geological Survey

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DMEA
RECEIVED AUG 5 1957

DATE	INITIALS	CODE
8/5	Com	100
8/6	Hawk	

Date inspected:

July 25, 1957

INTERIM REPORT

DMEA-4453, Idm-E1036 (mica) UPPER CLARK MINE

Operator: Carolina Mining Co., P. O.Box 314, Franklin, North Carolina

Location: In Jackson County, 7.38 airline miles N35°E from the town square in Franklin, North Carolina

Shaft sinking continues on this contract, and total depth reached is 56 feet, which includes 15 feet of rehabilitated shaft. No change was noted in the mineralogy or thickness of the body from that reported earlier. About 100 pounds of poor grade muscovite, containing stain and bent or curved rather badly, was produced during the Interim. Instructions were given for continued sinking to a total depth of 50 feet in new ground. Recent progress on this contract is satisfactory.

L. E. Shirley

L. E. Shirley and S. A. Feitler
Mining Engineers
U. S. Bureau of Mines

D. H. Amos, Geologist
U.S. Geological Survey

Date inspected:

July 12, 1957

OFFICIAL FILE COPY
DMEA
RECEIVED JUL 22 1957

DATE	INITIALS	CODE
7 22	C	220
22	Com	100
7/22	Hook	600

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
7/18	Anderson	600
7/18	Houk	600
7/19	Martin	130
"	Johnson	100
"	Matthewson	200
7/22	P.K.	220
		600

600

JUL 22 1957

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

Re: Docket No. DMEA-4453-Mica
Carolina Mining Company
Roy H. Fouts and William Dinnes
Upper Clark Mine
Jackson County, North Carolina
Contract No. Idm-E1036

Dear Mr. Laurence:

Reference is made to the narrative portion of the subject Operator's Monthly Report for June, 1957.

This is a good example of a narrative report that definitely does not contain the desired information. We are interested in the results of the work, particularly the amount of mica recovered and the Operator's description and evaluation of the deposit.

It will be appreciated if, in cases like this one, the examining engineers when visiting the projects, would request the Operators to submit more satisfactory narrative reports.

Sincerely yours,

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

Approved:

O. M. Bishop (SHB)
Member, Bureau of Mines

Thor H. Kiilsgaard (SHB)
Member, Geological Survey

WCAnderson:rsi 7/18/57
Copy to: Admr. R. File
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

EA FORM 6 REFERENCE SLIP

EV. 12-56 EFENSE MINERALS EXPLORATION A NISTRATION

O:	INITIALS	DATE
1. ~~[illegible]~~		
2. 600		2/16
3.		
.		
OM:		

R: Check items for action desired

_ Action ____ Reply for signature of _____

_ Approval ____ Investigate ____ Surname

_ Comment ____ Recommendations ____ Signature

_ Conference ____ Rewrite ____ File

_ Instructions Your information

ARKS:

Form MF-10[illegible] (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- 2

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of June, 195 7 Docket No. DMEA 4458 Contract No. Idn E 1036
Operator's Name CAROLINA [illegible] CO MINING COMPANY Minerals Lead
Address P.O. Box 314, Franklin, N.C.
Contract Amount, $ 5,240.00 Government Participation: 75% Amount, $ 3,930.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting Mat'l & Labor	none	270.00	270.00			
Shaft Sinking	720.00	1125.00	1845.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	720.00	1395.00	2115.00	720.00	1395.00	2115.00

RECEIVED JUL 5 1957 D.M.E.A.

RECEIVED JUL 15 1957 D.M.E.A.

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 6-30-57 *Payee CAROLINA MINING COMPANY
Per Roy W. Bates 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:
$ 540.00
Signature Helen R. Miller
(Authorized Certifying Officer)
Date JUL 12 1957 Vou. No. 6
(See other side)

180.00

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E-1036 in accordance with the terms of the contract.

Signature S. C. Bergman Title GEOLOGIST, U. S. G. S. Date JUL 1 1957

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA FIELD TEAM REGION V Date JUL 2 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 June 1957 Docket No. DMEA 4453 Contract No. Idm E 1083

Operator's Name CAROLINA [illegible] COMPANY Minerals Mica

Address P.O. Box 314, Franklin, 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: Joe G Hendon	FT	none	none	270.00	15	18.00	15.00	18.00
Shafts: Chris Sinking	FT	720.00	16	1845.00	33	45.00	50	45.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		720.00		2115.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		720.00		2115.00				

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 6-30-57 Operator CAROLINA MINING COMPANY

Per Roy N. Fowler 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 JUL 15 1957 D.M.E.A.

RECEIVED JUL 5 1957 D.M.E.A.

S. C. Bergman
GEOLOGIST, U. S. G. S. JUL 1 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

NARRATIVE
MONTHLY REPORT FOR
JUNE 1957

CAROLINA MINING COMPANY
P.O. Box 314
Franklin, North Carolina

Contract No. Idm-E 1036
DMEA - 4453 - Mica
Upper Clark
Jackson County, N.C.

Date	Discription of Work
1957	
June 1	- No work - Pumped Water.
" 2	- No Work.
" 3	- Drilled and Blasted.
" 4	- Mucked - trouble with pump.
" 5	- Mucked.
" 6	- Mucked - Rained, had to installed another pump.
" 7	- Timbered - one round.
" 8	- No work - Pump trouble. Lots of water.
" 9	- No work - worked on pump and float switch.
" 10	- Drilled and blasted,
" 11	- Mucked.
" 12	- Mucked.
" 13	- Timbered one round. Put in man-way.
" 14	- Drilled and blasted., Pump trouble.
" 15	- No work
" 16	- No work
" 17	- Mucked.
" 18	- Drilled and blasted.
" 19	- Mucked.
" 20	- Drilled and blasted.
" 21	- Mucked, timbered - trouble with Pump
" 22	- No Work.
" 23	- Pump and Float Switch Completely under water - Trouble. Installed another Pump and float switbh and Dewatered Mine.
" 24	- Mine clear of water but lots of sloppy muck.
" 25	- Finished mucking and drilled and blasted.
" 26	- Mucked - Put in timber.
" 27	- Drilled and blasted. Mucked.
" 28	- Mucked - Put in timber. - Rain and loss of it.
" 29	- No work. - Checked Pump. Connected up auxiliary Pump.
" 30	- Not work - Checked Pump. - Mucked.- Timbered.
"	

EXTRA COPY
DMEA
RECEIVED JUL 5 1957

DATE	INITIALS	CODE
7/16	[illegible]	600

EXTRA COPY
DMEA
RECEIVED J 1957

DATE	INITIALS	CODE

What about results

INTERIM REPORT

DMEA-4453, Idm-E1036 (Mica) Upper Clark Mine

Operator: Carolina Mining Company, P. O. Box 314, Franklin, N. C.

