DMEA Form 9

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE E-1044 DMEA NO. 4491

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(Withdrawn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

OFFICIAL FILE COPY

Date	Surname	Code
2/6	Anderson	600
2/6	Houk	600
"	Chambers	800
2/7	Sellers	120
2/10	Johnson	110
10	Mittendorf	100
2/11	C	220
		600

600

FEB 10 1958

Messrs. Earl Pitman, Horace Buchanan
and Russell Hayes
c/o Mr. Earl Pitman
Spruce Pine, North Carolina

Re: Docket No. DMEA-4491-Mica
Earl Pitman, et al.
The Pitman Tract
Mitchell County, North Carolina
Contract No. Idm-E1044

Gentlemen:

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

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

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

Sincerely yours,

C. O. Mittendorf (for)

Administrator

WCAnderson:rsi 2/5/58
Copy to: Admr. R. File
Mr. Chambers
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mrs. Juanita Buchanan
Mrs. Virginia Hayes
Mrs. Hazel Pittman
Mrs. Alma Tolley
Mrs. Wrenn Tolley

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
2/6	Anderson	600
2/6	Houk	600
"	Chambers	800
2/7	Selfridge	120
2/10	Johnson	100
		220

600

FEB 10 1958

Mrs. Hazel Pittman

Spruce Pine, North Carolina

Re: Docket No. DMEA-4491-Mica
Earl Pitman, et al.
The Pitman Tract
Mitchell County, North Carolina
Contract No. Idm-E1044

Dear Mrs. Pittman:

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

This correspondence relates to the Consent to Lien signed by you on May 15, 1956.

Sincerely yours,

C. O. Mittendorf (for)

Administrator

Enclosure

WCAnderson:rsi 2/5/58
Copy to: Admr. R. File
Mr. Chambers
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
2/6	Anderson	600
2/6	Houk	600
"	Chambers	800
2/7	Selfridge	120
2/10	Johnson	100
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FEB 10 1958

Mrs. Alma Tolley

Spruce Pine, North Carolina

Re: Docket No. DMEA-4491-Mica
Earl Pitman, et al.
The Pitman Tract
Mitchell County, North Carolina
Contract No. Idm-E1044

Dear Mrs. Tolley:

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

This correspondence relates to the Consent to Lien signed by you on May 15, 1956.

Sincerely yours,

C. O. Mittendorf (for)

Administrator

Enclosure

WCAnderson:rsi 2/5/58
Copy to: Admr. R. File
Mr. Chambers
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
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2/6	Houk	600
"	Chambers	800
2/7	Selfridge	120
2/10	Johnson	100
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FEB 10 1956

Mrs. Juanita Buchanan

Spruce Pine, North Carolina

Re: Docket No. DMEA-4491-Mica
Earl Pitman, et al.
The Pitman Tract
Mitchell County, North Carolina
Contract No. Idm-E1044

Dear Mrs. Buchanan:

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

This correspondence relates to the Consent to Lien signed by you on May 15, 1956.

Sincerely yours,

C. O. Mittendorf (for)

Administrator

Enclosure

WCAnderson:rsi 2/5/58
Copy to: Admr. R. File
Mr. Chambers
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
2/6	Anderson	600
2/6	Houk	600
"	Chambers	800
2/7	Selfridge	120
2/10	Johnson	100
10	Mittendorf	~~220~~
		220

600

FEB 10 1958

Mrs. Virginia Hayes

Spruce Pine, North Carolina

Re: Docket No. DMEA-4491-Mica
Earl Pitman, et al.
The Pitman Tract
Mitchell County, North Carolina
Contract No. Idm-E1044

Dear Mrs. Hayes:

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

This correspondence relates to the Consent to Lien signed by you on May 15, 1956.

Sincerely yours,

C. O. Mittendorf (for)

Administrator

Enclosure

WCAnderson:rsi 2/5/58
Copy to: Admr. R. File
Mr. Chambers
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
2/6	Anderson	600
2/6	Houk	600
"	Chambers	800
2/7	Selfridge	120
2/10	Johnson	100
		220
	Com	

600

FEB 10 1958

Mrs. Wrenn Tolley

Spruce Pine, North Carolina

Re: Docket No. DMEA-4491-Mica
Earl Pitman, et al.
The Pitman Tract
Mitchell County, North Carolina
Contract No. Idm-E1044

Dear Mrs. Tolley:

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

This correspondence relates to the Consent to Lien signed by you on May 15, 1956.

Sincerely yours,

C. O. Mitchell (for)

Administrator

Enclosure

WCAnderson:rsi 2/5/58
Copy to: Admr. R. File
Mr. Chambers
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

Government's copy

OFFICIAL FILE COPY
DMEA
RECEIVED JUL 5 1957

DATE	INITIALS	CODE

Long
Lindeyer
"Appd. Sol. Off."
Anderson
Frank
Chambers
Selfridge
Johnson

TERMINATION AGREEMENT

It is agreed this 24th day of June, 1957, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Earl Pitman, Russell Hayes, and Horace Buchanan, partners, hereinafter called the "Operator," parties to that certain Exploration Project Contract No. Idm-E1044 (Docket No. DMEA-4491), dated December 17, 1956, hereinafter called the "Contract," that:

1. Effective May 29, 1957, the Contract and all obligations of the parties thereunder, except as otherwise herein expressly provided, shall be and are hereby terminated.

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

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

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

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

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

THE UNITED STATES OF AMERICA

Earl Pitman
Earl Pitman (Partner)

Russell Hayes
Russell Hayes (Partner)

Horace Buchanan
Horace Buchanan (Partner)

By C. Mitteudorf
Administrator, Defense Minerals
Exploration Administration

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Earl Pitman, Russell Hayes, and Horace Buchanan
c/o Earl Pitman
Spruce Pine, North Carolina

pertaining to Exploration Project Contract No. IdM-F1044, DMEA No. 4491, for the months of January 1957 to May 1957, inclusive, covering a project for the exploration of mica on property, known as the Sarah Pitman Property located in Mitchell County, North Carolina.

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

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

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

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

Total cost as billed by Contractor		$3,943.50
Exceptions:		
Prior to this review	$ -0-	
Herewith	-0-	-0-
Total Accepted Cost		$3,943.50

The contract calls for a 75 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Two thousand nine hundred fifty-seven and 62/100 Dollars

$2,957.62

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

E. D. Talbert

E. D. Talbert, Auditor

June 24, 1957

Docket Copy

OFFICIAL FILE COPY
DMEA
RECEIVED JAN 9 1957

DATE	INITIALS	CODE
1/9	GW	225
1/9	[illegible]	215

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*
4491	Mica	1044	Mitchell	North Carolina

It is agreed December 17, 1956, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Earl Pitman, Russell Hayes, and Horace Buchanan, partners

whose mailing address is c/o Earl Pitman
Spruce Pine, 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 FEB 15 1957, and, subject to the provisions of Article 7 and Exhibit A, shall complete the work within eight months from the date of the contract.

(b) The description of the work and the fixed cost for each unit of work to be performed (per foot of drilling, per foot of drifting, per hour of operations, etc.) are hereby agreed upon as specified in Exhibit A. The estimated total cost of the project work is $5,496.00. The Government will contribute 75 percent of the fixed unit cost of the work performed, not exceeding $4,122.00, 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: Interest of the landowners

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

(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.*—

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Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By Earl Pitman
Earl Pitman ~~XXXXXX~~ (Partner)

By C. F. Mittendorf
Administrator, Defense Minerals Exploration Administration

By Russell Hayes
Russell Hayes (Partner)

By Horace Buchanan
Horace Buchanan (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

Indrits 12/3/56
Hofflund
"Appd. Sol. Off."
Hope
Hook
Chambers
Selfridge
Johnson

EXPLORATION PROJECT CONTRACT
PITMAN, HAYES, AND BUCHANAN
DOCKET NO. DMEA-4491

ANNEX 1

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

Being that certain tract of land containing 21 and 3/4ths acres, more or less as described in deed from Sarah Pitman and others to William B. Buchanan, which deed is dated February 14, 1903, and recorded in Book 44 of Deeds at page 384, Mitchell County registry.

The metes and bounds of this tract are as follows: From the beginning corner in a bunch of Beadbushes N 35° W 132 feet to a stake; thence N 5° W 338.25 feet to a stake; thence N 54° E 181.3 feet to a stake; thence North 792 feet to a stake; thence East 594 feet to a 30" Chestnut; thence N 58° E 495 feet to Chestnut sprouts; thence South 462 feet to a 36" Chestnut stump; thence S 18° W 343.86 feet to a Black Gum; thence S 50° W 165 feet to a stake; thence S 22° W 231 feet to a Locust; thence S 20° W 330 feet to a Chestnut; thence S 17° W 156.75 feet to a double Chestnut; thence S 58° W 330 feet to a Black Oak; thence N 80° W 165 feet to the point of beginning.

The mine is 1400 feet N 88° E from the intersection of the Mine Creek Road and Highway 26 in Mitchell County, North Carolina.

The land is held by the Operator under a lease dated April 20, 1956, from Virginia Hayes, Juanita Buchanan, Alma Tolley, Hazel Pitman, and Wrenn Tolley.

EXPLORATION PROJECT CONTRACT
PITMAN, HAYES, and BUCHANAN
DOCKET NO. BMEA-4491

EXHIBIT A

Description of the Work

The approximate location of the work is shown on the maps entitled "Map No. 1, The Pitman Tract, Mitchell County, North Carolina, BMEA-4491 (Mica)" and "Map No. 2, Sarah Pitman Property, Deed Book 44, Page 384, Mitchell County, North Carolina, BMEA-4491," attached hereto and made a part hereof.

The work consists of the following:

1. Rehabilitate existing 17-foot shaft.

2. Construct 1000-foot access road.

3. Construct:

   (a) A toolhouse, minimum dimensions 7 feet by 8 feet by 10 feet.
   (b) A powder storage magazine, minimum dimensions 4 feet by 3 feet by 2½ feet.
   (c) An exploder storage magazine, minimum dimensions 2 feet by 1½ feet by 1 foot.

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

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

4. Deepen the rehabilitated shaft an additional 50 feet.

5. Drive 80 feet of drift and/or crosscut from the shaft.

All work shall be timbered as necessary. The shaft shall be a two-compartment shaft in its entire depth.

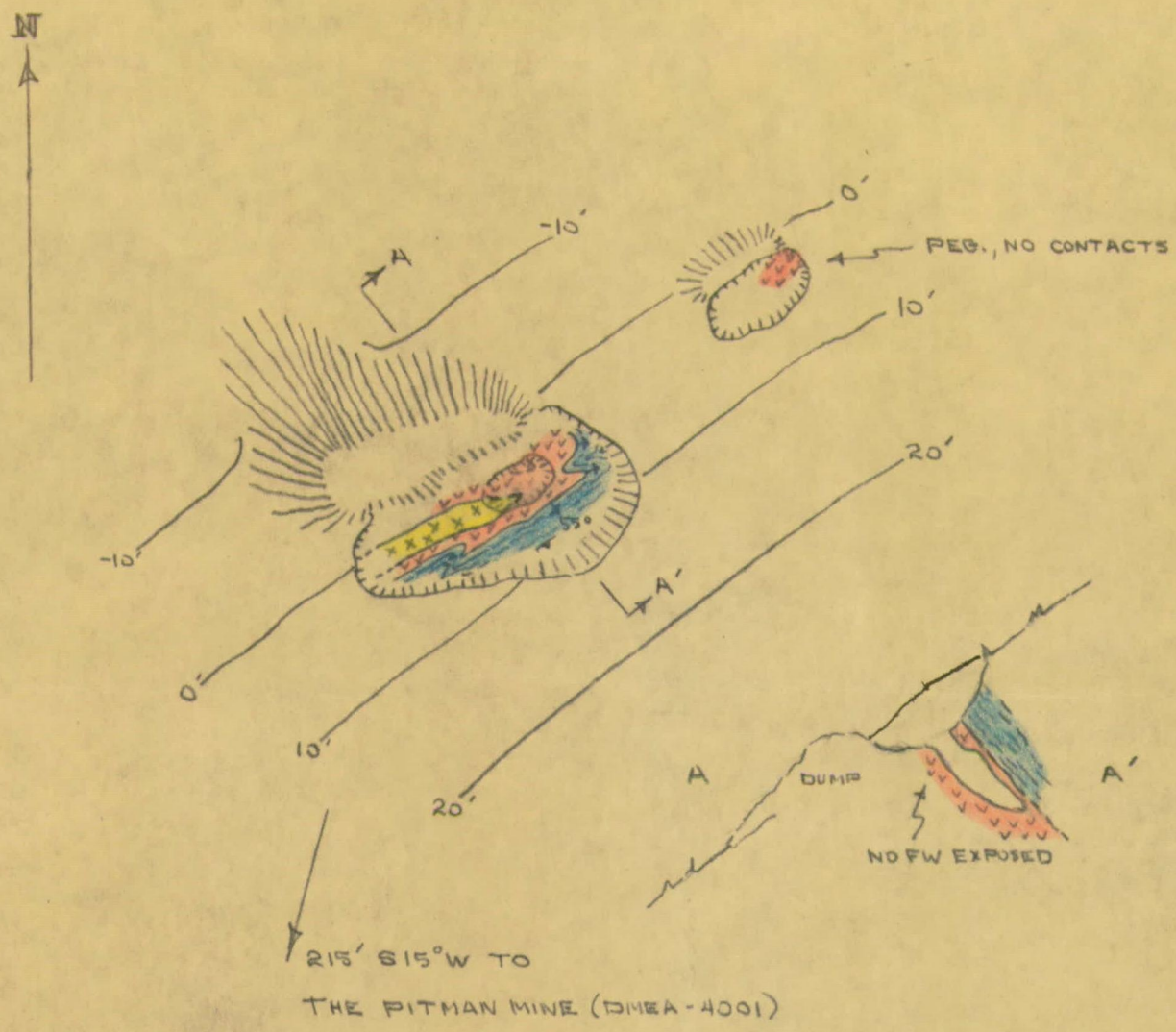
The location, direction, inclination, and extent of all work are subject to the approval of the Government.

The shaft, drift and/or crosscut shall have minimum cross sectional dimensions of 5 feet by 7 feet in the clear of timber.

Fixed Unit Costs

1. Rehabilitating existing shaft			
17 feet	@ $8.00/ft.	$ 136.00	
2. Access road, 1000 feet @ $0.25/lineal ft.		250.00	
3. Constructing			
Toolhouse	$ 75.00 1/		
Powder Magazine	25.00 1/		
Exploder Magazine	15.00 1/	115.00	
4. Shaft sinking			
50 feet	@ $45.90/ft.	2,295.00	
5. Drifting and/or crosscutting			
80 feet	@ $33.75/ft.	2,700.00	
Total Estimated Cost of Project			$5,496.00
Government Participation @ 75%			$4,122.00

1/ The completed work constitutes the unit.



Map No. 1

THE PITMAN TRACT

MITCHELL COUNTY, NORTH CAROLINA

DMEA - ~~XXXX~~ 4491 (MICA)

LEGEND

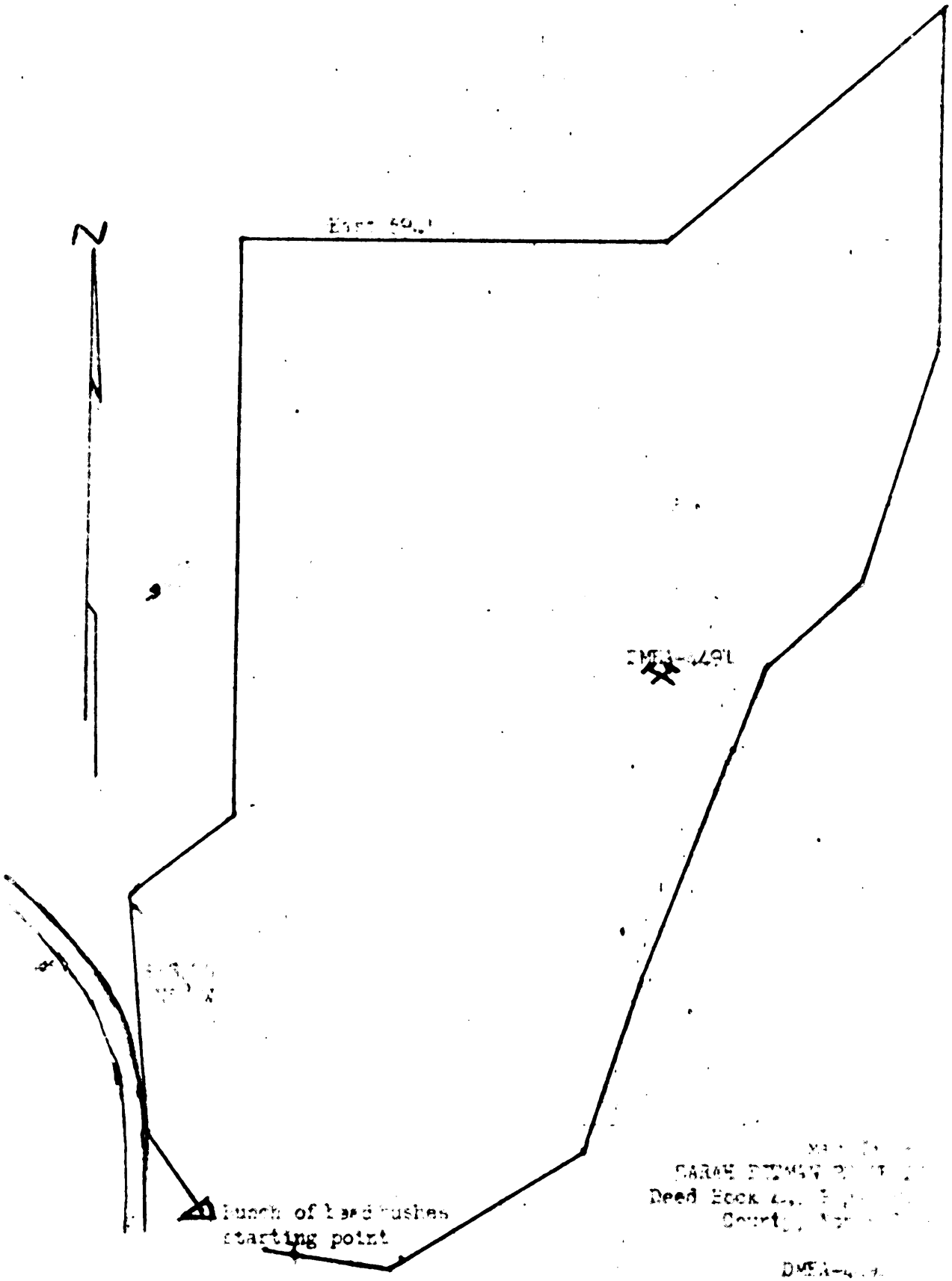
- ZONED MICA-BEARING PEGMATITE (QTZ. CORE)
- MICA GNEISS AND SCHIST
- TEST PIT
- DUMP

SCALE: 1" = 20'

7/56

Fig. 1

RECEIVED
AUG - 6 1956



Deed Book

MF-203
Revised March 24, 1955

For Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator
Docket No. DMEA-
Contract No. Idm-E 1044
Contract Date DEC 17 1956

CONSENT TO LIEN

To the United States of America:

Referring to that certain land in the County of Mitchell, State of North Carolina, described as follows:1/

Being that certain tract of land containing 21 and 1/4 acres, more or less as described in deed from [illegible] and others to William Earl Wood of Deeds at page 304, Mitchell County Registry.

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

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

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

None

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

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

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

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

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

5. Added provision: _____

Dated this 15 day of May, 1956.

Juanita Buchanan [Seal]
Waspnia Hayes
Hazel Pittman [Seal]
Acme Tolley [Seal]
Wren Tolley (Seal)

address
all address
Spruce Pine, N.C.

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-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Form Budget Bureau No. 42-R1035.2.

RECEIVED
MAY 28 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. DMEA-4314
Metal or Mineral MICA
Date Received 5/28/56
Estimated Cost $4,815.00
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: Earl Pitman, Horace Buchanan and Russell Hayes a partnership, Spruce Pine, North Carolina.

(*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 That certain tract of land containing 21 and 3/4ths acres, more or less, as described in deed dated Feb. 14, 1903 from Sarah Pitman et als to William B. Buchanan and recorded in Book 44 of Deeds at page 384, Mitchell County registry.

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

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

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

(*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.

RECEIVED
MAY 24 1956
U. S. Bureau of Mines
Knoxville, Tenn.

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. Only exploratory.

(*b*) State past and current production, and ore reserves, if any, giving quantities and grades. None

(*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. Vein and appears excellent prospect.

(*d*) State the facts with respect to the accessibility of the project; Access roads, distances to shipping, supply and residence points. 9 miles from Spruce Pine-½ mi. from intersection of Mine Creek & Bakersville, NC Road.

