DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Alstead Mica Miners, Inc.
Spruce Pine, North Carolina
and
Franklin, New Hampshire

pertaining to Exploration Project Contract No. Idm-E441, Docket No. DMEA-2596, including Amendment No. 1, for the months of May, 1953 to August, 1953, inclusive, covering a project for the exploration of mica.

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, consultation with the Executive Officer of the Regional Field Team, 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 reasons:

(a) the administrative cost to the Government of an audit would be excessive in relation to the estimated amount of possible disallowances thereunder;
(b) the Monthly Reports were supported by documentary proof of the costs incurred under the portion of the contract on an actual costs basis; and
(c) a major portion ($2,590.00) of the costs were under a contract provision for payment by the Government on the basis of agreed estimated costs of units 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		$3,244.64
Exceptions:		
By DMEA Finance Officer	$ - 0 -	
Herewith	- 0 -	- 0 -
Total Accepted Cost		$3,244.64

The contract calls for a 90 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 twenty and 18/100 Dollars,

$2,920.18

is considered valid and proper.

E. D. Falbert, Auditor

September 16, 1953

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

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

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

Month of August, 1953 Docket No. DMEA 2596 Contract No. IDM-8841
Operator's Name Alstead Mica Minerals Inc. Minerals Mica
Address 16 Liberty Ave., Franklin, N. H.
Contract Amount, $ 5000 Government Participation: 90 % Amount, $ 5040.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent / Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting	455	350.00	805.00			
Drifting		1785.00	1785.00			
(2) Labor and Supervision:						
Labor		475.00	475.00			
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Gas & Oil		48.52	48.52			
(4) Operating Equipment:						
Rental		100.00	100.00			
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes		7.13	7.13			
Liability Insurance		23.99	23.99			
(8) Contingencies (specify):						
TOTALS	455	2789.64	3244.64			

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

Date Aug. 25, 1953 *Payee Alstead Mica Minerals, Inc.

Per Wm J Alexander Title Agent

*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:

$ 409.50

Signature F. R. Kantner, Adm. Asst.
(Authorized Certifying Officer)

Date 9/30/53 Vou. No. DMEA-52
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E 441 in accordance with the terms of the contract.

Signature W. L. Burmeister Title Mining Eng. Date 8/31/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. L. Burmeister acting for Title W. T. Millar Exect. Officer Date 8/31/53

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of August 1953 Docket No. DMEA 2596 Contract No. IDM-E441
Operator's Name Alstead Mica Miners Inc. Minerals Mica
Address 16 Liberty Ave., Franklin, N. H.

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	Foot	0	0	1785.	51	35.00	130'	35.00
Crosscutting	Foot	455	13	805.	23	35.00		
Raising								
Shafts								
Winzes								
Drilling: Core Unwatering				654.64				
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		455		3244.64				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		455		3244.64				5600.00

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

Date August 25, 1953 Operator Alstead Mica Miners Inc.

Per Ivan J. Alexander Title Agent

REMARKS: This will be the last report. Project is terminated.

H.G.B.

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)

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 83-38475

SUPPLEMENTARY SHEET

Month of August 1953 Docket No. DMEA 2596 Contract No. IDM-E&L
Operator's Name Alstead Mica Miners, Inc. Minerals Mica
Address 16 Liberty Ave., Franklin, N. H.

The cross cut in the footwall was extended thirteen feet.

At a distance of fifteen and one half feet in from where the cross cut was started pegmatite material was encountered in the bottom of the cross cut. Continuing the cross cut we cut through the pegmatite which was about four feet thick We shot another 3½ feet in the schist foot wall and drove a test hole 9 feet which did not encounter any other pegmatite.

The pegmatite encountered was rather soft and fine grained material. It did not contain any large masses of quartz. As we cut across the pegmatite it was apparent the footwall schist had a much flatter dip than the hanging wall. When first encountered the pegmatite carried an estimated 2½ % mica. Some of the books were as large as 8 inches across the face. We widened the cross cut in a southerly direction preparing to drive a drift in that direction. The mica content in the pegmatite fall off appreciably. We put some pop shots in a northerly direction, on the cross cut and they did not yield as much mica as when first encountered.

We brought some of the best mica to the mica house, rifted and trimmed it and prepared it for sale. The government buyer ran it through as 15.848% Good Stained and could not buy it as it must contain a minimum of 20% Good Stained. Had he been able to purchase it the price would have been $8.53 per lb. The mica was wavy, cracked, and contained many reeves and black spots. On the mica worked which was the best recovered the yield figured about 37% block mica per ton of run of mine.

The drift that was driven along the hanging wall did not show up any good mica.

Due to the appearance of the vein and the low percentage of good stained mica and low recovery of block mica per ton of run of mine, the mine would not be an economical operation under the present program.

Therefore we respectfully request that the contract be ternimated.

Alstead Mica Miners Inc
Wm J Alexander
agent

Form MF-[illegible]04 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of July, 195 3 Docket No. DMEA 2596 Contract No. IDM-E[illegible]

Operator's Name Alstead Mica Miners, Inc. Minerals Mica

Address 16 Liberty Ave., Franklin, N. H.

Contract Amount, $ 5,600 Government Participation: 90 % Amount, $ 5040.00

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:						M
Drilling						
Bulldozing						
Crosscutting	350		350			
Drifting		1785	1785			
(2) Labor and Supervision:						
Labor		475	475			
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
GAS & OIL		48.52	48.52			
(4) Operating Equipment:						
Rental		100.00	100.00			
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes		7.13	7.13			
Liability Insurance		23.99	23.99			
(8) Contingencies (specify):						
TOTALS	350	2439.64	2789.64			

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

Date Aug. 4, 1953 *Payee ALSTEAD MICA MINERS INC.

Per [signature] Title AGENT

*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:

$ 315.00

Signature F. R. Kantner, Adm. Asst.
(Authorized Certifying Officer)

Date 8-28-53 Vou. No. DMEA-50
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E-441 in accordance with the terms of the contract.

Signature W. L. Burmeister Title Mining Eng. Date 8/7/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. T. Miller Title Executive Officer Date 8/7/53

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of July 1953 Docket No. DMEA 2596 Contract No. IDM-E441
Operator's Name Alstead Mica Miners Inc. Minerals Mica
Address 16 Liberty Ave., Franklin, N.H.

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	Foot	0	0	1785	51	35.00	+130	35.00
Crosscutting	Foot	350	10	350	10	35.00		
Raising								
Shafts								
Winzes								
~~Churn~~: Core Unwatering				654.64				
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		350		2789.64				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS								$5600.00

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

Date Aug. 4, 1953 Operator Alstead Mica Miners Inc.

