☑ Audited 12/1/54

☐ Certified

Name C. E. Smith

State Alabama

WORK ANALYSIS SHEET - DMEA PROJECT

Analysis as of 12/20/54
Incl. Voucher for Sept. 1954

Commodity Mica

☐ Actual Cost

☑ Agreed Unit Costs

Docket No. 3251

Idm-E No. 669

OPERATION	AUTHORIZED Units	AUTHORIZED Cost	COMPLETED Units	COMPLETED Cost	NET COST
Drifting & Crosscutting	160 Ft.	$4,800.00	35 Ft.	$1050.00	$1,050.00
Raising					
Shafts	40 Ft.	$1,800.00	40 Ft.	$1,800.00	$1,800.00
Winzes					
Drilling (Specify)					
Surface Excavation		$150.00		150.00	150.00
Underground Excavation					
Roads and Trails					
Operating Equipment Purchased					
Surface Rehabilitation & Repairs					
Underground Rehabilitation					
New Building, Improvements, etc.					
Other (Specify)					
Totals		$6,750.00		$3,000.00	$3,000.00

Prepared by Walter C. Anderson

71626

Division copy

Office of the Comptroller
Defense Minerals Administration
RECEIVED
OCT 22 1954

TERMINATION AGREEMENT

It is agreed this 10th day of November, 1954, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration (hereinafter called the "Government"), and C. E. Smith (hereinafter called the "Operator"), parties to that certain Exploration Project Contract Idm-E669, Docket No. DMEA-3251, dated May 3, 1954 (hereinafter called the "Contract"), that:

1. Effective OCT 14 1954, the Contract and all obligations of the parties thereunder, except as otherwise herein expressly provided, shall be and are hereby terminated.

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

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

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

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

THE UNITED STATES OF AMERICA

By C O Mattheucoz
Administrator, Defense Minerals
Exploration Administration

Hoffhind
Chamber
Hoyt
Selfridge

C. E. SMITH

C E Smith

Mr. Anderson

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

C. E. Smith
P. O. Box 261
Montgomery, Alabama

pertaining to Exploration Project Contract No. Idm-E669, Docket No. DMEA-3251, for the months of May, 1954 to September, 1954, inclusive, covering a project for the exploration of mica on property, known as the Pate Prospect, located in Randolph County, Alabama.

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

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

> all of the costs incurred were under a contract provision for payment by the Government on the basis of 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		$3,000.00
Exceptions:		
By DMEA Finance Officer	$ -0-	
Herewith	-0-	-0-
Total Accepted Cost		$3,000.00

The contract calls for a 75 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Two thousand two hundred fifty and no/100 Dollars,

$2,250.00

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

E. D. Talbert

E. D. Talbert, Auditor

December 1, 1954

MF-200 (A)
(February 1952)

DOCKET NO. DMEA - 3251

COMMODITY Mica

IDM-E- 669

Division copy

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

EXPLORATION PROJECT CONTRACT[1]
(Short Form)

IT IS AGREED this 3 day of May, 1954, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] C. E. Smith
P. O. Box 261
Montgomery, Alabama

hereinafter called the "Operator," as follows: and as set forth in Annexes I and II attached hereto and made a part hereof.

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 Alabama, County of Randolph, described as ~~follows~~:[3] set forth in Annex I

the Operator represents and undertakes:[4]

(*a*) [redacted]

(*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 30 days from the date of this contract shall commence work on a project of exploration for[5] Mica

in or upon the described land; and shall bring the project to completion within a period of six 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. The work shall be performed by the Operator or by independent contractor or contractors efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for workmen's compensation and employers' liability insurance, with suitable and adequate equipment, materials, and labor, to bring the project to completion within the time fixed. 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 4. *Costs of the project.*—The agreed, estimated costs of performing the work, expressed in terms of units of work to be performed (per foot of drifting, per foot of drilling, per cubic yard of material to be moved, etc.) are set forth in Exhibit "A," attached hereto. The Government will pay 75 percent of these agreed, estimated costs, as they accrue, for units of work actually performed that conform with the description or specifications for the work set forth in this contract, in an aggregate total amount not in excess of $5,062.50, which is 75 percent of $6,750.00, 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 check or 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. The Government may, as it sees fit, make payments direct to the Operator's independent contractors, if any, for the account of the Operator, rather than to the Operator.

ARTICLE 5. *Reports, accounts, audits.*—(*a*) *Progress reports.* The Operator shall provide the Government with monthly reports of units of work performed 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 units of work performed 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.

[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*) *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 the units of work performed, which the Government may inspect and audit at any time. The Government may at any time require a check of the work performed and an audit of the Operator's records and accounts, by a certified public accountant or otherwise, 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 and statement of work performed to accompany his final report.

ARTICLE 6. *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 the 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. **See Annex II, substituted for Article 6.**

ARTICLE 7. *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 8. *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.

ARTICLE 9. *Changes and added provisions* **None**

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

C. E. SMITH (Operator)

By C. E. Smith

By O. P. Mitchendorf
Administrator, Defense Minerals Exploration Administration

Hoffman
Hoch
Talbert

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

_____ [CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE 16—66329-1

EXPLORATION PROJECT CONTRACT
C. K. SMITH
DOCKET NO. IMSA-3251

ANNEX I

The land referred to in Article 2 of the contract form is known as the Pate Prospect and was leased for mining purposes to C. K. Smith for a period of five years by W. H. Pate and Maxie Pate, by an instrument dated October 13, 1953, and recorded in Deed Record 63, Page 59, official records of Randolph County, Alabama. It is located about eight miles east of Lineville, Randolph County, Alabama, and is described as follows:

> Starting at a point on the west side of the forty line, three hundred feet North from the Southeast corner of the NE¼ of the SW¼, Section 29, Township 19, Range 10, Randolph County, Alabama - thence East 350 feet; thence North 600 feet, thence West 350 feet to forty line; thence South along said forty line 600 feet to starting point, containing five acres, more or less.

Department of ...
Defense Minerals Admin.
RECEIVED
MAY 13 1954

ANNEX II

The following provisions are in lieu of Article 6 :

Repayment by Operator.--a. Certification.--If the Government considers that a discovery or development from which production may be made has resulted from the work, the Government, at any time not later than six months after the Operator has rendered the final report and final account, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

b. Royalty on production.--The Operator, as principal, if the Operator is the producer, or as surety, if the Operator is not the producer, shall pay to the Government a royalty on all minerals mined or produced from the land, as follows: (1) regardless of any certification of discovery or development, from the date of the contract until the lapse of the time within which the Government may make such certification, or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first; or (2) if the Government makes a certification of discovery or development, for a period of ten years from the date of the contract, or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first.

c. Basis for computation.--The Government's royalty shall be a percentage of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrates, metal, or equivalent), at the point of delivery (the f.o.b. point); except, that charges of the buyer arising in the regular course of business, and shown as deductions on the buyer's settlement sheets, on account of the cost of treatment processes performed by the buyer, sampling and assaying to determine the value of the production sold, and freight paid by the buyer to a carrier (not the Operator), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. Any costs of treatment processes, sampling or assaying, or transportation, performed or paid by the

Operator or by anyone other than the buyer, are not deductible in arriving at the "gross proceeds" as that term is here used. The term "treatment processes," as here used, means those processes (such as milling, concentrating, smelting, refining, or equivalent) applied to the raw ore or other production after it is extracted from the ground, to put it into a commercially marketable form; excluding fabricating or manufacturing.

d. Unsold production.--If any production (ore, concentrates, metal, or equivalent), after the lapse of six months from the date the ore was extracted from the ground, remains neither sold nor used by the Operator in integrated manufacturing or fabricating operations (for instance, if it is stockpiled), the Government, at its option, as long as it so remains, may require the computation and payment of its royalty on the value of such production in the form (ore, concentrates, metal, or equivalent) it is in when the Government elects to require computation and payment. If any production is used by the Operator in integrated manufacturing or fabricating operations before the Government makes its election, the Government's royalty on such production shall be computed on the value thereof in the form in which and at the time when it is so used. "Value" as here used means what is or would be gross income from mining operations for percentage depletion purposes in Federal income tax determination, or the market value, whichever is greater.

e. Percentages of royalty.--The percentages of the Government's royalty shall be as follows:

> One and one-half ($1\frac{1}{2}$) percent of amounts ("gross proceeds" or "value") not in excess of eight dollars ($8.00) per ton of production in the form in which sold, held, or used, plus one-half ($\frac{1}{2}$) percent for each additional full fifty cents ($0.50) by which such amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such amounts.
>
> (For instance: the royalty on an amount of five dollars ($5.00) per ton, would be one and one-half ($1\frac{1}{2}$) percent; on an amount of ten dollars ($10.00) per ton, three and one-half ($3\frac{1}{2}$) percent.)

f. Lien for payment.--To secure the payment of its percentage royalty, there is hereby granted to the Government a lien upon the land or the Operator's interest in the land and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

g. Notice to purchasers.--The Operator shall give notice of the Government's claim for royalty to any purchaser of the production, and shall authorize and direct such purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets. If the records of any production and sales or other disposition of production, whether the production is by the Operator or by others, are not made available to the Government, the amount of the royalty may be estimated by the Administrator, Defense Minerals Exploration Administration, or his successor, and his estimate thereof shall be final and binding upon the Operator.

h. No obligation to produce.--Nothing in this contract is to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

i. Government not obligated to buy.--Nothing in this contract shall be construed as imposing any obligation on the Government to purchase any minerals mined or produced from the land.

58694

EXPLORATION PROJECT CONTRACT
C. E. SMITH
DOCKET NO. DMEA-3251

EXHIBIT "A"

Description of the Work

Explore the north extension of two parallel pegmatites by a three-stage program.

Stage I shall consist of two trenches, each approximately 75 feet long by 12 feet wide and 4 feet deep, perpendicular to the projected strike of the pegmatites as shown on the attached sketch entitled "Sketch of Pate Pros. Randolph Co., Ala. DMEA-3251 (mica)."