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

16—66551-1

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

(*b*) Describe fully the proposed work, including a map or sketch of the property showing a plan (and cross sections if needed) of any present mine workings, and the location of the proposed exploration work as related to such features as contacts, veins, ore-bearing beds, etc. Sink 2 25 foot shafts and tunnel between them.

(*c*) The work will start within 30 days and be completed within 3 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. Several Years.

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

(*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)?

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

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

Explain in detail on acompanying paper.

CERTIFICATION

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

Dated May 15th, 1956

Earl Pittman, Horace Buchanan & Russell Hayes
(Applicant)

By Earl Pittman

Spruce Pine, N. C.

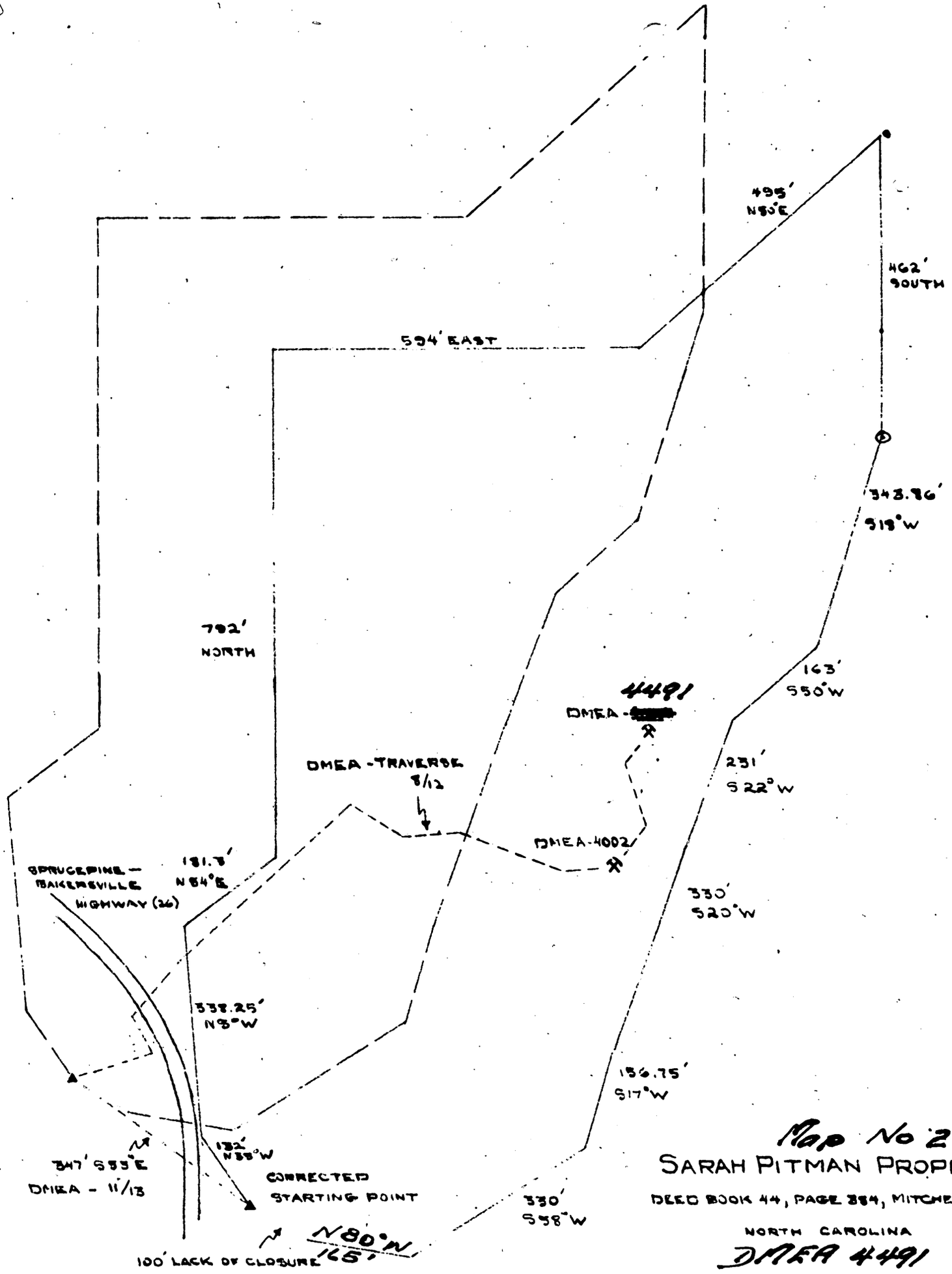
Title 18, U. S. Code (Crimes), Section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

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

RECEIVED
MAY 28 1956

6. Cost Estimate:

Labor:	
4 employees @$1.00 per hr. for 90 days----------	$2880.00
Rent on Compressor-3 mos. @$100	300.00
Dynamite and explosives	250.00
Gas & Oil	450.00
Tool House	75.00
2 days bulldozing	160.00
Miscellaneous Supplies	300.00
Contingencies	400.00
Total----------	$4815.00



Map No 2

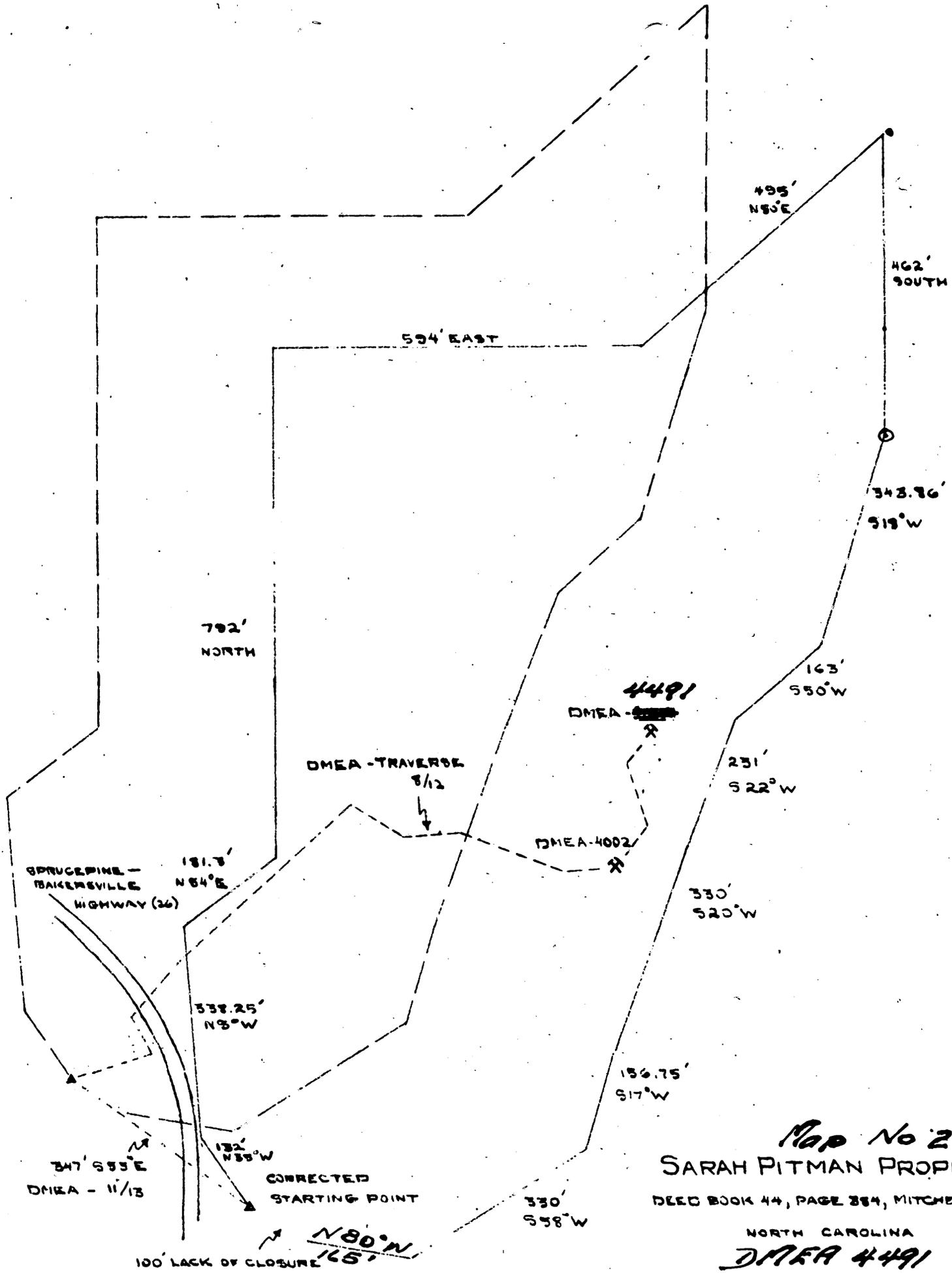
SARAH PITMAN PROPERTY

DEED BOOK 44, PAGE 384, MITCHELL COUNTY

NORTH CAROLINA

DMEA 4491

SCALE: 1" = 200'



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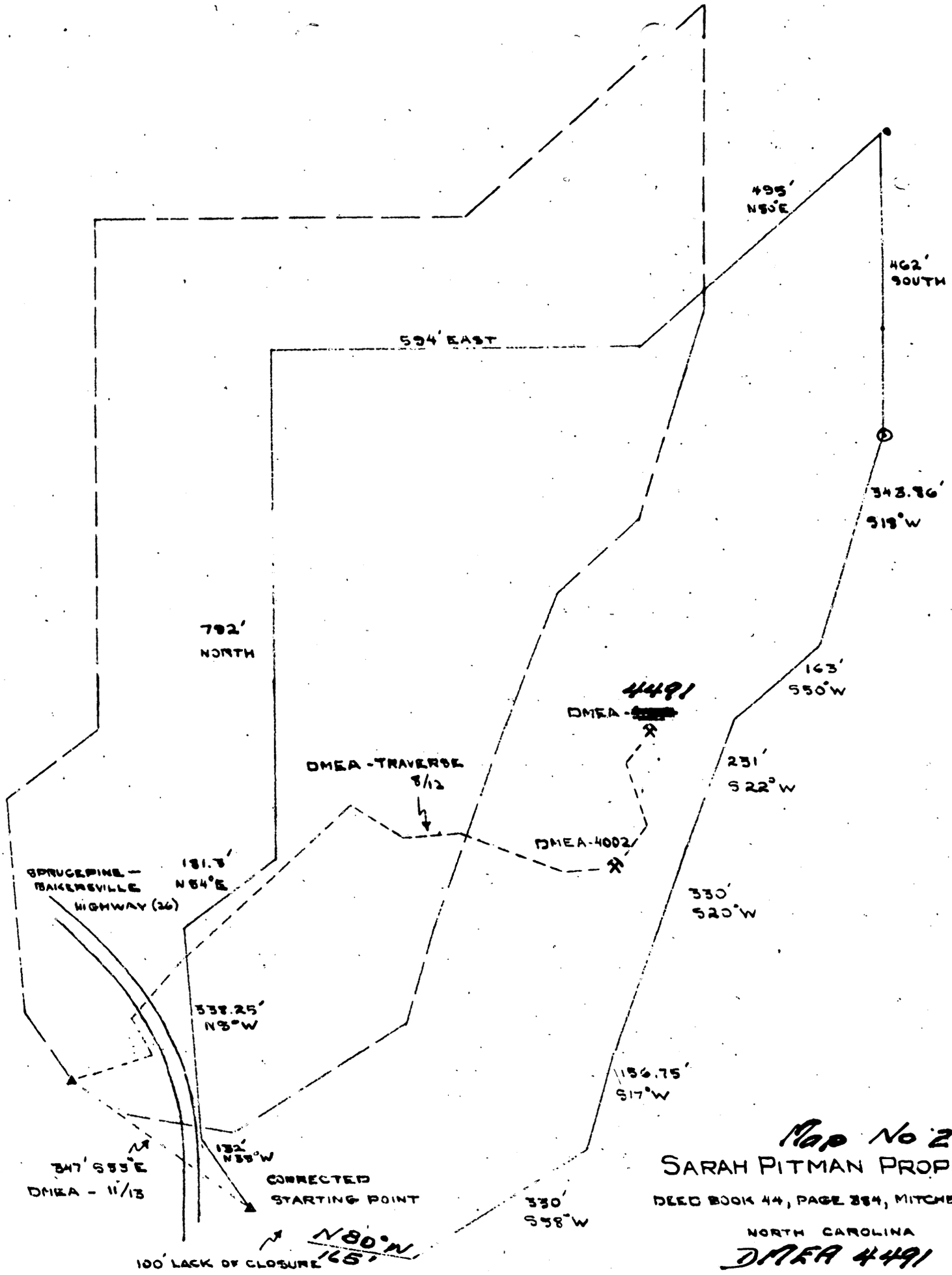
NORTH CAROLINA

DMEA 4491

SCALE: 1" = 200'



Map No 2

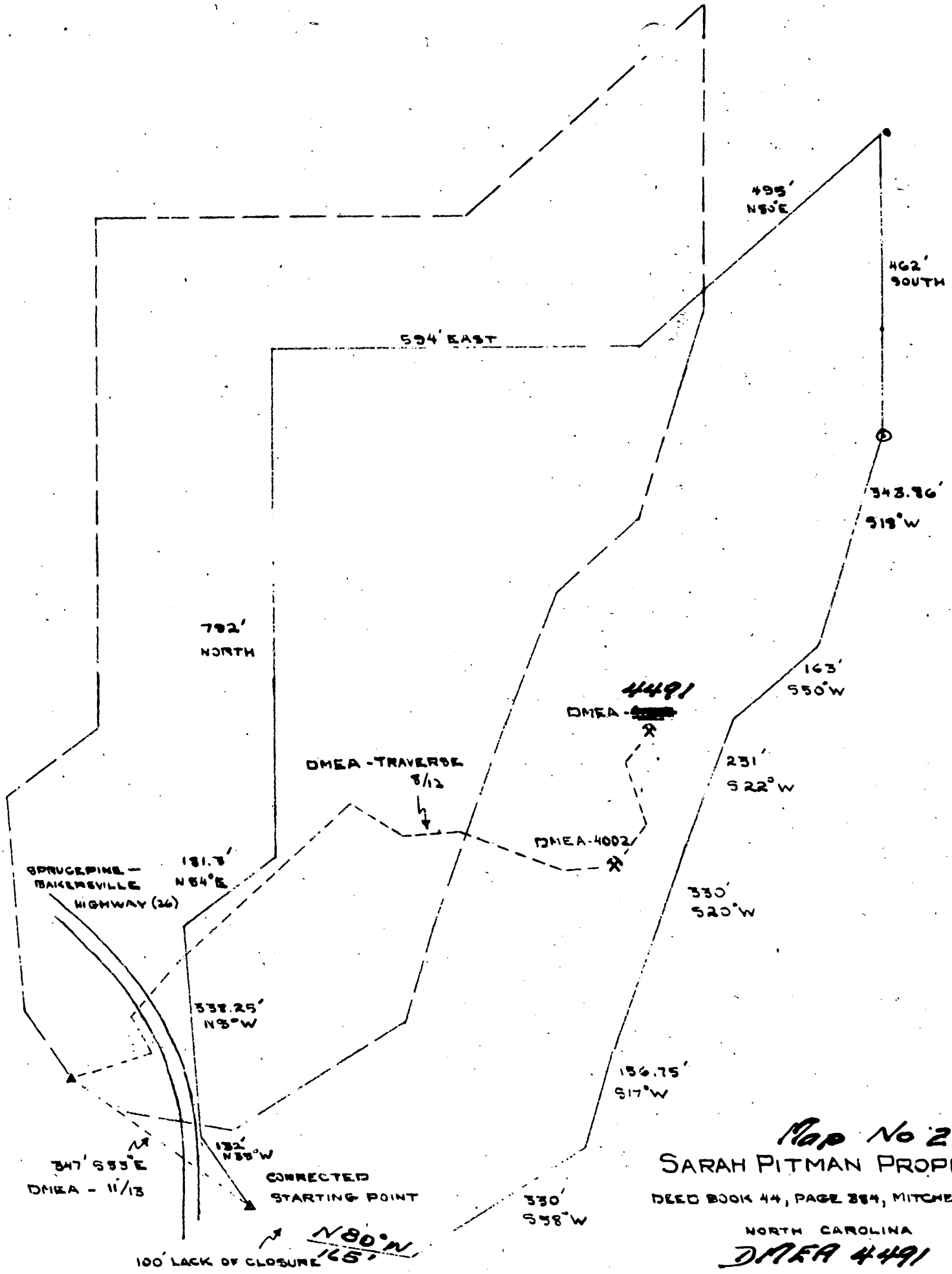
SARAH PITMAN PROPERTY

DEED BOOK 44, PAGE 384, MITCHELL COUNTY

NORTH CAROLINA

DMEA 4491

SCALE: 1" = 200'



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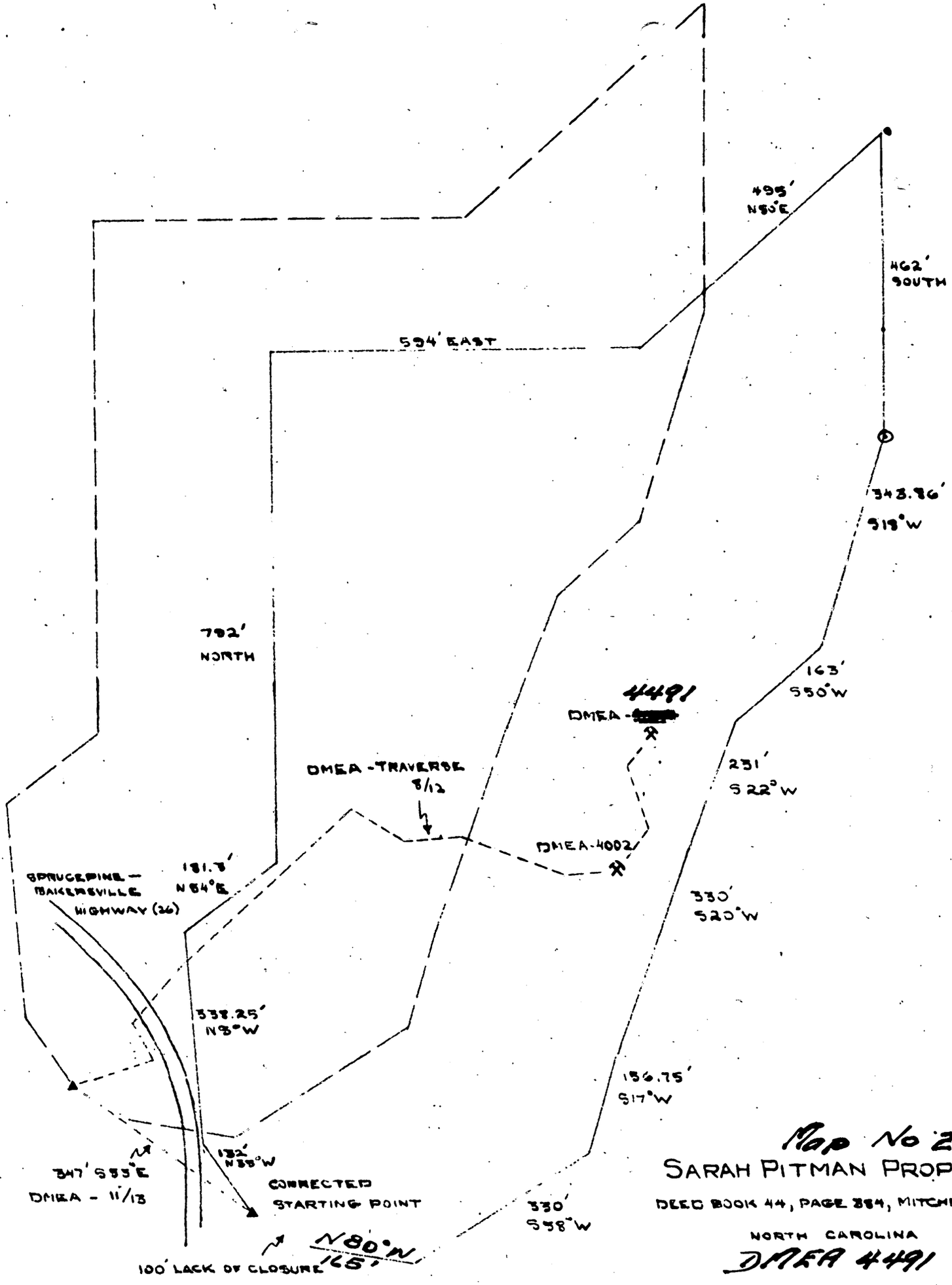
DEED BOOK 44, PAGE 384, MITCHELL COUNTY

NORTH CAROLINA

DMEA 4491

SCALE: 1" = 200'