Per Jas J. Alexander Title Agent

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)

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 83-38475

SUPPLEMENTARY SHEET

Month of June 1953 Docket No. DMEA 2596 Contract No. IDM-E441
Operator's Name Alstead Mica Miners, Inc. Minerals Mica
Address 16 Liberty Ave., Franklin, N. H.

A cross cut was driven in the foot wall for a distance of ten feet.

A pin hole and peg was driven in the hanging wall as a measuring point for the cross cut. This point was ten feet from the footwall where the drift was to start. Due to seams in the schist wall and the angle at which it set the schist broke for a long distance each side of the cut holes. The resultant work doesn't look much like a drift but the footwall has been cut back ten feet. All material moved was mica schist. Due to cracks in roof of drift it was necessary to take down several tons of material to make a safe working place before cross cut was started.

Due to fumes the gasolene pump had to be replaced with an air pump.

Wm J Alexander
Agent.

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

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

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

Month of June, 1953 Docket No. DMEA 2396 Contract No. [illegible]
Operator's Name Alstead Mica Minerals, Inc. Minerals Mica
Address 16 Liberty Ave., Franklin, N. H.
Contract Amount, $5,600.00 Government Participation: 90 % Amount, $5,040.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting	1785		1785			
(2) Labor and Supervision:						
Labor		475	475			
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Gas & Oil		48.52	48.52			
(4) Operating Equipment:						
Rental		100.00	100.00			
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes		7.13	7.13			
Liability Insurance		23.99	23.99			
(8) Contingencies (specify):						
TOTALS	1785	654.64	2439.64			

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

Date July 15, 1953 Payee Alstead Mica Minerals, Inc.

Per Sam L. Phillips Title Pres.

*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:

$1,606.50

Signature F. R. Kantner, Adm. Asst.
(Authorized Certifying Officer)

Date 7/28/53 Vou. No. DMEA-48
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E-441 in accordance with the terms of the contract.

Signature J. R. Summerstar Title Mining Eng. Date 7/24/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. T. Mullen Title Executive Officer Date 7/24/53

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

RECEIVED
JUL 30 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of June 195 3 Docket No. DMEA 2996 Contract No. DM-5443

Operator's Name Alstead Mica Mines, Inc. Minerals Mica

Address 16 Liberty Ave., Franklin, N. H.

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	foot	1785	51	1785.00	51	35.00	130	35.00
Crosscutting								
Raising								
Shafts								
Mines Unwatering				654.64				
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		1785		2439.64				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS								5,600.00

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

Date July 15, 1953 Operator Alstead Mica Mines, Inc.

Per Sam L. Phillips Title Pres.

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)

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 83-38475

SUPPLEMENTARY SHEET

Month of June 1953 Docket No. IMBA 2886 Contract No. IDM-EAAl
Operator's Name Alstead Mica Mining, Inc. Minerals Mica
Address 16 Liberty Ave., Franklin, N. H.

Drifted along hanging wall a distance of 51 ft.

The bein looks poor at the head of the drift.

There is some mica showing in the walls along the drift and there is mica in the floor of the drift.

There is a shortage of mine labor in this area which is causing some difficulty.

We are starting our cross cut and contemplate picking up another vein within fifteen or twenty feet.

A new hoist has been installed at the mine.

Sam L. Phillips

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

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

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

Month of May, 1953 Docket No. DMEA 2596 Contract No. DMA-E-441
Operator's Name Alstead Mica Miners Inc. Minerals Mica
Address 26 Liberty Ave., Franklin, N.H.
Contract Amount, $ 5600.00 Government Participation: 90 % Amount, $ 5040.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent / Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	475.00		475.00			
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Gas & Oil	48.52		48.52			
(4) Operating Equipment:						
Rental	100.00		100.00			
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes	7.13		7.13			
Liability Insurance	23.99		23.99			
(8) Contingencies (specify):						
TOTALS	654.64		654.64			

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

Date 6/30/53 *Payee ALSTEAD MICA MINERS INC.

Per Sam L. Phillips Title Pres.

*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:

$ 589.18

Signature F. R. Kantner, Adm. Asst.
(Authorized Certifying Officer)

Date 6/30/53 Vou. No. DMEA-45
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E 441 in accordance with the terms of the contract.

Signature [illegible] Title Mining Eng. Date 6/24/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. O. Miller Title Executive Officer Date 6/24/53

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.

U. S. GOVERNMENT PRINTING OFFICE 205675

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of May 1953 Docket No. DMEA 2996 Contract No. IDM-X 442
Operator's Name Alstead Mica Mineral Inc. Minerals Mica
Address 16 Liberty Ave., Franklin, N.H.

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 ~~Shaft Unwatering~~		654.64		654.64				
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		654.64		654.64				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS								5,600.

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 June 18, 1953 Operator Alstead Mica Mineral Inc.

Per Sam L. Phillips Title Pres.

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)

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 83-38475

SUPPLEMENTARY SHEET

Month of May 1953 Docket No. [illegible] Contract No. [illegible]
Operator's Name ALSTEAD MICA MINERS INC. Minerals Mica
Address 16 Liberty Ave., Franklin, N.H.

Labor Pumping			175.75	
Labor Cleaning Out Muck			299.25	475.00
Week Ending 5/2/53				
18 hrs. @1.00	18.00			
16 hrs. @1.50	24.00	42.00		
Week Ending 5/9/53				
26 hrs. @1.00	26.00			
26 hrs. @1.50	39.00	65.00		
Week Ending 5/16/53				
32 hrs. @1.00	32.00			
32 hrs. @1.50	48.00	80.00		
Week Ending 5/23/53				
48 hrs. @1.00	48.00			
16 hrs. @1.50	24.00	72.00		
Week Ending 5/30/53				
144 hrs. @1.00	144.00			
48 hrs. @ 1.50	72.00	216.00		
		475.00		
Pump Rentals				100.00
Supplies (Gas & Oil)				48.52
Unemployment Insurance (1½%)				7.13
Workmen's Compensation (5.05 / $100.00)				23.99
TOTAL				$654.64

The dewatering of the Lyman Mine was completed.
All the loose muck was removed from the Lyman Mine.
Stage 1 of the contract was completed.

In addition we found that after removing the muck from the bottom of the Lyman Mine shaft there was a toe ranging from 3 to 6 ft. high extending for a distance of about 16 feet. This was also blasted out and removed and the face squared up so Stage II of the contract can be started. Stage II was started on June 1st.

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 _____ Operator ALSTEAD MICA MINERS INC.
Per Sam L. Phillips Title Pres.

c
o
p
y

College Park, Maryland

June 12, 1953

Mr. William J. Alexander, Agent
Alstead Mica Miners, Inc.
16 Liberty Street
Franklin, New Hampshire

Subject: Docket DMEA-2596 - (Mica)
Contract Idm-E1/1
Fitzgibbon Mine
Cheshire County, N.H.