Location: In Jackson County, 7.38 airline miles N35°E from the Townsquare in Franklin, N.C.

Shaft sinking continues slowly on this contract and, coupled with 15 feet of rehabilitated shaft, totals 51 feet. Solid cribbing extends from a point near the surface to within 1 ft. of the present bottom. A partitioned manway containing ladders and landings extends to near bottom. Shaft sinking is proceeding in hard country rock and pegmatite. The pegmatite is at lease 5 feet thick and appears to be gradually dipping out of the shaft on the northeast side. The body is composed of a quartz core flanked by a narrow zone of feldspar-mica pegmatite flanking the southwest side of the core. Only a few pounds of mica have been produced during the interim. Instructions were given for continued shaft sinking.

Messrs F. Gervosio and J. Pilac, I.C.A. participants from the Phillipines, accompanied the field examiners on this visit to the mi

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DMEA
RECEIVED JUL 5 1957

DATE	INITIALS	CODE
7/5	C	220
7/5	Conn	100
7/	Zook	600

L. E. Shirley

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

S. C. Bergman

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

June 27, 1957

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
6/21	Anderson	600
6/21	Houk	600
		120

June 21, 1957

Memorandum

To: Mr. C. O. Mittendorf, Administrator

From: L. G. Houk, Director, Division of Nonmetallic Minerals

Subject: Amendment No. 2 - Docket No. DMEA-4453-Mica
Carolina Mining Company
Roy H. Fouts and William Dinnes
Upper Clark Mine
Jackson County, North Carolina
Contract No. Idm-E1036

The Division of Nonmetallic Minerals concurs in Amendment No. 2 to the subject contract as written and executed in the field. This amendment extends the completion of the work from August 1, 1957, to December 1, 1957, and the maximum period for royalty payments and lien to secure the payment thereof is extended to eleven years from the date of the contract.

Amendment No. 2 is necessary because the job was recessed during the winter due to inclement weather and was not resumed until sometime in May of this year. However, at the present time the work is proceeding at a satisfactory rate.

W. C. Anderson

W. C. Anderson
Division of Nonmetallic Minerals

WCAnderson:gad 6/21/57
Copy to: Admr. R. File
Mr. Houk

8623

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1810 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

OFFICIAL FILE COPY
DMEA
RECEIVED JUN 20 1957

DATE	INITIALS	CODE
6/20	JWD	220
		130
		600

June 18, 1957

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Amendment No.2. DMEA-4453, Idm-E1036-mica.
Carolina Mining Company, Upper Clark Mine, N. C.

Transmitted are three signed copies of the subject amendment.

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

Robert A. Laurence

Robert A. Laurence

OFFICIAL FILE COPY
DMEA
RECEIVED JUN 24 1957

DATE	INITIALS	CODE
6/25	C	220
6/25	CBM	100
6/26	Hrch	600

INTERIM REPORT

DMEA-4453, Idm-E-1036, Upper Clark Mines
(mica)

Operator: Carolina Mining Co., P. O. Box 314, Franklin, North Carolina

Location: In Jackson Co., 7.38 airline miles N35°E from the town square in Franklin, North Carolina

Shaft sinking continues on this contract and total depth reached to date is 45 feet, which includes 15 feet of rehabilitation. Work during the Interim has been hampered by heavy rains with resultant heavy flow of water and mud into the shaft. The operator has found it almost impossible to divert the water from the shaft during wet weather which has added considerable expense to the operation.

The present shaft bottom shows a pegmatite thickness of at least 6.5 feet containing a quartz core 3 feet thick flanked by zones of feldspar-mica 1 to 2.5 feet thick. A few pieces of excellent quality ruby mica was recovered near the quartz core and in the southwest flanking zone. Considerable chubby and badly bent mica was reported to have been recovered from this same zone, but at a slightly higher level in the shaft. Instructions were given for continued shaft sinking for an additional 20 feet.

The shaft has been cribbed solid to near the present bottom. Permanent ladders have been installed in the separated manway with the exception of the last section.

Inspected: June 13, 1957

L. E. Shirley

L. E. Shirley, Mining Engineer
Bureau of Mines

S. C. Bergman

S. C. Bergman, Geologist
Geological Survey

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

EXTRA CO
D M E A
RECEIVED JUN 26

DATE	INITIALS	
6/20	Hark	600

June 18, 1957

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Amendment No.2. DMEA-4453, Idm-E1036-mica.
Carolina Mining Company, Upper Clark Mine, N. C.

Transmitted are three signed copies of the subject amendment.

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

Robert A. Laurence

ZM.
cc
Lynch
Finance Office
Shirley
Files

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- 74

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of May, 1957 Docket No. DMEA 4453 Contract No. Idm-E-1036
Operator's Name CAROLINA MINING COMPANY Minerals Mica
Address P.O. Box 314, Franklin, N.C.
Contract Amount, $ 5,240.00 Government Participation: 75 % Amount, $ 3,930.00

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						
Crosscutting						
Drifting						
MUCK & TIMBER	none	270.00	270.00			
SHAFT SINKING	900.00	225.00	1125.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	900.00	495.00	1395.00	900.00	495.00	1395.00

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

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

Date 5-31-57 *Payee CAROLINA MINING COMPANY

Per [signature] 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:

$ 675.00

Signature [signature]
(Authorized Certifying Officer)

Date JUN 10 1957 Vou. No. 196
(See other side)

225.00

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E-1036 in accordance with the terms of the contract.