Stage II - Should Stage I, in the opinion of the Government, give favorable geological information, after approval by the Government sink a 40-foot deep shaft in the pegmatite.

Stage III - If pegmatite, in the opinion of the Government, continues in the shaft, after approval by the Government drive 120 feet of drift in the pegmatite and 40 feet of crosscut.

The shaft, drifts, and crosscuts shall be 5 feet by 7 feet in the clear and timbered where necessary.

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

Agreed Unit Costs

Trenching - 267.86 cu. yds. @ $0.56/cu. yd.	$ 150.00
Shaft sinking - 40 feet @ $45/ft.	1,800.00
Drifting - 120 feet @ $30/ft.	3,600.00
Crosscutting - 40 feet @ $30/ft.	1,200.00
Agreed Estimated Total Cost of Project	$6,750.00
Government Participation @ 75%	$5,062.50

MF-203
(Revised July 1, 1953)

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 Alabama, County of Randolph, described as in a lease, as follows: Approximately five acres, more or less, starting at a point followsly on the east side of the forty line, three hundred feet north from the south-east corner of the [illegible] of the [illegible], section [illegible], township 1, range 10, Randolph County, Alabama- thence east 3[illegible] feet; thence north [illegible] feet; thence west 3[illegible] feet to forty line; thence south along said forty line [illegible] feet to starting point, containing five acres, more or less.

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/ Sherlon [illegible] Smith [illegible]

hereinafter called the "Operator"; and

WHEREAS, under the provisions of said contract the Government is entitled to a percentage royalty on production (as set forth on the reverse side hereof) and to other rights and equities which do or may conflict with or be adverse to the rights of the undersigned:

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, there is hereby granted to the Government a lien upon the land above referred to and upon any production of minerals therefrom, until said royalty is fully paid or ten years have elapsed from the date of the contract, whichever occurs first.

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.

4. Changes and added provisions

Dated this 6th day of April, 1954.

W. M Pate [Seal]

Bessie Pate [Seal]

[Seal]

1/ Either (a) insert the legal description of the land, or (b) strike out ~~the above~~ "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.

RELEVANT CONTRACT PROVISIONS

Repayment by Operator.--a. Certification.--If at any time the Government considers that a discovery or 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 final report and final account, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

b. Percentage royalty.--The Operator, or his successor in interest, shall pay to the Government a royalty on all minerals mined or produced from the land described in Article 2,--(1) regardless of any certification of discovery or development, from the date of the contract until the lapse of the time within which the Government may make such certification of discovery or development, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first, unless the Government waives its right to a royalty; or (2) if the Government makes a certification of discovery or development, for a period of ten years (or other period fixed by the contract) from the date of the contract, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first. Said royalty shall be a percentage of 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, as follows:

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

(b) One and one-half (1½) per cent of any such net amounts, plus one-half (½) per cent 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) per cent of such net amounts.

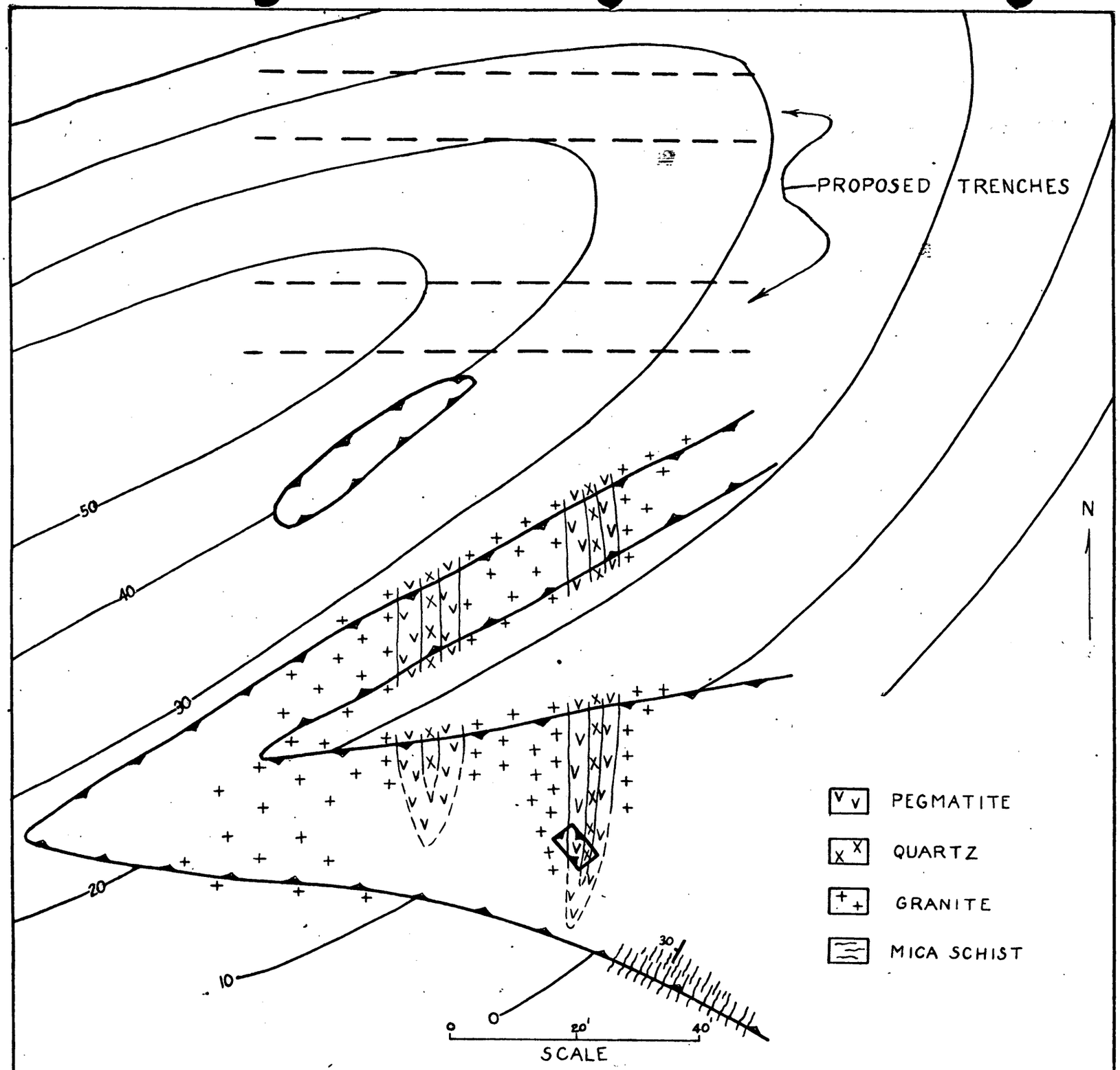
(For instance: the percentage royalty on a net amount of five dollars ($5.00) per ton, would be one and one-half (1½) per cent; on a net amount of ten dollars ($10.00) per ton, three and one-half (3½) per cent.)

c. Definitions.--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.

d. Lien for Payment.--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.

e. Notice to Purchasers.--The Operator shall notify any purchaser of the production of the Government's royalty interest, and shall authorize and direct the purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets; but failure or refusal by the purchaser to comply shall not relieve the Operator of liability to pay any royalty falling due.

f. No Obligation to Produce.--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.



SKETCH
OF
PATE PROS.
RANDOLPH CO., ALA.

DMEA-3251 (mica)

MAR 1 1 1955

Mr. G. K. Smith
P. O. Box [illegible]
Montgomery, Alabama

Re: Project No. [illegible] - Mine
G. K. Smith
Pete Prospect
Randolph County, Alabama
Contract No. [illegible]

Dear Mr. Smith:

This is with reference to the subject Exploration Contract between you and the Government.

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 the provisions of the Contract which require the Operator to keep and preserve certain records for the period indicated.

We regret that the exploration work performed did not result in a certification of discovery or development. Your participation in the exploration program, however, is sincerely appreciated.

Sincerely yours,

C. O. Mittendorf

Administrator

WMinderman:gl 3/9/55
Copy to: Adm. R. File
Docket
Operating Committee
Field Team, Region V
Mr. Kilinghard, [illegible]
Mr. Metcalfe, [illegible]
Mr. Chambers
Mr. Bank
Mr. U. H. Pate (attached to field team copies for forwarding)
Mrs. Beckie Pate (attached to field team copies for forwarding)

3. Audit: Report of Review issued December 1, 1954. (no exceptions)

Accepted cost	$3,000.00
Government participation	$2,250.00

4. Certification of discovery - none issued.

5. Comments:

How conducted: In an unsatisfactory manner. Not according to standard mining practice. Equipment was crude. Safety regulations not followed.

Operation: Poor.

Engineering: Reporting was acceptable.

Geological premise: The premise that surface indications warranted exploration did not materialize since two vertical pegmatites emplaced along joints bottomed above the level of the crosscuts. Therefore the Contract was terminated before completion.

Geological criteria upon which work was based:

1. Two parallel nearly vertical pegmatites:
   (a) 10 feet thick with 3-foot quartz core.
   (b) 8 feet thick with 2-foot quartz core.
2. Contacts are gradual with enclosing rock, which is a coarse biotite granite.
3. Mica books up to 8 inches across.
4. Flat ruby mica, clear and hard.

Criteria developed during project: Neither shaft sunk midway between two exposed pegmatites nor crosscuts driven toward postulated extensions of pegmatites encountered pegmatite.

Future possibilities: none

Recommendations: The Nonmetallic Minerals Division concurs in field team's recommendation that the project should not be certified and that additional exploration is not justified. The Geological Survey and Bureau of Mines agree. This is another project which illustrates the need for staying with the pegmatite to avoid blind prospecting.

WCAnderson:ad 3/8/55
Copy to: Admr. R. File
~~[illegible]~~
Mr. Houk

Project Summary Report

By: Walter C. Andersen March 8, 1955

1. Docket No. DMEA-3251 - Mica
   Contract No. I4m-2669
   Pate Prospect
   Randolph County, Alabama

   Operator: C. K. Smith
   P. O. Box 261
   Montgomery, Alabama

   Application: Form MP-103 (April, 1952) received February 15, 1954.
   Work proposed: Sink a shaft 100 feet deep and drive drifts, footage not stated.
   Amount requested: $12,300.00

   Operator's property rights:
   Lease for 5 years, dated October 13, 1953.
   Owner's Consent to Lien, dated April 8, 1954.