Dear Mr. Alexander:

The Operator's Monthly Report for May, on subject contract, is being returned for the correction of several items.

The contract allows for a labor rate of $1.00 per hour, which is the rate in which the Government will participate. The payroll submitted also includes overtime which is not provided for in the contract and is therefore not allowable and the time so worked may be charged only at the rate of $1.00 per hour. You were notified by letter under date of June 8, of the need for correction of either the rate or total amount under the workmen's compensation item.

The original copy is being returned including payroll and vouchers so that you may return a complete and correct report. The payroll being a copy of the actual payroll is acceptable as it is, provided that, (1) the amounts paid for labor at $1.00 per hour, (2) the correct amounts for unemployment insurance and workmen's compensation calculated on the allowed portions of the payroll are all itemized on the supplementary sheet. The rate of $1.50 per hour for the foreman is in accordance with the contract. The corrections needed in this connection are the disallowance of overtime and the related correction for workmen's compensation, and unemployment insurance. Note also that on the supplemental sheet the labor charge should reflect deductions in FICA and withholding tax based on the correct hourly rate.

Very truly yours,

H. L. Burmeister, acting for
W. T. Millar, Executive Officer
Bureau-Survey Field Team
Defense Minerals Exploration
Administration, Region VIII

HLB:rwa

copies for FRKantner
DMEA Files 2
GeoCSelfridge

Enclosures

College Park, Maryland

June 8, 1953

Mr. W. J. Alexander, Agent
Alstead Mica Miners, Inc.
95 Memorial Street
Franklin, New Hampshire

Subject: Docket No. DMEA-2596
Contract No. Idm-E441

Dear Mr. Alexander:

The Operator's Monthly Report on the above contract for May 1953, has been received and is satisfactory in all respects save one.

The item "Workmen's Compensation," on the supplementary sheet states the rate as $5.05 per $100.00 of payroll. The $29.43 listed is incorrect at this rate, but would be correct if the rate were $5.50 as is entirely possible.

If the amount of $29.43 is in error please make a correction with explanation on your next monthly report, or, if the rate is in error it may be corrected on your next monthly report.

Very truly yours,

H. L. Burmeister, acting for
[illegible] T. Miller, Executive Officer
Bureau-Survey Field Team
Defense Minerals Exploration
Administration, Region VIII

HLB:rwa

copies for GEOCSelfridge, Oper. Comm. 2
RRKantner, Fin. Off.
DMEA Files 2

C
O
P
Y

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

November 5, 1953

Mr. Sam L. Phillips, President
Alstead Mica Miners, Inc.
Spruce Pine, North Carolina

Re: Docket No. DMEA-2596 - Mica
Fitzgibbon Mine
Cheshire County, New Hampshire
Contract No. Idm-E441

Dear Mr. Phillips:

This is with reference to the subject Exploration Contract between the Alstead Mica Miners, Inc., and the Government.

The final report of review of the contract expenditures and the final report of the Field Team have been received and accepted by this Administration. Operator's monthly report for August 1953, is hereby accepted in lieu of a final report. Of the total amount of $5,600.00 approved under the contract, the sum of $3,244.64 was expended, 90 percent of which, or $2,920.18, represented the Government's share. There were no unused materials, supplies or equipment to be disposed of for the joint account of the Operator and the Government. The exploration work was performed in a satisfactory manner.

Because the results of the exploration were unfavorable, it is not our intention to make a certification of discovery or development which would create a lien against the subject property. We are, therefore, closing our books and records with respect to this project. Your attention is called, however, to Article 7 (d) of the Contract which requires the Operator to "keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract".

Your interest in the Exploration Program of the Defense Minerals Exploration Administration and your willingness to participate therein are appreciated.

Sincerely yours,

/s/ C. O. Mittendorf

Administrator

MChing:gad 10/30/53
Copy to: Admr. R. File
Docket File
Field Team, Region VIII
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.

GOVERNMENT
DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 16 1953

TERMINATION OF EXPLORATION PROJECT CONTRACT BY AGREEMENT
AFTER COMMENCEMENT BUT BEFORE COMPLETION OF THE WORK

It is agreed this eighth day of September, 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Alstead Mica Miners, Inc. a corporation duly organized and existing under and by virtue of the laws of the State of North Carolina, Spruce Pine, North Carolina, hereinafter called the "Operator," parties to that certain Exploration Project Contract Idm-Ehhl, Docket No. DMEA-2596, dated November 12, 1952, that the said contract shall be and is hereby terminated as of the first date above written.

Any work prosecuted or costs incurred by the Operator after the date first above written shall be for the sole account of the Operator, except for (a) such necessary and reasonable costs and expenses as may be incurred in preserving and disposing of any facilities, buildings, fixtures, equipment, or other items, to the cost of which the Government has contributed and in which the Government has an equity, and (b) the costs of any reports, accounts, and winding-up and settlement actions provided for in the contract.

The undersigned Operator hereby releases and agrees to save harmless the Government from all claims and demands under or arising out of said Exploration Project Contract, except as herein expressly otherwise provided.

Witness the following signatures as of the day and year first above written.

UNITED STATES OF AMERICA

By W. T. Millar
W. T. Millar, Executive Officer
Bureau-Survey Field Team
Defense Minerals Exploration
Administration, Region VIII

ALSTEAD MICA MINERS, INC.

By Sam L. Phillips
Sam L. Phillips, President

College Park, Maryland

Amendment No. 2 to Contract Idm-E441
Docket No. DMEA-2596 - (Mica)
Alstead Mica Miners, Inc.
Spruce Pine, North Carolina
Property: Fitzgibbon Mine, Cheshire County, New Hampshire

Amendment No. 2 to the subject contract is necessitated due to unforeseen difficulties encountered during this exploration. The shortage of competent labor caused delays, and fractures in the rock structure caused excessive over-breakage which hindered progress, none of which are due to negligence or the fault of the Operator. It is considered to the advantage of the Government and to the Operator to extend the date for completion of the work specified in the contract to properly explore the deposit for strategic mica.

Contract Idm-E441 is hereby amended to bring the project to completion within a period of 365 days from the date of this contract.

This amendment shall not be construed as authorizing any other change in allowable maximum costs other than those specified, nor shall this amendment be construed as authorizing any increase in the total estimated allowable maximum cost of the project or the amount of the Government's participation.

Alstead Mica Miners, Inc.

By: William J. Alexander
William J. Alexander, Agent

UNITED STATES OF AMERICA

By: W. T. Millar
W. T. Millar, Executive Officer
Bureau-Survey Field Team
Defense Minerals Exploration
Administration, Region VIII

Date: July 20, 1953

GOVERNMENT COPY

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~

College Park, Maryland

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 2 1953

Amendment No. 1 to Contract Idm-E441
Docket No. DMEA-2596 - (Mica)
Alstead Mica Miners, Inc.
Spruce Pine, North Carolina
Property: Fitzgibbons Mine, Cheshire County, North Carolina

Amendment No. 1 to the subject contract is necessitated by the severe winter season in New Hampshire which prohibits outside work in the area of the property on which the exploratory work is to be conducted.

