DMEA Form 9
Rev. 6/57

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE — Idm-E NO. 840 — DMEA NO. 3799

Application
- [ ] Denied
- [ ] Withdrawn

Contract
- [ ] Terminated - Not Certified
- [x] Terminated - Certified
- [ ] Cancelled
- [ ] Royalty Agreement

The records contained in this file are marked (x) and arranged in this order:

Folder No. 1:

Left Side

- [x] Royalty Audits
- [x] Certification of Discovery 3-23-56
- [x] Closing Letter
- [x] Cost Audits
- [ ] Termination Notice or Agreement
- [ ] Recision Notice
- [ ] Assignment of Contract
- [ ] Contract Amendments
- [x] Contract with all exhibits and annexes
- [x] Owner's Consent to Lien and Subordination Agreement
- [x] Application and attachments

Right Side

- [x] Project summary (final)
- [ ] Work Completed analysis (final)

All other material filed in chronological order including the following reports if checked:

- [x] Field Team Semi-Annual Report for Certified Project
- [x] Final Field Team Report (Tab)
- [x] Operator's Final Report (Tab)
- [x] Interim Field Team Reports
- [x] Operator's monthly reports and all attachments
- [x] On-site Exam Report (Tab)
- [x] Settlement Sheets
- [ ] Drill Logs

Additional Folders:

Left Side

Folders No. _____ : Reports
- [ ] Analysis of Semi-Annual Inspection Reports
- [ ] Project Summary (Interim) by DMEA Engineers

Right Side

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

Folders No. _____ : Maps (Use pocket folder or envelope)

Folders No. _____ : Settlement Sheets

Folders No. _____ : Drill Logs

Folders No. _____ : Royalty material

(1796)

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Washington office pertaining to Contract Idm-E840, Docket DMEA-3799 (mica), dated July 11, 1955, with

J. R. Beam
Route 2
Spruce Pine, North Carolina

for the purpose of determining the amount of royalty payable to the U. S. Government on sales of minerals from property referred to as the Bennett Mine located in Cherokee County, Georgia, during the period February 19, 1958, through July 1, 1960.

A certification of discovery or development was issued on March 23, 1956, and, in accordance with Article 7 of the contract, royalty is payable on all minerals produced from the land described in Article 2 of the contract for a period of 10 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. A Report of Review dated January 17, 1956, indicated accepted costs under the exploration contract amounting to $7,376.00 with the Government's contribution on a 75 percent basis being $5,532.00.

The status of the project, the scope of review, and the reasons therefor are stated on page 2.

This review established no sales subject to the Government's royalty subsequent to the period covered by a prior Royalty Audit Certificate which found the sales subject to the Government's royalty through February 18, 1958, to be $2,749.20. The royalty account as of February 18, 1958, was:

Total Royalty Payable	$137.46
Total Royalty Paid	137.46
Balance of Royalty Due	$ -0-

As of July 1, 1960, the royalty account of this project was found to be:

Total Royalty Payable	$137.46
Total Royalty Paid	137.46
Balance of Royalty Due	$ -0-

February 8, 1962

E. D. Talbert, OME Auditor

STATUS OF PROJECT, SCOPE OF REVIEW
AND REASONS THEREFOR

This contract provides that the Operator, as principal if the producer and as surety if not the producer, shall pay the Government a percentage royalty on all mineral production from the land thereunder. At the time the contract was executed the Operator was in possession of the mineral rights in the land by virtue of sub-leases dated April 19, 1955, and April 26, 1955, each for one-half undivided interests, given by J. K. Mayberry, the lessee under a five-year lease granted by Viola Burleson Laughridge and Estelle Burleson Mayberry on March 28, 1955. In consideration of the exploration project contract the landowners executed a Consent to Lien.

The Operator removed all equipment and abandoned the property shortly after completion of the exploration work on December 22, 1955. The only production from the mine consisted of mica recovered during and incidental to the exploration work. Sales of 13,415 pounds of hand-cobbed mica to the G.S.A. Mica Purchase Depot, Spruce Pine, North Carolina, were made during February 1956 in the name of the Frank Cook Mining Company. These sales, aggregating $2,749.20, were covered by a prior Royalty Audit Report and Certificate dated March 5, 1958.

Examinations of the property on July 27, 1956, February 14, 1957, June 10, 1957, and January 6, 1958, found no evidence of activity. A check of the sales records of the Mica Purchase Depot as of July 1, 1960, disclosed no sales.