Signature V. J. Lynch Title MINING ENGINEER ~~U. S. BUREAU OF MINES~~ Date JUN 3 1957

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA FIELD TEAM REGION V Date JUN 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 May 1957 Docket No. DMEA 4453 Contract No. Idm E-1036

Operator's Name CAROLINA MINING COMPANY Minerals Mica

Address P.O. Box 314, Franklin, 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								
MUCK & TIMBER	Ft.	none	none	270.00	15	18.00	15	18.00
Shafts								
SHAFT SINK	Ft	900.00	20	1125.00	25	45.00	50	45.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		900.00		1395.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		900.00		1395.00				

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 5-31-57 Operator CAROLINA MINING COMPANY

Per Ray H. Smith 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)

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

NARRATIVE
MONTHLY REPORT FOR
MAY 1957

CAROLINA MINING COMPANY
P.O. Box 314
Franklin, North Carolina

Contract No. Idm-E-1036
DMEA - 4453 - Mica
Upper Clark
Jackson County, N.C.

Date	Description of Work
May 57	
1 -	Worked on Power Line.
2 -	Worked on Power Line.
3 -	Conncected up Pump.
4 -	Put in Float Switch.
6 -	Started Pumping Water.
7 -	Pumped Mine Clear.
8 -	Mucked.
9 -	Pumped Water - Pump Trouble
10-	Drilled & blasted
11-	Mucked
13-	Timbered, mucked - Lots of water
14-	mucked - pump trouble - settlings covered up foot valve-
15-	mucked - Set up blower - compressor trouble -
16-	Drilled & Blasted - Timbered
17 -	Visited by Field Team - Mucked
18 -	Mucked
19 -	Pumped Water - Pump Quit
20 -	Mucked - drilled & blasted
21 -	mucked and timbered
22 -	drilled & blasted
23 -	mucked - machinery working fine.
24 -	mucked - drilled & blasted
25 -	mucked
26 -	Pumped Water - Had Pump Trouble
27 -	mucked - drilled & blasted
28 -	mucked & timbered.
29 -	drilled & blasted.
30 -	mucked - Visited by Field Team - Drilled & blasted.
31 -	Mucked - Timbered

RECEIVED
JUN 3 - 1957
U. ...
Concord, N.C.

INTERIM REPORT

DMEA-4453, Idm-E1036 (Mica) UPPER CLARK MINE

Operator: Carolina Mining Co., P. O. Box 314, Franklin, N. C.

Location: In Jackson Co., 7.38 airline miles N35°E from the townsquare in Franklin, N. C.

Shaft sinking continues on this contract and the present depth is 42 feet, which includes 15 feet of rehabilitation. The work is being hampered by loose mud and silt working into the shaft and by considerable water. No mica of any consequence has been produced to date. Sinking will continue in pegmatite.

The shaft has been cribbed solid to near bottom and is in good shape. Recent progress on this contract is 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 30, 1957

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DMEA
RECEIVED JUN 7 1957

DATE	INITIALS	CODE
6/7	ZWB	220
10	CGM	100
12	[illegible]	

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DATE	INITIALS	CODE
5/24	C	220
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5/28	H	

INTERIM REPORT

DMEA-4453, Idm-E1036 (mica) UPPER CLARK

Operators: Carolina Mining Company, a partnership composed of Roy H. Fouts and William Dinnes, P.O. Box 314, Franklin, North Carolina.

Location: In Jackson County, 7.38 airline miles N 35° E from the town square in Franklin, Macon County, N. C.

Work has been resumed on this project, and when visited 20 feet of shaft had been sunk in addition to the 15-feet of rehabilitation. A total of 35 feet has been cribbed solid through muck and old works into solid pegmatite. Progress on this contract has been slow, but is presently proceeding at a satisfactory rate.

Inspected: May 17, 1957.

Wm. A. Beck, Mining Engineer
Bureau of Mines

S. C. Bergman, Geologist
Geological Survey

z

INTERIM REPORT

DMEA-4453, Idm-E1036 (Mica) UPPER CLARK MINE

Operator: Carolina Mining Co., P. O. Box 314, Franklin, N. C.

Location: In Jackson Co., 7.38 airline miles N35°E from the townsquare in Franklin, N. C.

Shaft sinking is underway after a delay awaiting installation of a power line. The mine was dry at the time of this visit, but no measurable progress had been made because of loose material that had washed into the shaft during the delay period. Instructions were given for continued sinking in pegmatite.

The shaft has been cribbed solid to a point near the present bottom and contains a separated manway with ladders.

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

May 3, 1957

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DMEA
RECEIVED MAY 1957
DATE | INIT. | CODE
5/13 | 7 W.H. | 220
14 | COM | 100
14 | H | 600

INTERIM REPORT

DMEA-4453, Idm-E 1036 (mica) Upper Clark Mine

Operator: Carolina Mining Company, a partnership composed of Roy H. Fouts and William Dinnes. P. O. Box 314, Franklin, North Carolina.

Location: In Jackson County, 7.38 airline miles N 35° E from the townsquare in Franklin, North Carolina.

This project was started on January 7, 1957. After doing 15 feet of rehabilitation and sinking 5 feet of shaft the job was recessed due to inclement winter weather and awaiting installation of an electric power line. Resumption of work is expected by the first of the month. The shaft was full of water when visited.

Wm. A. Beck, Mining Engineer
U. S. Bureau of Mines

Inspected: March 20, 1957

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DATE	INITIALS	CODE
3/27	C	220
"	Com	100

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

February 20, 1957

Memorandum

To: Mr. C. O. Mittendorf, Administrator

From: L. G. Houk, Chief, Nonmetallic Minerals Division

Subject: Amendment No. 1 - Docket No. DMEA-4453-Mica
Carolina Mining Company
Roy H. Fouts and William Dinnes
Upper Clark Mine
Jackson County, North Carolina
Contract No. Idm-E1036

The Nonmetallic Minerals Division concurs in Amendment No. 1 to the subject contract as written and executed in the field. This amendment extends the date of commencement of work from January 1, 1957 to January 10, 1957.

Amendment No. 1 is necessary because of inclement weather which made it impossible to get equipment to the property by January 1, 1957.