It is to the advantage of the Government as well as the operator to extend the starting date specified in this contract, to take advantage of more moderate weather when the property is accessible and the work may be performed more efficiently and economically.

This Amendment No. 1 authorizes the operator to commence work under this contract within 165 days from the date of this contract and shall bring the project to completion within a period of 285 days from the date of this contract.

This amendment shall not be construed as authorizing any other change in allowable maximum costs other than those specified, nor shall this amendment be construed as authorizing any increase in the total estimated allowable maximum cost of the project or the amount of the Government's participation.

Alstead Mica Miners, Inc.

By: Samuel L. Phillips
Samuel L. Phillips, President

UNITED STATES OF AMERICA

By: W. T. Millar
W. T. Millar, Acting Executive Officer, Bureau-Survey Field Team
Defense Minerals Exploration Administration, Region VIII

Date: January 22, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
5 13.2

DMEA
Field Inspection Report
by
H. L. Burmeister, Engineer
December 8, 1952

Operator:	Alstead Mica Miners, Inc.
Location:	Fitzgibbons Mine, East Alstead, Cheshire County, New Hampshire
Address:	Samuel L. Phillips, General Delivery, Newport, New Hampshire
Docket No.:	DMEA-2596
Contract No.:	Idm-E441
Commodity:	Mica
Total Cost:	$5,600.00
Government Participation:	90% - or $5,040.00
Duration of Contract:	6 months - from November 12, 1952 to May 12, 1953

This property was visited on December 8, 1952. Apparently no work of any kind has been done and no equipment is on the ground.

H. L. Burmeister
Mining Engineer

College Park, Md.
December 12, 1952

NORTH CAROLINA,

MITCHELL COUNTY.

KNOW ALL MEN BY THESE PRESENTS, That we, John M. Phillips, Lewie Aldridge and Sam L. Phillips, sole stockholders in ALLSTED MICA MINERS, INC., a corporation chartered under and by authority of the laws of the State of North Carolina, with its principal office in the Town of Spruce Pine, Mitchell County, North Carolina, have made, constituted and appointed and by these presents do make, constitute and appoint W. J. ALEXANDER of Merrimac County, State of New Hampshire, our true and lawful attorney-in-fact for us and in our name and stead to do and perform the following matters and things;

To act as our agent and attorney-in-fact in the management, prosecution and performance of our mica mining operations in said County and State, to buy and sell mica and to transact all necessary matters of business in connection with and relating to our mica mining operations, to arrange for the pr paration and transporting of mica and other materials to and from our said mica mining properties, to buy, sell or exchange mica mining equipment and to do everything needful and necessary in the prosecution of our operation mining mica and other minerals hereby ratifying and confirming all things done and performed by our said attorney-in-fact within the power and authority herein given him as fully as if done and performed by us in our names or by our proper corporation officers.

IN TESTIMONY WHEREOF said John M. Phillips, Lewie Aldridge, and Sam L. Phillips have caused this power of attorney to be executed by us.

This 10th day of November, 1952.

John M. Phillips (SEAL)

Lewie Aldridge (SEAL)

Sam L. Phillips (SEAL)

Sole Owners of all of the stock of
Allsted Mica Miners, Inc.

NORTH CAROLINA,

MITCHELL COUNTY.

I, Nell Bradshaw, Notary Public in and for the County and State aforesaid, do hereby certify that John M. Phillips, Lewie Aldridge and Sam L. Phillips, this day personally appeared before me and acknowledged the due execution by them of the foregoing instrument for the purposes therein expressed.

Witness my hand and Notarial Seal, this 18th day of July, 1953.

Nell Bradshaw
NOTARY PUBLIC

My comm. expires 10-29-53.

Doc[illegible] No. DMEA 2596

Commodity Mica

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

STRATEGIC AND CRITICAL MINERALS EXPLORATION PROGRAM

TERMINATED

TO: Chief, Finance Section, Budget and Finance Branch, Bureau of Mines

Please enter on the records of the Defense Minerals Exploration Administration, under the Strategic and Critical Minerals Exploration Program, the following contract, or amendment to contract.

Contract No. Idm-E 441

Date of Contract ~~or Amendment~~: November 12, 1952

Name and Address of Operator:
Alstead Mica Miners, Inc.
Spruce Pine, N. C.

Amount of Government participation $ 5,040.00

Percent of Government participation 90 %

Region: VIII State: N. C.

NOTE: Please release $2,119.82; Advice Contract Administration and Audit Division

(Name)

J. L. Chambers,
Chief, Contract Administration and Audit Division

(Title)

Date Delivered to Bureau of Mines, Washington. Sept. 23, 1953

13808

Docket No. ~~DMEA 2596~~

Commodity ~~Mica~~

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

STRATEGIC AND CRITICAL MINERALS EXPLORATION PROGRAM

TO: Chief, Finance Section, Budget and Finance Branch, Bureau of Mines

Please enter on the records of the Defense Minerals Exploration Administration, under the Strategic and Critical Minerals Exploration Program, the following contract, or amendment to contract.

Contract No. Idm-E ~~442~~

Date of Contract ~~or Amendment~~: November 12, 1952

Name and Address of Operator:
Mistand Mica Mines, Inc.
Spruce Pine, N. C.

Amount of Government participation $ 5,040.00

Percent of Government participation 90 %

Region: VIII State: N.H.

(Name)

E. D. Talbert,
Acting Chief, Contract Administration and Audit Division

(Title)

Date Delivered to Bureau of Mines, Washington. Nov. 12, 1952 13808

MF-20
(June 1951)
(Revised Feb. 1952)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 24 1952

DOCKET NO. EA 2596

COMMODITY Mica

Government's Copy

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

IDM-E 441

EXPLORATION PROJECT CONTRACT [1]

IT IS AGREED this 12th day of November, 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2] Alstead Mica Miners, Inc., a corporation duly organized and existing under and by virtue of the laws of the State of North Carolina, Spruce Pine, North Carolina

hereinafter called the "Operator," as follows:

ARTICLE 1. *Authority for contract.*—This agreement is entered into under the authority of the Defense Production Act of 1950, as amended, pursuant to DMEA Order 1 entitled "Government Aid in Defense Exploration Projects."

ARTICLE 2. *Operator's property rights.*—With respect to that certain land situated in the State of New Hampshire, County of Cheshire, described as follows: [3] a mica mine known as the Fitzgibbon Mine situated 1.4 miles north of East Alstead village and more fully described in Annex 1 attached hereto and made a part hereof

the Operator represents and undertakes: [4]

(*a*) ~~That the Operator is the owner, in possession and entitled to possession, and that the property is subject only to the following liens or encumbrances, as to and of which the Owner's Consent to Agreement of the Lien is attached:~~ None

(*b*) That the Operator is a lessee, in possession and entitled to possession, and the Owner's Consent to Lien is attached.