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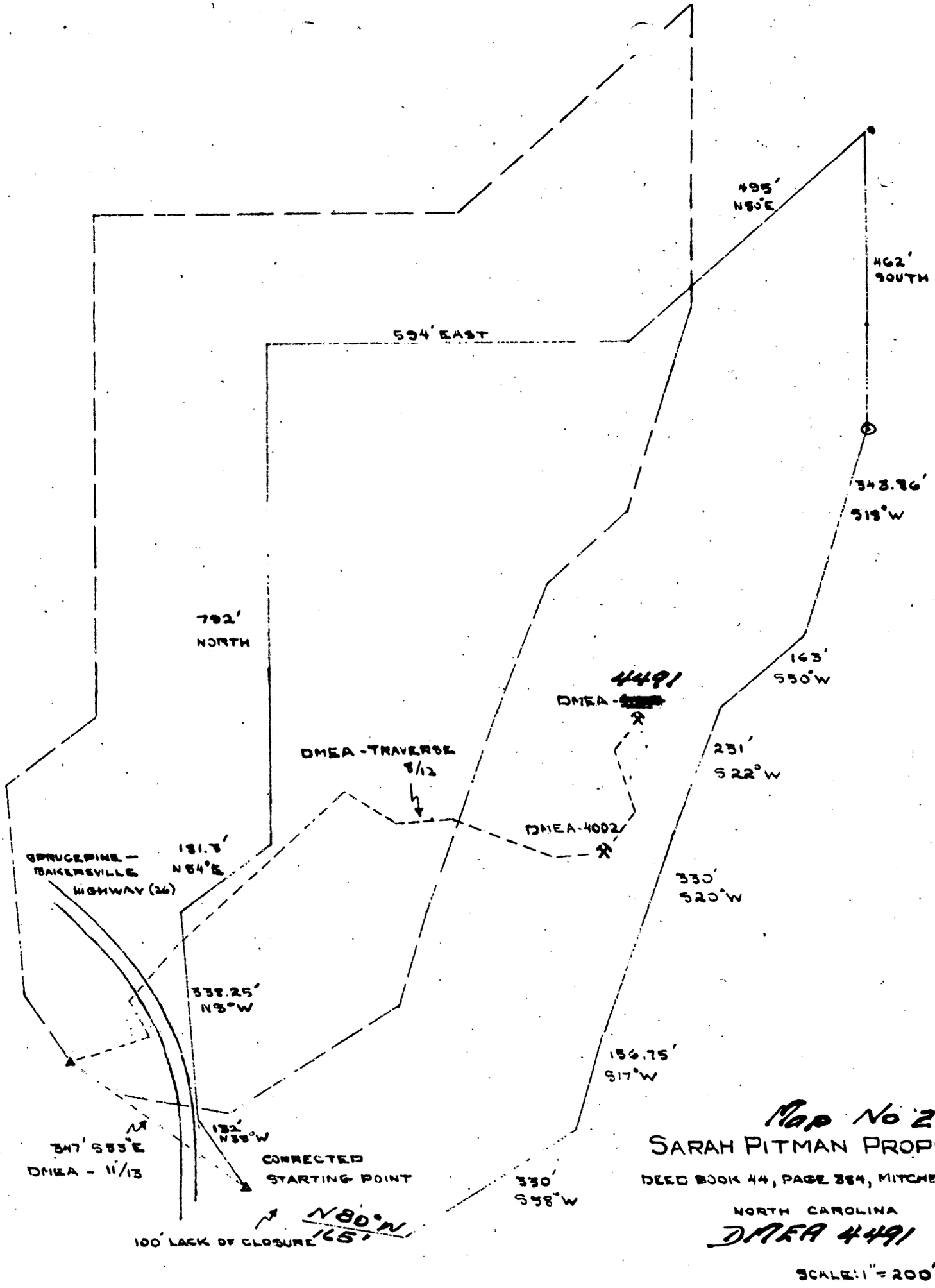
SARAH PITMAN PROPERTY

DEED BOOK 44, PAGE 384, MITCHELL COUNTY

NORTH CAROLINA

DMEA 4491

SCALE: 1" = 200'



Map No 2

SARAH PITMAN PROPERTY

DEED BOOK 44, PAGE 384, MITCHELL COUNTY

NORTH CAROLINA

DMEA 4491

SCALE: 1" = 200'

S. Government Messenger Envelope

d Form No. 65 (Rev. 1/46)

1. Use blocks consecutively, one at a time.
2. Void previous block.
3. Write clearly.

NAME OR TITLE OF PERSON, DEPARTMENT, ADDRESS, AND ROOM		NAME OR TITLE OF PERSON, DEPARTMENT, ADDRESS, AND ROOM	
v. Griswold 44 Int.	RUN STOP		RUN STOP
	RUN STOP		RUN STOP
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lus envelopes to
om for reissue.

Use other side

Use RUN and STOP only when messenger service between Government buildings in Washington is required.
Your mail room has RUN and STOP information.

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Date	Surname	Code
2/6	Anderson	600
2/6	[illegible]	600
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		100
		220

600

February 5, 1958

Project Summary Report

By: Walter C. Anderson, Division of Nonmetallic Minerals

1. Docket No. DMEA-4491-Mica
Contract No. Idm-E1044
Pittman Tract
Mitchell County, North Carolina

Application: Form MF-103(April 1952) received May 28, 1956.
Work proposed by Applicants: - Say only "Sink two 25 foot shafts and tunnel between them", for which they request $4,815.00.

Operators: Earl Pitman, Russell Hayes, and Horace Buchanan
c/o Earl Pitman
Spruce Pine, North Carolina

Operators' Property Rights: A lease on the Sarah Pitman Property consisting of 21 3/4 acres, dated April 20, 1956. Consent to Lien, dated May 15, 1956.

2. Contract: Form MF-200A(April 1956), dated December 17, 1956.
Work Authorized:

Rehabilitation existing shaft - 17 feet @ $8.00/ft.	$136.00
1000 feet access road @ $0.25/ft.	250.00
Construction - Toolhouse, powder & exploder magazines	115.00
50 feet of shaft @ $45.90/ft.	2,295.00
80 feet of drifts and/or crosscuts @ $33.75/ft.	2,700.00
Total estimated cost of project	$5,496.00
Government participation @ 75%	$4,122.00

Amendments: None.
Work Completed:

Rehabilitation existing shaft	$136.00
Access road	250.00
Construction - toolhouse, powder & exploder magazines	115.00
50 feet of shaft @ $45.90/ft.	2,295.00
34 feet of drift @ $33.75/ft.	1,147.50
Total accepted cost	$3,943.50
Government participation @ 75%	$2,957.62

Work began January 8, 1957 and terminated before completion on June 24, 1957. Field Team Final Report received December 18, 1957. Operator's Final Report received July 1, 1957. No equipment purchased under contract. Value of production during operation of project - none.

Audit: Report of Review issued June 24, 1957.

Total accepted cost	$3,943.50
Government participation	$2,957.62

4. Certification of Discovery - None issued.

5. Comments:

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

Operation: Poor.

Engineering: Reporting - poor and far from adequate.

Geologic Premise: An excellent structural and mineralogical environment plus the presence of good quality mica in a five foot wide zoned pegmatite did not continue in depth.

Geologic Criteria upon which work was based:

1. Pegmatite: Zoned, at least five feet thick with a strike length of at least 60 feet concordantly emplaced in a soft, weathered mica gneiss and schist. Consists of a massive, at least three foot quartz core, flanked by wall zones 1½ to 2½ feet thick, consisting of a mixture of weathered plagioclase, minor feldspar, disseminated quartz and muscovite.

2. Mica: Makes up 10 to 20 percent of wall zone of pegmatite occurring in flat colorless books up to six inches across. No mineral staining and only slight edge cracking.

Geologic Criteria developed during project:

1. Pegmatite: One to six-foot thick, feldspathic, pinching out down dip. At surface, 6 feet thick and at the 50-foot level, 1 to 3 feet thick, pinching out in 10 feet in one direction and in 24 feet in the other direction. Concordantly emplaced in a semi-weathered muscovite-biotite gneiss and schist. Consists of a 3 foot quartz core which lenses out 25 feet down dip. In the presence of quartz core, the pegmatite consists of plagioclase, perthite, muscovite, and interstitial quartz. Below the quartz core, the same minerals exist in different proportions, but with very little muscovite.

2. Mica: Strategic quality found only at or near the surface in colorless or pale green books up to 6 inches across. Generally flat and free from mineral growths.

Future Possibilities: None, since the occurrence of strategic mica is practically nil.

Recommendations: Because of the limited extent and poor mineralogical environment outlined by the work, the Field Team recommends no certification. The Division of Nonmetallic Minerals and the Commodity Members of the Bureau of Mines and Geological Survey concur.

Walter C. Anderson

Walter C. Anderson
Division of Nonmetallic Minerals

WCAnderson:rsi 2/5/58
Copy to: Admr. R. File
Mr. Houk

IN REPLY REFER TO:

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RECEIVED JAN 9 1958

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1/10	[illegible]	600

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

January 8, 1958
Re: DMEA 4491, Idm-E1044
Earl Pittman
Pittman Prospect
Mitchell County, North Carolina
Mica

Memorandum

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

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

Subject: Review of Field Team Final Report

The contract approved the expenditure of $5,496.00 on the exploration of a one to six-foot feldspathic pegmatite by shaft sinking and drifting.

The shaft was sunk 52 feet in the pegmatite and drifts 24 and 10 feet long were driven from the foot of the shaft. The pegmatite pinched out in the drifts. No strategic mica was recovered and the mineralogic and structural environment are considered unfavorable. The contract was terminated, $3,943.50 having been spent.

The examiners and Field Team recommend that no certificate of discovery be issued.

I concur with the recommendation.

N. E. Nelson

N. E. Nelson

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DMEA
RECEIVED DEC 31 1957
DATE | INITIALS | CODE
12/31 | C | 220
1/2 | MSR | 600

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

December 30, 1957

Memorandum

To: ~~Nonmetallic~~ Minerals Division
Defense Minerals Exploration Administration

From: Acting Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-4491 (mica)

Applicant: Earl Pittman

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

Contract Number: Idm-E 1044

Date of Field Team Final Report: 12/16/57

Date Rec'd. by Br. of Ceramic & Fertilizer Mtls. 12/23/57

Field Team Recommendation: Recommend that no certification of discovery be issued.

Comments:

1. A contract was approved in the amount of $5,496.00 to explore a 1 to 6 foot feldspathic pegmatite exposed in several test pits.

2. Only a negligible quantity of strategic mica was produced from 50 feet of shafting and 34 feet of drifting.

3. Contract was terminated when pegmatite pinched out before planned drifting was completed.

4. Expenditures -

Total approved	$5,496.00
Total cost	3,943.50
Gov't. share of the cost	2,957.62
Value of production during operation	None

Recommendation:

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

Milford L. Skow

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1025 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

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DATE	INITIALS	CODE
12/18	gb	220
12/23	[illegible]	130
12/23	C	220
1/2	wra	600

December 16, 1957

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Field Team Final Report - Idm-E1044, DMEA-4491 (mica) Pittman Pros. Earl Pitman, Spruce Pine, North Carolina

Transmitted are three copies of the subject final report.

The Field Team concurs with the Field Examiners that no certification of discovery should be issued on this contract.

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

Helmuth Wedow, Jr. Geologist
Geological Survey

z

Reviewed by
DMEA OPERATING COMMITTEE
12-23-57
(date)

Field Team Final Rpt.

Original File Copy
DMEA
RECEIVED DEC 18 1957

DATE	INITIALS	CODE
12/23	ZB	130
		220

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT
DMEA FIELD TEAM REGION V

DMEA-4491, Idm-E1044(mica) PITTMAN PROSPECT
Mitchell County, North Carolina

S. C. Bergman, Geologist
Geological Survey

L. E. Shirley, Mining Engineer
Bureau of Mines

Reviewed by
DMEA OPERATING COMMITTEE
12-23-57
(date)

December 16, 1957

OFFICIAL FILE COPY
DMEA
RECEIVED DEC 18 1957

DATE	INITIALS	CODE
12/23	JHB	130
		220

DMEA PROJECT CONTRACT

FINAL REPORT

DMEA FIELD TEAM, REGION V

DMEA-4491, Idm-E1044(mica)

Operator: Earl Pitman, Spruce Pine, North Carolina

SUMMARY

In addition to the construction of access road, toolhouse, and magazines, 50 feet of new incline, and 34 feet of drift was completed under under the contract. The work followed a 1 to 6-foot thick feldspathic pegmatite which pinched out 10 feet southwest and 24 feet northeast of the incline bottom. The recovery of strategic muscovite from this work was practically nil. The work was terminated short of completion because of the poor mineralogic and structural environment encountered. No recommendation for certification can be made. Work progress was slow and inefficient because of incompetant personnel and inadequate, makeshift equipment.

INTRODUCTION

Location

The site is located on the south slope of Burns Mountain at an elevation of approximately 3400 feet. The site is 1400 feet N88°E from the intersection of U. S. Highway 26 and the Mine Creek road in Mitchell County, North Carolina. The prospect can be located in the northeast 1/9th of the Micaville, N. C. Quadrangle, USGS-TVA Ed. 1934(209-NW), 1:24,000.

Prospect History

A small amount of shallow test-pitting at several sites along the hill slope reportedly dating back 50 years, represents the sum of known operations in the area. An application for DMEA assistance was originally instituted by Howard McKinney (DMEA-4001) at a small showing about 215 feet south-southwest of the contract site. A second application was made by Earl Pittman, Horace Buchanan, and Russell Hayes (DMEA-4314) at the contract site. Both applications recommendations for Government participation by the Examiners, but were subsequently denied because the site as described in the Applicant's lease lay outside the lease boundaries, and the Applicants could not show otherwise.

The property was subsequently surveyed and adequate proof of the Prospect's location within the described lease was supplied. The Application was re-opened and redocketed under DMEA-4491.

Contract Work

Contract work began January 8, 1957, with the construction of about 1,000 feet of access road and the leveling of a shaft site. A toolhouse was bought and moved to the site, and powder and exploder magazines were constructed. The original 17-foot deep opening was slabbed to contract specifications and from its bottom, a total of 52 feet of inclined shaft was sunk. Two feet of shaft were at the Operator's expense. Fifteen feet of incline was sunk -60° S55°E, and 37 feet -32°S40°E. From the incline bottom, 10 feet of drift was driven S60°W and 24 feet N42°E. A recommendation for termination of the contract was made after the inspection of May 28, 1957, since pegmatite had pinched out in both headings and the potential of the pegmatite followed by the completed work was found to be completely negative. Termination papers were signed and made effective as of June 24, 1957.

GEOLOGY

A one to six-foot thick, feldspathic pegmatite was followed downdip and along strike until it pinched out. At the drift level, pegmatite is from 1 to 3 feet thick and in the form of an elongate lens trending N36-55° E 25-35°SE and is horizontally from 45 to 50 feet long. The surface exposure of pegmatite is about 6 feet thick, and is exposed for about 25 feet along strike. Convolutions at the northeast end of the exposure which were interpreted as dragfolding of the hangingwall contact, may well be its northeast termination.

If it is true, the plunge and direction of the long axis of the lens is about -45° east-southeast. Pegmatite at the surface trends N60°E 40-55°SE. A quartz core 3 feet thick is exposed at the surface which rapidly thins and lenses out about 25 feet downdip. Pegmatite thins and flattens below the end of the core, and probably has little extent below the drift level. The structure is concordantly emplaced in a semi-weathered muscovite-biotite gneiss and schist, with locally a slight angular discordance especially near the ends of the lens. In the presence of quartz core, the wall zone pegmatite is composed of a fine to medium grained mixture of plagioclase, perthite, muscovite and minor interstitial quartz. Below the core, pegmatite consists of medium fine grained perthite, with ~~in~~ minor interstitial quartz and fine grained plagioclase. Muscovite is very rare in this portion of the pegmatite. Muscovite of strategic quality was found only at or near the surface in books up to 6 inches across. The mica is colorless or a very pale green color and generally flat and free from mineral intergrowths. Only a small amount of waiviness reaving and cracking was noted.

CONCLUSIONS AND RECOMMENDATIONS

The contract work although terminated short of completion, exposed the strike limits and probable downdip extent of a thin feldspathic lens-like pegmatite. The limited extent and poor mineralogic environment outlined by the work, leads the Examiners to recommend that no certification of discovery be issued.

Contract work was rather slow because of the miners poor and inefficient application of mining techniques as well as the continued use of

antiquated equipment which always appeared to be broken down during inspections.

EXPENDITURES

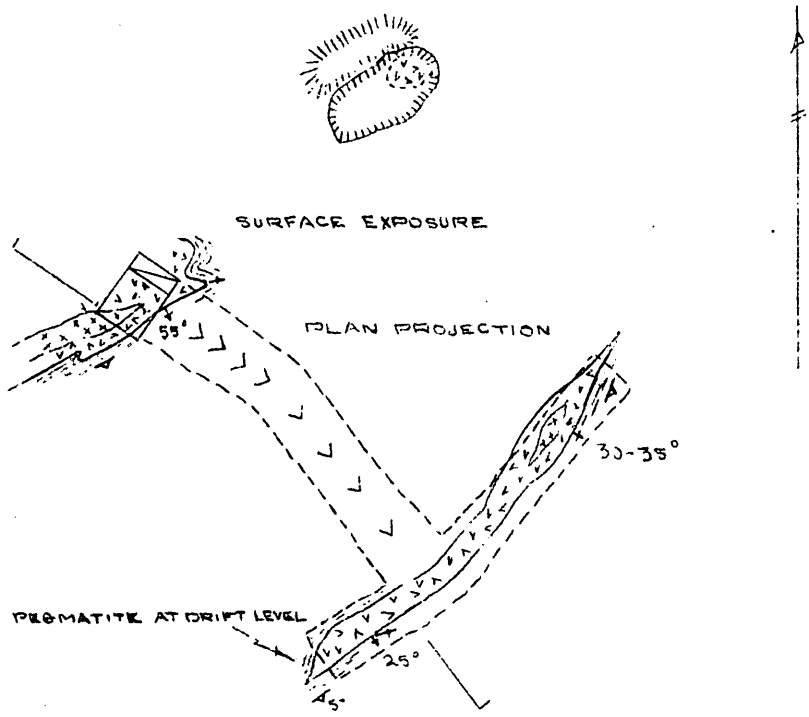
(a)	Total approved	$5,496.00
(b)	Total cost of project	3,943.50
(c)	Government's share of cost	2,957.62
(d)	Government's share unexpended	1,164.38
(e)	Value of production	none
(f)	Royalty paid to date	none

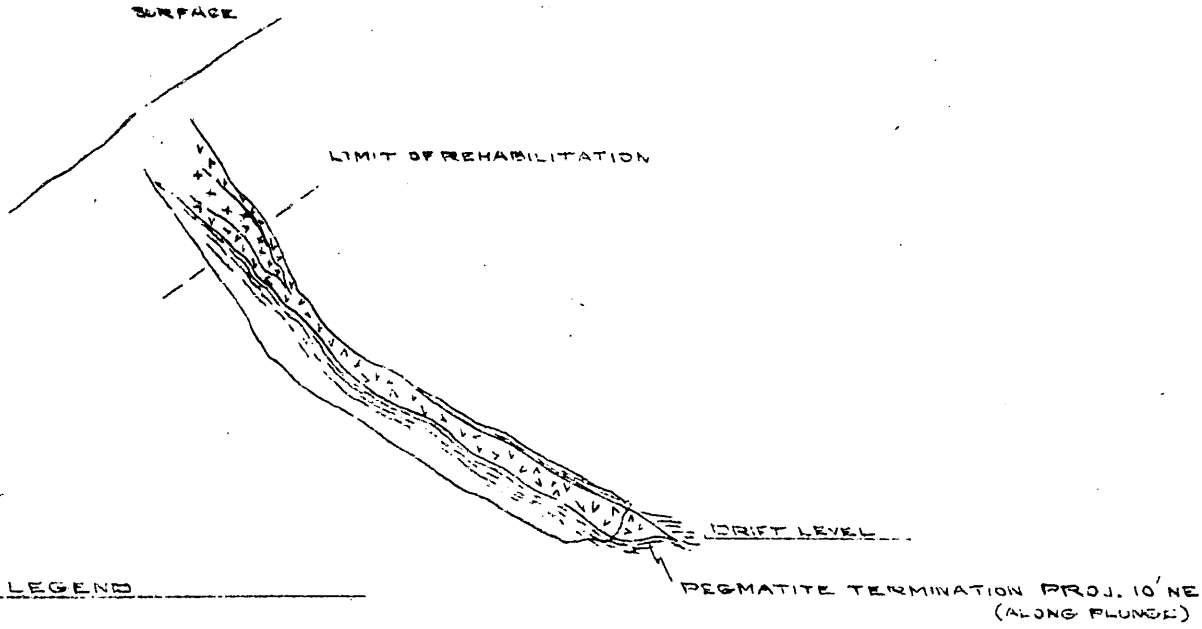
December 16, 1957

S. C. Bergman, ~~Mining Engineer~~ Geologist
Geological Survey

E. E. Shirley, Mining Engineer
Bureau of Mines

z





LEGEND

- PERTHITE-PLAGIOCLASE PEGMATITE
- MUSCOVITE-BIOTITE GNEISS AND SCHIST
- MASSIVE QTZ CORE
- TRACE OF UNDERGROUND WORK

PITMAN PROSPECT

MITCHELL COUNTY, NORTH CAROLINA

DMEA-4481, Idm-E1044 (MICA)

(SEE DMEA-4314)

SCALE: 1" = 20'

SCB 11/57

OFFICIAL FILE COPY
DMEA
RECEIVED DEC 18 1957

DATE	[illegible]	CODE

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 3 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

July 3, 1957

OFFICIAL FILE COPY
DMEA
RECEIVED JUL 5 1957

DATE		CODE
7/5	C	220
		600

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Termination Agreement - DMEA-4491, Idm-E1044-mica
Pitman Tract, Mitchell County, N.C.