2. Contract: Form MP-200(A) (Feb. 1952), dated May 3, 1954.

   Work authorized:

Trenching 267.86 Cubic yards @ $0.56/c.yd.	$150.00
Shaft sinking 40 feet @ $45.00/ft.	1,800.00
Drifting 120 feet @ $30.00/ft.	3,600.00
Crosscutting 40 feet @ $30.00/ft.	1,200.00
Estimated cost of project	$6,750.00
Government participation @ 75%	$5,062.50

   Amendments: none

   Work completed:

Trenching	$150.00
40 feet of shaft @ $45.00/ft.	1,800.00
35 feet of crosscutting @ $35.00/ft.	1,050.00
Total accepted cost	$3,000.00
Government participation @ 75%	$2,250.00

   Work began May 17, 1954, and was completed September 30, 1954. Contract was terminated by agreement on November 10, 1954. No mica produced during project. Field Team Final Report received December 9, 1954. Operator's Final Report received December 9, 1954.

IN REPLY REFER TO:

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

Department of the Interior
Defense Minerals Administration
RECEIVED
JAN 20 1955

January 19, 1955

Re: DMEA-3251
Pate Prospect
Randolph Co., Ala.
$3,000 - Mica

Memorandum

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

From: E. L. Newcomb, U. S. Geological Survey

Subject: Review of Final Field Team report

The Field Team has recommended that the results of DMEA work do not justify a certification of discovery.

Trenching, shaft sinking and drifting were completed without finding significant amounts of mica. Pegmatites at surface are either flat or gently plunge northward, thus all of the underground work was in non-pegmatite material. Further exploration of these narrow, shallow pegmatites is not justified.

A certificate of discovery is not warranted.

E. L. Newcomb

ELNewcomb:hlm
G-1/19/55

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

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 28 1954

December 27, 1954

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

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

Subject: DMEA-3251 (mica)

Applicant: C. E. Smith

Name and Location of Property: Pate Prospect
Randolph County, Alabama

Contract Number: Idm-E 669

Date of Field Team's Final Report: December 7, 1954

Date Rec'd. by Ceram. & Fert. Mat. Br.: December 14, 1954

Field Team Recommendation:
1. No certification.

Comments:
1. No pegmatite dike was encountered.

2. Expenditures -

Total approved	-	$6,750
Total cost	-	3,000
Gov't. share	-	2,250
Value of production during operation	-	None

Recommendation:
I concur in the field team's recommendation to deny certification.

Donald R. Irving

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

COPY

~~WASHINGTON 25, D.C.~~

Room 13, Post Office Bldg.
Knoxville 2, Tenn.

December 7, 1954

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Final Field Team and Operators Reports:
DMEA-3251, Idm-E 669 (mica)
DMEA-3285, Idm-E 682 (mica)

Enclosed are four copies each of the Field Team and Operator's final report on the subject exploration contracts.

We agree, in both cases, with the recommendation that certification should not be issued.

/s/ Robert A. Laurence

/s/ Wm. A. Beck, for V. J. Lynch
U. S. Bureau of Mines

RAL/zm
cc:
Beck
Lynch
Files

Reviewed by
DMEA OPERATING COMMITTEE
12-13-54
(date)

Defense Minerals Administration
Release
DEC 9 1954

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT
On

DMEA-3351, PATE PROSPECT
~~Map-X 669~~ (mica)
Randolph County, Ala.

BY

K. H. Teague and D. M. Ames, Geologists
U. S. Geological Survey
and
James F. O'Neill, Mining Engineer
U. S. Bureau of Mines

December 7, 1954

Reviewed by
DMEA OPERATING COMMITTEE
12-13-54
(date)

FINAL REPORT
On
DMEA-3251, PATE PROSPECT (mica)
Idm-E 669

Operator : C. E. Smith, P.O. Box 261, Montgomery, Alabama

Location: Eight miles east of Linesville, Randolph County, Alabama., in SE 1/4; SE 1/4. Sec. 29, T.19S., R 10E.

Work completed under the contract consisted of bulldozing two trenches, sinking a 40-foot shaft and driving 35 feet of laterals from the 38-foot level of the shaft. The pegmatite exposed in the surface cuts does not extend down to the 38-foot level. No mica of strategic quality was discovered by the work performed; thus, no certification of discovery should be issued. Additional exploratory work is not warranted.

Work began on this contract May 17, 1954 and was completed Sept. 30, 1954. Two trenches each about 75' x 12' x 4' deep were bulldozed north of the existing cuts (see attached sketch). A 40-foot 5' x 7' vertical shaft was sunk from the bottom of the southernmost existing cut. From the 38-foot level of this shaft a total of 35 feet of laterals were driven; 20 feet in a S. 55° W., direction and 15 feet to the east.

The shaft is collared in weathered fine-grained granite. At about the 16-foot level the granite bottomed, with the bottom dipping at a low angle to the southwest. Below the granite a 18-foot zone of graphitic-mica schist was encountered which contained a few 1-inch stringers of coarse granite. From the 30-foot level to the shaft bottom and in both crosscuts a fresh fine-grained dark gray granite gneiss was encountered. This rock contains much sulphides, but no mica. It strikes N. 25° E. and dips from 25° to 60° SE.

No pegmatite was encountered. Prominent joints are evident in both crosscuts. These strike parallel to the pegmatites which are exposed at the surface and have vertical dip. Apparently both pegmatites are emplaced along joints and bottoms above the level of the crosscuts.

No certification should be issued on this project and no additional work is justified.

Expenditures:	(a)	Total approved	$6,750.00
	(b)	Total cost of project	3,000.00
	(c)	Government's share of cost	2,250.00
	(d)	Government's share unexpended	2,812.50
	(e)	Value of production during opr.	None

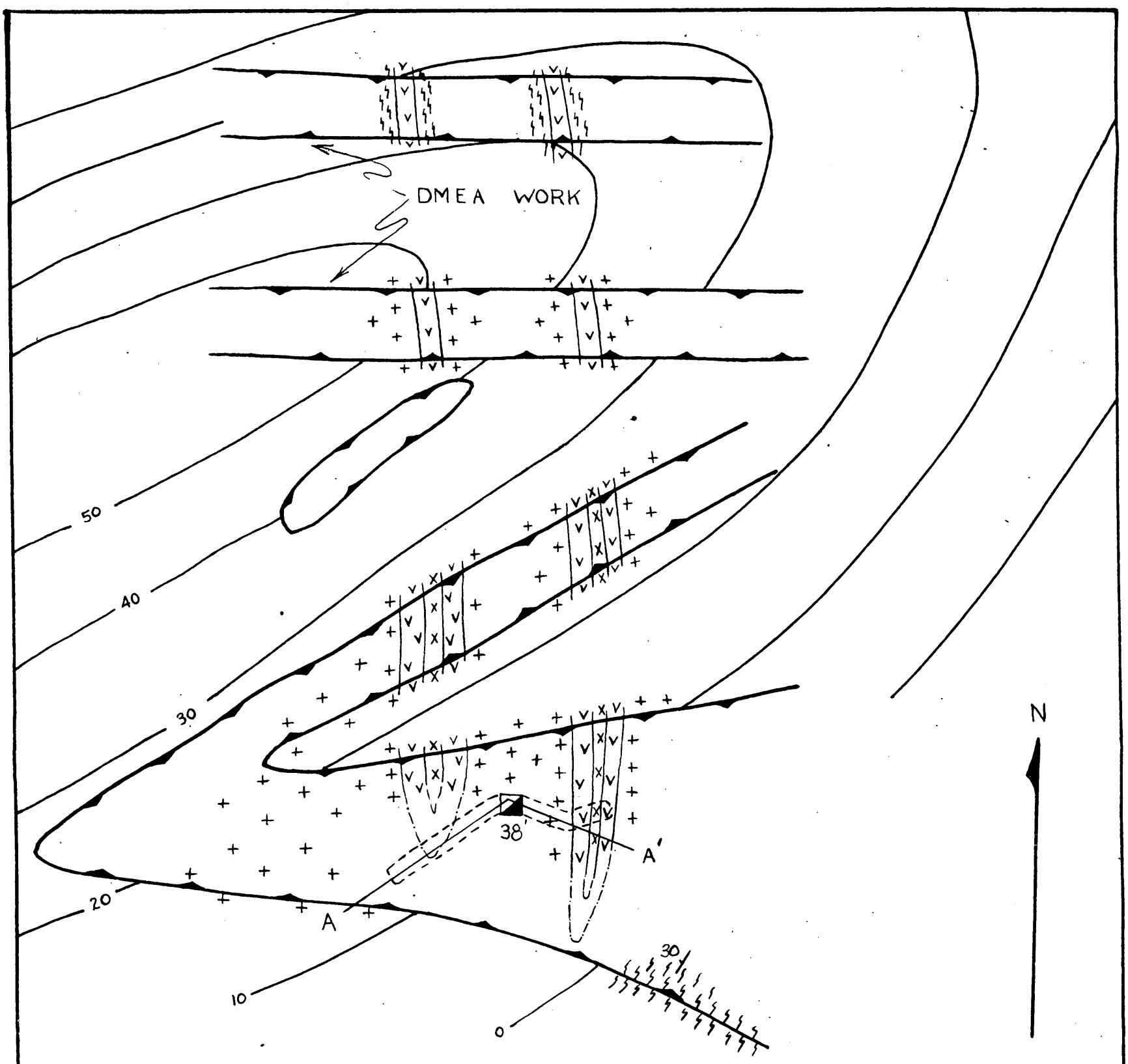
The project was conducted in an unsatisfactory manner.