W. C. Anderson
W. C. Anderson
Nonmetallic Minerals Division

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

February 15, 1957

OFFICIAL FILE COPY
DMEA
RECEIVED FEB 18 1957

DATE	INITIALS	CODE
2-18	C	220
	cs	130
		220

Memorandum

To: Operating Committee, DMEA- Washington

From: Acting Executive Officer, DMEA - Region V

Subject: Amendment No.1, Idm-E1036, DMEA-4453, (mica)
Carolina Mining Co., Franklin, N.C.

Transmitted are three signed copies of the subject amendment.

This amendment was necessary due to inclement weather, making it impossible to get equipment to the project site.

The usual distribution of the other copies has been made.

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

z

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- 48

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of January, 1957 Docket No. DMEA 6453 Contract No. 10m E 1036
Operator's Name CAROLINA MINING COMPANY Minerals MICA
Address P.O. BOX 314, Franklin, N.C.
Contract Amount, $ 5,240.00 Government Participation: 75 % Amount, $ 3,930.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Shaft-Muck & Timber	270.00	none	270.00			
Shaft-Sinking	225.00	none	225.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	495.00		495.00	495.00		495.00

RECEIVED FEB 15 1957 D.M.E.A.

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

Date 2/15/57 *Payee CAROLINA MINING COMPANY

Per William Dunne Title Roy H. Jacobs

*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:

$ 371.25

Signature Helen R. Miller
(Authorized Certifying Officer)

Date FEB 14 1957 Vou. No. 132

(See other side)

122.75

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No: E-1036 in accordance with the terms of the contract.

Signature W. J. Lynch Title MINING ENGINEER U. S. BUREAU OF MINES Date FEB 7 1957

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REG. OFFICE Date FEB 7 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

RECEIVED FEB 15 1957 D.M.E.A.

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

Month of January 1957 Docket No. DMEA 6057 Contract No. Kcn 3 2036
Operator's Name CAROLINA MINING COMPANY Minerals MICA
Address P.O. Box 334, Franklin, 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 Thos. A. Barber Inc.		270.00	15	270.00	15	18.00	15	18.00
Winzes Shaft Sink	Ft.	225.00	5	225.00	5	45.00	50	45.00
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		495.00		495.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		495.00		495.00				

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 2/5/57 Operator CAROLINA MINING COMPANY

Per William Dinner Title Treas. & Secy.

REMARKS:

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

(Instructions on reverse)

(For Government use only)

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

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DATE | INITIALS | CODE

NARRATIVE
MONTHLY REPORT FOR
JANUARY 1957

Contract No. Idm-E 1036
DMEA - 4453 - MICA
Upper Clark
Jackson County, N.C.

CAROLINA MINING COMPANY
P.O. BOX ##### 314
Franklin, North Carolina

1957

January-7-Sta rted moving equipment to mine.
8-Moved compressor and started building tool house.
9- Moved in Hoist, worked on tool house.
10- Set up Boom Pole, Finished tool house, hauled timber for mine.
11- Drilled and blasted rock away to start removing much and timbering a two-compartment shaft to bottom of old workings.
12- Built Exploder Magazine., sharpened saw, measured and laid out the shaft.
13- No work.
January14- Diverted water from shaft,(surface branch).
15- Started timbering shaft and removing muck.
16- Built Dyanmite Magazine, worked on shaft, removing muck and timbering.
17- Removed muck and timbered. Completed 10 feet.
18- Set up Hoist and started hoisting muck, and timbering.
19- Started pumping water, mucking and timbering.
20- No work.
January21- Rained and sleeted, but we hoisted muck and timbered.
22- Rained but very cold, mucked and timbered.
23- Drilled, blasted, mucked.
24- Timbered, Drilled, blasted, mucked.
25- Rained - No work.
26- Rained- no work.
27- Rained- no work.
January28- Timbered- completed 18 Feet.
29- Drilled, blasted, mucked.
30- Rained, timbered,
31- Rained, timbered, and completed 20 feet.

RECEIVED
FEB 7 - 1957

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 9, POST OFFICE BLDG.
KNOXVILLE 2, TENNESSEE

WASHINGTON 25, D. C.

November 20, 1956

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Signed contract - Idm-E1036, DMEA-4453 (mica)
Carolina Mining Co. Franklin, N.C.
Upper Clark Mine, Jackson County, N.C.

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

Robert A. Laurence
Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION V

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

Docket Copy
Surname:
Anderson
Houk
Talbert
Selfridge
Johnson

B

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

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

NOV 9 1956

Re: Docket No. DMEA-4453-Mica
Carolina Mining Company
Roy H. Foots and William Dinnes
Upper Clark Mine
Jackson 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), two Consents to Lien and Subordination Agreements, Exhibit (A) (1 page), 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 October 25 and November 5, 1956, by Mr. N. E. Nelson, USGS, and Mr. Donald R. Irving, USBM, respectively, relating to the project are enclosed.

Sincerely yours,

Approved:

Frank D. Lamb
Member, Bureau of Mines

George C. Selfridge
Chairman, Operating Committee

Thor H. Kiilsgaard
Member, Geological Survey

Enclosures 12

WCAnderson:gad 11/7/56
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

RCL

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

A

November 5, 1956

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

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

Subject: DMEA-4453 (mica)

Applicant: Carolina Mining Co.

Name and Location of Property: Upper Clark Mine, Jackson County, N. C.

Date of Field Team Report: 10/18/56

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 10/25/56

Field Team Recommendation: Recommend approval of exploration program on a unit-cost contract basis.

Comments:

1. An open cut exposes a seven foot thick muscovite bearing pegmatite.
2. Ruby mica of good quality was observed in abundance on old dumps.
3. Although the pegmatite on the nearby Clark prospect pinched out at 29 feet, this deposit appears to have possibilities for the development of strategic mica.

Recommendation:

I concur with the recommendation of the Field Team.

Donald R Irving
Donald R. Irving

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

IN REPLY REFER TO:

RECEIVED NOV 1 1956 D.M.E.A.

October 25, 1956

A

Re: DMEA 4453
Carolina Mining Co.
Upper Clark Mine
Jackson Co., N. C.
Appl. Est. $6,750.00
Rec'd. Est. 5,723.00
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 7-foot pegmatite by shaft sinking and drifting. The pegmatite is exposed in a trench. No large books of mica are now visible in the pegmatite, but the dump contains abundant muscovite, and it is inferred strategic mica exists in the intermediate zone next to a quartz lens.