Transmitted are three signed copies of the subject termination agreement.

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

Robert A. Laurence

Robert A. Laurence

July 1, 1957

Memorandum

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

From: Personal Assistant, Electrotechnical Experiment Station, Norris, Tennessee

Subject: Monthly report and voucher

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

Idm-F1044 Pittman, Russell Hayes, & Buchanan
Docket No. DMEA-4491
5th and final payment - month of May
Termination Date: 5-29-57
Amount $303.75

Helen E. Miller

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

EXTRA COPY
D M E A
RECEIVED JUL 195

DATE	INITIALS	CODE
7/3	[illegible]	110
		600

Final

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS No. 1

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of May, 1957 Docket No. DMEA 4491 Contract No. DMA 1044
Operator's Name Earl Pittman Minerals Lead
Address Spruce Pine, N. C.
Contract Amount, $ 5,495.00 Government Participation: 75 % Amount, $ 4,122.00

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: Shafts		2,295.00	2,295.00			
Bulldozing						
Crosscutting	405.00	742.50	1,147.50			
Drifting						
Shaft Rehab. (17 ft)		136.00	136.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber: Powder Mag.		25.00	25.00			
Explosives: Exp. Mag.		15.00	15.00			
Pipe: Tool House		75.00	75.00			
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	405.00	3,538.50	3,943.50	405.00	3538.50	3943.50

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

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 6-14-57 *Payee Earl Pittman

Per _____ Title _____

*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

Signature Arlen R. Miller
(Authorized Certifying Officer)
Date JUL 1 1957 Vou. No. 1
(See other side)

101.25

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E-1044 in accordance with the terms of the contract.

Signature W. W. Beck Title MINING ENGINEER ~~U. S. BUREAU OF MINES~~ Date JUN 27 1957

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature V. J. Lynch Title ACTING EXECUTIVE OFFICER DMEA - REGION V Date JUN 27 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 4491 Contract No. [illegible]
Operator's Name Earl Pilson Minerals [illegible]
Address Spruce Pine, N. C.

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting								
Crosscutting	Fel	405.00	12	1,147.50	24	33.75		33.75
Raising								
Shafts	Ft.			2,295.00	50	45.90		45.90
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching Sh. Shaft	Ft.			136.00	17	7.00		7.00
Test Pits								
Roads and Trails 1000 ft.				250.00	1,000	.25		.25
Total Distributed Costs								Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Tool House, P. Rec. & B.	Lsm.			115.00				
Total Costs		405.00		3,943.50				

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

Date 6-14-57 Operator Earl Pilson

Per ..... Title .....

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 JC 8 1957 DMEA

V. 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

PROGRESS REPORT FOR THE MONTH OF MAY, 1957

DMEA 4491 IDME 1044

Earl Pitman, Spruce Pine, N. C.

EXTRA COPY
DMEA
RECEIVED JU 1957

DATE	INITIALS	CODE

May 6 Drilled 4 holes, shot, and mucked out. Advanced 1 ft.

May 9 Drilled 10 holes, shot and mucked out. Advanced 2 ft.

May 10 Drilled 12 holes, shot and mucked out. Advanced 2 ft.

May 13 Drilled 9 holes, shot and mucked out. Advanced 1 ft.

May 16 Drilled 16 holes shot and mucked out. Advanced 2 ft.

May 20 Drilled 6 holes, shot and mucked out. Advanced 2 ft.

May 21 Drilled 5 holes shot, and mucked out. Advanced 2 ft.

Yours truly,

Earl Pitman

Earl Pitman

COPY

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

June 27, 1957

OFFICIAL FILE COPY
DMEA
RECEIVED JUL 1 1957

DATE	INITIALS	CODE
7/1	C	220
7/1	[illegible]	800
7/1	[illegible]	600

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Operator's Final Report - DMEA-4491, Idm-E1044-mica
Pitman Tract, Mitchell County, N.C.

Attached are four copies of the final report sent to this office by the Operator, Mr. Earl Pitman, on the subject contract.

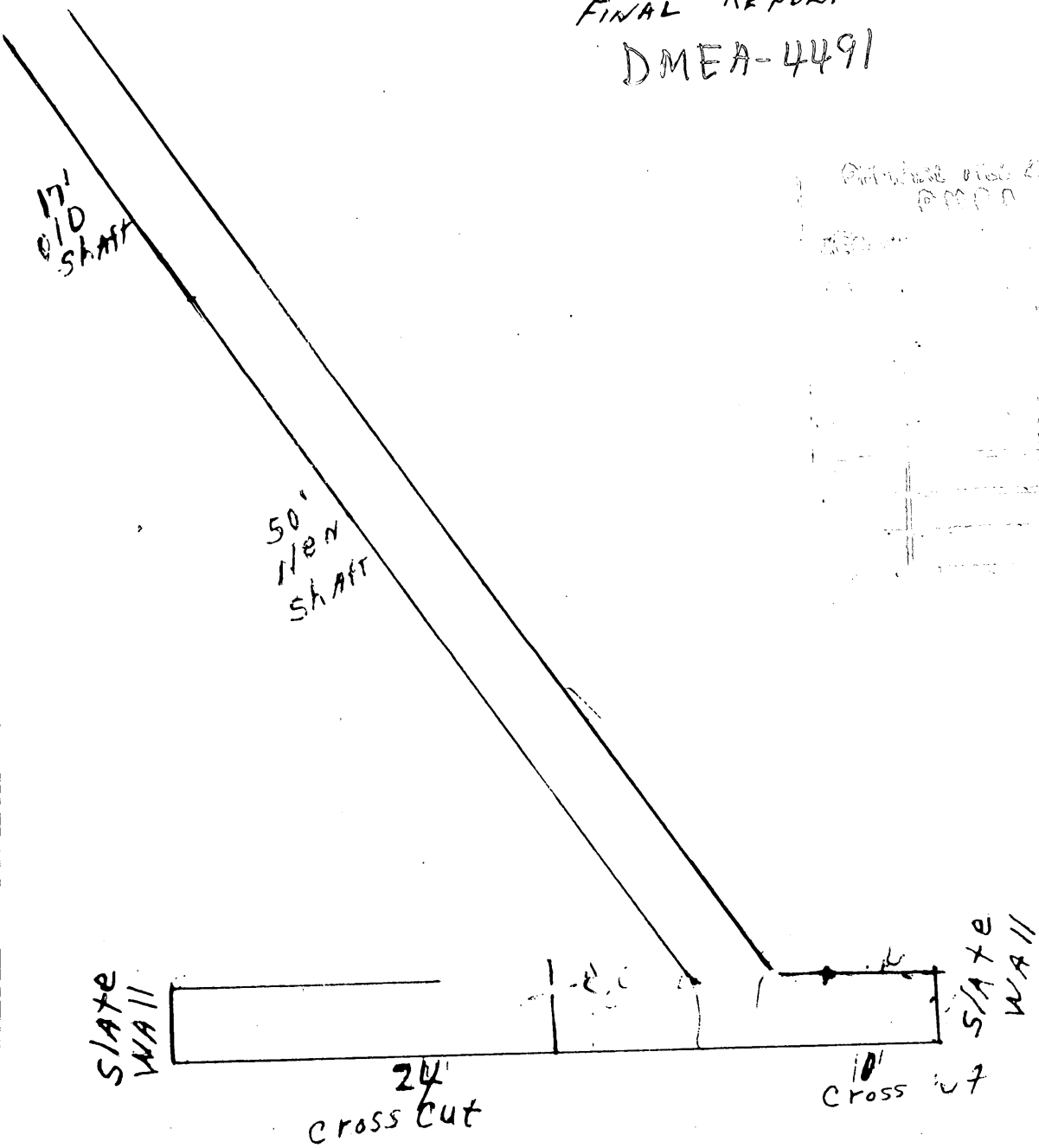
This is hardly an adequate final report, but it is the best we can expect from this Operator.

V. J. Lynch

V. J. Lynch

Operators Final Rpt.

FINAL REPORT
DMEA-4491



All this Shaft & Cross Cut was in Vein Rock. There was No Mica Except A Few Blocks At Bottom of OLD Shaft.

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
6/25	Talbert	800
6/25	C	220
6/24	Hrubes	600

JUN 25 1957

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

Re: Docket No. 4491 (Mica)
Pitman, Hayes, and Buchanan
c/o Earl Pitman
Sarah Pitman Property
Mitchell County, N. C.
Contract No. Idm-E1044

Dear Mr. Laurence:

As requested in your memorandum of June 18, 1957, a Report of Review in lieu of a final audit of the referenced project has been prepared. The original and two copies thereof, together with the original of the final MF-104 submitted with your memorandum, are enclosed.

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

It is noted that confirmation of the access road construction is not included in your memorandum. Therefore, acceptance of the costs claimed for this work has been based on the Field Team's Interim Report of February 19, 1957, which specifically states that "Access road construction, consisting of 1000 linear feet, has been completed." It is requested that future memoranda requesting Reports of Review specifically confirm the completion of all units of works.

Sincerely yours,

SIGNED
Jay L. Chambers, Director
Contract Administration
and Audit Division

Enclosure
EDTalbert/wb 6/25/57

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

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
6/21	Anderson	600
6/24	Houk	600
6-24	Chambers	800
6/24	GCS.	130
"	Johnson	110
"	Whitsenday	100
6/25	C	220
		600

JUN 25 1957

600

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

Re: Docket No. DMEA-4491-Mica
Earl Pitman, et al.
The Pitman Tract
Mitchell County, North Carolina
Contract No. Idm-E1044

Yopes

Dear Mr. Laurence:

Reference is made to the Field Team's memorandum of June 5, 1957, recommending termination of the subject contract by mutual agreement.

Enclosed are the original and five copies of a proposed termination agreement signed by the Administrator for the Government. Two extra copies are enclosed for the use of the Field Team. If the proposed termination agreement meets with your approval, present it to the Operators for execution.

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

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

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (GCS)

Approved:

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

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

Enclosures 8

WCAnderson:gad 6/21/57
Copy to: Admr. R. File
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

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

OFFICIAL FILE COPY
DMEA
RECEIVED JUN 7 1957

DATE	INITIALS	CODE
6/10	C	220
"	CMK	100
"	H.	600

June 5, 1957

Memorandum

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

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

Subject: DMEA-4491, Idm-E1044-mica. Earl Pitman, operator
Sarah Pitman Tract, Mitchell County, N.C.
Request for termination.

The Field Team agrees with the Field Examiners in recommending termination of the subject contract effective date May 29, 1957.

The reasons for this recommendation are fully explained in the attached interim report. The Operator is in agreement with the recommendation; we therefore request termination of the contract by mutual agreement.

Robert A. Laurence

Robert A. Laurence
Executive Officer, DMEA
Region V

V. J. Lynch

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

INTERIM REPORT

DMEA-4491, Idm-E1044 (Mica) PITMAN TRACT

Operator: Earl Pitman, Spruce Pine, N. C.

Location: 1400 feet N88°E from the intersection of the Mine Creed Road and Highway 26, in Mitchell Co., N. C.

Drifting has been in progress during the interim on this contract. Work completed has outlined the limits of the pegmatite along strike at this depth in both directions from the shaft bottom and no additional drifting is warranted. The field examiners recommend that this contract be terminated by mutual consent of both parties, because of the absence of pegmatite in both drift headings.

Drift work completed totaled 34 feet; 10 feet was driven S60°W and 24 feet was driven N42°E. The body was composed principally of K feldspar and small scrap mica; no commercial mica was produced from the level work. Work was stopped to the southwest when the body thinned to a few inches and to the northeast at the time of this visit because the pegmatite has wedged out completely. Short percussion holes in the face shows no pegmatite.

The field examiners recommend that this contract be terminated as soon as possible.

OFFICIAL FILE COPY
DMEA
RECEIVED JUN 7 1957

DATE	INITIALS	CODE

May 28, 1957

L. E. Shirley

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

S. C. Bergman

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

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 24 1957

DATE	INITIALS	CODE
5/24	C	220
27	Com	100
28	H	600

INTERIM REPORT

DMEA-4491, Idm-E1044(mica) PITMAN TRACT

Operators: Earl Pitman, Russell Hayes, and Horace Buchanan
c/o Earl Pitman, Spruce Pine, North Carolina

Location: 1400 feet N 88°E of the intersection of the Mine Creek Road and Highway 26, in Mitchell County, N.C.

Drifting continues on pegmatite to the northeast. Ten feet has been driven N 43° E during the interim period making a total of 16 feet in that direction, while 10 feet had previously been driven S 35°W. The pegmatite has thickened considerably to the northeast, and has a more favorable mineralization than encountered in the lower part of the shaft and the other drift work. It is 3 to 5 feet thick, has an attitude of N 38° E, 30°SE and is symmetrically zoned with a more or less central quartz zone, a massive intermediate perthite zone and a thin plagioclase-quartz wall zone.

Todate mica recovery has been negligable. Progress on this contract has been slow, with indications of inefficient mining practice.

Inspected: May 14, 1957

S. C. Bergman

S. C. Bergman, Geologist
Geological Survey

Wm. A. Beck

Wm. A. Beck, Mining Engineer
Bureau of Mines

z

EXTRA COPY
DMEA
RECEIVED MAY 24 1957

DATE	INITIALS	CODE

INTERIM REPORT

DMEA-4491, Idm-E1044(mica) PITMAN TRACT

Operators: Earl Pitman, Russell Hayes, and ~~Horace Buchanan~~
c/o Earl Pitman, Spruce Pine, North Carolina

Location: 1400 feet N 88°E of the intersection of the Mine Creek Road and Highway 26, in Mitchell County, N.C.

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Todate mica recovery has been negligable. Progress on this contract has been slow, with indications of inefficient mining practice.

Inspected: May 14, 1957

S. C. Bergman, Geologist
Geological Survey

Wm. A. Beck, Mining Engineer
Bureau of Mines

(Rev.)
(April 1952)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.5

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K- 67

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of April 195 57 Docket No. DMEA 4491 Contract No. DMEA 1044
Operator's Name Earl Pittman Minerals Mica
Address Spruce Pine, N.C.
Contract Amount, $ 5496.00 Government Participation: 75 % Amount, $ 4122.00

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 Shaft		2295.00	2295.00			
Access Bulldozing Road		250.00	250.00			
Crosscutting						
Drifting						
Shaft Rehab. (17 ft)		136.00	136.00			
(2) Labor and Supervision:						
Labor Cross Cut	573.75	168.75	742.50			
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber Powder Mag.		25.00	25.00			
Explosives Exp. "		15.00	15.00			
Pipe Tool House		75.00	75.00			
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	573.75	2964.75	3538.50	573.75	2964.75	3538.50

I certify that the above bill is correct and just and that payment therefor has not been received.
Date May 3-57 *Payee Earl Pittman
Per ..... Title .....

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:
$ 430.31
Signature Helen R. Miller (Authorized Certifying Officer)
Date MAY 9 1957 Vou. No. 184
(See other side)

RECEIVED MAY 1957 D.M.E.

*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)

143,44

(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-1044 in accordance with the terms of the contract.

Signature V. J. Lynch Title MINING ENGINEER U. S. BUREAU OF MINES Date MAY 7 1957

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Kleeman Title EXECUTIVE OFFICER DMEA FIELD TEAM REGION V Date MAY 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 [illegible]04A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of April 195 57 Docket No. DMEA 4491 Contract No. DMEA 1044
Operator's Name Earl Pittman Minerals Mica
Address Spruce Pine, n.c.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting	Ft	573.75	17	742.50	22	33.75		33.75
Raising								
Shafts	ft			2295.00	50	45.90	50	45.90
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching Reh. Shaft	ft			136.00	17	7.00	17	7.00
Test Pits								
Roads and Trails 1000 ft	ft			250.00	1000	~~1000.25~~	1000	.25
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Tool House, P Mag., B.Mag.				115.00				
TOTAL COSTS		573.75		3538.50				

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

Date May 3-57 Operator Earl Pittman

Per ..... Title .....

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)

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

PROGRESS REPORT FOR THE MONTH OF APRIL, 1957

DMEA 4491 IDME 1044

Earl Pitman, Spruce Pine, N. C.

April 1-Drilled 10 holes-shot.

April 2-Mucked out and advanced 2 ft.

April 3-Drilled 6 holes-Mucked out- advanced 1 ft.

April 4-Drilled 10 holes- shot.

April 5-Mucked out-advanced 2 ft.

April 15-Drilled 4 holes- shot- advanced 1 ft.

April 16-Drilled 6 holes- shot- mucked out and advanced 1 ft.

April 17-Drilled 10 holes- shot.

April 18-Mucked out- advanced 2 ft.

April 22-Drilled 6 holes-Shot- mucked out- advanced 1 f.t.

April 23-Drilled 4 holes-shot-advanced 1 ft.

April 24-Drilled 10 holes- shot.

April 25-Mucked out- advanced 2 ft.

April 26-Drilled 5 holes- shot- mucked out- advanced 2 ft.

April 29-Drilled 10 holes- shot.

April 30-Mucked out- advanced 2 ft.

Yours truly,

Earl Pitman

Earl Pittman

INTERIM REPORT

DMEA-4491, Idm-E1044 (Mica) PITMAN TRACT

Operator: Earl Pitman, Spruce Pine, N. C.

Location: 1400 feet N88°E from the intersection of the Mine Creek Road and Highway 26, in Mitchell Co., N. C.

Drifting continues on this contract and now totals 22 feet; 10 feet has been driven to the southwest and 11 feet to the northeast. Work was stopped to the southwest at this time because of thinning pegmatite and absence of mica in the body. Instructions were given for continued drifting to the northeastern feldspathic pegmatite, with a rim of quartz near the hanging wall contact.

The operator was instructed to drive the drifts 5' x 7' in cross section and to keep the drifts clean. Recent progress on this contract has been slow.

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

OFFICIAL FILE COPY
D M E A
RECEIVED MAY 13 1957

DATE	INITIALS	CODE
5/13	JWJ	220
14	com	100
14	H	600

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

S. C. Bergman

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

April 30, 1957

EXTRA COPY
D M E A
RECEIVED MAY 13 1957

DATE	INITIALS	CODE

INTERIM REPORT

DMEA-4491, Idm-E1044 (mica) PITMAN TRACT

Operator: Earl Pitman, Spruce Pine, North Carolina

Location: 1400 feet N88°E from the intersection of the Mine Creek Road and Highway 26, in Mitchell County, North Carolina

Drifting continues slowly on this contract with an advance of 3 feet during the interim; drift completed in a S60°W direction now totals 8 feet. No change in pegmatite material encountered was noted. The Operator was advised to keep a closer tab on the work to see if drift progress can be increased during the next period.

L. E. Shirley

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

E. L. Boudette

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

April 16, 1957

OFFICIAL FILE COPY
DMEA
RECEIVED APR 29 1957

DATE	INITIALS	CODE
4/29	C	220
5/1	Com	100
5/2	[illegible]	600

INTERIM REPORT

DMEA-4491, Idm-41044 (mica) PITMAN TRACT

Operator: Earl Pitman, Spruce Pine, North Carolina

Location: 1400 feet N85°E from the intersection of the Kina Creek Road and Highway 26, in Mitchell County, North Carolina

Drifting continues slowly on this contract with an advance of 3 feet during the interim; drift completed in a S60°W direction now totals 8 feet. No change in pegmatite material encountered was noted. The Operator was advised to keep a closer tab on the work to see if drift progress can be increased during the next period.