This review was made in lieu of an on-site audit of the Operator's accounts and records for the following reasons:

(1) The files indicate that the property was inactive during the period covered by this review;

(2) All prior sales have been reported and proper royalty thereon paid; and

(3) The administrative cost to the Government of an on-site royalty audit at this time would be excessive in relation to the amount of possible additional royalty which might be disclosed.

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

ROYALTY AUDIT CERTIFICATE

I have examined the production records and sales documents pertaining to the sale of mica for the period July 11, 1955, to February 1[illegible], 1958, by

J. R. Beam
Route 2
Spruce Pine, North Carolina

produced from Bennett Mine, located in Cherokee County, Georgia, on which royalty is due the U. S. Government under terms of Contract Idm-8840, Docket No. DMEA-3799 (Mica), dated July 11, 1955.

My examination was made in accordance with generally accepted standards applicable in the circumstances.

The audit established the total sales of mica for this period, subject to DMEA royalty, to be $2,749.20. Royalty due the Government at the rate of 5 percent specified in the contract is $137.46. The royalty paid and balance due are as follows:

Total Royalty Due	$137.46
Total Royalty Paid	137.46
Balance of Royalty Due	-0-

C. E. Fisher, Auditor

March 5, 1958

ROYALTY AUDIT REPORT

I. INTRODUCTION

On February 18, 1958, an audit was made of the production records and sales documents of

J. R. Bean
Route 2
Spruce Pine, North Carolina

pertaining to the sale of mica produced from Bennett Mine, located in Cherokee County, Georgia, for the period July 11, 1955, to February 18, 1958, on which royalty is due the U. S. Government under terms of Contract Idm-E8L0, Docket No. DMEA-3799 (Mica), dated July 11, 1955.

William A. Beck, mining engineer, DMEA Region V, Knoxville, Tennessee, and Sam L. Phillips were present and rendered assistance during the audit which was accomplished in the latter's office at Spruce Pine, North Carolina.

II. GENERAL INFORMATION

Article 7 of the contract provides that the Government may certify that a discovery or development has resulted from the exploration. If this is done, the Operator, or his successor in interest, is obligated to pay a percentage royalty on all minerals produced from the land described in Article 2 of the contract within 10 years from the date of the contract, or until the net amount contributed by the Government without interest is repaid, whichever occurs first. A certificate of discovery or development was issued on March 23, 1956.

According to a report of review in lieu of final audit dated January 17, 1956, prepared by E. D. Talbert, DMEA Auditor, the total accepted costs of the exploration amounted to $7,376.00, with the Government's contribution, on a 75 percent basis, being $5,532.00.

III. SCOPE OF AUDIT AND FINDINGS

A. Conference with Examining Engineer.

A conference with the examining engineer (Mr. Beck) disclosed that the only production from Bennett Mine during the period covered by this audit consisted of mica recovered during and incidental to the exploration work which was completed on December 20, 1955. The entire production was sold to the Mica Purchase Depot, Spruce Pine, North Carolina, as hand-cobbed mica. The mine has not been operated since December 20, 1955.

B. Audit of Settlement Statements.

A statement of royalty received and deposited by the regional Finance Officer, prepared from records of the DMEA Region V office, was verified with the accounts and records pertaining to this contract kept by Mr. Phillips. In addition, the statement was verified with the records of the Mica Purchase Depot. This statement is filed as a part of my audit work papers.

IV. CONCLUSIONS

The audit has determined that only two sales of mica were made from production from this mine on which royalty accrued to the Government. The sales aggregated 13,415 pounds of hand-cobbed mica for which the Operator received $2,749.20 and paid royalty to the Government, on basis of 5 percent of receipts, in the amount of $137.46.

C. E. Fisher

C. E. Fisher, Auditor

March 5, 1958

Check Sheet of Examining Engineer

Operator's Name J. R. Beam

Address R#2. Spruce Pine, N.C.

Bennett Mine, Cherokee County, Georgia

Exploration Contract No. Idm-E840 Docket No. DMEA-3799

	Check One Yes	No
1. (a) Does the Operator stockpile ore subject to royalty repayment?		X
(b) If so, is segregation and identification procedure adequate?		
2. (a) Does Operator commingle production subject to DMEA royalties with exempt production?		X
(b) If so, do you consider the allocation of the commingled production equitable?		
3. (a) Does the Operator stockpile mine or mill rejects (low grade ore, tailing, middlings, etc.) that may have potential value within the royalty payment period?		X
(b) If so, are adequate records maintained on such material to protect the Government's interest?		
4. Do you consider the assay controls in effect are adequate?	X	
5. Do you consider that the manner of disposing of production gives the Government its fair royalty returns?	X	
6. Do your periodic examinations of operations indicate the Operator is properly reporting his production of ores subject to DMEA royalties?	X	
7. Does the Operator buy from or sell to other Operators?		X