The Operator shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of the exploration project without any allowance for the use, rental value, depreciation, depletion, or other cost of acquiring, owning, or holding possession thereof.

ARTICLE 3. *Exploration project.*—The Operator, within 60 days from the date of this contract shall commence work on a project of exploration for [5] Strategic mica

in or upon the described land; and shall bring the project to completion within a period of six (6) months from the date of this contract. The work to be performed is more fully described in Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, are made a part of this contract. The Government will contribute to the cost of this work as hereafter provided.

ARTICLE 4. *Performance of the work.*—(*a*) *Operator's responsibility.* The work shall be performed efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for workmens' compensation and employers' liability insurance, with suitable and adequate equipment, materials, and labor, to bring the project to completion within the time fixed. To the extent specified in Exhibit "A," attached hereto, the work may be performed by independent contractor or contractors; and work not specified in Exhibit "A" for performance by independent contractor may nevertheless be so performed upon amendment of Exhibit "A," as agreed to by the parties, to state the work to be so performed and the estimated unit costs thereof, as provided hereafter.

(*b*) *Independent contracts.*—Any independent contract for the performance of work shall be on a unit-price basis (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved), or on some basis that will indicate the amount due for work performed at any stage of the work to be performed under such independent contract. The Government shall not be nor be considered to be a party to any such independent contract, and the Government's right to terminate the exploration project contract under any of its provisions shall not in any manner be affected by reason of any such independent contract. If the reference in Exhibit "A" to any such independent contract states that the Government's approval thereof is required, the Government may refuse to participate in the cost thereof unless and until it has given its written approval of the independent contract.

(*c*) *Government may inspect.*—The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

ARTICLE 5. *Estimated costs of the project.*—A statement of the estimated cost of the project is set forth in Exhibit "A," attached hereto. Except insofar as any item of requirement or the estimated cost thereof set forth in Exhibit "A" is there or elsewhere designated as an "allowable maximum," such items of requirement and of related cost are estimates only, and may be exceeded to the extent that the Government may from time to time approve for the most economic and beneficial performance of the work within the limitation of the total aggregate estimate of costs. The Government's approval of any such excess over the estimate for an item of requirement or related cost will be signified by its approval and payment of any invoice or voucher for payment which expressly calls attention to such excess. Items expressly designated in Exhibit "A" or elsewhere as "allowable maximum," and the total aggregate estimated cost are limitations, and any excess therein will be for the sole account of the Operator in which the Government will not participate.

ARTICLE 6. *Allowable costs of the project.*—(*a*) The costs of the project in which the Government will participate are limited to the following:

(1) *Independent contracts.*—Payments to independent contractors under independent contracts listed in Exhibit "A." The estimated cost of any work to be performed under an independent contract is or shall be included in the estimate of costs in Exhibit "A" in terms of the estimated numbers of units of work to be performed, the estimated amount to be paid per unit, and the estimated total amount to be paid to the independent contractor, and such estimates shall be allowable maximums above which the Government will not contribute. Regardless of the provisions of any such independent contract, the Government will participate in the payments to the independent contractor only on account of work actually performed and that conforms with the provisions of the exploration project contract, and only to the extent that the Government deems the unit prices for the work under the independent contract to be reasonable and necessary. No such independent contract shall have the effect of increasing the estimated total cost of the exploration project contract nor the maximum amount which the Government will pay as provided in the exploration project contract.

(2) *Labor, supervision, consultants.*—Labor, supervision and technical services (including engineering and geological consultants), a schedule of which is included in the estimate of costs set forth in Exhibit "A." The requirements and related estimated costs for supervision and technical services are allowable maximums.

(3) *Operating materials and supplies.*—Necessary materials and supplies including items of equipment costing less than $50.00 each, and power, water, and fuel, a schedule of which is included in the estimate of costs in Exhibit "A."

(4) *Operating equipment.*—Any operating equipment to be rented or purchased, or which is owned and will be furnished by the Operator, with the estimated rental, purchase price, or the allowable depreciation, as the case may be, a schedule of which is included in Exhibit "A." Any items listed as owned and to be furnished by the Operator, and related ~~initial~~ allowable depreciation, are allowable maximums.

(5) *Rehabilitation and repairs.*—Any necessary initial rehabilitation or repairs of existing buildings, installations, fixtures, and movable operating equipment, now owned by the Operator and to be devoted to the purposes of the exploration contract, a schedule of which is included in the estimate of costs set forth in Exhibit "A." These items are allowable maximums.

(6) *New buildings, improvements, installations.*—Any necessary buildings, fixed improvements, or installations to be purchased, installed, or constructed for the purposes of the exploration work, with the estimated cost of each, a schedule of which is included in the estimate of costs in Exhibit "A." All of these items are allowable maximums.

(7) *Miscellaneous.*—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.

(8) *Contingencies.*—Such other necessary, reasonable direct costs of performing the exploration work, within the limit of the total aggregate estimate of costs, whether or not included in any schedule of costs in Exhibit "A," as may be approved by the Government in the course of the work, as indicated by its approval and payment of invoices and vouchers.

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] State name, address, and nature of organization if any.
[3] Give legal description or enough to identify the property, particularly excluding any land or interest therein to which the Government's lien is not to attach or the production from which is not to be subject to the Government's percentage royalty.
[4] Strike out the provision not applicable.
[5] Name of mineral or minerals.

(*b*) The Government's payment in all cases will be based on actual, necessary costs (including contract unit prices) incurred not in excess of any "allowable maximum," and not in excess of the fixed percentage of the total aggregate estimated cost. Costs will be considered to be incurred only as they are or become due and payable.

(*c*) 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 this contract, shall be allowed as costs of the project in which the Government will participate.

ARTICLE 7. *Reports, accounts, audits.*—(*a*) *Progress reports.* The Operators shall provide the Government with monthly reports of work performed and costs (including contract unit prices) incurred under the contract, in quintuplicate (five copies), upon forms provided by the Government. These progress reports shall be certified by the Operator, and shall constitute both the Operator's invoice of costs incurred on the project during the period covered by the report and his voucher for repayment by the Government, unless the Government requires the use of a standard voucher form with invoice attached. Progress reports shall include surface and/or underground engineering-geological maps or sketches showing the progress of the exploration, with assay-reports on samples taken concurrently with the advance in mineralized ground.

(*b*) *Final report.*—Upon completion of the exploration work or termination of the contract the Operator shall provide the Government with an adequate geological and engineering report, in quintuplicate (five copies), including an estimate of ore reserves resulting from the exploration work.