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

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

April 16, 1957

EXTRA COPY
DMEA
RECEIVED
DATE | TRANSMITTAL | CODE

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
4/5	Houk	600
4/8	Selfridge	130
"	Johnson	110
"	Hutchedorf	100
4/9	C	220
		600

600

APR 8 - 1957

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

Re: Docket No. DMEA-4491-Mica
Earl Pitman, et al.
The Pitman Tract
Mitchell County, North Carolina
Contract No. Idm-E1044

Dear Mr. Laurence:

Reference is made to the narrative portion of the Feb. Monthly Operator's Report on the subject mine.

Reference is made to the sample monthly narrative statement sent you on Docket No. DMEA-2439, Yancey Mica Mines, on October 28, 1952, and the results obtained. In some cases the reports have been good and in others poor. We have been speculating that the use of the enclosed fill-in form for the small mica projects might get better reporting.

Your comments and suggestions for its revision and effect would be appreciated. While we do not believe this is a cure-all, it may help get useful information. When you have had an opportunity to look it over please send us your opinion.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (JLB)

Approved:

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

Thor H. Kiilsgaard (JLB)
Member, Geological Survey

LGHouk:gad 4/5/57
Copy to: Admr. R. File
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

Enclosure

8623

Month of _____ 19__

General:

Number of men _____
Number of days worked _____
Number of shifts _____

Describe working face: (Check one)

In pegmatite _____
Mica Column _____
Barren rock _____
Old workings _____

Results:

Mica:

Run-of-mine mica produced _____ Lbs.
Quality: Good ( ), Fair ( ), Poor ( ) _____ Lbs.
Sales to Depot:
_____ Lbs. $_____ Partial payment
$_____ Full payment

Sales to others:
Punch Mica _____ Lbs. $_____
Scrap Mica _____ Lbs. $_____
Name other minerals (quantity sold, value received) _____ Lbs. $_____

Material used:

Powder (or boxes) _____ Lbs.
Fuse _____ Ft.
Caps _____ No.
Board Feet Timber _____ Ft.
Rail _____ Ft.
Pipe _____ Ft.
Electric caps _____ No.
Bits (regular - tungsten carbide) _____ No.

Difficulties: (Check any that apply to your operation)

Machine failure _____
Labor _____
Weather _____
Excess water _____
Supplies _____
Illness _____
Others _____

Remarks: (Elaborate on unusual conditions)

Docket No. DMEA_____
Name of Mine _____ Operator _____
(Signature)

OFFICIAL FILE COPY
DMEA
RECEIVED APR 15 1957

DATE	INITIALS	CODE
4/15	C	220
"	CDM	100
4/17	Hml	600

INTERIM REPORT

DMEA-4491, Idm-E1044 (mica) PITMAN ~~TRACT~~

Operator: Earl Pitman, Spruce Pine, N. C.

Location: 1400 feet N88°E from the intersection of the Mine Creek Road and Highway 26, in Mitchell Co., ~~N. C.~~

Inclined shaft sinking has been completed to a total depth of 52 feet; turnoff has been made from the 50-foot shaft level, and 5 feet of drift advance has been made in a S60°W direction. Pegmatite material examined in the drift is predominantly K feldspar containing small scrap-size muscovite. Instructions were given for continued drifting to the southwest.

The Operator was advised to install the ladderway in the incline to the bottom as soon as drift advance will allow. Progress on this contract is satisfactory.

L. E. Shirley

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

E. L. Boudette

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

April 2, 1957

EXTRA COPY
D M E A
RECEIVED APR 26 1957

DATE	INITIALS	CODE
4/26	H	

April 23, 1957

Memorandum

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

From: Administrative Assistant, Electrotechnical Experiment Station, Norris, Tennessee

Subject: Monthly report and voucher

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

Idm-F1044 Earl Pittman
Docket No. DMEA-4491
3rd payment - month of March
Amount $849.48

EXTRA COPY
D M E A
RECEIVED

DATE	INITIALS	CODE
4/25	Jd	110
4/26	wca	600

Helen R. Miller

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

104 (Rev.)
1952)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.5

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K 65

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of March 1957 Docket No. DMEA 4491 Contract No. DMEA 1044
Operator's Name Earl Pittman Minerals Mica
Address Spruce Pine, N.C.
Contract Amount, $ 5496.00 Government Participation: 75% Amount, $ 4122.00

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 Contractor Short Form Shaft	963.90	1331.10	2295.00	963.90	1331.10	2295.00
Drilling						
Access. Road Bulldozing		250.00	250.00		250.00	250.00
Crosscutting						
Drifting						
Shaft Rehab. (17 ft.)		136.00	136.00		136.00	136.00
(2) Labor and Supervision:						
Labor 1 X Cross Cut	198.75		198.75	168.75		168.75
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber Powder Mag.		25.00	25.00		25.00	25.00
Explosives der Mag.		15.00	15.00		15.00	15.00
Pipe Tool House		75.00	75.00		75.00	75.00
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	1162.65	1832.10	2994.75	1132.65	1832.10	2964.75

RECEIVED APR 25 1957 D.M.E.A.

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 4-1-57 *Payee Earl Pittman
Per 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:
$ 849.48
Signature Helen R. Miller
(Authorized Certifying Officer)
Date APR 23 1957 Vou. No. 178
(See other side)

283.19

(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-1044 in accordance with the terms of the contract.

Signature V. J. Lynch Title MINING ENGINEER U. S. BUREAU OF MINES Date APR 22 1957

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION V Date APR 22 1957

MONTHLY REPORT OF OPERATOR

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(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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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.

-104A
(52)

Budget Bureau No. 42-R1151.2

RECEIVED APR 25 1957 D.M.E.A.

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

Month of March 195 7 Docket No. DMEA 4 491 Contract No. DMEA 1044
Operator's Name Earl Pittman Minerals Mica
Address Spruce Pine, N.C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting	Ft	198.75	5	198.75	5	33.75		33.75
Raising								
Shafts	Ft	963.90	21	2295.00	50	45.90	50	45.90
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Timbering Shaft Rehabitit	ft			136.00	17	8.00	17	8.00
Test Pits								
Roads and Trails 1000ft				250.00	1000	.25	1000	.25
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Tool House, P.Mag E.MAg.				115.00				
TOTAL COSTS		1162.65		2994.75				

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

Date 4-1-57 Operator Earl Pittman

Per Title Partner

REMARKS:

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

(Instructions on reverse)

(For Government use only)

N. 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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DMEA
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DATE | INITIALS | CODE

Progress Report for Month of March 1957

DMEA 4491 IDME 1044

Earl Pittman , Spruce Pine, N.C.

March4th Drilled 9 holes shot mucked out advanced 2 feet

March5th drilled lo holes , shot , mucked out advanced 2 ft.

March. 6th Drilled 10 holes, shot, mucked out advanced 2 ft.

March. 7th Drilled 7 holes ,shot, mucked out advanced 2 ft.

March. 11th Drilled 9 holes ,shot, mucked out ,advanced 2 ft.

March. 12th Drilled lo holes, shot advanced 1 ft.

March 13th Drilled 7 holes ,shot, mucked out, advanced 2 ft.

March 15th Drilled 10 holes, shot , mucked out advanced 2 ft.

March. 18th Drilled 7 holes shot , mucked out advanced 2 feet

March. 19th drilled 9 holes ,shot, mucked out advanced 2 ft.

March. 20th drilled 10 holes ,shot, mucked out, advanced 2 ft.

This finished our shaft so we started our cross cut.

March. 25th drilled 10 hOles

March 26td shot ana mucked out Advanced 2 ft

March 27 th drilled 12 holes

March 28 & 29 shot and mucked out advanced 3 feet.

Yours truly

Earl Pittman

Earl Pittman

RECEIVED
APR 1 1957

RECEIVED
APR 1 1952

INTERIM REPORT

DMEA-4491, Idm-1044 (mica) PITMAN TRACT

Operator: Earl Pitman, Spruce Pine, N. C.

Location: 1400 feet N88°E from the intersection of the Mine Creek Road and Highway 26, in Mitchell Co., N. C.

Inclined shaft sinking continues on this contract and is now at 40 feet. The work is following the inclination of the body on a -40 to -45°. The pegmatite now trending N20°-70°E, thickened during the interim from 1 foot to 4 feet, and is composed of feldspar, quartz, and small scrap-size mica. No strategic mica has been produced from incline sinking, according to the Operator. Instructions were given for continued sinking to a total depth of 50 feet.

The Operator was advised to complete timbering as soon as practicable. Progress on this contract is satisfactory.

L. E. Shirley

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

S. C. Bergman E. L. Boudette

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

March 19, 1957

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RECEIVED APR 2 1957

DATE	INITIALS	CODE
4/2	C	220
3	CMM	100
4	H	

INTERIM REPORT

DMEA 4491, Idm-E1044 (mica) PITMAN TRACT

Operator: Earl Pitman, Spruce Pine, N. C.

Location: 1400 feet N88°E from the intersection of the Mine Creek Road and Highway 26, in Mitchell Co., N. C.

Inclined shaft sinking continues on this contract and, coupled with 17 feet of rehabilitation, the total depth is now 46 feet. The present bottom shows 3 feet of pegmatite on the hanging wall followed by an inclusion of biotite gneiss about 12 inches thick and 6 inches of pegmatite on the footwall. The body is composed of feldspar, disseminated quartz, and occasional small mica. Instructions were given for continued shaft sinking to follow pegmatite. Mica recovery to date has been negligible.

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

L. E. Shirley

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

E. L. Boudette

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

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 15 1957

DATE	INITIALS	CODE
3/18	Corr	100
3/18	C	220
3/21	wra	600

March 5, 1957

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K- 55

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of February 1957 Docket No. DMEA 4491 Contract No. DMEA 10 44

Operator's Name Earl Pittman Minerals Mica

Address Spruce Pine, N.C.

Contract Amount, $ 5496.00 Government Participation: 75 % Amount, $ 4122.00

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~~ XXXX Shaft	1101.60	229.50	1331.10			
Bulldozing						
~~Crosscutting~~ Access. Road		250.00	250.00			
~~Drifting~~ Shaft Rehab. (17ft)		136.00	136.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls and Supplies:						
Timber Powder Mag.		25.00	25.00			
Explosives Exploder Tag.		15.00	15.00			
Pipe 1601 House		75.00	75.00			
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):						
		730.50				
TOTALS	1101.60	XXXXXX	1832.10	1,101.60	730.50	1,832.10

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

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

Date 3-2-57 *Payee Earl Pittman

Per _____ 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:

$ 826.20

Signature Helen R. Miller
(Authorized Certifying Officer)

Date MAR 7 1957 Vou. No. 143

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E1044 in accordance with the terms of the contract.

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

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

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

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of February 7, 1957 Docket No. DMEA 4491 Contract No. DMEA 1044

Operator's Name Earl Pittman Minerals Mica

Address Spruce Pine, N.C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts	Ft	1101.60	24	1331.10	29	45.90	50	45.90
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Shaft Rehabilit.	Ft			136.00	17	8.00	17	8.00
Trenching								
Test Pits 1000 ft	ft			250.00	1000	.25	1000	.25
Roads and Trails								
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc. Tool house, P.Mag. S.Mag				115.00				
TOTAL COSTS		1101.60		1832.10				

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

Date 3-2-57 Operator Earl Pittman

Per Title Partner

REMARKS:

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

(Instructions on reverse)

(For Government use only) S. C. Bergman

GEOLOGIST, U. S. G. S. MAR 5 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

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DMEA
RECEIVED MAR 11 1957

DATE	INITIALS	CODE

Progress Report for Month of February 1957

DMEA 4491 IDME 12044

Earl Pittman, Spruce Pine, N.C.

The weather was very rainey so we did not work any until 11th.

Feb. 11th Drilled 7 holes shot mucked out advanced 2 foot

Feb. 12th Drilled 4 holes shot mucked out advanced 2 foot

Feb. 13 th Drilled 9 holes shot mucked out advanced 2½ foot

Feb 14th Drilled 10 holes shot mucked out advanced 2 feet.

Feb. 15 th Drilled 7 holes shot mucked out advanced 1 foot.

Feb. 18th mucked out advanced out advanced 1 foot

Feb. 19th Drilled 9 holes shot mucked out advanced 2 feet.

Feb. 20th Drilled 5 holes shot mucked out advanced 2 feet.

Feb. 21th Drilled 10 holes shot mucked out advanced 2 feet.

Feb. 22th Drilled 8 holes shot mucked out advanced 2 feet

Feb. 24th Drilled 7 holes shot muck out advanced 2 feet.

Feb. 26th Drilled 11 holes shot muck out advanced 2½ feet.

Feb. 27 th Drilled 11 holes shot mucked out advanced 2 foot.

~~Yours Truly~~

Yours Truly

Earl Pittman

Earl Pittman

RECEIVED
MAR 1 1957
DEPARTMENT OF MINES & MINERAL
ARIZONA BUREAU OF MINES
TUCSON, ARIZONA

COPY

RECEIVED
MAR 4 1957
U. S. BUREAU OF MINES
DEF. MIN. ADM.
Knoxville, Tennessee

INTERIM REPORT

DMEA-4491, Idm-E1044 (mica) PITMAN TRACT

Operator: Earl Pitman, Spruce Pine, N. C.

Location: 1400 feet N88°E from the intersection of the Mine Creek Road and Highway 26, in Mitchell Co., N. C.

Inclined shaft sinking is underway on this contract, and work completed in new ground totals 15 feet. The present depth from the starting point is 32 feet, which is inclusive of 17 feet of rehabilitated shaft. Access road construction, consisting of 1000 linear feet, has been completed. A fabricated tool house was purchased for $75.00 in Asheville, N. C., moved to the site and assembled. A powder magazine and exploder magazine have been built and will be placed in use in the near future. Equipment at the site consists of a 105 c.f.m. air compressor with drilling attachments, a single-drum gasoline-powered hoist and necessary hand tools.

The shaft work is following the dip of the pegmatite on a -45° slope. The body is about 1 foot thick on the southwest end, becoming thicker to the northeast across the shaft. The quartz core, so prominently displayed at the outcrop, is absent at the present depth. Scattered small books of mica and feldspar were observed in the shaft bottom. Instructions were given for continued shaft work and

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D M E A
RECEIVED MAR 4 1957
DATE | INITIALS | CODE
3/5 | | 100
3/5 | C | 200
3/6 | | 600

Reappraisal seems indicated

necessary timbering to be completed when practicable. Progress on this contract has been satisfactory.

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

S. C. Bergman

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

February 19, 1957

Fo[illegible] (Rev.)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.5

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-48

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of January 195 7 Docket No. DMEA 4491 Contract No. IDME 1044

Operator's Name Earl Pittman Minerals Mica

Address Spruce Pine, N.C.

Contract Amount, $ 5496.00 Government Participation: 75% Amount, $ 4122.00

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 XXX Shaft	229.50		229.50			
Bulldozing Access Road	250.00		250.00			
Crosscutting						
Drifting Shaft Rehab. (17ft)	136.00		136.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives Powder Mag.	25.00		25.00			
Pipe Exploder Mag.	15.00		15.00			
Track Tool House	75.00		75.00			
(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	730.50		730.50			

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 Jan 1-57 *Payee Earl Pittman

Per _____ Title _____

*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:

$ 547.88

Signature Helen R. Meeks
(Authorized Certifying Officer)

Date ~~FEB 8 1957~~ FEB 14 1957 Vou. No. [illegible]
(See other side)

133

(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. Tdm-E 1044 in accordance with the terms of the contract.

Signature Lawrence E. Hurley Title MINING ENGINEER U. S. BUREAU OF MINES Date Feb. 6, 1957

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION V Date FEB 7 195

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.

For[illegible]T-104A
(A[illegible]52)

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 195 7 Docket No. DMEA 4491 Contract No. IDME 1044

Operator's Name Earl Pittman Minerals Mica

Address Spruce Pine N.C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts	Ft	229.50	5	229.50	5	45.90	50	45.90
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Tunneling Shaft Rehabilit.	Ft	136.00	17	136.00	17	8.00	17	8.00
Test Pits								
Roads and Trails 1000 ft	Ft	250.00	1000	250.00	1000	.25	1000	.25
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc. Tool house, P.Mag.E.Mag		115.00		115.00				
TOTAL COSTS		730.50		730.50				

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

Date 2-1-57 Operator Earl Pittman

Per ..... Title .....

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)

R. E. Shirley
MINING ENGINEER
U. S. BUREAU OF MINES
Feb. 6, 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

Progress Report for Month of January 1957

DMEA 4491 IDME 1044

Earl Pittman ,Spruce Pine,N.C.

Jan. 8th & 9th Building road to mine.

Jan. 14th thru 18th Moving in and setting up machinery.

Jan. 24 th Scaled walls

Jan. 25th Cribbing top of shaft.

Jan. 26th Setting timber in shaft.

Jan. 28th Finished setting timber in shaft.

Jan. 29th Drilled 5 holes and shot then mucked out advanced 2½ feet.

Jan. 30th Drilled 10 holes and shot then mucked out advanced 2½ feet.

Jan. 31 Too rainy to work.

Yours Truly

Earl Pittman

EXTRA COPY
DMEA
RECEIVED FEB 15 1957

DATE	INITIALS	CODE

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

INTERIM REPORT

DMEA-4491, Idm-E 1044 (mica) PITMAN TRACT

Operator: Earl Pitman, Spruce Pine, N. C.

Location: 1400 feet N88°E from the intersection of the Mine Creek Road and Highway 26, in Mitchell Co., N. C.

The starting date on this contract is January 8, 1957. Access road construction has been completed, and shaft rehabilitation is underway. A tool house has been moved to the site, but magazines have not been built. Voucher reports were discussed in detail with the Operator. Shaft sinking in new ground will get underway as soon as rehabilitation is complete.

L. E. Shirley

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

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

January 22, 1957

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1025 FIELD HQ.
KNOXVILLE 2, TENN.

January 7, 1957

OFFICIAL FILE COPY
DMEA
RECEIVED JAN 9 1957

DATE	INITIALS	CODE
Jan 9		215
1/11		600
1/11		600

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Signed Contract - DMEA-4491, Idm-E1044 (mica) Earl Pitman, et al Pitman Tract, Mitchell County, North Carolina

Transmitted are three signed copies of the subject contract.

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

V. J. Lynch

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

Helmuth Wedow

Helmuth Wedow, Geologist
U. S. Geological Survey

z

DOCKET COPY
Surname:

Hopkins
Selfridge
Mattlendorf

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

DEC 31 1956

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

Re: Docket No. DMEA-4491 - Mica
Earl Pitman, et al.
The Pitman Tract
Mitchell County, North Carolina

Dear Mr. Laurence:

Reference is made to your memorandum dated December 19th on the subject property.

An application for exploration assistance on the Pitman Tract by Earl Pitman, Russell Hayes and Horace Buchanan, docketed under No. DMEA-4314 was denied September 12, 1956.

Upon request by the applicants, the application was re-opened and docketed under No. DMEA-4491. A contract, No. Idm-E1044, was forwarded to your office for execution, December 17, 1956.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (GCS)

Approved:

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

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

JHopkins:ms 12/27/56
Copy to: Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Admr. R. File

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
ROOM 1, POST OFFICE BLDG.
KNOXVILLE 2, TENNESSEE

RECEIVED DEC 21 1956 D.M.E.A.

December 19, 1956

Memorandum

To: Operating Committee, DMEA - Washington

From: Acting Executive Officer, DMEA - Region V

Subject: Docket Number -DMEA-4491, Earl Pitman, Russell Hayes, and Horace Buchanan, partners. The Pitman Tract, Mitchell County, N.C.

Some confusion has arisen concerning the Docket Number of the subject contract. All of the early correspondence relating to this contract had the Docket No. DMEA-4314. But the recent correspondence and the proposed contract have the Docket No. 4491.

Please advise which is the correct Docket number.

V. J. Lynch

V. J. Lynch

Docket Copy
Surname:

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

Re: Docket No. DMEA-4491-Mica
Earl Pitman, et al.
Pitman Tract
Mitchell County, North Carolina

Dear Mr. Laurence:

Enclosed are the original and five copies of a proposed short-form contract signed by the Administrator for the Government. It consists of the form, Annex I (1 page), Exhibit A (2 pages), and two maps. Also enclosed are two extra copies of Annex I, Exhibit A, and the maps for Field Team use. A copy of the lease on the first tract of land dated April 20, 1956, and six copies of Consent to Lien are also enclosed.

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.

Before presenting the contract for execution, the lease (of April 20, 1956) and six copies of a Consent to Lien should be signed by Wrenn Tolley and the word "none" inserted in item 2 of the Consent to Lien, if that word is applicable. Attach copies of Consent to Lien to copies of the contract and return the copy of lease to this office when properly executed.

R.G.S.

The lease on the second tract of land dated September 25, 1956, is enclosed to be returned to the Applicant because it is not now required.