8. Comment on any item 2 (b) to 6 if answer is No.

Mine not in operation

W. A. Beck

Mining Engineer

Date 2-19-58

82448

DOCKET COPY
Surname:
Anderson
Houk
Lalbert
Parker
Dewey
"Appd. Sol. Off."
Stephens
Kilsgaard
Selbridge
F Johnson

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

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CERTIFICATION BY THE UNITED STATES OF AMERICA OF A DISCOVERY OR DEVELOPMENT UNDER AN EXPLORATION PROJECT CONTRACT

To: Mr. J. R. Dean
Route 2
Spruce Pine, North Carolina

Pursuant to the provisions of Exploration Project Contract No. Idm-E840, dated July 11, 1955, Docket No. DMEA-3799, hereinafter called the "contract", between you and the United States of America, hereinafter called the "Government", to establish and fix the Government's percentage royalty on production and its lien therefor and on the land described in the contract, the Government considers and therefore certifies that discovery or development from which production may be made has resulted from the exploration work.

The nature of said discovery or development is described broadly or indicated as follows: A conformable, zoned pegmatite, averaging two feet in thickness, was intersected at the seventy foot level by a vertical shaft, and further exposed by drifting on that level. Strategic mica was produced and sufficient data were obtained to calculate indicated reserves.

THE UNITED STATES OF AMERICA

By C O Mitterdorf
Administrator, Defense Minerals Exploration Administration

Dated MAR 2 3 1956

Admr. R. File
Estelle Mayberry)To Field for
Viola Laughridge)forwarding
Certification File

Finance Office
Mr. Kilsgaard, 5222
Mr. Dietrich, 3061
Mr. Clarence A. Fredell, EPS, GSA
Mr. Houk
Mr. Anderson

WCAnderson:ms 3/8/56
Copy to: Docket
Operating Committee
Mr. Johnson
Mr. Chambers
Field Team, Region V

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
	Selbridge	320
		110
		220

Mr. J. R. Bean
Route 2
Spruce Pine, North Carolina

3 1963

Re: DMEA-3739 (Mica)
J. R. Bean
Bennett Mine
Cherokee County, Georgia
Contract Ldm-[illegible]

Dear Mr. Bean:

By the terms of the subject Exploration Project Contract and the certification of discovery or development dated March 23, 1956, all minerals mined or produced from July 11, 1956, to July 11, 1963, were subject to the Government's royalty as set forth in said contract.

As the period during which production was subject to royalty has now expired, the Government according to its present records retains no claim or lien against the property subject to the contract or any future production therefrom. We, therefore, are closing our books and records on this contract. Your attention, however, is called to the provisions of the contract which require the Operator to keep and preserve certain records for the periods indicated.

Sincerely yours,

(Signed) FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Division File
Economic Geology File
DMEA File
OME Reading File
R. A. Laurence w/cy of incoming 63
CA&A
Br. of Budget and Finance
120M
Messrs. Estelle Burleson Mayberry & Viola Burleson Laughridge

MMerrithew/mm (2/25/66)

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DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

J. R. Bean
Route 2
Spruce Pine, North Carolina

pertaining to Exploration Project Contract No. Ida-2640, Docket No. DMEA-3799, for the months of July 1955, to December 1955, inclusive, covering a project for the exploration of mica on property, known as Bennett Mine located in Cherokee County, Georgia.

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

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

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

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

Total cost as billed by Contractor		$7,376.00
Exceptions:		
By DMEA Finance Officer	$ -0-	
Herewith	-0-	-0-
Total Accepted Cost		$7,376.00

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 Five thousand five hundred thirty-two and no/100 Dollars

$5,532.00

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. R. Talbert
E. R. Talbert, Auditor

January 17, 1956

Docket Copy

a

RECEIVED

JUL 29 1955

MF-200A
(Revised June 1954)

Docket No. DMEA-3799

Commodity Mica

Contract No. Idm-E 840

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
EXPLORATION PROJECT CONTRACT[1]
(Short Form)

It is agreed this JUL 11 1955 day of _____, 195__, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2] J. R. Bean, whose mailing address is Route 2, Spruce Pine, North Carolina, hereinafter called the "Operator," as follows:

ARTICLE 1. *This contract* is entered into under the authority of the Defense Production Act of 1950, as amended. It consists of this form (MF-200A), the attached Exhibit "A," Annex I, and map.