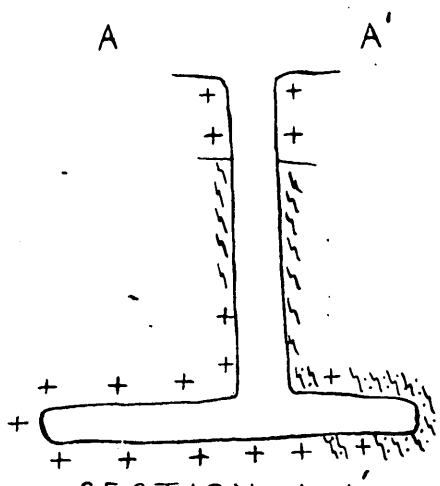
December 7, 1954.

J. M. O'Neill, Mining Engineer
U. S. Bureau of Mines

K. H. Teague and D. H. Ames, Geologists
U. S. Geological Survey

x





SECTION A-A'

V V PEGMATITE

X X QUARTZ

+ + GRANITE & GRANITE GNEISS

MICA SCHIST

GRAPHITIC SCHIST

0 20' 40'

SCALE

SKETCH OF

PATE PROS.

RANDOLPH CO., ALA.

DMEA-3251 (mica)

Mrs. Anderson

C
O
P
Y

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

December 7, 1954

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Final Field Team and Operators Reports:
DMEA-3251, Idm-E 669 (mica)
DMEA-3285, Idm-E 682 (mica)

Enclosed are four copies each of the Field Team and Operator's final report on the subject exploration contracts.

We agree, in both cases, with the recommendation that certification should not be issued.

Robert A. Laurence

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

DEPARTMENT OF THE INTERIOR
Bureau of Mines
RECEIVED
DEC 9 1954

OPERATORS MONTHLY REPORT OF PROGRESS
FOR THE MONTH OF OCTOBER, 1954
G. E. Smith, (Pate Property)

IDMA-3251
Idm-669

FINAL REPORT

There has been no unit progress made since the close of September, 1954, which shows the following:

Sinking Shaft.....	40 feet...	$1800.00
Crosscuting.....	35 feet..	$1050.00
Stripping 267.86 Cu. Yd		$ 150.00

Work was discontinued on October 4, 1954 at twelve oclock noon, when the only drill we had was broken, and it was decided that it would be unwise to make a trip to Birmingham for an other drill, since we only liked about five feet of crosscuting on the east side of the shaft and with no indication of mica.

Therefore, as operator of the project, I consider it useless to continue the operation and now wish to abandon the project- and as there has been no further unit costs since the rendering of my September report, it is not necessary that I make any other claim.

I certify that the above is correct.

October 20, 1954.

G E Smith
Operator.

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

Budget Bureau No. 42-R1036.5

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

Month of September 1954 Docket No. DMEA 3251 Contract No. Idm-E.669
Operator's Name C. E. Smith Minerals Mica
Address P. O. Box 261
Contract Amount, $6750.00 Government Participation: 75 % Amount, $ 5062.50

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		150.00	150.00		150.00	150.00
Crosscutting	35 ft		1050.00	1050.00		1050.00
Drifting						
Shaft sinking		1800.00	1800.00		1800.00	1800.00
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS		1950.00	3000.00	1050.00	1950.00	3000.00

I certify that the above bill is correct and just and that payment therefor has not been received.
Date Oct. 2, 1954 Payee C. E. Smith
Per C. E. Smith Title Owner

*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:
$ 787.50
Signature Helen R. Miller (Authorized Certifying Officer)
Date NOV 23 1954 Vou. No. 78
(See other side)

Sch 7

262.50

C 10/04/57

(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-669 in accordance with the terms of the contract.

Signature J. T. O'Neill Title Engineer Date 10-8-54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION VII Date NOV 1 1954

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form ME-104A
(April 1952)

Budget Bureau No. 42-R1151.1
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of September 1954 Docket No. DMEA 3251 Contract No. Idm-E 669

Operator's Name C. E. Smith Minerals Mica

Address P. O. Box 261, Montgomery, Alabama

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting		$1050.	35 Ft	$1050.00	35	1050.00		
Raising								
Shafts				1800.00	40	1800.00		
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping				150.00	267.86 Cu. Yd	150.00		
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		1050.00	35 ft	3000.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS								

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 Oct. 2, 1954 Operator C. E. Smith

Per C. E. Smith Title Owner

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

OPERATORS MONTHLY REPORT OF PROGRESS
FOR THE MONTH OF SEPTEMBER, 1954
C. E. SMITH (Pate property)

DMRA-3251
Idaho- 669

Work Accomplished

Started Crosscutting, and extended the drive twenty feet on west side of shaft, and started crosscutting on the east side of shaft and extended the drive fifteen feet on this side.

Daily Notes

September 1st, Made one shot and installed water hose on jack hammer.
September 2, Made one shot and mucked out drift. Mr. Teague visited the property.
September 3, Made one shot and mucked out the shaft.
September 6, Made one shot and mucked out the drift. Started crosscut on the east side of shaft- employed Hoyt Gray as mine foreman, and made two shots on east side. No sign of mica.
September 7, Mucked out shaft, or drift, and made one shot. Some little showing of mica.
September 8, Made two shots, rock hard, drift on east side now seven feet.
September 9, worked on west side of shaft, made two shots and mucked out shaft.
September 10, made one shot and mucked out drift- no sign of mica.
September 13, mucked out the drift and made one shot.
September 14, mucked out drift and made one shot.
September 15, mucked out the drift on west side, and made one shot on the east side.
September 16, Repaird jack hammer and mucked out drift.
September 17, made two shots, some showing of mica.
September 18, mucked out the drift and made one shot.
September 20, made one shot, some showing of mica schist.
September 21, mucked out drift on east side and made one one shot on west side.
September 22, made two shots and mucked out shaft.
September 23, Mr. O'Neill visited the property.
September 24, drill hung up, made two shots.
September 27, mucked out shaft and made two shots.
September 28, made two shots and mucked out drift.
September 29, made two shots on east side of shaft.
September 30, mucked out the drift and made one shot.

C E Smith
Operator.

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

Defense Minerals Exploration
RECEIVED
OCT 18 1954

October 15, 1954

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: DMEA-3251, Idm-E 669 (mica) Pate Prospect.
C. E. Smith, Operator, Randolph County, Alabama

Transmitted is an interim report on the subject contract. As there is no possibility of making a worthwhile discovery, we request permission to terminate by Mutual Agreement. The field team does not plan to recommend certification.

Of the work outlined in the contract, 5 feet of crosscutting and 120 feet of drifting remain to be done.

Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION VII

Wm. A. Beck for V. J. Lynch
U. S. Bureau of Mines

NOV 1 0 1954

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

Subject: Docket No. DMEA-3251 - Miss C. K. Smith
Pate Property
Randolph County, Alabama
Contract No. Idm-B649

Dear Mr. Lawrence:

Reference is made to the Field Team's Interim Report of October 14, 1954, recommending termination of the subject contract by mutual agreement.

We concur in this recommendation and are transmitting herewith the original and five copies of a termination agreement which have been signed by the Government. If the agreement meets with your approval present it to the Operator for approval and signature. Please fill in the effective date which is the date agreed upon between the Field Team and the Operator.

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

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

J. H. Hedges

Member, Bureau of Mines

E. L. Newcomb

Member, Geological Survey

Enclosures 6

WCAnderson:gad 11/4/54
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

REC
OCT 18 1954

INTERIM REPORT
On
IMEA-3251, Idm-8669, PAYE PROSPECT (mica)

Location: Eight miles East of Lineville, Randolph County, Alabama

Work completed under this contract consisted of sinking a 40-foot shaft and driving 35 feet of crosscut from the shaft, 15 feet to the east and 20 feet S. 55° W. from the shaft. None of the crosscut exposed pegmatite.

In the upper portion of the shaft weathered granite was encountered. It bottoms in unweathered granite gneiss. The crosscut to the northeast encounters granite gneiss for the first 7 feet and the remaining 8 feet is in graphitic mica gneiss. The southwest crosscut is entirely in unweathered granite gneiss. Both crosscuts are normal to a prominent joint system, along which both pegmatites at the surface seem to be emplaced.

Sufficient work was done in both crosscuts to intersect the pegmatites if they continue to depth. Obviously they both bottom above the crosscuts. No additional work is justified on this project and termination by mutual consent is recommended, with no certification.

October 14, 1954.

K. H. Teague, Geologist
U. S. Geological Survey

Wm. A. Beck, and J. F. O'Neill, Mining Engineers
U. S. Bureau of Mines

September 24, 1954

Interim Report

DMEA No. 3251 - Mica
Idm-E-669
Pate Mine
Location: Eight miles east of Lineville, Randolph County, Ala.
Date visited: September 23, 1954

The southwest cross cut was advanced 16 feet and a cross cut running N 65 E was advanced 11 feet from the 38-foot level.

Both cross cuts were in granite gneiss that contained disseminated sulfides, a few thin pegmatitic stringers.

The operator's brother requested that the contract be cancelled. He alleged that the work was costing them much more than they had expected and that work that was being done by them along the surface exposure of the dike indicated that it would not be economical to work any of it for the mica. A letter (copy attached) was received from the operator upon my return to the office from the field which confirms the request made by the brother.

The mineral showing made at this project appears to justify the operator's attitude and its cancellation, but the cross cutting has not been advanced enough to reach any definite conclusion that the dike pinched above the 38-foot level.

It was recommended that the cross cuts be advanced at least 40 feet as specified in the contract. The southwest cross cut to be terminated at 20 feet if the dike was not intersected and the northeast heading be advanced 20 feet or to the dike if intersected.

Progress at this project has been slow because of the lack of adequate labor, the inability to get delay blasting detonators and other material, and tough ground.

J. F. O'Neill, Mining Engineer
Mining Development Branch
Mining Division, Region VII

Attachment
JFO'Neill:al
cc: R. A. Laurence, orig + 5
Regional Dir., Reg. VII
J. F. O'Neill
Day File
File

(Rev.)