Copies of memoranda dated November 28 and 29, 1956, by Mr. W. F. Dietrich, USBM, and Mr. N. E. Nelson, USGS, respectively, relating to the project are enclosed.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (JHB)

Approved:

Frank D. Lamb (JHB)

Member, Bureau of Mines

Thor H. Kiilsgaard (JHB)

Member, Geological Survey

Enclosures 20

JHopkins:gad 12/6/56

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

P.S. Please note that the cost of $250.00 per month for equipment rental was used in computing the estimated total cost instead of $100.00 per month as offered by the Applicant. In the future, where equipment is owned by the Applicant, depreciation or use allowance is to be used in all cost estimates.

Government's 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.*	*County*	*State*
4491	Mica	*Idm–E*	Mitchell	North Carolina

It is agreed ....., between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Earl Pitman, Russell Hayes, and Horace Buchanan, partners,

whose mailing address is c/o Earl Pitman
Spruce Pine, 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 ....., and, subject to the provisions of Article 7 and Exhibit A, shall complete the work within eight months from the date of the contract.

(b) The description of the work and the fixed cost for each unit of work to be performed (per foot of drilling, per foot of drifting, per hour of operations, etc.) are hereby agreed upon as specified in Exhibit A. The estimated total cost of the project work is $~~5,248.00~~ 5496.00 The Government will contribute 75 percent of the fixed unit cost of the work performed, not exceeding $3,936.00 4122 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: Interest of the landowners.

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

(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.

EXPLORATION PROJECT CONTRACT
PITMAN, HAYES, and BUCHANAN
DOCKET NO. DMEA-4491

EXHIBIT A

Description of the Work

The approximate location of the work is shown on the maps entitled "Map No. 1, The Pitman Tract, Mitchell County, North Carolina, DMEA-4491 (Mica)" and "Map No. 2, Sarah Pitman Property, Deed Book 44, Page 384, Mitchell County, North Carolina, DMEA-4491," attached hereto and made a part hereof.

The work consists of the following:

1. Rehabilitate existing 17-foot shaft.
2. Construct ~~to~~ 1000-foot access road
3 ~~2.~~ Construct:

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

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

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

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

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

4 ~~3.~~ Deepen the rehabilitated shaft an additional 50 feet.

5 ~~4.~~ Drive 80 feet of drift and/or crosscut from the shaft.

All work shall be timbered as necessary. The shaft shall be a two-compartment shaft in its entire depth.

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

The shaft, drift and/or crosscut shall have minimum cross-sectional dimensions of 5 feet by 7 feet in the clear of timber.

Fixed Unit Costs

1.	Rehabilitating existing shaft 17 feet @ $8.00/ft.		$ 136.00
2	Access Road 1000 feet @ $0.25/man/ft		250.00
3 ~~2.~~	Constructing		
	Toolhouse	$ ~~76.00~~ 1/ 75.00	
	Powder Magazine	26.00 1/ 25.00	
	Exploder Magazine	15.00 1/	115.00 ~~117.00~~
4 ~~3.~~	Shaft sinking 50 feet @ $45.90/ft.		2,295.00
5 ~~4.~~	Drifting and/or crosscutting 80 feet @ $33.75/ft.		2,700.00
	Total Estimated Cost of Project		5496.00 ~~$5,248.00~~
	Government Participation @ 75%		~~$3,936.00~~ 4,122.00

1/ The completed work constitutes the unit.

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

DEC 3 1956

Memorandum

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

From: Acting Associate Solicitor, Division of Mineral Resources

Subject: Docket No. DMEA-4491, Pittman, Hayes, and Buchanan (mica)

In accordance with Mr. Houk's request on reference slip dated November 27, 1956, we have prepared the attached contract. The lease of April 20, 1956, and the Consent to Lien should be signed by Wrenn Tolley before the contract becomes effective. Also, the signers of the Consent to Lien should insert the word "none" in item 2 thereof, if that word is applicable.

J. L. Hofflund

J. L. Hofflund
Acting Associate Solicitor

Attachments

PIndritz/emd

Copy to: Solicitor's Docket (2)
DMEA Docket
L. G. Houk
R. P. Dwyer
P. Indritz
chron.

IN REPLY REFER TO:

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

RECEIVED
NOV 30 1956
D.M.E.A.

November 29, 1956

Re: DMEA ~~4311~~ 4491
Earl Pitman, et al.
Pitman Tract
Mitchell Co., N. C.
Appl. Est. $4,815.00 - Mica
Rec'd Est. $5,340.00

Memorandum

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

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

Subject: Review of supplemental report concerning project boundaries and point of doing work.

The examiners and Field Team recommended approval of the original application, but it was denied because the project site appeared to fall outside the project boundaries.

A resurvey and examination shows the point of proposed work to be safely within the project boundaries and as the prospect has passed muster, the Field Team again recommends approval of the application. Application 4001, not 4002 as shown on the map, probably concerned the same pegmatite. It was approved but later was withdrawn.

I again concur with the recommendation of the Field Team.

N. E. Nelson

N. E. Nelson

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

RECEIVED NOV 29 1956 D.M.E.A.

November 28, 1956

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

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

Subject: DMEA- ~~4314~~ 4491 (mica)

Applicant: Earl Pitman

Name and Location of Property: Pitman Trace

Date of Field Team Report: November 16, 1956

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: November 21, 1956

Field Team Recommendation: Recommend approval of contract as outlined in field examiners report of August 1, 1956.

Comments:

1. This prospect had been recommended for DMEA exploration assistance, subject to clarification of proposed work project and lease boundaries relationship.

2. A new survey has clarified the relationship and the prospect sites lie within the lease area.

Recommendation:

I concur with the recommendation of the field team.

W. F. Dietrich

W. F. Dietrich

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

H

November 16, 1956

Memorandum

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

From: Executive Officer, DMEA Field Team, Region V

Subject: DMEA-~~4314~~ 4491 (Mica)
Earl Pitman, et al.
Pitman Trace, Mitchell County, North Carolina

DMEA-4491

Reference is made to your letter of October 15:

On November 13, our field examiners revisited the Pitman property with Mr. Earl Pitman. He pointed out a different starting point from the one shown to them on the original examination. Using this as a starting point, the prospect at which work is proposed is well within the property boundaries, the nearest line being about 115 feet away.

Mr. Bergman states that the property lines as now located fit the deed description closely, and he is satisfied that the new survey locates the boundaries properly. However, the prospect is not correctly located on the map; apparently the surveyor located a different pit from the one at which work is proposed.

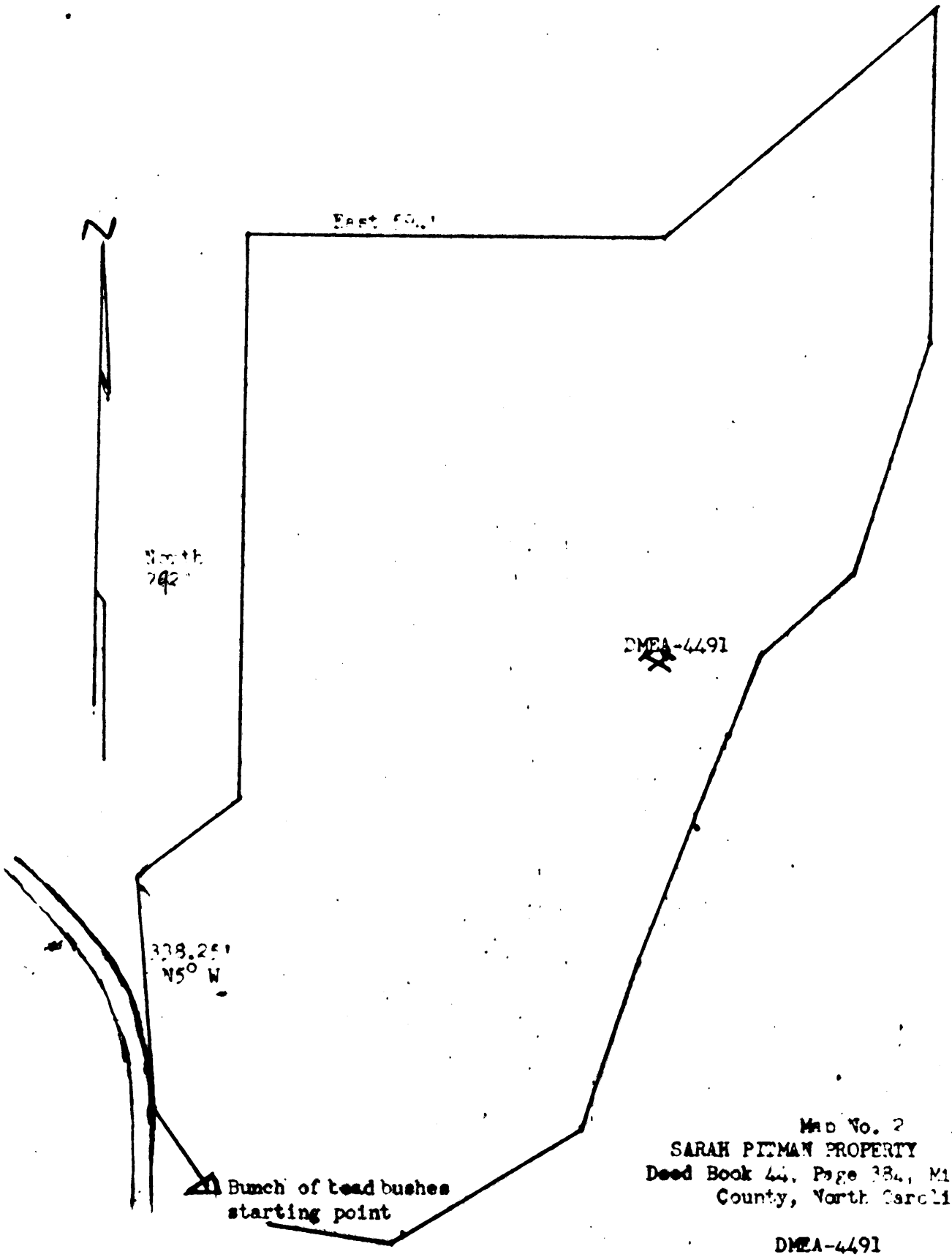
Under these circumstances, approval of a contract as outlined in the field examination report of August 1, 1956, is recommended.

Robert A. Laurence
Robert A. Laurence

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

Enclosures4

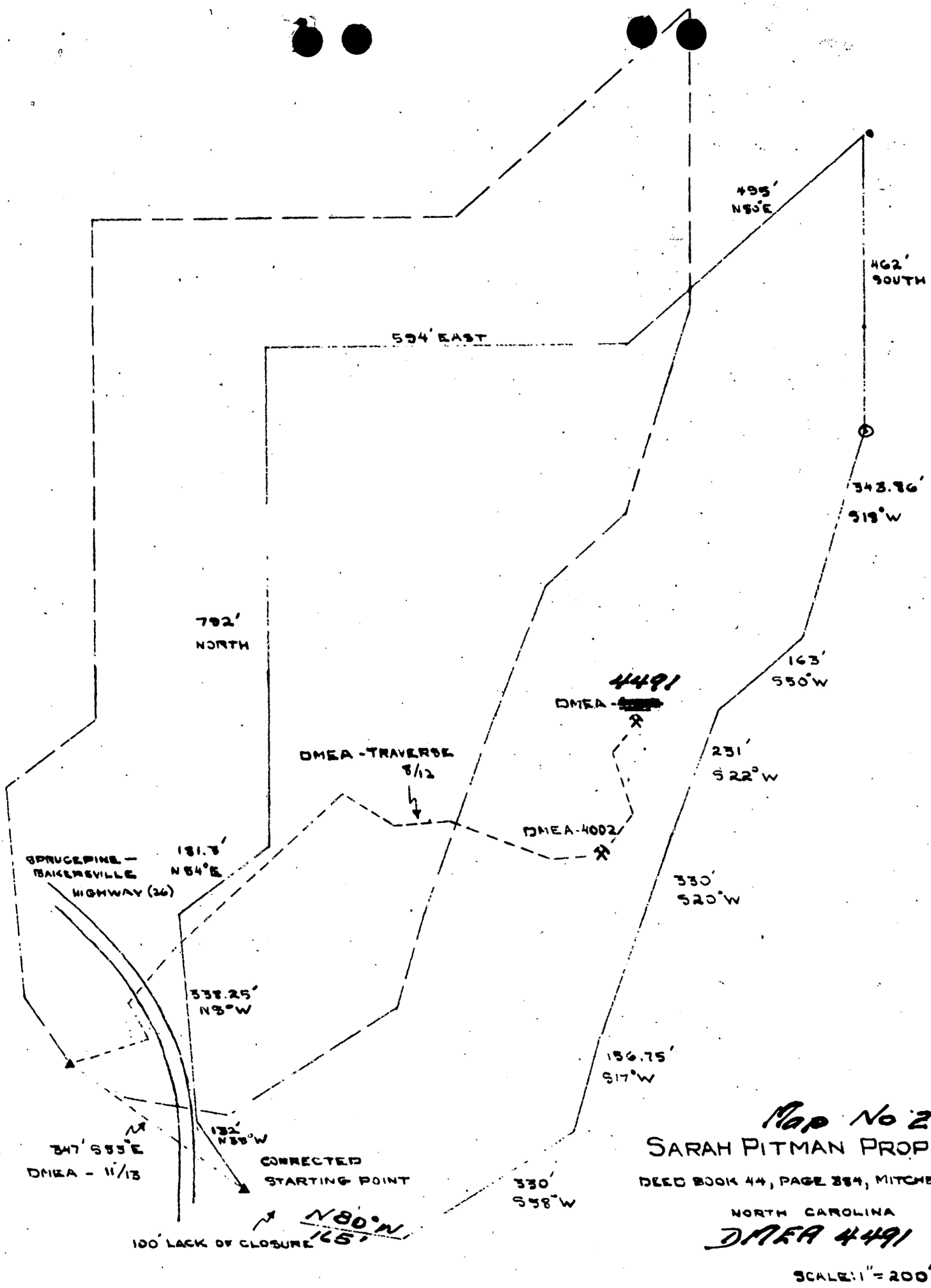
Reviewed by
DMEA OPERATING COMMITTEE
11-21-56
(date)



Map No. 2
SARAH PITMAN PROPERTY
Deed Book 44, Page 384, Mitchell
County, North Carolina

DMEA-4491

Scale: 1"-200'



Map No 2

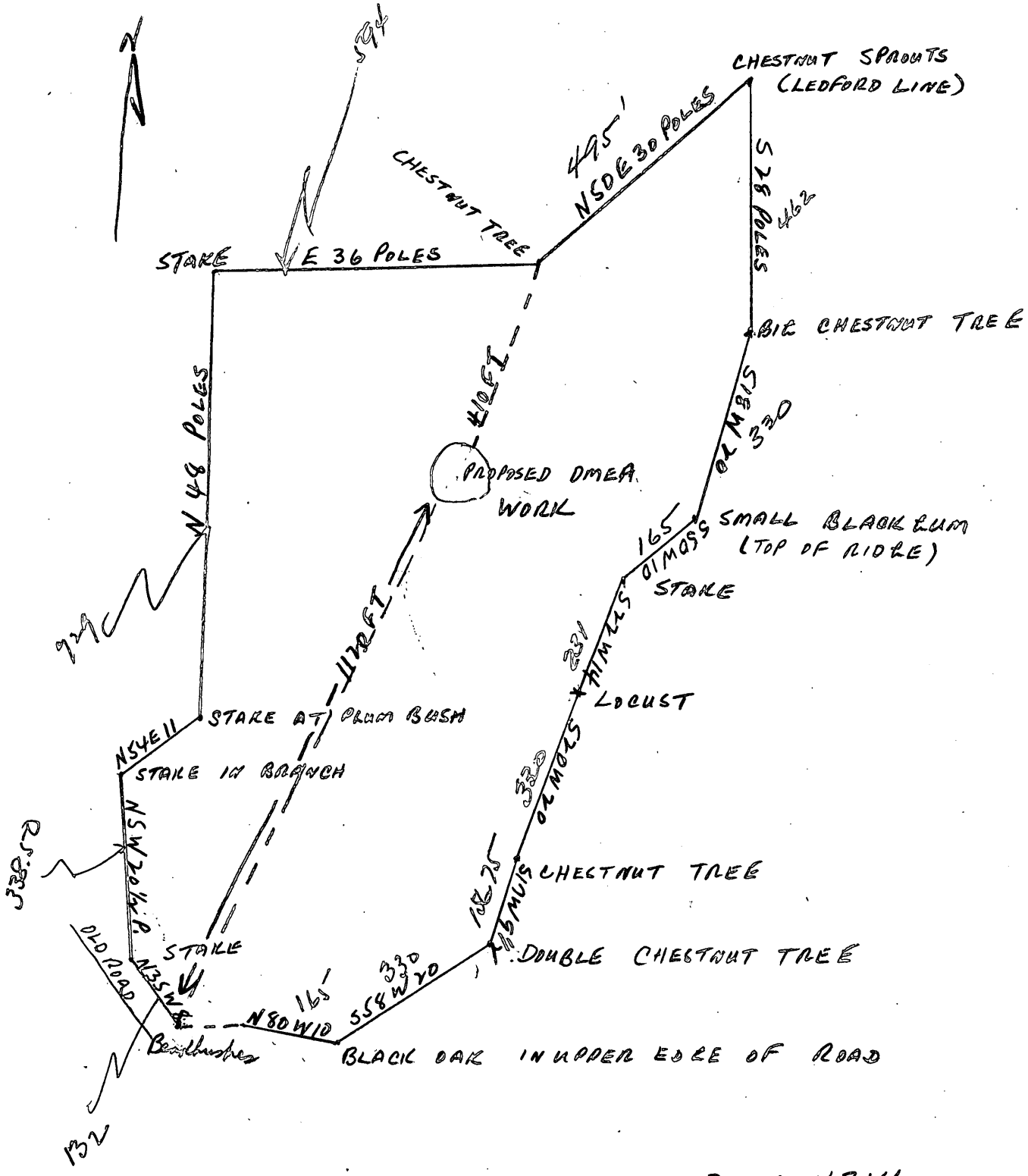
SARAH PITMAN PROPERTY

DEED BOOK 44, PAGE 384, MITCHELL COUNTY

NORTH CAROLINA

DMEA 4491

SCALE: 1" = 200'



DMEA 4314
EARL PITMAN ET AL
MITCHELL COUNTY, N.C.
SCALE 1" = 16 POLES

RECEIVED
JUL 24 1956
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

Fig. 2

Submitted by applicant

RECEIVED
AUG - 8 1956

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

RECEIVED
OCT 19 1956

October 17, 1956

Mr. Warren Pritchard

Spruce Pine, North Carolina

4491

Re: Docket No. DMEA-431r (Mica)
Earl Pitman, et al.
Pitman Trace
Mitchell County, North Carolina

Dear Mr. Pritchard:

I have received a copy of the re-survey of the Pitman tract, which you sent to our Washington office. We will arrange a re-examination of this tract just as soon as we can. Our field men have a crowded schedule for this week, but we will try to get to it during the week of October 29.

We will notify Mr. Pitman in advance when the re-examination is to be made. If he is unfamiliar with the location of the corners and boundaries, it would be well to have the surveyor who made the re-survey present also.

Sincerely,

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

RAL/mg
cc
Oper. Comm. (2)
Lynch
Shirley
File

Docket Copy
Surname:
Hardy Selfridge.

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

600

OCT 15 1956

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

Re: Docket No. DMEA ~~4314 Mica~~ 4491
Earl Pitman, et al.
Pitman Tract
Mitchell County, North Carolina

Dear Mr. Laurence:

Transmitted herewith are two copies of a letter from the subject applicants' attorney, Mr. Warren H. Pritchard, enclosing a copy of an additional lease on the adjoining tract, and a map of both tracts.

The lease appears to be in order, and we are sending you two copies of the map for your use. Please review the subject application and arrange for further examination if you deem it necessary. A supplementary report will be appreciated.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (GLB)

Approved:

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

Thor H. Kiilsgaard (GLB)
Member, Geological Survey

Enclosures 4

LGHouk:gad 10/9/56
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

R.C.S.

Docket Copy
Surname:

Houk
Lamb
Kiilsgaard
Selfridge

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

600

OCT 15 1956

Mr. Warren H. Pritchard
Attorney-at-Law
Spruce Pine, North Carolina

4491

Re: Docket No. ~~DMEA-4314-Mica~~
Earl Pitman, et al.
Pitman Tract
Mitchell County, North Carolina

Dear Mr. Pritchard:

Reference is made to your letter dated September 28, 1956, transmitting copy of an additional lease on the adjoining tract and a map of both tracts of land.

We are sending the above information to Mr. Robert A. Laurence, Executive Officer, DMEA Field Team, Region V, Room 13, Post Office Building, Knoxville 2, Tennessee, for further consideration. The Regional Office will contact Mr. Pitman, et al., and any assistance your clients may give the members of the Field Team during the review will be appreciated.