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

ARTICLE 2. *Operator's property rights.*—(a) The land which is the subject of this contract (hereinafter called "the land") is in the State of Georgia, County of Cherokee, and is described in Annex I.[3]

(b) The Operator represents and undertakes that:

(1) The Operator is the [4] lessee of [5] the mineral rights in the land, in possession and entitled to possession for all of the purposes of this contract, under and by virtue of a [6] lease, [7] — recorded in Book —, page —, official records of said County; and

(2) The Operator's right, title, or interest (whether as owner, lessee, or otherwise) is subject only to the following claims, liens, or encumbrances: None

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

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] Insert name, and if an organization, its nature (corporation and place of incorporation, partnership with names of partners, etc.).
[3] State on a separate sheet marked "Annex I" the legal description or enough to identify the property, particularly excluding any areas from which the production is not to be subject to the Government's percentage royalty.
[4] Insert "owner," "lessee," "contract purchaser," "locator," etc.
[5] Insert "the entire interest," "the mineral rights," "an undivided one-third," etc.
[6] Insert "deed," "lease," "contract," "location notice," "patent," etc.
[7] If not recorded, so indicate by inserting "un."

16—70618-1

(d) The Operator shall preserve and maintain his right, title, and interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. Until the lapse of the time within which the Government may make a certification of discovery or development without any such certification having been made, and after any such certification has been made, the Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof. If the Government makes no certification of discovery or development within the time limited in Article 7, it shall thereafter have no claim against the land or any production therefrom except for any production referred to in Article 7(b)(1).

ARTICLE 3. *The exploration project.*—The project is a search for indicated or undeveloped deposits of Mica. The work to be performed is described in Exhibit "A." The Operator on or before AUG 31 1955 shall commence the work, and on or before February 27, 1956 (unless the Operator's obligation to complete the work is terminated—see Article 8) shall complete the work.

ARTICLE 4. *Performance of the work.*—(a) *Operator's responsibility.*—The work shall be performed with reasonable diligence, efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for liability insurance covering employment; and with suitable and adequate equipment, facilities, materials, supplies, and labor, to bring it to completion within the time fixed.

(b) *Government may inspect.*—The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract, and also after a certification of discovery or development to inspect production operations and underground workings. The operator shall provide the Government with all reasonable means of access for such inspections.

ARTICLE 5. *Contribution by the Government.*—A fixed cost for each unit of work to be performed (per foot of drifting, per foot of drilling, per hour of operations, etc.) is hereby agreed upon, and is set forth in Exhibit "A" in connection with the estimated total cost of the project in the sum of $8,316.00 The Government will contribute 75 percent of the fixed unit costs as work is performed, in a total sum not in excess of $6,237.00: *Provided,* That until the Operator has rendered to the Government his final report, and any final auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of 10 percent of the estimated total cost of the work. The Government will make its contribution on the basis of the monthly vouchers referred to in Article 6(b), but all payments by the Government are provisional only, subject to audit, until the account between the Operator and the Government is finally audited and settled. To the extent that excesses over fixed unit costs or any excess over the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such excesses for his own account without contribution by the Government. The Government may make payments directly to independent contractors and suppliers for the account of the Operator rather than to the Operator.

ARTICLE 6. *Reports, accounts, audits.*—(a) *Operator's records.*—The Operator shall keep suitable records and accounts of the units of work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine any pertinent books, documents, papers, and records of the Operator. All of the Operator's vouchers and records and accounts relating thereto and the Government's payments thereof remain subject to adjustment until final audit by the Government.

(b) *Progress reports and vouchers.*—The Operator shall provide the Government with five copies of monthly progress reports in three sections as follows: (1) Operator's Monthly Report and Voucher showing a detailed statement of units of work performed during the reporting period; (2) Operator's Unit Cost and Progress Report showing the various types of work performed during the reporting period and the fixed unit costs incurred for each type of work; and (3) a Narrative Report of the work

performed during the reporting period including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground. (Forms for reporting under (1) and (2) above will be provided by the Government.)

(c) *Final report.*—Upon completion of the work or termination of the Government's obligation to contribute to costs, the Operator shall furnish the Government with five copies of a final report (in addition to the final progress report and voucher). This final report shall include a geological and engineering evaluation of the results of the work performed under the contract with an estimate of the ore reserves resulting from such work, complete assay data, adequate geological and engineering maps or sketches, and a summary of the work performed and the unit costs thereof.