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

SEP 17 1954

Month of August, 1954 Docket No. DMEA 3251 Contract No. Idm,E.
Operator's Name C. E. Smith Minerals Mica
Address P. O. Box 261, Montgomery, Alabama
Contract Amount, $ 6750.00 Government Participation: 75 % Amount, $ 5062.50

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	nil	$150.00	$150.00			
Crosscutting						
Drifting						
Shaft sinking	$495.00	$1305.00	$1800.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$495.00	$1455.00	$1950.00	495.00	1,455.00	1,950.00

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-15

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

Date Sept. 2, 1954 Payee C. E. Smith

Per C. E. Smith Title Owner

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

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

(Instructions on reverse)

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

$ 371.25

Signature Ora A. Pierce
(Authorized Certifying Officer)

Date SEP 14 1954 Vou. No. 56
(See other side)

4

123.75

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E-669 in accordance with the terms of the contract.

Signature J. F. O'Neill Title Engineer Date 9/7/54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. T. Beck ACTING Title EXECUTIVE OFFICER DMEA REGION VII Date SEP-1-0 1954

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.

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

SEP 17 1954

Month of August 1954 Docket No. DMEA 3251 Contract No. Idm-E.669

Operator's Name C. E. Smith Minerals Mica

Address P. O. Box 261, Montgomery, Alabama

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts		$495.00	11Ft	$1800.00	40	1800.00		
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping		nil	nil	150.00	267.86 cu.yd	150.00		
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		$495.00		$1950.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS								

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 9-2-54 Operator C. E. Smith

Per C. E. Smith Title Owner

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

REMARKS:

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 872894

OPERATORS MONTHLY PROGRESS REPORT
FOR THE MONTH OF AUGUST, 1954
C. E. SMITH- (Pate Property)

DMEA No. 3251
Idm-E 669

Work Accomplished

Made trip to Birmingham, Alabama and rented Air-compressor and Jack hammer, and purchased water pump with hose; sank shaft to a debth of forty feet.

Daily Notes

August 2. Made trip to Birmingham for equipment.

August 3. Set up aircompressor and repaired water pump.

August 4. Employed Mr. Gosdin as mine foreman and cleaned out shaft and pumped out water.

August 5. Made two shots and mucked out shaft, down to 31 feet.

August 6. Made three shots and mucked out shaft.

August 9. Made two shots and mucked out shaft- shaft down to 33 feet.

August 10. Mr. O'Neill visited the mine, and advised that we use wire cable instead of rope. Made three shots a nd mucked out shaft.

August 11. Made three shots- no showing of mica, shaft down to 34 feet.

August 12. Mucked out shaft, changed windless from over the shaft to south of shaft, using the steel derrick and wire cable to bring out muck.

August 13. Water pump giving trouble, purchased pipe to use instead of hose.

August 14, Installed water piping, pumped out water, mucked out shaft.

August 16. Carried water pump to Birmingham for repars.

August 17. Made one shot and mucked out shaft.

Work Accomplised- continued

Daily Notes

August 17. Made one shot and mucked out shaft.

August 18. Made one shot and mucked out shaft.

August 19. Pumped out water and mucked out shaft. Total depth of shaft is 40 feet.

August 20. Work stopped, waiting for more equipment to start drifting. Mr. K. H. Teague visited the mine and left a note, directing how the drift should be started.

The equipment company in Birmingham had promised us a tool to use in drifting but did not bring it as they promised- stating the one they had was rented but was to have been returned. Therefore, we have been shut down until Monday, August 30th when we got the equipment we needed from an other man.

August 30. Pumped out water and started drifting on west side of shaft.

August 31, Made one shot and mucked out shaft.

We are now hoping that our troubles are over and that we will be able to make more progress from now on.

C E Smith
OPERATOR.

INTERIM REPORT

On

DMMA-3251, Idm-E 669, Pate Property
(mica)

Operator: C. E. Smith, P.O. Box 261, Montgomery, Alabama

Location: Eight miles east of Lineville, Ala., Randolph County.

Shaft sinking at this deposit has been completed (40 ft.), and a crosscut has been turned off to the southwest at the 38-foot level. At the time of visit crosscut was at 5 feet. The crosscut is being driven S. 65° W. in granite gneiss which contains much disseminated sulphides.

The Operator was instructed to turn the crosscut to about S. 30° W., and continue driving. Also, he was instructed to stop burning paper in the shaft in order to remove powder fumes.

Progress on this project during the last two weeks has been slow because of the scarecity of labor.

Not in proj

Sept. 2, 1954

K. H. Teague, Geologist
U. S. Geological Survey

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
SOUTHEASTERN REGION
REGION VII
HAMILTON BANK BUILDING

OFFICE OF
REGIONAL DIRECTOR

POST OFFICE BOX 1909
KNOXVILLE, TENNESSEE

August 10, 1951

Memorandum

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

From: Administrative Officer, Region VII, Knoxville, Tennessee

Subject: Monthly reports and vouchers

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

Idm-E-669 C. E. Smith
DMEA Docket No. 3251
3rd payment - month of July
Amount $202.50

Idm-E-684 Alex Teague
DMEA Docket No. 3244
1st payment - month of July
Starting Date: 7/26/51
Amount $348.00

Helen R. Miller

Enclosures 4

/hbm
Copies to W. A. Dock
R. A. Laurence
Region Files
Day Files

38

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of July 1954 Docket No. DMEA 3251 Contract No. Idm-E.669
Operator's Name C. E. Smith Minerals Mica
Address P. O. Box 261, Montgomery, Alabama
Contract Amount, $ 6750.00 Government Participation: 75 % Amount, $ 5062.50

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	nil	$150.00	$150.00			
Crosscutting						
Drifting						
Shaft sinking	$270.00	$1035.00	$1305.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$270.00	$1185.00	$1455.00	270.00	1,185.00	1,455.00

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-9

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

Date Aug. 7, 1954 *Payee C. E. Smith

Per C. E. Smith Title Owner

*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:

$ 202.50

Signature [illegible]
(Authorized Certifying Officer)

Date AUG 18 1954 Vou. No. 38
(See other side)

3

67.50

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E 669 in accordance with the terms of the contract.

Signature J. F. Offield Title Engineer Date 8-9-54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title DMEA REGION VII EXECUTIVE OFFICER Date AUG 16 1954

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.

[redacted]F-104A
(April 1962)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of July 1954 Docket No. DMEA 3251 Contract No. Idm-E.669
Operator's Name C. E. Smith Minerals Mica
Address P. O. Box 261, Montgomery, Alabama

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts		$270.00	6 Ft	$1305.00	29 Ft	1305.00		
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching	nil	nil	nil	150.00	267.86 cu. yd	150.00		
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		270.00		1455.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS								

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

Date 8-7-54 Operator C. E. Smith

Per C. E. Smith Title Owner

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.

U. S. Bureau of Mines
RECEIVED
AUG 9 - 1954
Southern Experiment Station
Box L, University, Ala.

GPO 872894

OPERATORS MONTHLY PROGRESS REPORT
FOR THE MONTH OF JULY, 1954
C. E. SMITH- (Pate Property)

DMEA No. 3251
Idm-E 669

Work Accomplished

Removed winch, bucket and wire rope, which was considered impracticable and somewhat dangerous and installed a windlass with smaller bucket. Fletcher Smith was put in charge of the work succeeding Troy Hassell. Trimed and sized-up the shaft and sanked the shaft to a debth of 29 feet.

Daily Notes

July 8. Started work with new crew of men and installed a windlass. Mr. Teage visited the mine and stated it was not necessary to timber any more unless the formation changed.

July 9. Trimed the sides of the shaft, had tools sharpened. Some mica formation.

July 12. Worked in shaft, formation getting harder, some small mica.

July 13. Working in shaft, striking blue granit rock with a small amount of mica formation and water.

July 14. Working in shaft, granit rock is hard with little mica formation. Shaft is now down 27½ feet.

July 15, Sharpened drills, formation is hard with some small mica formation. Water seapeage getting stronger.

July 16. Working in shaft, down 29 feet. Owing to the fact that we are now in need of water pump, Air compressor and jack hammer, we are now closing down until such time as is necessary to secure these items and install them.

C. E. Smith
Operator.

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

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

Subject: Docket No. DMEA-3251 - Mica
C. E. Smith
Pate Property
Randolph County, Alabama
Contract No. Idm-E669

Dear Mr. Laurence:

Reference is made to the Field Team Interim Report of August 12, 1954, on exploration work under the subject contract.

We note that the pegmatites were 10' thick and 8' thick on the surface, and the trenches indicated they narrowed to 3' to 4'. The interim reports state only pegmatite stringers are exposed in the shaft. Has the pegmatite bottomed and are we justified in continuing the work under the contract?

Sincerely yours,

W S Martin
ACTING Chairman, Operating Committee

Approved:

G. H. Hedges
Member, Bureau of Mines

Robert M. Kilbourne
Member, Geological Survey

Amount shaty.
F. Johnson suggests not sending this as it may hurt their feelings
per Mr. Hoole.
8-26-54

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

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

Subject: Docket No. DMEA-3251 - Mica
C. E. Smith
Pate Property
Randolph County, Alabama
Contract No. Idm-M669

Dear Mr. Laurence:

Reference is made to the Field Team Interim Report of August 12, 1954, on exploration work under the subject contract.

We note that the pegmatites were 10' thick and 8' thick on the surface, and the trenches indicated they narrowed to 3' to 4'. The interim reports state only pegmatite stringers are exposed in the shaft. Has the pegmatite bottomed and are we justified in continuing the work under the contract?

Sincerely yours,

W. S. Martin
ACTING Chairman, Operating Committee

Approved:

J. H. Hedges
Member, Bureau of Mines

s/Thor N. Tilsgaard
Member, Geological Survey

Docket Copy
Surname:
Anderson
Houk
Martin
Riilogaard

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

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

Subject: Docket No. DMEA-3251 - Mica
C. E. Smith
Pate Property
Randolph County, Alabama
Contract No. Idm-[illegible]69

Dear Mr. Laurence:

Reference is made to the Field Team Interim Report of August 12, 1954, on exploration work under the subject contract.