The examiners and the Field Team recommend a work program consisting of 50 feet of shaft sinking and 80 feet of drifting at an estimated cost of $5,723.00.

I concur with the recommendation.

N. E. Nelson

N. E. Nelson

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 204, POST OFFICE BLDG.
KNOXVILLE 2, TENN.

RECEIVED
OCT 22 1956

October 18, 1956

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Field Examination Report, DMEA-4453-Mica.
Carolina Mining Co., Franklin, N.C.
Upper Clark Mine, Jackson County, N.C.

Enclosed are four copies of the subject examination report, and nine extra copies of each of the two maps.

The target appears sufficiently promising to justify exploration, and we recommend approval of a contract (preferably unit-cost) for the work outlined in the report.

Use of the word "rehabilitate" on page 3 may be confusing. The "rehabilitation" portion of the proposed work actually consists of sinking a new shaft through about 15 feet of muck in the bottom of the old trench.

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

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

ON-SITE EXAM.

Reviewed by
DMEA OPERATING COMMITTEE
10-26-56
(date)

RECEIVED
OCT 22 1956

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

EXAMINATION REPORT, FIELD TEAM
REGION V

On

DMEA-4453 (mica) UPPER CLARK MINE
Jackson County, N.C.

By

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

and

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

Reviewed by
DMEA OPERATING COMMITTEE
10-26-56
(date)

FIELD EXAMINATION REPORT

On

RECEIVED
OCT 22 1956

DMEA-4453, (mica) UPPER CLARK MINE
Jackson County, N. C.

Applicant: Carolina Mining Company, P.O. Box 314, Franklin, N.C.

Summary

An open cut in hard rock exposes a mica pegmatite that is 7 feet ± thick. Muscovite in the dump material is ruby, hard, clear, and generally flat, with some minor bending. The Field Examiners recommend a unit-cost exploration program.

Introduction

Location:

The Upper Clark Mine is 7.38 airline miles N 35° E from the town square in Franklin, Jackson County, North Carolina. It is about 600 feet northwest of, and upstream from, the Clark Mine, (DMEA-4224). Topographically it is situated in a narrow intermittent stream vally between two steep hillsides. (Greens Creek, N.C., TVA Quad.,1/24,000).

Examination, Facilities, and Access.

The mine was examined October 5, 1956 in the company of Mr. Roy H. Fouts, one of the partners in the Carolina Mining Company. One hour was spent on the property.

Facilities nearby include a toolhouse (built under DMEA-4224) and explosive magazines.

Access is excellent by jeep road from U. S. Highway 23.

Leased Area and Applicants

The 500-foot square leased area seems adequate for the proposed exploration. (see attached map). The area overlaps the two properties.

The Carolina Mining Company has had two recent contracts with DMEA (DMEA-4224 and DMEA-4205) which were operated in a safe,

efficient manner. The Company now has an application (Wilson mine, DMEA-4387) now being processed.

History and Workings

The early history is not known. It is known, however, that the mine was worked by Mr. H.A. Lawhead, of Sylva, N.C., during World War II. It is "reported" that Lawhead was not paying the landowners royalty that was due and therefore was forced to quit working.

An open cut in very hard, unweathered rock, exhibits a pegmatite that is 7 feet ± thick. The cut is about 50 feet long, 5 to 10 feet wide, and 10 feet deep to the muck covered floor. It is estimated to contain 5 to 15 feet of muck. The cut trends N 40° W with the strike of the pegmatite body.

Geology

Pegmatite

A feldspathic mica pegmatite, 7 feet ± thick, is exposed on the walls of the open cut and at the northwest end. It strikes N 40° W and has a nearly vertical dip except for minor undulations. The unweathered pegmatite is composed essentially of plagioclase, quartz, and muscovite with a little microcline. In the northwest end, the exposed body is 6 feet thick, and concordant with the foliation of the enclosing gneiss, but is cut in the center by a 2 foot inclusion of country rock.

No large books of mica were left in place; only the smaller crystals in the fine-grained wall zone remain. The ~~dump~~ dump exhibits massive white quartz, feldspar (some crystals of white microcline up to 4 in. long), and abundant muscovite.

Muscovite:

Strategic muscovite probably exists in the pegmatite's intermediate zone next to a quartz lens.

Ruby muscovite of good quality was observed in abundance on the old dumps and in some blocks of muck in the cut. Of that observed, most was flat, hard, and clear, but perhaps 20 to 30 percent was bent or curved at the edges of the crystals. Bending was the chief defect noted. Ruling seemed to be very minor, while staining was rare.

Conclusions and Recommendations

This prospect shows promise for outlining reserves and the production of strategic mica. The Field Examiners recommend

the following exploration program:

Rehabilitate an existing 15 foot shaft location, sink an additional 50 feet of shaft, and from the shaft bottom drive 80 feet of drift. A toolhouse and magazines, owned by the applicant, on nearby property will be used on this project if a contract is prepared.

Estimated Costs:

Rehabilitate 15 feet of existing trench, including muck removal, and timber a 2-compartment shaft, 5' x 7' in cross-section to the bottom of the old workings (5 shifts)

Labor:

1 - Foreman-Miner @ $1.75/hr.	70.00
1 - Hoistman @ $1.50/hr.	60.00
1 - Laborer @ $1.00/hr.	40.00

Equipment (rental)

1-Gasoline powered Hoist @$50/Mo.	12.50
1 - 105 c.f.m air compressor @ $200/Mo.	50.00
1 - Sump pump @ $85/Mo.	21.50

Supplies:

Gasoline and oil	10.00
Explosives	15.00
Drill steel	6.00
Timber - 750 b.f. @ $65/M	49.00
Miscellaneous	5.00

($22.60/ft.) Estimated cost of Rehabilitation $ 339.00

Sink an additional 50 feet of vertical or inclined shaft, 5' x 7' in cross-section with separated manway and partion (33 shifts)

Labor:

1 - Foreman-Miner @ $1.75/hr.	$462.00
1 - Hoistman @ $1.50/hr.	396.00
1 - Laborer @ $1.00/hr.	264.00

Equipment (rental)