(*c*) Compliance with requirements.—If, in the opinion of the Government, any of the Operator's reports are insufficient or incomplete, the Government may procure the making or completion of such reports and attachments as an expense of the exploration work; and the Government may withhold approval and payment of any vouchers depending upon insufficient or incomplete reports.

(*d*) *Accounts and audits.*—The Operator shall keep suitable records and accounts of operations, which the Government may inspect and audit at any time. The Government may at any time require an audit of the Operator's records and accounts by a certified public accountant, the cost thereof to be treated as a cost of the project. The Operator shall keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract. Upon the completion of the project or termination of the contract the Operator shall render a final account as provided in Article 12.

ARTICLE 8. *Payments by the Government.*—(*a*) The Government will pay 90 percent of the allowable costs incurred, as they accrue, in an aggregate total amount not in excess of $5,040.00, which is 90 percent of $5,600.00, the agreed, estimated total cost of the project in which the Government will participate; *Provided,* that until the Operator's final report and final accounting have been rendered to the Government, and any final auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of ten (10) percent of the maximum total which the Government might have been called upon to pay under the terms of the contract.

(*b*) The Government may make any payment or payments direct to independent contractors and to suppliers, for the account of the Operator, rather than to the Operator.

ARTICLE 9. *Repayment by Operator.*—(*a*) If, at any time, the Government considers that a discovery or a development from which production may be made has resulted from the exploration work, the Government, at any time not later than 6 months after the Operator has rendered the required final report and final account, may so certify in writing to the Operator. The certification shall describe broadly or indicate the nature of the discovery or development. In the event of such certification, any minerals mined or produced from the land described in Article 2 within 10 years from the date of this contract, including any mined or produced before the certification, shall be subject to a percentage royalty which the Operator or his successor in interest shall pay to the Government, upon the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, until the total amount contributed by the Government, without interest, is fully repaid, or said 10 years have elapsed, whichever occurs first, as follows:

(1) One and one-half (1½) percent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(2) One and one-half (1½) percent of any such net amounts, plus one-half (½) percent of such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such net amounts.

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

(*b*) As here used, "net smelter returns," "net concentrator returns," and "other net amounts realized from the sale or other disposition," mean gross revenue from sales; or if not sold, the market value of the material after it is mined in the form in which and the place where it is held. In the case of integrated operations in which the material is not disposed of as such, these terms mean what is or would be gross income from mining operations for percentage depletion purposes in income-tax determination.

(*c*) To secure the payment of its percentage royalty, the Government shall have and is hereby granted a lien upon the land described in Article 2 and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

(*d*) This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

ARTICLE 10. *Assignment, transfer, or loss of Operator's interest.*—Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder. The Operator shall not make any voluntary nor permit any involuntary transfer or conveyance of the Operator's rights in the land described in Article 2, without making suitable provision for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof; *Provided,* that mere failure by the Operator to maintain the Operator's rights in the land, without any consideration running to the Operator other than relief from the cost of maintaining such rights (as by surrender of a leasehold, failure to perform assessment work, or failure to exercise an option), coupled with complete abandonment by the Operator of all interest in or operations on the land for a period of 10 years from the date of this contract, shall not constitute such a transfer or conveyance. Should the Operator make or permit any transfer or conveyance in violation of this provision, the Operator shall be and remain liable for payment to the Government of the same amounts, at the same times, as would have been paid under the terms of the percentage royalty on production. If for any reason the net smelter returns, net concentrator returns, or other net amounts realized from the sale or other disposition of such production are not available as a means of measuring the amount of the Operator's liability, the amount thereof shall be estimated as well as may be, and in the event of dispute as to such estimates, the determination thereof by the Administrator of Defense Minerals Exploration Administration or by his successor shall be final and binding upon the Operator.

ARTICLE 11. *Title to and disposition of property.*—All facilities, buildings, fixtures, equipment, or other items costing more than $50.00 each, paid for or purchased with funds contributed jointly by the Operator and the Government, although title may be taken in the name of the Operator, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the completion of the work or the termination of the contract shall be disposed of promptly by the Operator for the joint account of the Government and the Operator, either by return to the vendor, by sale to others, or purchase by the Operator at a price at least as high as could otherwise be obtained, as may appear to be for the best interest of the Government, unless the Government, in writing, waives its interest in any such item. If necessary to accomplish such disposition, the Operator shall dismantle, sever from the land, and remove any such item, the cost thereof to be for the joint account of the parties in proportion to their respective interests. If the Operator, within 90 days after the receipt of written notice from the Government, fails, neglects, or refuses to dispose of such property, the Government may itself enter upon the land, take possession of, and remove and dispose of any such property as above provided.

ARTICLE 12. *Termination and completion.*—The Government may, at any time, by written notice to the Operator, terminate this contract: (*a*) If the Operator fails to provide his share of the money necessary to prosecute operations pursuant to the terms of the contract; (*b*) if the Operator, in the opinion of the Government, fails to prosecute operations pursuant to the terms of the contract; or (*c*) if in the opinion of the Government, operations up to the time of the notice have not indicated the probability of making any worth while discovery and in the opinion of the Government further operations are not justified. Upon the completion of the project or any termination of the contract the Operator shall dispose of any remaining materials, supplies, facilities, buildings, fixtures, and equipment in which the Government has an interest, for the joint account of the Operator and the Government in the proportion of their respective interests; shall render to the Government a full and final accounting of his operations under the contract and his expenditures of money; and shall pay to the Government its pro rata share of any money remaining.

ARTICLE 13. *Changes and added provisions.* The provisions of this contract shall apply only to the parcels of land of the Fitzgibbon Mine described in Annex I and shall not apply to the adjoining Lyman Mine which is to serve for ingress and egress.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By C. A. Mitteudorf
Administrator, Defense Minerals Exploration Administration

Alstead Mica Miners, Inc.
(Operator)

By Sam L. Phillips
President

I, John M. Phillips, certify that I am the Vice President ~~secretary~~ of the corporation named as Operator herein; that Sam L. Phillips, President, 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.

John M Phillips

[CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE 16—66328-1

ALSTEAD MICA MINERS, INC.
EXPLORATION PROJECT CONTRACT
DOCKET NO. DMEA-2596

ANNEX I

The property referred to in Article 2 is known as the Fitzgibbon Mine and consists of two parcels of land described in that certain lease dated July 28, 1952, between C. V. Purdy as lessor and the Alstead Mica Miners, Inc., as lessee.