We note that the pegmatites were 10' thick and 8' thick on the surface, and the trenches indicated they narrowed to 3' to 4'. The interim reports state only pegmatite stringers are exposed in the shaft. Has the pegmatite bottomed and are we justified in continuing the work under the contract?

Sincerely yours,

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

Approved:

J. H. Hedges (JHB)
Member, Bureau of Mines

s/Thor H. Riilogaard (JHB)
Member, Geological Survey

WCAnderson:gad 8/23/54
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Dietrich, 3061
Mr. Newcomb, 5227
Mr. Houk

7. Reference made to not according to [illegible] feeling per Mr. Houk 8-26-54

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
BOX L
UNIVERSITY, ALABAMA

REGION VII

August 12, 1954

Interim Report

DMEA No. 3251 - Mica
Idm-E-669
Pate Mine

Operator: C. E. Smith
Location: Eight miles east of Lineville, Randolph County, Ala.
Date examined: August 10, 1954

The shaft of this project is advanced 35 feet; progress is slow due to inefficient operation. A five-man crew is working at the project. The muck is being hoisted from the shaft with a wooden handled homemade windlass and a hemp rope. Large rocks are tied to the rope and hoisted without the use of a bucket.

The rock in the bottom is unaltered granite with quartz stringers. Drilling in it is slow, but it breaks good.

It was recommended: (1) That the windlass be replaced with a hoist in order to speed up the operation, (2) that if the windlass was used to replace the hemp rope with a steel cable, (3) to stop the unsafe practice of hoisting or lowering material in the shaft without the use of a bucket.

J. F. O'Neill

J. F. O'Neill
Mine Examination & Exploration Engineer
Mining Development Branch
Mining Division, Region VII

August 4, 1954

Interim Report

DMEA No. 3251 - Mica
Idm-F-669
Pate Mine
Operator: C. E. Smith
Location: Eight miles east of Lineville, Ala.

The shaft at this project is advanced 29 feet. Unaltered schist and pegmatite stringers were encountered near the bottom of the shaft, both contained heavy impregnations of iron sulfides. A small flow of water was encountered at the 26-foot level near the bottom of the weathered zone.

Work has been temporarily suspended until the operator can locate equipment and a miner who is familiar with hard rock mining. They expect to reopen during the week of August 1.

They have installed a wooden-handle windlass, of poor construction, for hoisting purposes. It was recommended that the use of this unsafe piece of equipment be changed and replaced with an adequate hoist.

Progress at this project has been slow because of the lack of experience in mining by the operator and the scarcity of trained miners in the area.

J. F. O'Neill, Mining Engineer
Mining Development Branch
Mining Division, Region VII

JFO'Neill:al

cc: R. A. Laurence, original + 5
Regional Director, Region VII
J. F. O'Neill
Day File
File

MF-104 (Rev.)
(April 1952)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.4
Approval expires 6-30-53.

OPERATOR'S MONTHLY REPORT AND VOUCHER

JUL 19 1954

Month of June 1954 Docket No. DMEA 3251 Contract No. Idm-E.669
Operator's Name C. E. Smith, Minerals Mica
Address P. O. Box 261, Montgomery, Alabama
Contract Amount, $ 6750.00 Government Participation: 75 % Amount, $ 5062.50

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	nil	$150.00	$150.00			
Crosscutting						
Drifting						
Shaft sinking	$720.00	$315.00	$1035.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$720.00	$465.00	$1185.00	720.00	465.00	1185.00

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-2

I certify that the above bill is correct and just and that payment therefor has not been received.
Date July 3, 1954 Payee C. E. Smith
Per C. E. Smith Title Operator

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

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

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:
$ 540.00
Signature Cora A. Piper
(Authorized Certifying Officer)
Date JUL 15 1954 Vou. No. 15
(See other side)

180

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

OPERATIONS
MONTHLY PROGRESS REPORT
for the
Month of June, 1954
C. E. Smith, Pate Property

Idaho No. 3251
Idm.E. 569

Work Accomplished

Sank shaft a debth of 16 feet and timbered shaft a debth 17 feet- making a total of 23 feet in debth. Recovered no mica.

Daily notes

No work till June 7, Put bairings in winch- purchased timber and hired two men.

June 8, 1954. Excavating, sinking shaft, small amount of very small mica. Down four feet.

June 9, 1954. Timbering shaft.
June 10, 1954 Timbering shaft.
June 11, 1954. Building gard rail around shaft.

June 14, 1954. Hired an other man, and worked in shaft. No mica, formation red clay and some rock- made three feet.

June 15, 1954. Worked in shaft, brown soft rock, made three feet.
June 16, 1954. Worked in shaft, pockets of kaoline and small amount of quartes. made two feet.

June 17, 1954. Timbering shaft.

June 18, 1954. Timbering shaft making ladder.

June 20, 1954. Timbering shaft.

June 21, 1954. Worked in shaft- formation getting harder- no mica. made two feet.

June 22, 1954. Worked in shaft, formation hard and no mica, made two feet.

June 23, 1954. Worked in shaft and made some shots- but very little progress. Worked stopped- considering installing air-compressor and jack hammer.

The work will be continued in July with a more experienced mine foreman.

C. E. Smith
Operator.

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.4
Approval expires 6-30-53.

RECEIVED
JUN 17 1954

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of May, 1954 Docket No. DMEA 3251 Contract No. Idm-E.669
Operator's Name C. E. Smith Minerals Mica
Address P. O. Box 261, Montgomery, Alabama
Contract Amount, $6750.00 Government Participation: 75 % Amount, $5062.50

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) [redacted]						
Drilling						
Bulldozing	$150.00	nil	$150.00			
Crosscutting						
Drifting						
Sinking	$315.00	nil	$315.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$465.00		$465.00	465.00		465.00

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-527

I certify that the above bill is correct and just and that payment therefor has not been received.
Date June 3, 1954 Payee C. E. Smith
Per C. E. Smith Title Operator

*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:

$348.75

Signature [illegible] (Authorized Certifying Officer)
Date JUN 15 1954 Vou. No. 318
(See other side)

116.25

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E-669 in accordance with the terms of the contract.

Signature J. F. O'Neill Title Engineer Date 6-6-54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION VII Date JUN 9 1954

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-R1151.1
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

JUN 7 1954

Month of May 1954 Docket No. DMEA 3251 Contract No. Idm-E.669

Operator's Name C. E. Smith Minerals Mica

Address P. O. Box 261, Montgomery, Alabama

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	7 Ft	$315.00	7 Ft	$315.0	7 Ft	$315.00		
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching	267.86 Cu.Yd	150.0	267.86 Cu.Yd	$150.00	267.86 Cu.Yd	$150.00		
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		$465.00		$465.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS								

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 3, 1954 Operator C. E. Smith

Per C. E. Smith Title Operator

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.

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GPO 83-38475

OPERATIONS
MONTHLY PROGRESS REPORT
for the
Month of May, 1954
C. E. Smith - Pate Property

Date Work began
May 17, 1954
DMEA No. 3251
Idm-E 669

Work Accomplished

Cut two trenches seventy-five feet long, twelve feet wide and four feet deep. Purchased 1300 feet of rough lumber for tool house and for cribbing shaft. Put up tool house, purchased material for dump bucket, tram car, and track, steel beams for installing winch, erected tram track and steel beams. Sink shaft seven feet.

Daily Notes

May 17. Started work on trenches at eight 'oclock with Mr. Dark' man operator. Mr. Wm. A. Beck present and supervising the work. The work was completed at 4:00 P.M. and Mr. Beck located the site for the shaft, and stated work could begin at once.
May 18, Mr. Troy Hassell was put in charge to look after getting all equipment and materials necessary for project.

May 19, Mr. Hassell contacted some machinery dealers and ordered a dump bucket made and also purchased wire rope, and materials for building dump car. And purchased steel for erecting over the shaft for pulling up the durt and rocks. And he borrowed a winch from a friend to use as long as he need one.

May 20, Mr. Hassell contacted some lumber dealers and bought 1300 feet of rough lumber to be used for timbering shaft and erecting a small tool house.

May 21. The equipment was loaded on truck.

May 22. Equipment was carried to mine site.

May 24. Erected derick over shaft, and started work in shaft, with Byron Liker, Fletcher Smith and Noah Smith working under supervision of Troy Hassell. Recovered small amount of scrap mica. Shat three feet deep.

May 25. Worked in shaft, formation soft with some small mica-shaft six feet deep.

May 26. Built small tool house.

May 27. Put up winch.

May 28. Worked on dump car and track.

OPERATIONS
MONTHLY PROGRESS REPORT
for the
Month of May, 1954

May 31. Leveled-up track and worked in shaft. Shaft down seven feet. Stopped work in shaft at 2; 00 P.M. and taken winch to shop at Anniston to have re-babted.

This completed the work for this month.

C E Struck
Operator.

May 19, 1954

Mr. C. E. Smith
P.O. Box 261
Montgomery, Alabama

Re: DMEA-1251, Idm-E 669 (mica)
Pale Prospect - Alabama

Dear Mr. Smith:

This will confirm the verbal approval given you by Mr. Wm. A. Beck to begin Stage II of the subject exploration contract, and to locate the shaft at the site indicated by Mr. Beck.

Very truly yours,

Robert A. Lawrence
Executive Officer, DMEA
Region VII

RAL/mm
cc:
Beck - Lynch
Opr. Com.
Div. File
Files

INTERIM REPORT

DMEA-3251, Idm-E547 (mica) PATE PROSPECT

Operator: C. E. Smith, P.O. Box 261, Montgomery, Alabama

Location: About 8 miles east of Lineville, Randolph County, Alabama in SE 1/4,SE 1/4, Sec. 29, T. 19S.,R10E.

Starting date on this project is May 17, 1954. The project was visited on that date while bulldozing of the two trenches set up in the contract was in progress. The two trenches were each over 100 feet long and were 12 feet wide, and from 2 to 6 feet deep, averaging 4 feet in depth. The pegmatites were shown in both trenches but had narrowed to three to four feet in thickness. Mica up to three inches was found in the first trench while that in the northern most trench was smaller. The country rock in the northern most trench is a mica schist while that in the first trench is badly weathered granite.