1 - 105 c.f.m Air Compressor @ $200/Mo.	$340.00
1 - air rock drill/w/hose @ $40/Mo.	68.00
1 - Single drum hoise @ $50/Mo.	85.00
1 - Air sump pump @ $85/Mo.	144.00

Supplies:

Gasoline and oil	100.00
Explosives	150.00
Drill Steel	90.00
Timber - 1500 b.f. @ $65/M	97.50
Small tools, pipe, etc.	100.00
Liability Ins. & Social Security	125.50
Sales Tax	16.00

($48.76/ft) Estimated cost of shaft sinking $2,438.00

Drive 80 feet of drift 5' x 7' in Cross-section and timber where necessary (40 shifts)

Labor:

1 - Foreman-Miner @ $1.75/hr.	560.00
1 - Hoistman @ $1.50/hr.	480.00
1 - Laborer @ $1.00/hr.	320.00

Equipment (rental)

1 - Air Compressor @ $200/Mo.	400.00
1 - Hoist-gasoline powered @ $50/Mo.	100.00
1 - Rock drill w/hose @ $40/Mo.	80.00
1 - Electric pump @ $75/Mo.	150.00
1 - Jackleg (air) @ $25/Mo.	50.00

Supplies:

Gasoline and oil	140.00
Explosives	220.00
Drill steel	120.00
Timber- 1000 b.f @ $65/Mo.	65.00
Small tools, pipe, etc.	90.00
Liability Ins & Social Security	152.00
Sales Tax	19.00

($36.83/ft) Estimated cost of drifting..... $2,946.00

Estimated Total Cost of Project..... $5,723.00

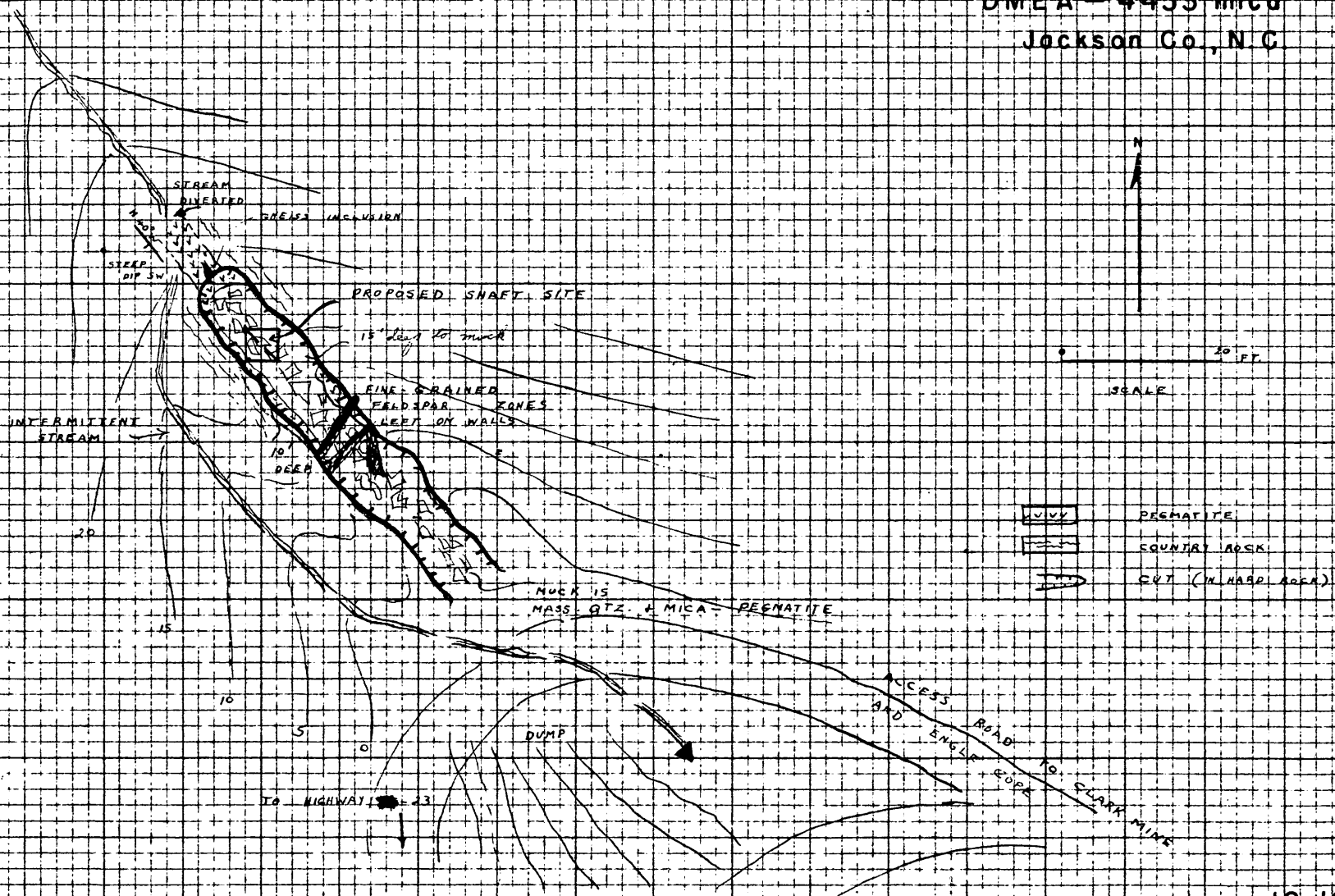
A. R. Taylor, Geologist
Geological Survey

L. E. Shirley, Mining Engineer
Bureau of Mines

UPPER CLARK MINE

DMEA — 4453 mica

Jackson Co., N.C.



10-10-56

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

DOCKET COPY
Surname:
Anderson
Hoyt
Selfridge
Jefferson

SEP 26 1956

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

Re: Docket No. DMEA-4453-mica
Carolina Mining Company
Roy H. Fouts and William Dimmes
Upper Clark Mine
Jackson 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 September 11 and 20, 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 (WB)

Approved:

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

Thor H. Kiilsgaard (WB)
Member, Geological Survey

WCAnderson:ms 9/24/56
Copy to: Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Admr. R. File

Enclosures: 4

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

DOCKET COPY
Surname:
Anderson
Hyde
Lamb
Kielsgaard
Selfridge
Johnson

SEP 2 6 1956

Carolina Mining Company
P. O. Box 314
Franklin, North Carolina

Re: Docket No. DMEA-4453-mica
Carolina Mining Company
Roy H. Fouts and William Dinnes
Upper Clark Mine
Jackson County, North Carolina

Gentlemen:

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.