Sincerely yours,

W. E. Mittendorf

Administrator

LGHouk:gad 10/9/56
Copy to: Admr. R. File
Docket
Field Team, Region V
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Messrs. Earl Pitman, Horace Buchanan
and Russell Hayes
Spruce Pine, North Carolina

R.G.K.

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

Docket Copy
Surname:

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

600

October 9, 1956

Memorandum

To: Mr. A. S. Dakan, Chief, Operations Control and Statistics Division

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

Subject: Reopening of denied Docket No. DMEA-~~4314~~ 4491-Mica
Earl Pitman, et al.
Pitman Tract
Mitchell County, North Carolina

The subject application was denied on September 12, 1956, because a survey made by the Field Team, Region V, disclosed that the proposed site was approximately 200 feet east of the property boundary and on land in which the applicants had no legal right. The applicants have now submitted a map and lease to cover the additional tract and wish to reopen the case.

Please transfer the contents of this file to a new docket and give same a new number.

LGHouk:gad 10/9/56
Copy to: Admr. R. File
Mr. Houk

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

LAW OFFICES OF
WARREN H. PRITCHARD
SPRUCE PINE, NORTH CAROLINA
TELEPHONE POPLAR 5-4156

Sept. 28, 1956.

RECEIVED
OCT - 1 1956

Mr. C. O. Mittendorf
Administrator
Defense Minerals Exploration Administration
U. S. Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA 4314-Mica
Earl Pitman et als

Dear Sir:

This will acknowledge receipt of your letter of September 20th regarding the above matter. We have had a new survey made and a lease signed on the adjoining tract of land and I enclose copy of the additional lease and map of both tracts. When a representative of the department comes again to look the matter over please have him contact Mr. Earl Pitman at Spruce Pine.

We will appreciate it a great deal if you will please give this matter your immediate attention.

Very truly yours,

Warren H. Pritchard

Warren H. Pritchard

WHP:pr
ENCLS

Docket Copy
Surname:
Hopkins
Andrews
H Johnson

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

SEP 20 1956

Mr. Warren H. Pritchard
Attorney-at-Law
Spruce Pine, North Carolina

Re: Docket No. DMEA-4314-Mica
Earl Pitman, et al.
Pitman Tract
Mitchell County, North Carolina

Dear Mr. Pritchard:

Reference is made to your letter of September 15, 1956, written in behalf of Mr. Earl Pitman, one of the applicants of the subject application.

We note that you have asked Mr. Pitman to have a surveyor make a map of the leased tract. We will be pleased to receive such a map, and if it is shown that the proposed exploration site is within the boundaries of the leased tract, we will be glad to reconsider the application for exploration assistance.

Sincerely yours,

G. O. Mittendorf

Administrator

JHopkins:gad 9/18/56
Copy to: Admr. R. File
Docket
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

Copy to: Messrs. Earl Pitman, Horace Buchanan
and Russell Hayes
Spruce Pine, North Carolina

R.C.B.

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

LAW OFFICES OF
WARREN H. PRITCHARD
SPRUCE PINE, NORTH CAROLINA
TELEPHONE POplar 5-4156

Sept. 15, 1956.

RECEIVED
SEP 17 1956

Mr. Frank Johnson
Acting Administrator
Defense Minerals Exploration Administration
Washington 25, D. C.

Re: Docket No. DMEA ~~4312~~ 4314-Mica
Earl Pitman et als
Pitman Tract
Mitchell County, North Carolina

Dear Mr. Johnson:

Mr. Earl Pitman asked me to reply to your letter of September 12th addressed to him regarding the above application for loan.

Apparently there has been some serious mistake made by the Field Examiners regarding the location of the property as Mr. Pitman states that the tract he has leased is situated near the center of a 27 acre tract of land and is not even close to the boundary line. In view of Mr. Pitman's statement, I wish that you would please have this matter reconsidered, and in the meantime I have asked Mr. Pitman to have a surveyor to make a map of the leased tract.

Please give this matter your immediate attention as the application has been pending for such a long time already.

Very truly yours,

Warren H. Pritchard

Warren H. Pritchard

WHP:pr

Docket Copy
Surname:

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

SEP 12 1956

Messrs. Earl Pitman, Horace Buchanan
and Russell Hayes
Spruce Pine, North Carolina

Re: Docket No. DMEA-4314-Mica
Earl Pitman, et al.
Pitman Tract
Mitchell County, North Carolina

Gentlemen:

Reference is made to your application for exploration assistance and your map showing the relation of the proposed work to the lease boundaries.

The Field Examiners, Region V, have made a survey from the starting corner of the property boundary to the proposed site of work in this application. This survey shows that the proposed site is approximately 200 feet east of the property boundary, and on land in which it appears you have no legal right. We regret to advise you, under these circumstances, that your application for exploration assistance is denied.

We wish to thank you for your interest in the Defense Minerals Program and for bringing your property to our attention.

Sincerely yours,

Frank E. Johnson (by esj)
ACTING Administrator

JHopkins:gad 9/10/56
Copy to: Admr. R. File
Docket
Operating Committee
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

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

August 28, 1956

Memorandum

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

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

Subject: DMEA-4314 (Mica)
Earl Pitman, et al.
Pitman Tract, Mitchell County, North Carolina

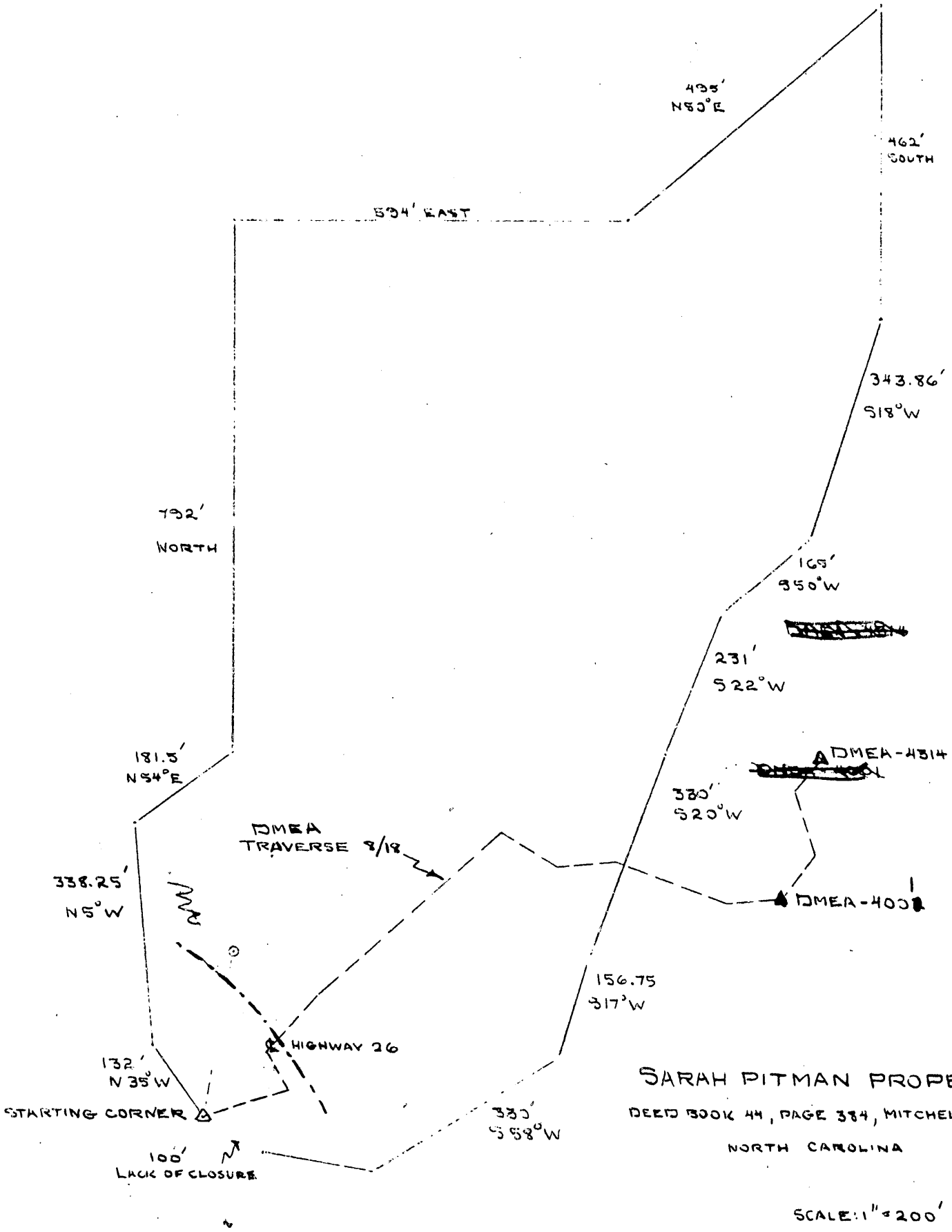
Reference is made to the Field Team memorandum of August 2, 1956.

Last week, Mr. Bergman and Mr. Amos re-surveyed a line from the starting corner near Highway 26 to the proposed site of work in this application, and confirmed that the prospect area lies east of the property boundary, as shown in Figure 3 accompanying the examination report.

Therefore, denial of the application is recommended.

Robert A. Laurence
Robert A. Laurence
Executive Officer

Wm. A. Beck
Wm. A. Beck for V. J. Lynch
Member, Bureau of Mines



SARAH PITMAN PROPERTY

DEED BOOK 44, PAGE 384, MITCHELL COUNTY

NORTH CAROLINA

SCALE: 1" = 200'

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

August 20, 1956

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

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

Subject: DMEA-4314 (mica)

Applicant: E. Pitman, H. Buchanan, R. Hayes

Name and Location of Property: Pitman Tract, Mitchell County, N. C.

Date of Field Team Report: 8/1/56

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 8/9/56

Field Team Recommendation: Recommend a contract subject to clarification of proposed work and lease boundaries relationship.

Comments:

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

2. Total estimated costs are in the amount of $5,340.00.

Recommendation:

I concur with the field team's recommendation.

W. F. Dietrich

W. F. Dietrich

RECEIVED
AUG 21 1956

IN REPLY REFER TO:

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

RECEIVED

August 10, 1956

Re: DMEA 4314
Earl Pitman, et al.
Pitman Tract,
Mitchell Co., N. C.
Appl. Est. $4,815.00
Rec'd Est. 5,340.00
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 applicants requested assistance in exploring a pegmatite about which almost no information was given.

The examiners found a zoned pegmatite at least 5 feet wide. A 1½ to 2½-foot mica-bearing wall zone is exposed for 30 feet or more and muscovite was found in place. The muscovite makes up 10 to 20% of the wall zone and books up to 6" across are to be seen.

The examiners conclude: "An excellent and mineralogical environment plus the presence of good quality muscovite, leads the examiners to recommend rehabilitation of the existing incline (17 ft) sinking 50 feet of additional incline, and driving 80 feet of exploratory drift."

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

N. E. Nelson

N. E. Nelson

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
AUG - 6 1956

ROOM WASHINGTON 25, D. C. POST OFFICE BLDG.
KNOXVILLE 2, TENN.

August 2, 1956

Memorandum

To: Operating Committee, DMEA - Region-Washington

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

Subject: Field Examination Report, DMEA-4314 (mica) Earl Pitman, et al, applicants. Pitman Tract, Mitchell County, N.C.

Enclosed are four copies of the subject examination report, and nine extra copies of the sketch map (Fig. 1).

We agree with the examiners that this pegmatite is worthy of some exploration, and recommend approval of a contract, subject to clarification of the relation of the proposed work to the lease boundaries.

We asked the Applicant (through his attorney, Warren Pritchard who prepared the application) to provide a tie-in, and Fig. 2 is what he submitted in response to that request. It will be noted that there are no bearings given on the lines from the proposed work to the corners. Note also, Fig.3, that our field examiners think the proposed work is outside the boundary. This was based on a series of Brunton "shots" from the Sarah Pitman Prospect to the Prospect on DMEA-4001 and from there to the starting corner, which were made last winter in connection with DMEA-4001. The applicants were unable to show the examiners where the boundary is, with reference to the proposed work.

If it can be conveniently done we will have our Field Examiners re-check the tie-in from the Prospect to the starting corner, but considerable time is involved in running an accurate line for more than 1000 feet on a steep wooded hillside and this is really the Applicant's responsibility. However, previous experience with conflicting boundaries on the adjacent Pitman tract of DMEA-4001 suggests that writing to the Applicant for clarification will probably be as fruitless in this case as it was in that one.

We will advise you, if we are able to learn anything about this.

ON-SITE EXAM.

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

Reviewed by
DMEA OPERATING COMMITTEE
8-10-56
(date)

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

RECEIVED
AUG - 6 1956

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FIELD EXAMINATION REPORT
REGION V

On

DMEA-431L, PITMAN - Mica
Mitchell County, N. C.

By

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

and

A. L. Payton, Mining Engineer
U. S. Bureau of Mines

Reviewed by
DMEA OPERATING COMMITTEE
8-10-56
(date)

August 1, 1956

FIELD EXAMINATION REPORT

On

DMEA-4314, PITMAN TRACT - Mica

Mitchell County, N. C.

RECEIVED
AUG - 6 1956

Summary:

At least a 5-foot width of zoned, mica-bearing pegmatite has been uncovered by a shallow 30 x 15 foot pit. One contact, a 1 1/2 to 2 1/2 -foot mica-bearing wall zone, and a quartz core up to 3 feet in thickness are exposed. Musocivte seen in place is of rather good quality. A small pit along strike has exposed pegmatite, but no contacts, which indicates continuity of at least 60 feet. The examiners believe that a good potential for the discovery of strategic muscovite exist and recommend that DMEA assistance be granted. This is not the same structure which was the subject of DMEA-4001, although within 215 feet of it.

Location:

The property is located on the south slope of Burns Mountain at an elevation of approximately 3100 feet. The site is 1400 feet N 88° E from the intersection of the Mine Creek Road and Highway 26, in Mitchell County, N. C. (Micaville, N.C. Quad. TVA. Ed. 1934. 1/24,000).

Introduction:

The Field Examiners visited the property July 11, 1956, accompanied by Mr. Horace Buchanan and Mr. Earl Pittman. About 1 1/2 hours were spent on the examination. The property is situated on a moderately steep wooded slope and will require about 1000 linear feet of access road from near Highway 26. Previous work at the site dates back over 50 years. No recent work has been done at the site and no equipment, buildings, or supplies are present. The applicants evidently have had some experience in mica mining, but little is known of their capabilities.

Geology:

A 30 x 15-foot pit and shallow 17-foot incline have exposed a well zoned pegmatite which is at least 5 feet thick. The structure is extremely contorted and dragfolded on the one exposed contact (hanging wall) and trends roughly N 60° E, dipping 40 to 55° southeast. Exposed pegmatite is concordant in a soft weathered mica gneiss and schist. A small pit 15 feet along strike has pegmatite in place, but no exposed contacts. Indicated strike length continuity is at least 60 feet. A mixture of weathered sodic plagioclase, minor potash feldspar, disseminated quartz and muscovite make up the 1 1/2 to 2 1/2-foot wall zone adjacent to the contact. Beryl is reported to occur at the site in some quantity and was found at a nearby prospect. Muscovite makes up roughly 10 to 20% of the wall zone and is found in flat colorless books up to 6-inches across. There is no mineral staining and only a slight edge cracking. There are no sales or production figures available from this prospect. A massive quartz core is exposed for at least 16 feet along strike and is a maximum of 3 feet thick at the southwest end of the pit. The core pinches out at the northeast end of the pit toward the nose of a series of extremely well developed dragfolds. This area between the end of the core and folded contact is an excellent structural locus for the occurence of strategic muscovite.

Conclusions:

An excellent structural and mineralogical environment plus the presence of good quality muscovite, leads the examiners to recommend rehabilitation of the existing incline (17 ft) sinking 50 feet of additional incline, and driving 80 feet of exploratory drift.

Estimated Costs:

Rehabilitate existing 17-foot shaft and sink the shaft an additional 50 feet (34 shifts) 1.5

Construct:

Toolhouse	$76.00	
Powder Magazine	25.00	
Exploder Magazine	14.00	$115.00

Labor:

1 - Miner @ $1.50/hr.	408.00
1 - Hoistman @ $1.25/hr.	340.00
1 - Laborer @ $1.00/hr.	272.00

Equipment (rental)

Compressor and drill @ $240/Mo.	360.00
Hoist @ $50/Mo.	75.00
Pump @ $20/Mo.	30.00

Supplies:

Gasoline and oil	165.00
Explosives	230.00
Drill steel	95.00
Timber	115.00
Pipe	175.00
Insurance - Liability	100.00
Miscellaneous	20.00
	900.00

Total cost of shaft sinking..... $2,385.00

Cost of rehabilitating existing shaft included in estimated cost of shaft sinking.

Drive 80 feet of drift and/or crosscut (40 shifts)

Labor:

1 - Miner @ $1.50/hr.	480.00
1 - Hoistman @ $1.25/hr.	400.00
1 - Laborer @ $1.00/hr.	320.00

Equipment (rental)

Compressor, drill & Jacklet @ $250/Mo.	$500.00
Hoist @ $50/Mo.	100.00
Pump @ $20/Mo.	40.00

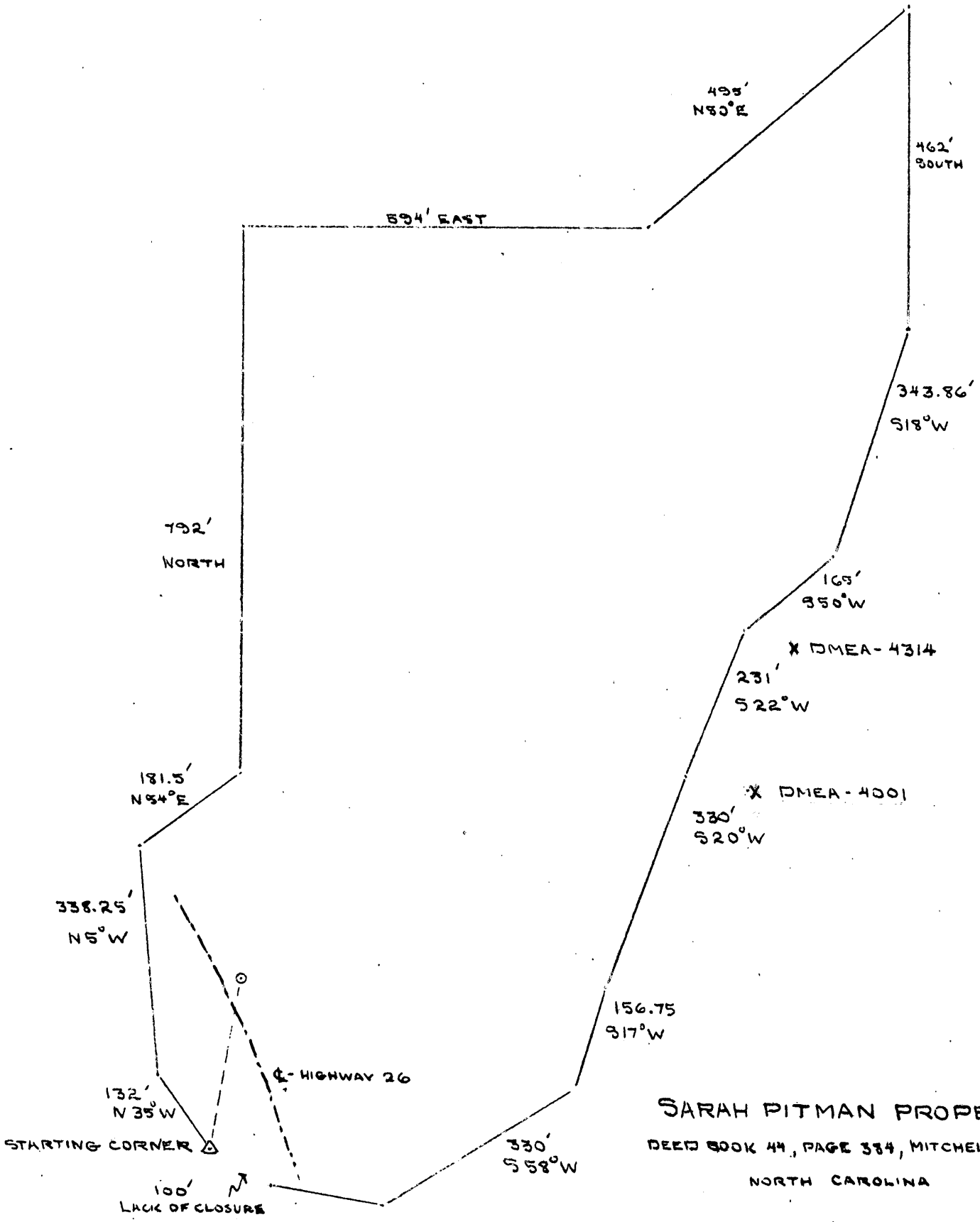
Supplies:

Gasoline and oil	265.00
Explosives	300.00
Drill steel	135.00
Pipe	65.00
Liability Insurance	120.00
Social Security	25.00
Miscellaneous	90.00
Total cost of drifting.....	1100.00 $2,840.00
Total estimated cost of project.....	$5,340.00

August 1, 1956

S. C. Bergman, Geologist
Geological Survey

A. L. Peyton, Mining Engineer
Bureau of Mines



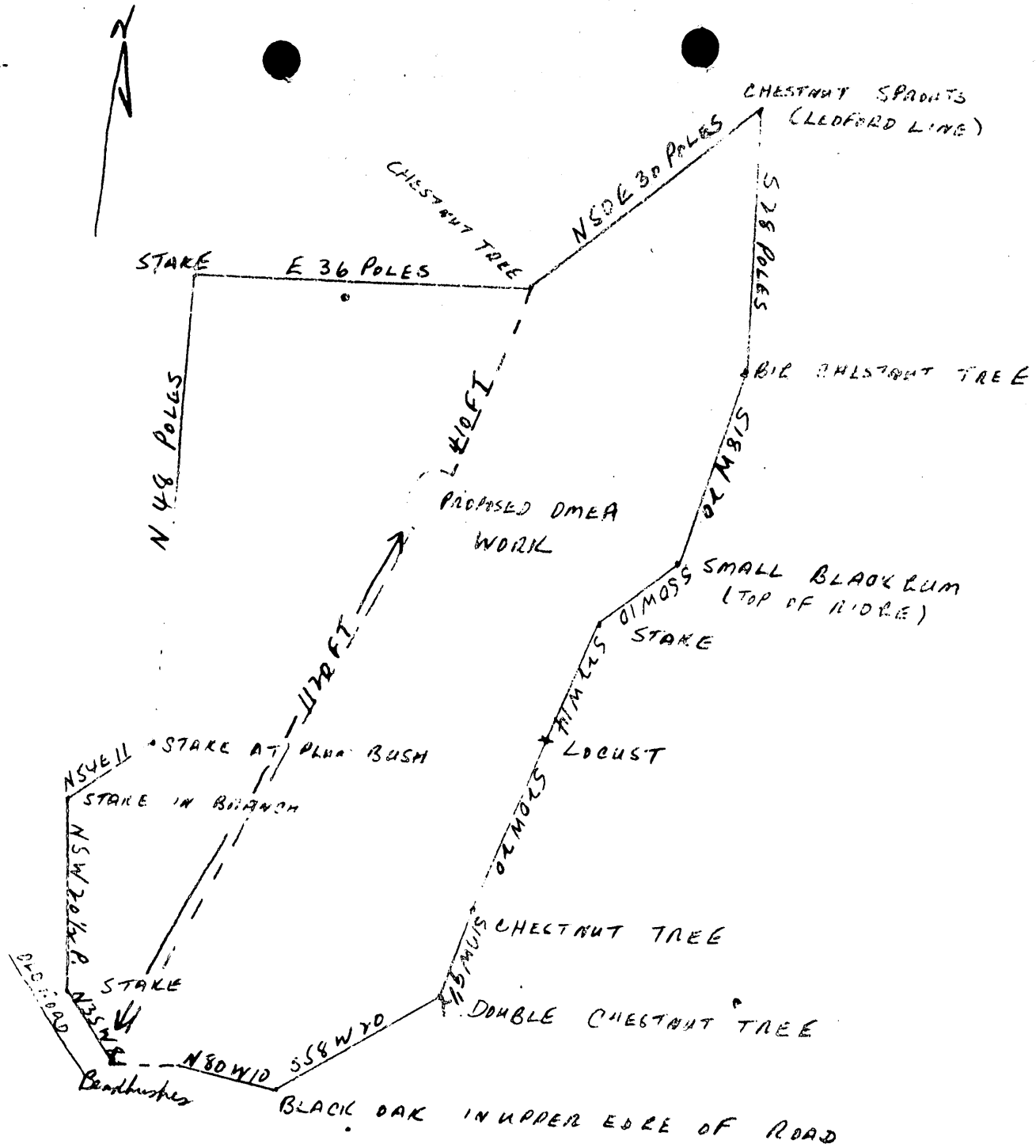
SARAH PITMAN PROPERTY

DEED BOOK 44, PAGE 384, MITCHELL COUNTY

NORTH CAROLINA

SCALE: 1" = 200'

RECEIVED
AUG - 6 1956



DMEA-4314
EARL PITMAN ET AL
MITCHELL COUNTY, N.C
SCALE 1" = 16 POLES

RECEIVED
JUL 24 1956
U. S. Geological Survey
Geologic Division

Submitted by applicant

RECEIVED
AUG - 6 1956

JUL 1 7 1956

July 17, 1956

Mr. Warren Pritchard
Attorney-At-Law
Spruce Pine, North Carolina

Re: DMEA-4314 (mica)
Earl Pitman, et al
Pitman Tract, Mitchell County, N.C.

Dear Mr. Pritchard:

Reference is made to your letter of May 22, transmitting to me the subject application for DMEA aid.

Recently our field men examined this prospect with the applicants. The prospect is rather close to the apparent boundary of the leased area, and there is some doubt as to just where the boundary is. When plotted to scale, the calls as given on the lease fail to close by more than 300 feet.

Therefore, in order to further process this application, we must have a location map, showing the outline of the leased area related to the location of the proposed DMEA work. Also, a tie from one of the corners of the leased area to a permanent corner of the tract or to some permanent immovable object or monument should be made.

Very truly yours,

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

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

DOCKET COPY
Surname:

Hopkins
Houk
Kilsgaard
Gethen
Martin
K J Johnson

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

JUN 13 1956

Messrs. Earl Pitman, Horace Buchanan
and Russell Hayes
Spruce Pine, North Carolina

Re: Docket No. DMEA-4314-mica
Earl Pitman, et al.
Pitman Tract
Mitchell 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. Lawrence, Executive Officer, DMEA Field Team, Region V, Room 13, Post Office Building, Knoxville, 2, Tennessee, for further consideration and possibly a field examination.

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

Sincerely yours,

G. O. Mittendorf

Administrator

JHopkins:ms 6/12/56
Copy to: Docket
Operating Committee
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Admr. R. File

R.C.S.

DOCKET COPY
Surname:

Hopkins
Houk
Martin
Johnson

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 Building
Knoxville, 2, Tennessee

JUN 13 1956

Re: Docket No. DMEA-4314-mica
Earl Pitman, et al.
Pitman Tract
Mitchell County, North Carolina

Dear Mr. Laurence:

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

Copies of memoranda dated May 29 and June 6, 1956, by Mr. N. E. Nelson, USGS, and Mr. W. F. Dietrich, USBM, respectively, relating to the project are enclosed.

Please have the applicant supply the book and page of recording of the tract of land involved. A location map should be prepared showing the outline of the leased area related to the location of the proposed DMEA work. A tie from one of the corners of the leased area to a permanent corner of the tract or to some permanent, immovable object or monument should be made.

Sincerely yours,

W. S. Martin
ACTING Chairman, Operating Committee

Approved:

/s/ Robert W. Geehan
Member, Bureau of Mines

Thor H. Kiilsgaard
Member, Geological Survey

JHopkins:ms 6/12/56
Copy to: Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Admr. R. File

Enclosures: 4

Reviewed by
DMEA OPERATING COMMITTEE
6-13-56
(date)

A.C.L.

DOCKET COPY
Outgoing:

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

JUN 2 1956

W. R. Morris

Incoming: 6/12/56
Copy to: Docket
Secretary's Committee
Dr. Hildegard, 3222
Mr. Dietrich, 2061
Mr. Horak
Admr. M. 3120

6-13-56
(date)

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

June 6, 1956

RECEIVED
JUN - 7 1956

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

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

Subject: DMEA-4314 (mica)

Applicant: E. Pitman, H. Buchanan, R. Hayes

Name and Location of Property: _____, _____, N. C.

Date Application Rec'd. by Br. of Ceramic & Fertilizer Materials: 5/28/56

Comments:

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

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

Recommendation:

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

W. F. Dietrich

W. F. Dietrich

IN REPLY REFER TO:

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

RECEIVED
MAY 29 1956

May 29, 1956

Re: DMEA 4314
Earl Pitman, et al.
Pitman Tract
Mitchell Co., N. C.
$4,815.00 - Mica

Memorandum

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

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

Subject: Review of application.

The applicants request assistance in exploring by bulldozing, two 25-foot shafts and a connecting drift, about 50 feet long. No map showing the proposed work accompanies the application and no description of the pegmatite other than it " . . . appears excellent prospect."

Referral to the Field Team for appropriate action is recommended.

N. E. Nelson

N. E. Nelson

May 28, 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
- 4314 Earl Pittman, Horace Buchanan, and Russell Hayes

Robert E. Adams
Chief, Operation's Control
and Statistics Division

May 28, 1956

Mr. Earl Pittman
Spruce Pine,
North Carolina

Subject: DMEA-4314
Re: Exploration Assistance

Dear Mr. Pittman

The receipt of your application dated May 15, 1956 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA-4314 and referred to the Nonmetallic Minerals Division.

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

Sincerely yours,

Robert E. Adams, Chief
Operations Control and
Statistics Division

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

RECEIVED
MAY 28 1956

May 25, 1956

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Application from Earl Pitman, Horace Buchahan and Russell Hayes

Enclosed are 3 copies of the subject application, with copy of lease and six copies of the Consent to Lien, received in this office.

The applicant's attorney states in his transmittal letter "I understand that a loan was approved recently on this prospect, but the contract was never executed due to the fact that the lessee allowed the lease to terminate by not working same within the required time." I am unable to identify the application referred to, by the meager information in the new application.

Robert A. Laurence

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Mr. War ren H. Pritchard

Spruce Pine, N. C.

Dear Mr. Pritchard:

The application of Earl Pitman, Horace Buchanan and Russell Hayes, has been forwarded to our Washington office in accordance with established procedure.

I am unable to identify the earlier application which you say was approved recently for this property. Please send me the name of the former applicant, also the name of the prospect or of the property on which the preppect is located.

We will notify Mr. Earl Pitman in advance if an examination is to be made.

Very truly yours,

Robert A. Laurence
Executive Officer, DMEA
Region V

RAL/mm
cc
Opr. Com-3
Lynch
Files

Memorandum

To: Files

From: L. B. Hook Chief Nonmetallic Minerals Division

Subject: Justification for Change in Applicants' Proposed Program and Costs of exploration project.

By: James Hopkins

Docket No DMEA 4491 Mica

Earl Pitman, Russell Hayes & Brown Buchanan

Sarah Pitman Tract

Mitchell County North Carolina

The following proposal for exploration work was the subject property was contained in an application dated May 15th 1956:

Sink 2 - 25 foot shafts and drive 50-foot of tunnel between them

Cost estimate:

Labor 4 employees @ 1.00 per hr for 90 days	$3880.00
Rent on Compressor 3 mos @ 100.00	$300.00
Dynamite and explosives	$250.00
Gas & Oil	$450.00
Tool House	$75.00
2 days bulldozing	$160.00
Miscellaneous Supplies	$300.00
Contingencies	400.00
Total	$5815.00

The Field Team believed that the property could be more satisfactorily explored with the following program:

Rehabilitate 25-foot Shaft

and Sink 50 foot additional shaft [illegible]

Construct Toolhouse, Explosives Powder Magazines [illegible]

Drive 80 feet of Drift $2840.00

A contract was executed involving the following allowed Costs.

Rehabilitate 17 feet of Shaft @ 8.00 $136.00

Construct Toolhouse, Exploder & Carrier Magazine $117.00

Sink 50 feet Shaft $45.90 $2295.00

Drive 80 feet Drift @ $33.75 $2700.00

Total estimated Cost $5248.00

The applicant estimated labor costs at $8.00 per shift for 4 men or a total of $32.00 per day for 90 days and equipment costs of 100.00 per month for 5 months. The total cost of the applicant's proposal was $4815.00 for a total of 100 feet of work or $48.15 per foot.

The contract's estimated labor costs were $10.00 per shift for 3 men or a total of $30.00 per day for 74 days and equipment costs of 250.00 per month for 3½ months. The total cost of the exploration project contract is $5248.00 for 130 feet of work or $40.37 per foot.

The Nonmetallic Minerals Division reduced the field Team's estimate from $5360.00 to $5248.00. The item of Rental Equipment was reduced from $310.00 to a flat rate of $250.00 which is the average of the costs of renting Compressor, Drill, Hoist and Pump that are required on all shaft jobs in North Carolina. Time was reduced from 90 days to 74 days.

The actual reduction of the applicants cost of $48.15 per foot to $40.37 per foot is believed to be sufficient for a revision of the applicants proposal.

Applicant

2 - 25' Shafts

Tunnel to Connect - Distance (?)

Bulldozing	16 hrs @ 10.00	160.00
Buildings	75.00	75.00
Labor 4 men @ 1.50	$32.00/day for 90 days (4½ mos)	2880.00
Rent		
Compressor	100.00/mos 3 mos	300.00
Explosives	$250.00	250.00
Gas & Oil	450.00	450.00
Misc	300.00	300.00
Contingency	400.00	400.00
		$4815.00

Note:

Labor under Applicant is $32.00 per day

Labor " F.T. is 30.00 per day

Applicant will be unable to carry on project without Hoist, Drill and Pump

Costs would be Compressor 100.00
Drill 50
Hoist 50
Pump 20
$220.00 (minimum

Field Team

17'	Shaft Re-habilitation	
50'	Shaft sinking	
80'	Drifting	
3 Buildings	115.00	
Shaft Sinking & Rehabilitation		
3 men Labor	34 days	1020.00
Equipment (rental		
Compressor		
Hoist		465.00
Pump		
Supplies		
Gas & Oil	165.00	
Explosives	230.00	
Drill Steel	95.00	900.00
Timber	115.00	
Pipe	175.00	
Iron, hobbs	100.00	
Misc	20.00	
		$2385.00

Drifting

3 men Labor	40 shifts	1200.00
Equipment	2 mos	500.00
Supplies		
Gas & Oil	265.00	
Expl	300.00	1100.00
D. Steel	135.00	
Pipe	65.00	
hobbs & jigs	120.00	
S. Timber	25.00	
Misc		740.00

Remarks

17' Shaft Rehab	
50' Sinking	
60' Drifting	
3 Bldg	117.00
Rehabilitation	136.00
Shaft Sinking	
Labor 34 days @ 30.00	1020.00
Equipment 1½ mos @ 250.00	375.00
Supplies	900.00
	3.4[illegible].00
	45.90/ft.
Total	[illegible]

Drifting

Labor 40 day @ 30.00	1200.00
Equipment 2 mos @ 250.00	500.00
Supplies	1000
	2700.00
	$3[illegible].95.00
Total	[illegible]

Memorandum

To: File

From: Thomas Hopkins

Subject: Evaluation of application for exploration assistance and summary report

Docket No DMEA 4491 - Mica

Earl Pitman et al

Pitman Tract

Mitchell County, N.C.

A 5-foot wide, zoned mica-bearing pegmatite has been uncovered by a shallow 30'x15'-foot pit a 15-ft strike trench and a 17-foot inclined shaft

Mica:

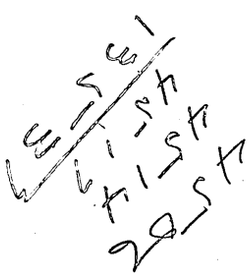
Muscovite makes up roughly 10 to 20 percent of the wall zone of the pegmatite and is found in flat colorless books up to 6 inches across. There is no mineral staining and only a slight edge cracking.

Pegmatite:

The pegmatite is concordant in a soft weathered mica gneiss and schist. It is at least 5 feet thick and a strike length of at least 60 feet is indicated between two exposures.

It is extremely contorted and drag folded on the one exposed contact

A mixture of weathered plagioclase, minor potash feldspar, disseminated quartz and muscovite



make up the 1½' to 2½' foot well zone adjacent to the contact. Beryl is reported to occur at the site

A massive quartz core with a maximum width of 3 feet is exposed for 16 feet along strike.

The core pinches out at the northeast end of the pit toward the nose of a series of extremely well developed drag folds. This area is considered by the examiners to be an excellent structural locus for the occurence of strategic mica.

Workings:

Consist of shallow 30 x 15' foot pit and 17-foot incline shaft excavated within past 50 years. There has been no recent work.

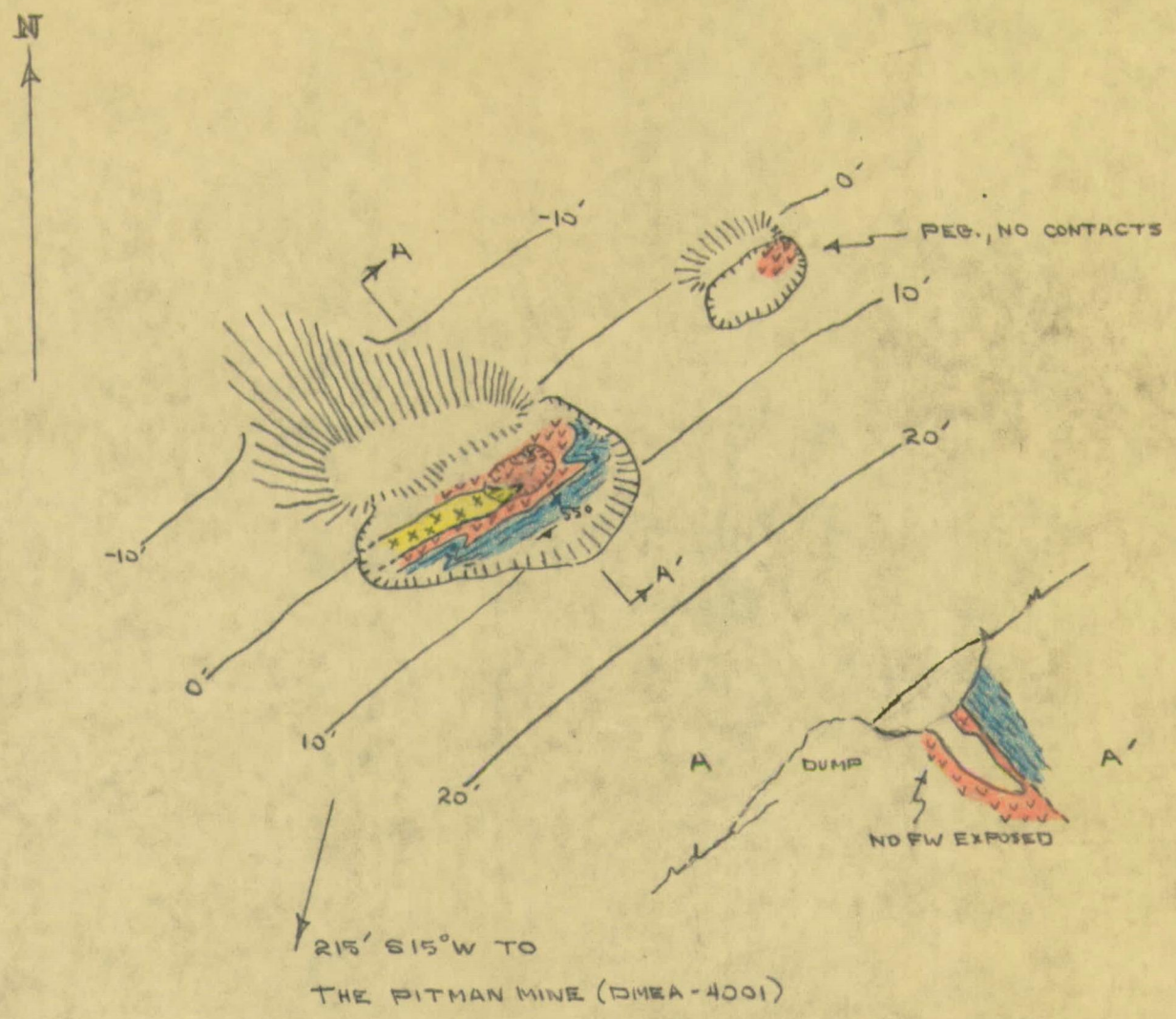
There is no record of production.

Conclusions (by field team)

An excellent structural and mineralogical environment plus the presence of good quality muscovite, leads the examiners to recommend rehabilitation of the existing incline (17 ft) sinking 50 feet of additional incline, and driving 80 feet of exploratory drift.

Recommendation

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



THE PITMAN TRACT

MITCHELL COUNTY, NORTH CAROLINA

DMEA - 4314 (MICA)

LEGEND

- ZONED MICA-BEARING PEGMATITE (QTZ. CORE)
- MICA GNEISS AND SCHIST
- TEST PIT
- DUMP

SCALE: 1" = 20'

7/56

Fig. 1

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