After the trenching was completed the bulldozer dug some more in the in the lower trench for drainage. In so doing it dug up some large books of mica in the western pegmatite that were as much as twelve inches across. This mica was badly ruled and mineral stained.

After observing the nature of the deposit, permission was granted to sink the 40 foot shaft. Shaft location was made about 12 feet from the upper bank of the southern most trench and midway between the two pegmatites.

A D-6 Caterpillar bulldozer was used to do the trenching. This was rented at $10.00 per hour and was in use for 10 hours. It is to be noted that the field examiners recommended that 15 hours of bulldozing be done at $10 per hour assuming that it would take that long to dig 150 linear feet of 12' x 4' trench. A good deal more than that amount of trenching was done in 10 hours. The contract called for the trenching to be done on a cubic yard basis or 267.86 cubic yards @ .56¢/cu.yd - $150.00

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

May 17, 1954

z

May 12, 1954

Mr. C. E. Smith
P.O. Box 661
Montgomery, Alabama

Re: DMEA-3251, Area 449 (Atlas)
Pine Prospect, Randolph County, Ala.

Dear Mr. Smith:

Reference is made to your letter of May 8 in which you asked whether the Government is going to discontinue the stockpiling of mica any time soon. Present regulations call for the buying program of strategic mica to continue until June 30, 1955 or until 35,000 short tons of mica should also be purchased. Many pounds of block or film mica shall be deemed to be (1) short ton of sheet ruled mica. At the present rate of buying it is not likely that this amount will be purchased by the closing date.

If you have not already done so, we would suggest that you write to the Regional Director, General Services Administration, 50 Seventh St., N. E. Atlanta 5, Georgia, for the regulations on the Purchase Program for Strategic Mica. After reading these regulations you should write or wire the Director that you wish to participate in one of the programs.

Kindly advise us of your contact arrangements when you expect to start on the contract. If possible we would like to have one of our men there when you do the following.

Very truly yours,

Robert A. Lawrence,
EXECUTIVE OFFICER
DMEA REGION VII

Walker
Hall
Rock
Offutt
Files
Cpr. Gen.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 13 1951

May 11, 1951

Memorandum

To: Operating Committee, DMA - Washington

From: Acting Executive Officer, DMA - Region V

Subject: Signal Contract, DMA-3251, Final Del. S. D. Potter (Atlas)

Production Records are those signal quota of the subject contract. The final distribution of the other signal has been made.

We note that the classification number for the contract number is DMA, and the S is omitted. Is this correct?

Mr. A. Philip Ashley

cc:

bcc:

Ref.
Initials
Symbol
Date Rec'd

MAY 3 - 1954

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

Subject: Docket No. DMEA-3251 - Miss
C. E. Smith
Pate Property
Randolph County, Alabama

Dear Mr. Laurence:

Please find herewith the original and five copies of a contract covering the subject exploration project which have been signed by the Government with register number and effective date as shown.

If the contract meets with your approval present it to the Operator for approval and signature. Please explain to the Operator that the contract, when executed, is a firm commitment under the terms of which he is obligated to complete the work outlined at the agreed unit cost. If any part of this contract does not have either your approval or that of the Operator and cannot be amended within your delegated authority, then the original and all copies of the contract are to be returned to this office, together with the proposed changes for consideration.

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

Copies of memoranda from the Geological Survey, dated March 8, 1954, and from the Bureau of Mines, dated March 16, 1954, are enclosed.

Sincerely yours,

W. S. Martin

ACTING Chairman, Operating Committee

Approved:

J. H. Hedges

Member, Bureau of Mines

D. M. Larrabee

Member, Geological Survey

Enclosures 10

LQHouk:gad 4/28/54
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3061
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

140

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

APR 6 1954

Mr. C. E. Smith
P. O. Box 261
Montgomery, Alabama

Re: Docket No. DMEA-3251 (Mica)
Pate Property
Randolph County, Alabama

Dear Mr. Smith:

This will acknowledge receipt of your letter, dated March 23, enclosing six copies of a new Owner's Consent to Lien. Your letter was in response to our letter dated March 16, which stated:

> We require ... that the area of land you wish to explore be clearly defined, and that you obtain a new Owner's Consent to Lien to cover that area.

You have a lease covering 40 acres of land, but you propose to explore only five acres. The new Owner's Consent to Lien recites that it covers "5 acres on the west side of the SE¼ of the SE¼," but it does not describe which five acres it covers. Therefore, if you propose to devote less than a full part of a section or sections of land to the exploration project, we require a metes and bounds description, with bearings and distances tied into the nearest property corner, enclosing the area of land which you propose to explore. This description should appear in the first blanks of the Owner's Consent to Lien form, instead of the description of the full 40 acres covered by the lease. If there isn't enough space in the blanks, use another sheet of paper and refer to that paper in the blanks of the form.

We shall continue processing your application as soon as we have this information.

Sincerely yours,

Lawrence G. Houk, Chief
Nonmetallic Minerals Division

WCAnderson/HCRubin/emd
4/1/54
Copy to: Docket
Adm. R. File
Field Team,
Reg. VII(2)
L.G.Houk
J.L.Mofflund
H.C.Rubin
chron.
pending

Enclosures 6

MAR 16 1954

Mr. C. E. Smith
P. O. Box 261
Montgomery, Alabama

Re: Docket No. DMEA-3851 - Mica
Pate Property
Randolph County, Alabama

Dear Mr. Smith:

Reference is made to the subject application.

It is noted that the Lease Contract, dated October 13, 1953, is for a 40-acre tract of land described as "the West ½ of the SW¼ of the SW¼, and the East ½ of the SW¼ of the SW¼, Section 29, T. 19, Range 10, Randolph County, Alabama." Your application states that you wish to explore "Five acres on the East side of the SW¼ of the SW¼, Sec. 29, Township 19, Range 10, Randolph County, Alabama." The Owner's Consent to Lien (Form MP-603), in paragraph 4, is limited to cover "Ten acres land surrounding and including present site of mine property."

The legal description of the area of land you wish to explore is not clear to us, from the foregoing. We require, therefore, that the area of land you wish to explore be clearly defined, and that you obtain a new Owner's Consent to Lien to cover that area.

We shall continue processing your application as soon as we have this information.

Sincerely yours,

SIGNED

Lawrence G. Houk, Chief
Nonmetallic Minerals Division

LGHouk:MCR:cp 3-15-54

Copy to: Docket
Admr. Reading File
Reg. VII (2)
Mr. Houk
Mr. Raffiund
Mr. Rubin
Chron.

IN REPLY REFER TO:

G-MD-CNM

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

March 8, 1954

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-3251 (mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant: C. E. Smith, P. O. Box 261, Montgomery, Alabama.
Name of property: Pate Prospect.
Location of property: 8 miles E. of Lineville, Randolph County, Alabama.
Date of field team report: March 1, 1954.
Authorship of field team report: R. H. Teague, D. H. Amos, J. F. O'Neill.
Field team's recommendation:

150' x 12' x 4' trench	
40' x 5' x 7' shaft	
120' x 5' x 7' drift	
Total	$6,550

Comments:

Suggest set up job in 3 stages, as implied.
1 - trenching
2 - shaft
3 - drift

ACTION RECOMMENDED:

Follow field team's recommendation.

D. M. Larrabee

Copy to: DMEA (3) ✓

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

March 16, 1954

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-3251

Applicant: C. E. Smith

Name and Location of Property: Pate Prospect
Randolph County, Alabama

Date of Field Team's Report: March 3, 1954

Date Rec'd. by Ceramic & Fertilizer Materials Br.: March 9, 1954

Field Team's Recommendation:

1. Contract for exploration in the amount of $6,550.

Comments:

1. Proposed exploration is consistent with good Engineering practices.

2. Program should be conducted in three stages - (1) trenching, (2) constructing shaft, and (3) drifting - and subject to cancellation if uncompleted stage or stages do not appear justified, based on information obtained in preceding stage or stages.

3. Field Team should make certain the applicant hires experienced men and does not attempt to conduct the program himself.

Recommendation:

I concur in the field team's recommendation for an exploration program in the amount of $6,550.

W. F. Dietrich

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
Room 13, Post Office Bldg.
Knoxville 2, Tenn.

COPY

March 3, 1954

Memorandum

To: Operating Committee, D M E A - Washington

From: D M E A Field Team, Region VII

Subject: Field Examination Reports:

DMEA-3247, Buchanan, Buchanan Cook & Buchanan (mica)
Johnson Mine, Mitchell County, N. C.
DMEA-3216, Sparks, Parsley and Parsley (mica)
Hector Mine, Yancey County, N. C.
DMEA-3251, C. H. Smith (mica) Pate Prospect.
Randolph County, Alabama

Enclosed are 4 copies of each of the subject examination reports, with 6 extra copies of the maps accompanying each.

The Field Team agrees with the examiners' conclusions that exploration of these deposits is worth undertaking, and recommends approval of all three.

/s/ Robert A. Laurence
Robert A. Laurence
Executive Officer, DMEA-Reg. VII

/s/ Wm. A. Beck
Wm. A. Beck, for V. J. Lynch
U. S. Bureau of Mines

Reviewed by
DMEA OPERATING COMMITTEE
3-10-54
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM, REGION VII

On

DMEA-3251, PATE PROSPECT (mica)
Randolph County, Alabama

By

Kefton H. Teague, Geologist
U. S. Geological Survey

--

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

--

James F. O'Neill, Mining Engineer
U. S. Bureau of Mines

March 1, 1954

Reviewed by
DMEA OPERATING COMMITTEE
3-10-54
(date)

FIELD EXAMINATION REPORT
On
DMEA-3251, PATE PROSPECT (Mica)

Applicant: C. E. Smith, P.O. Box 261, Montgomery, Alabama

Recent dozer work by the applicant has exposed two parallel pegmatites containing mica of strategic quality. It is recommended that exploration assistance be granted.