The description of Parcel 1 is as follows:

Beginning at a stake and stones on the westerly side of the road leading from Alstead to Mr. Lyman's place, so-called, and near the northeasterly corner of land now or late of George Mayo; thence northeasterly on the westerly side of said highway about eighty-one rods to a stake and stones at the wall on the westerly side of said highway; thence in a westerly direction in a straight line to a stake and stones at a wall on the easterly side of land of the heirs of the late Samuel Morison; thence in a southerly direction on said wall, as it now runs, to a stake and stones at the corner of the wall near said Mayo's land, thence in an easterly direction in a straight line to the first mentioned bound; containing by estimation ten acres be the same more or less. As recorded in the land records for Cheshire County in Keene, New Hampshire in Volume 533 at page 120.

The description of Parcel 2 is as follows:

Beginning at the Northeasterly corner of said premises at a marked tree on the line of land of the Alstead Mica Co., thence running westerly along the southerly line of said Alstead Mica Co.'s land to the highway leading from the dwelling house of Isaac A. Craig to the dwelling house on above mentioned land of Alstead Mica Co. Thence southwesterly along the southerly side of said highway about twenty-six and two thirds rods to a stake and stones, thence easterly on land of said Craig about sixty rods to a stake and stones thence northerly on land of said Craig about twenty-six and two-thirds rods to the bound first mentioned, containing about ten acres, be the same more or less, as recorded in the land records of Cheshire County in Keene, New Hampshire in Volume 533 at page 120.

As the work is to be carried on from the adjoining property known as the Lyman Mine the Operator represents (1) that the Lyman Mine was leased by Sam L. Phillips by a lease dated July 3, 1952, from Hollis N. Corbin for a period of five years with the privilege of dumping mine waste on the Lyman Mine and of using existing adits, drifts or shafts, and (2) that Mr. Phillips with the consent of the lessor duly assigned all his rights under this lease to the Operator.

In order to conduct the exploration, it is necessary to work under the road dividing the Lyman and Fitzgibbon Mines and since it may become necessary to disturb the surface, sub-surface or ditches of this road, the Operator further represents that under date of August 1, 1952, the Selectmen of the town of Alstead, N. H. have consented to this work being done on and under the said road.

ALSTEAD MICA MINERS, INC.
EXPLORATION PROJECT CONTRACT
DOCKET NO. DMEA-2596

EXHIBIT "A"

Description of the Work

As indicated on the map attached hereto and made a part hereof and entitled "Sketch Map of Fitzgibbon Mine Property, East Alstead, N. H.," the exploration project will consist of driving 130 linear feet of 5' x 7' drift from the boundary line of the Lyman Mine into the Fitzgibbon Mine.

The work will be conducted in two stages.

In Stage I, the Lyman Mine's 80 foot working shaft and drift on the 80-foot level will be utilized for the purpose of access, and working the Fitzgibbon Mine. These are first to be unwatered and cleaned out, and it is estimated that this will take about 10-15 days.

After the completion of Stage I and with the approval of the Executive Officer of DMEA Field Team, Region VIII, Stage II will be undertaken.

In Stage II, as indicated in the map attached hereto and made a part hereof and entitled "Proposed Exploration Work, Fitzgibbon Mine Property," an exploratory drift will be extended from the southwest face on the 80-foot level of the Lyman Mine into the Fitzgibbon ground for the purpose of mica exploration. The total length of the drift (plus a possible short crosscut) shall not exceed 130 linear feet. The drift extension shall follow the mica zone along the hanging-wall.

Estimated Cost of the Project
(*Indicates allowable maximum)

Stage I

(1) Independent Contracts

None

(2)	Labor, Supervision, Consultants		
	Pumping labor, 48-8 hr. shifts @ $1.00/hr.	$384.00	
	Mucking labor, 30-8 hr. shifts @ $1.00/hr.	240.00	
	Mucking labor, 10-8 hr. shifts @ $1.50/hr.	120.00	$ 744.00
(3)	Operating Materials and Supplies		
	Gasoline and oil for pump	76.00	76.00
(4)	Operating Equipment		
	Pump rental, 2 weeks @ $50/wk.		100.00
(5)	Rehabilitation and Repairs		
	None		
(6)	New Buildings, Improvements, Installations		
	None		
(7)	Miscellaneous		
	Workmen's Compensation, Employers' Liability Insurance and payroll taxes		130.00
(8)	Contingencies		
	None		
	Total Cost of Stage I		$1,050.00*

Stage II

In this stage, the Government will contribute to the costs of drifting and crosscutting on the basis of the following agreed, unit cost per foot for units of work actually performed in lieu of actual costs. These unit costs include all costs of the work of every kind (including pumping and any rental charge for the use of the Lyman Mine Property).

AGREED UNIT COSTS

130 linear feet of drift and crosscut @ $35.00* per foot	$4,550.00*	
Total Cost of Stages I and II		$5,600.00*
Government participation @ 90%		$5,040.00*

DMEA-2596

MF-203

OWNER'S CONSENT TO LIEN

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of New Hampshire, County of Cheshire, described as follows:1/

A mica mine, known as the Fitzgibbon Mine, consisting of land described in that certain lease dated July 28, 1952 between C. V. Purdy as lessor and the Alstead Mica Miners, Inc., as lessee, and as recorded in land records for Cheshire County in Keene, New Hampshire, in Volume 533 at page 120.

which is the subject of a proposed exploration project contract, hereinafter called the "contract", between the United States of America, hereinafter called the "Government", and

2/ Alstead Mica Miners, Inc., a corporation duly organized and existing under the laws of the State of North Carolina, Spruce Pine, North Carolina.

hereinafter called the "Operator"; and

WHEREAS, under certain provisions of said contract which are set forth on the reverse side hereof, the Government is entitled to a percentage royalty on production and to certain other rights and equities which do or may conflict with or be adverse to the interest of the undersigned in said property;

NOW THEREFORE, the undersigned, in consideration of said contract and as an inducement to the Government to enter into same, undertakes and agrees as follows:

1. The Government's equity in and right to dismantle, sever, take possession of, and remove and dispose of facilities, buildings, fixtures, equipment, or other items as provided in the contract, or any amendment thereof, shall prevail over and be prior and superior to any conflicting or adverse rights of the undersigned, and the Government is authorized to enter upon the land for such purposes.

2. To secure the payment to the Government of the percentage royalty on production3/ provided for under the terms of said exploration project contract, or any amendment thereof which does not increase the maximum amount of the Government's claim here stated or alter the provisions for repayment, there is hereby granted to the Government a lien ~~upon the land herein described, and~~ upon any production of minerals ~~thus~~ from the land herein described until the royalty claim is fully paid in the amount of the Government's contribution, not in excess of 4/$ 5,040, or ten years have elapsed from the date of the contract.

3. The undersigned shall commit no act nor assert any claim that may contravene or conflict with the lien, claim, or rights of the Government under the provisions of said contract. This agreement shall be binding upon the heirs, executors, administrators, successors, and assigns of the undersigned.

Dated this 28th day of July, 195 2.

C. V. Purdy [Seal]

[Seal]

[Seal]

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/ Insert the name of the Operator as it will appear in the exploration project contract.