Pursuant to your request, we are returning herewith the notarized, original Cox lease.

Sincerely yours,

C. O. Mittendorf

Administrator

Enclosure
WCAnderson:ms 9/24/56
Copy to: Docket
Operating Committee
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Admr. R. File

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

RECEIVED

September 20, 1956

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

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

Subject: DMEA-4453 (mica)

Applicant: Carolina Mining Co. (R. H. Fouts & Wm. Dinnes)

Name and Location of Property: Upper Clark Mine, Jackson County, N. C.

Date Application Rec'd. by Br. of Ceramic & Fertilizer Materials: 9/10/56

Comments:

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

2. Total estimated costs are in the amount of $6,750.00.

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.

September 11, 1956

RECEIVED
SEP 12 1956

Re: DMEA 4453
Carolina Mining Co.,
Upper Clark Mine
Jackson Co., N. C.
$6,750.00 - Mica

Memorandum

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

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

Subject: Review of application.

The applicant (a partneship) requests assistance in exploring a pegmatite by shaft sinking and drifting. The pegmatite, 5 feet in wide, has been exposed in an open cut and some mica is reported to have been mined.

Referral of the application to the Field Team is recommended.

N. E. Nelson

N. E. Nelson

September 10, 1956

Carolina Mining Co.
P. O. Box 314
Franklin, N. C.

Subject: DMEA-4453
Re: Exploration Assistance
Upper Clark Mine

Gentlemen

The receipt of your application dated September 1, 1956 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA-4453 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 Kaufman~~, Chief
Operations Control and
Statistics Division

September 10, 1956

Memorandum

To: Executive Officer, DMEA Field Team, Region V

From: Chief, Operation's Control and Statistics Division

Subject: Assignment of Docket Number

There is listed below the assigned docket number to an application recently received from Region V.

DMEA

-4453 Carolina Mining Co.
Upper Clark Mine

Robert E. Adams
~~Allen S. Dakan~~
~~Chief, Operation~~'s Control
and Statistics Division

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

RECEIVED
SEP - 6 1956

September 4, 1956

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region V

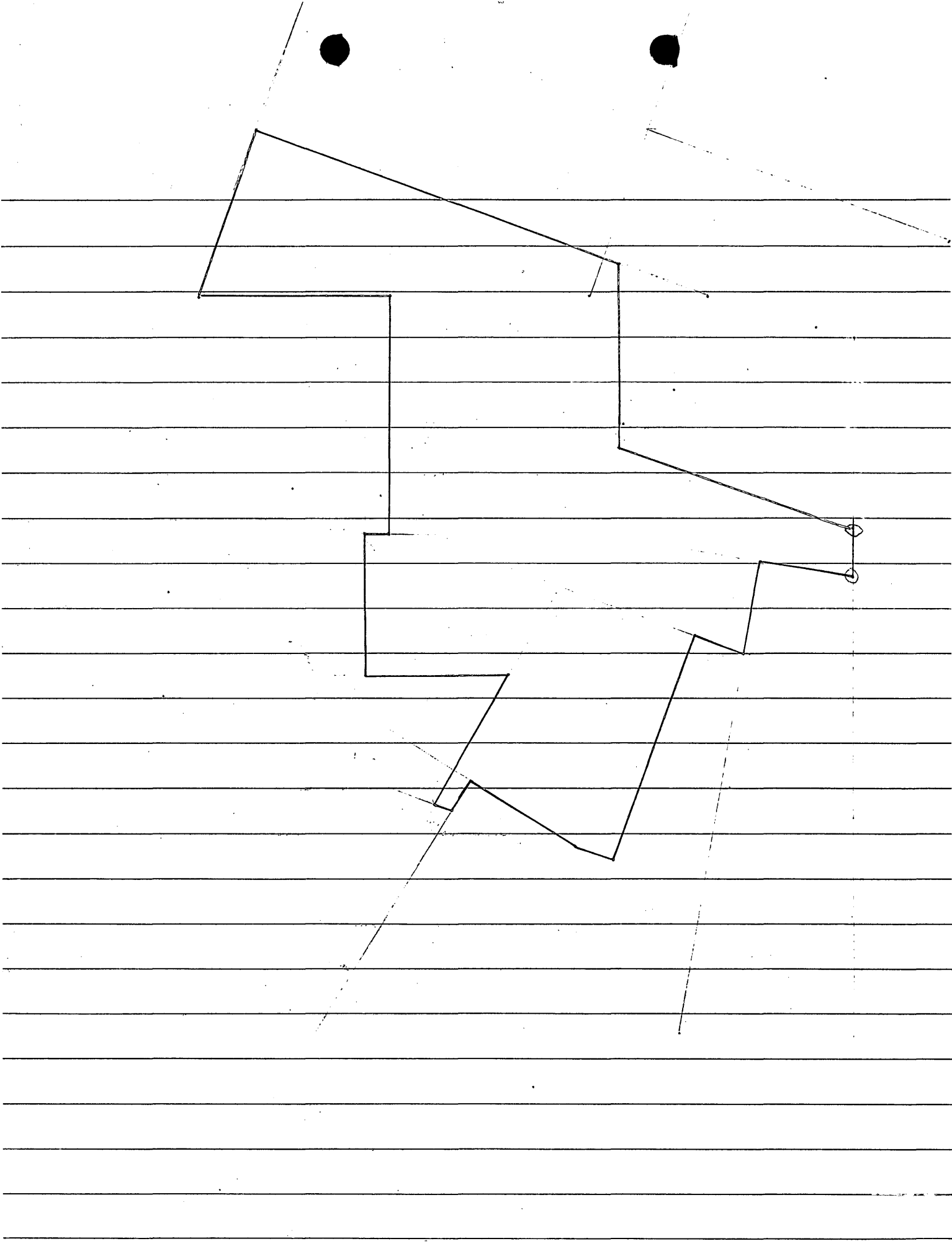
Subject: Application from Carolina Mining Co. Upper Clark Mine, Jackson County, N. C. (mica)

Enclosed are 3 copies of the subject application with five signed copies of each lease. We are keeping the fourth copy of the application.