The deposit was examined on February 19, 1954. Two hours were spent on the property. Messrs. C. E. Smith, Fletcher Smith and Noah Smith accompanied the examiners.

The Pate Prospect is about eight miles east of Lineville, Randolph County, Alabama in SE 1/4, SE 1/4, Sec. 29, T. 19S., R. 10 E. An adequate access road is present.

The applicant has had no mining experience but plans to employ experienced men. He is financially competent to conduct the proposed exploration.

The area covered by the applicants' lease is adequate for the proposed exploration. There are no surface facilities on the prospect. Two trenches have recently been dulldozed by the applicant. Also, one test pit about 4 feet deep has been dug on one of the pegmatites.

Two parallel pegmatites which strike N-S and dip 70° - 90° E. are exposed in the trenches. The western pegmatite is 10 feet thick and has a 3-foot quartz core; the eastern pegmatite is 8 feet thick and has a 2-foot quartz core. The enclosing rock is a coarse biotite granite. Contacts between pegmatite and granite are gradational. A mica schist is exposed southeast of the pegmatites. Its foliation strikes N. 20° E. and dips 30° NW.

Mica books up to 8 inches across are present in the pegmatites adjacent to and in the quartz cores. It is ruby and is hard. Flat "A", and herringbone mica occur. The flat mica is clear but the "A" and herringbone mica contain black mineral stains. The eastern pegmatite appears to contain more mica and mica of a better quality.

According to the operator, the prospect was worked about 1907 to a depth of about 25 feet. The amount of production is unknown. Several

hundred pounds of book mica were recovered during the recent trenching.

Adequate equipment and supplies may be obtained locally. No electricity is available nearby.

The examiners recommend that the northern extension of the pegmatite be explored by trenching, a 40-foot vertical shaft be sunk and 120 feet of lateral work be done from the shaft. The location of the shaft would be determined by results of the proposed trenching.

Estimated Cost:

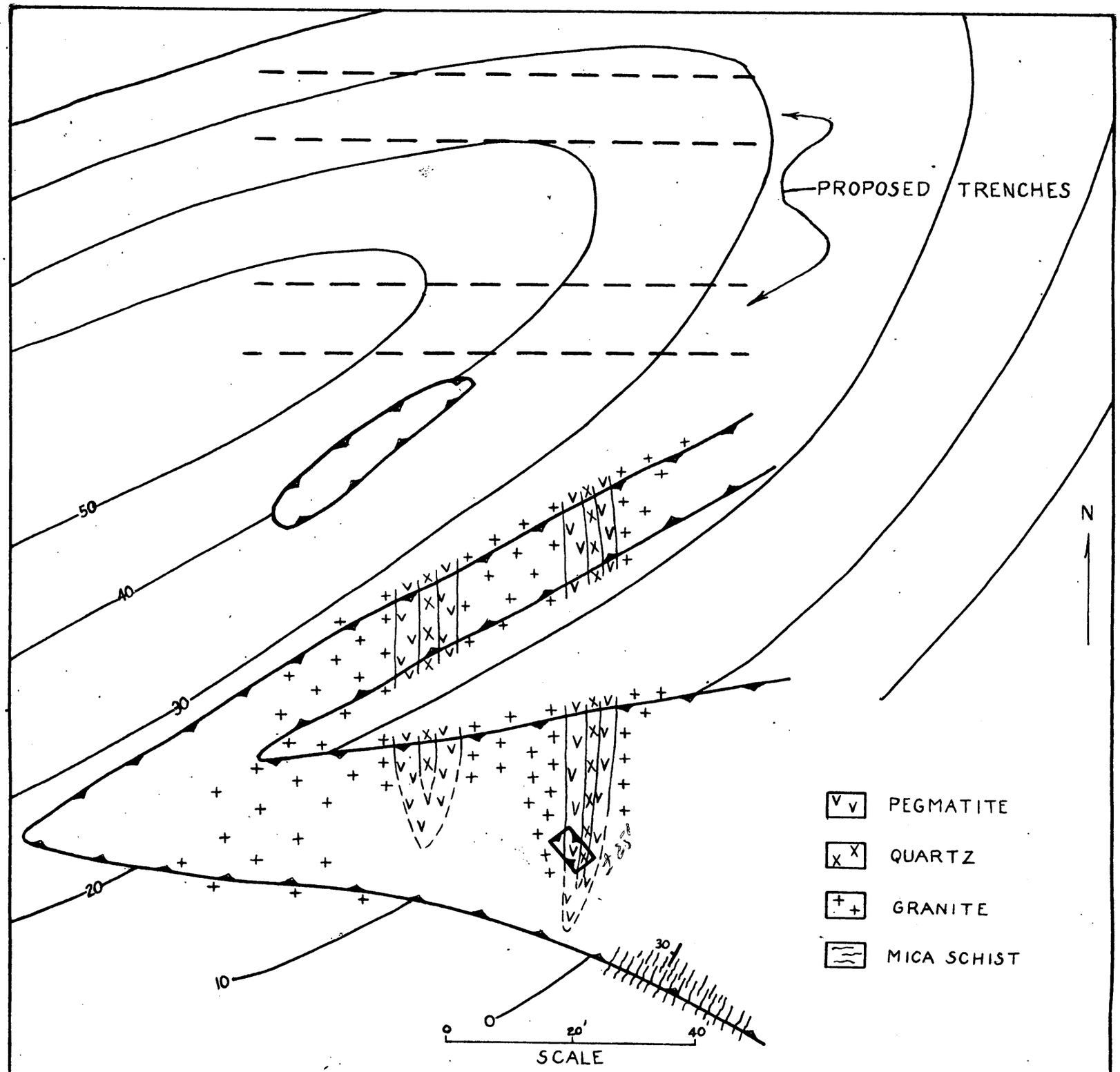
150 linear feet of 12' x 4' trench (15 hrs. @ $10/hr.)	$150.00
40 foot 5' x 7' shaft @ $45/ft.	1800.00
120 foot of 5' x 7' drift and/or crosscut @ $30/ft.	4600.00
Estimated Total Cost.....	$6,550.00

Estimated time required: 6 months.

Feb. 19, 1954.

K. H. Teague & D. H. Amos, Geologists
U. S. G. S.

J. F. O'Neill, Mining Engineer
U. S. B. M.



SKETCH
OF
PATE PROS.
RANDOLPH CO., ALA.

DMEA-3251 (mica)

600

MAR 1 1954

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

Subject: Docket No. DMEA-3251 - Mica
C. E. Smith - Pate Property
Randolph County, Alabama

Dear Mr. Lawrence:

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

Copies of memoranda from the Geological Survey, dated February 17, 1954, and from the Bureau of Mines, dated February 23, 1954, are enclosed for your information.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

J. H. Hedges
Member, Bureau of Mines

D. M. Larrabee
Member, Geological Survey

Enclosures 4

LGHouk:gad 2/26/54
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

600

MAR 1 1954

Mr. C. E. Smith
P. O. Box 261
Montgomery, Alabama

Re: Docket No. DMEA-3251 - Mica
C. E. Smith - Pate Property
Randolph County, Alabama

Dear Mr. Smith:

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

On November 3, 1953, Amendment No. 3 to DMEA Order-1 became effective and limited Government participation in the case of mica to 75 percent of the approved costs. Inasmuch as your application was received after November 3, 1953, please advise this office in writing if you desire to have your application processed under the new Government participation rate. The processing of your application will be deferred until receipt of your reply. A copy of our release of November 3, 1953, is enclosed for your information.

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

Sincerely yours,

G. D. Mitten

Administrator

LCHouk:gad 2/26/54
Copy to: Admr. R. File
Docket File
Field Team, Reg. 7
Mr. Dietrich, 3526
Operating Committee
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

Enclosure

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

February 23, 1954

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-3251

Applicant: C. E. Smith

Name and Location of Property: Smith Prospect
Randolph County, Alabama

Application Rec'd by Ceramic & Fert. Mats. Branch: February 16, 1954

Comments:

1. No data are available in this office on subject property since it is a new prospect.

2. Applicant has itemized the estimated costs for the project, but has neglected to propose a plan for exploration. It is suggested applicant be requested to submit more detailed information regarding an exploration plan.

3. Estimated costs total $12,300, which appears high in line with allotments made on similar exploration projects.

4. Applicant has agreed to furnish the share of the cost as stated in Section 7, DMEA No. 1. He should be informed of Amendment No. 3 to DMEA No. 1.

Recommendation:

It is recommended the field team contact the applicant regarding a proposed exploration plan and if an agreement can be reached visit the property to ascertain if an exploration program is justified.

Since the applicant admits his lack of mining experience, it is suggested that any exploration assistance be contingent upon the hiring of a competent mining supervisor satisfactory to the field team.

Signed

W. F. Dietrich

IN REPLY REFER TO:

[illegible] MD-CNM

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

[illegible] 19 1954

February 17, 1954

Memorandum

REVIEW OF APPLICATION DMEA-3251 (MICA)

To: L. G. Houk, Defense Minerals Exploration Administration
From: D. A. Brobst, U. S. Geological Survey
Applicant's name and address: C. E. Smith, P. O. Box 261, Montgomery, Alabama.
Name of property: None.
Location of property: 5 acres on the west side of the SE¼ of the SE¼, Sec. 29, Township 19, Range 10, Randolph County, Alabama.
Summary of applicant's proposal: A request for 10 months' exploratory work on the property including 100 feet of shaft and drifts on the pegmatite at an estimated cost of $12,300.
Sources of information on applicant's property: None.
Comments:

1. The applicant's plans are vague and the cost seems to be based on 10 months of work, i.e. mining, rather than on a set plan of exploration.
2. The prospect may merit some exploration but the costs should be kept reasonable.
3. The field team will have to look over the property and is forced into helping the applicant to formulate a realistic program. The applicant admits mining is not his business and is willing to hire experienced men to do the work. He has already had some bulldozing done on the prospect.

RECOMMENDATION:

Have the field team examine the property.

D. A. Brobst

Brobst:jeh
2/17/54
cc: Director's reading 4212
Branch reading 4212
DMEA 3
Brobst G-230