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

4/ Insert the maximum amount of the Government's contribution.

RELEVANT CONTRACT PROVISIONS

Repayment by Operator. (a) If, at any time, the Government considers that a discovery or a development from which production may be made has resulted from the exploration work, the Government, at any time not later than six months after the Operator has rendered the required final report and final account, may so certify in writing to the Operator. The certification shall describe broadly or indicate the nature of the discovery or development. In the event of such certification, any minerals mined or produced from the land described in Article 2 within 10 years from the date of this contract, including any mined or produced before the certification, shall be subject to a percentage royalty which the Operator or his successor in interest shall pay to the Government, upon the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, until the total amount contributed by the Government, without interest, is fully repaid, or said 10 years have elapsed, whichever occurs first, as follows:

(1) One and one-half (1½) per cent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(2) One and one-half (1½) per cent of any such net amounts, plus one-half (½) per cent such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) per cent of such net amounts.

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

(b) As here used, "net smelter returns", "net concentrator returns", and "other net amounts realized from the sale or other disposition", mean gross revenue from sales; or if not sold, the market value, the market value of the material after it is mined in the form in which and the place where it is held. In the case of integrated operations in which the material is not disposed of as such, these terms mean what is or would be gross income from mining operations for percentage depletion purposes in income tax determination.

(c) To secure the payment of its percentage royalty, the Government shall have and is hereby granted a lien upon [redacted] any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

(d) This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

Title to and disposition of property. All facilities, buildings, fixtures, equipment, or other items costing more than $50.00 each, paid for or purchased with funds contributed jointly by the Operator and the Government, although title may be taken in the name of the Operator, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the completion of the work or the termination of the contract shall be disposed of promptly by the Operator for the joint account of the Government and the Operator, either by return to the vendor, by sale to others, or purchase by the Operator at a price at least as high as could otherwise be obtained, as may appear to be for the best interest of the Government, unless the Government, in writing, waives its interest in any such item. If necessary to accomplish such disposition, the Operator shall dismantle, sever from the land, and remove any such item, the cost thereof to be for the joint account of the parties in proportion to their respective interests. If the Operator, within 90 days after the receipt of written notice from the Government, fails, neglects, or refuses to dispose of such property, the Government may itself enter upon the land, take possession of, and remove and dispose of any such property as above provided.

HEMAN CHASE

REGISTERED ENGINEER IN NEW HAMPSHIRE AND VERMONT

SURVEYOR

ALSTEAD, NEW HAMPSHIRE

Sketch of

FITZGIBBON MINE PROPERTY

East Alstead, N.H.

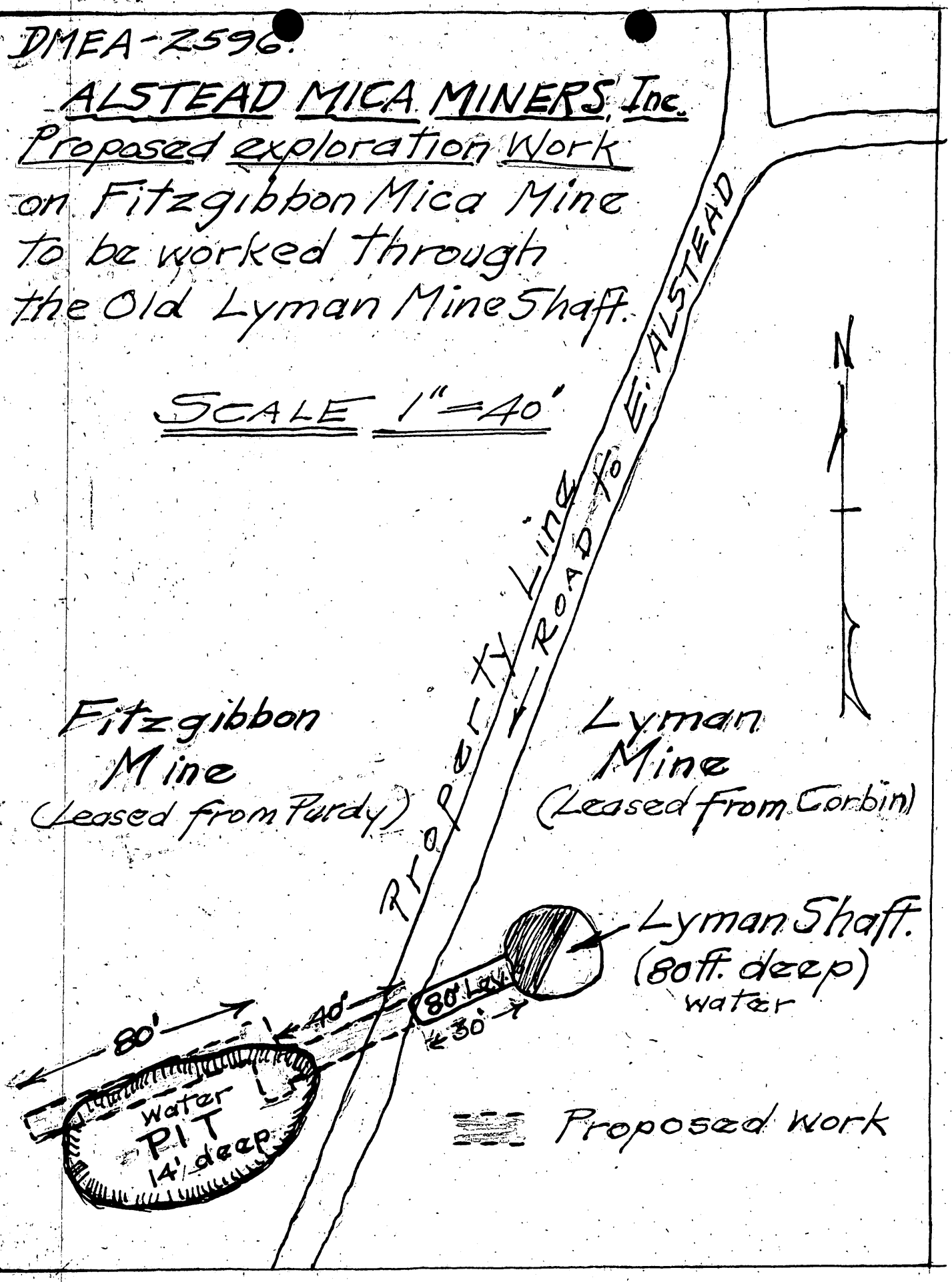
September 12, 1952.

Scale Approx. 1"=400 Ft.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 23 1952

DMEA-2596.

ALSTEAD MICA MINERS, Inc.

Proposed exploration Work on Fitzgibbon Mica Mine to be worked through the Old Lyman Mine Shaft.

SCALE 1" = 40'