Please note that the applicant requests return of the Cox lease, which is the notarized original.

Robert A. Laurence

Robert A. Laurence



Memorandum

To: File

From: Walter C. Anderson, Nonmetallic Minerals Division

Subject: Evaluation of application and field examination report.

Docket No. OMEA-4453-Mica

Roy H. Fouts and William Dennis

d/b/a Carolina Mining Company

Upper Clark Mine

Jackson County, North Carolina

A contract is recommended

Mica: Strategic grading, ruby, most is flat, hard, and clear. Bending is the chief defect, ruling is indicator, and staining is rare.

Pegmatite: Unweathered, hard, averaging about 7 feet in thickness, concordant with foliation of enclosing gneiss, exposed over a length of 50 feet. Composed of plagioclase, quartz, muscovite and a little microcline

Old Workings: Open cut, 50 feet long by 5 to 10 feet wide by 10 feet deep to smooth covered floor.

Method of exploring:

1. Proposed by applicant -

65 feet of shaft @ $50/ft.	$3,250.00
100 feet of drifts @ $35/ft	3,500.00
Total	$6,750.00

2. Recommended by the Field Team -

15 feet of shaft through muck @ $22.60/ft.	$339.00
50 feet of shaft @ $48.76/ft	2,438.00
80 feet of drifts @ $36.83/ft.	2,946.00

Total estimated by Field Team $5,723.00

3. Contract as written –

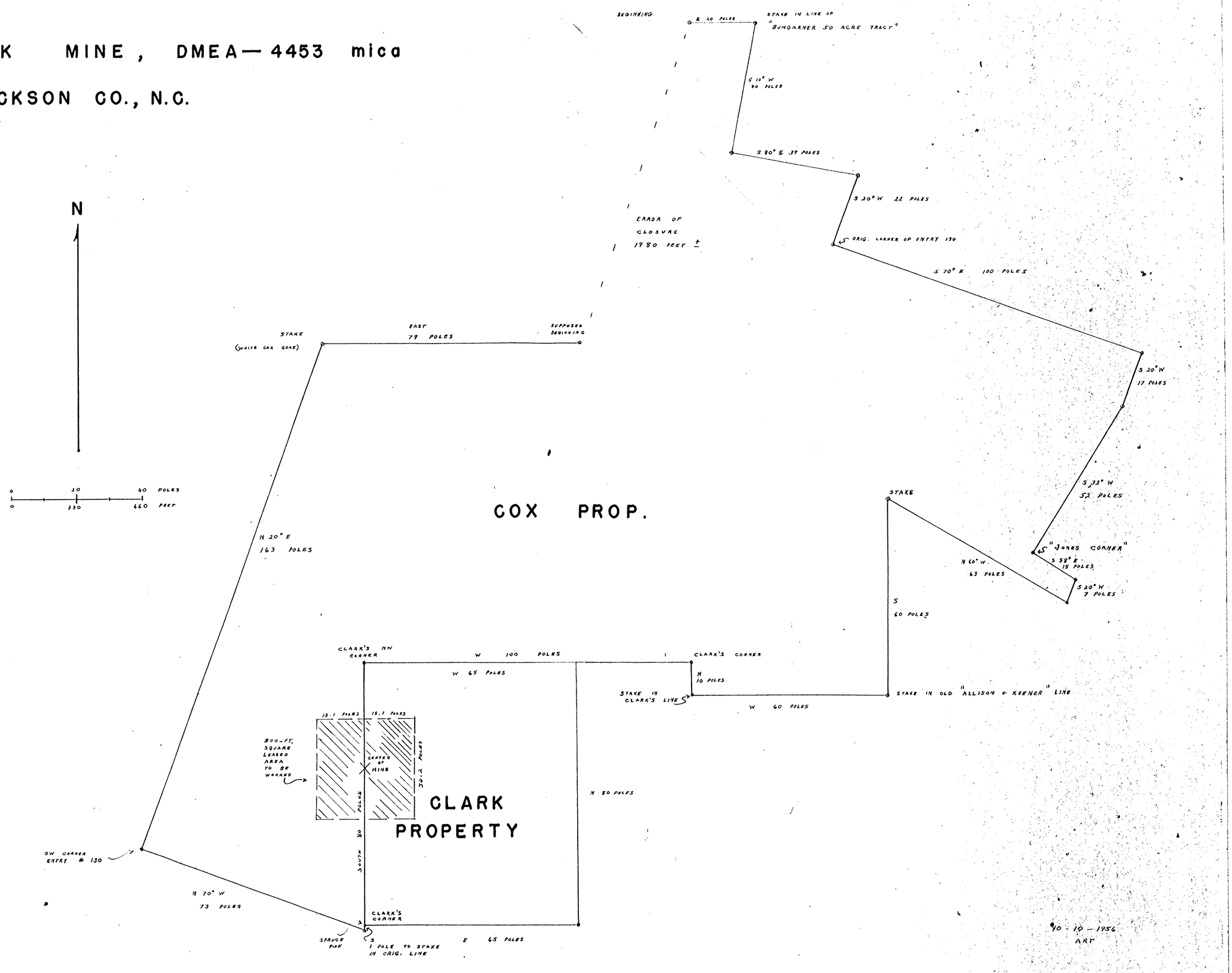
15 feet of shaft through muck @ $21.20/ft.	$318.00
50 feet of additional shaft @ $45/ft.	2,250.00
80 feet of drifts and/or crosscuts @ $34/ft.	2,720.00
Total	$5,288.00

The unit costs as used in the contract are less than those used by the Field Team, because:

1. Equipment rental was reduced to $250/month.
2. Rate of advance per day was increased in the case of shaft sinking from 1.5 to 1.7 feet per day, and for drifting from 2.0 feet to 2.2 feet per day, in line with an established footage advance per day applying to unweathered rock.

Recommendations: The Nonmetallic Minerals Division concurs in the Field Team's recommendation to give the applicant a contract with revisions to the Field Team's unit costs as outlined above.

FIGURE 2.

UPPER CLARK MINE, DMEA—4453 mica

JACKSON CO., N.C.