(d) *Report of sales.*—The Operator shall provide the Government with suitable accounting and documentary evidence covering all production to which the Government's percentage royalty relates, such as copies of smelter or concentrator settlement sheets, and certified accounts of production and sale or other disposition of production.

(e) *Compliance with requirements.*—If in the opinion of the Government any of the Operator's reports, records, or accounts are insufficient or incomplete, or if the Operator fails to make them, the Government may procure the making or completion of such with suitable attachments as an expense of the work to which the Operator shall contribute. The Government may withhold approval and payment of any vouchers relating to insufficient or incomplete reports, records or accounts.

ARTICLE 7. *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 a sufficient final report and final account (see Article 6) has been rendered, 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, within 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 crude 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 (1½) percent of amounts ("gross proceeds" or "value") not in excess of eight dollars ($8.00) per ton of production in the form in which sold, held, or used, plus one-half (½) percent for each additional full fifty cents ($0.50) by which such amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such amounts.

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

(f) *Time for computation and payment.*—The Government's royalty shall be computed and paid currently upon each lot sold, held, or used in integrated operations, as the case may be, as above provided in this article.

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

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

(i) *No obligation to produce.*—Nothing in this contract is to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

(j) *Government not obligated to buy.*—Nothing in this contract shall be construed as imposing any obligation on the Government to purchase any minerals mined or produced from the land.

ARTICLE 8. *Termination of the Government's obligations.*—(a) If in the opinion of the Government operations at any time have failed to achieve anticipated results that indicate the probability of making a worthwhile discovery, and in the opinion of the Government further operations are not justified, the Government may give the Operator written notice thereof, and thereupon the Government shall be free of all obligation to pay on account of units of work not then performed, and the Operator shall be free of all further obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting.

(b) If in the opinion of the Government the Operator is in any manner in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon the Government shall be relieved of all obligation to pay on account of units of work not performed when the notice was given, and the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting. The remedy provided for the Government in this paragraph "(b)" is in addition to any other remedy provided in this contract, and in addition to any other remedy the law may provide for breach of contract.

(c) The giving of any notice by the Government under the provisions of this Article 8 shall not affect the Government's rights as provided for in the contract with respect to a percentage royalty, and such rights shall be fully preserved.

ARTICLE 9. *Notices to be given by the Government* may be delivered to the Operator, or may be sent by registered mail addressed to the Operator at his mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 10. *Officials not to benefit.*—No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 11. *Changes and added provisions.*—

Executed in sextuplicate the day and year first above written.

J. R. BEAM
(Operator)

By J. R. Beam

THE UNITED STATES OF AMERICA

By C. P. Mattendorf
Administrator, Defense Minerals Exploration Administration

Pritzi

"Appd. Sol. Off."
Anderson
I. L. Lewis
Chambers
Selfridge
Johnson

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—70618-1

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JUL 2 0 1955

EXPLORATION PROJECT CONTRACT
J. R. BEAM
DOCKET NO. DMEA-3799

ANNEX I

The land referred to in Article 2 of the contract form is known as the Bennett Mine. The mine is located 5.6 airline miles S 85° W of Nelson, and 0.2 miles S 70° W of a crossroad which is near the Cherokee-Pickens County line. It is on Lot 229, 13th District, 2nd Section of Cherokee County, Georgia, and is described as follows:

> Beginning at the center of the old workings of the Bennett Mine located 164 feet East of a stake and marker, and running 250 feet north; thence 250 feet west; thence 500 feet south; thence 500 feet east; thence 500 feet north; thence 250 feet west to a point of closing.

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EXPLORATION PROJECT CONTRACT
J. R. BEAM
DOCKET NO. DMEA-3799

EXHIBIT "A"

Description of the Work

Exploration for concentrations of strategic mica shall be accomplished in the area indicated on the map entitled "Sketch of Bennett Mine, Cherokee Co., Ga., DMEA-3799, May 24, 1955," attached hereto and made a part hereof, as follows:

1. Construct:

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

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

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

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

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

2. Sink a 2-compartment shaft to a depth of 100 feet. The shaft shall be vertical until it intersects the pegmatite, and then shall follow the pegmatite.

3. Explore the pegmatite by driving not more than 100 feet of drifts and/or crosscuts from the shaft (item 2).

The shaft, and the drifts and/or crosscuts shall be timbered as necessary and shall have minimum cross-sectional dimensions of 5 feet by 7 feet in the clear of timber.

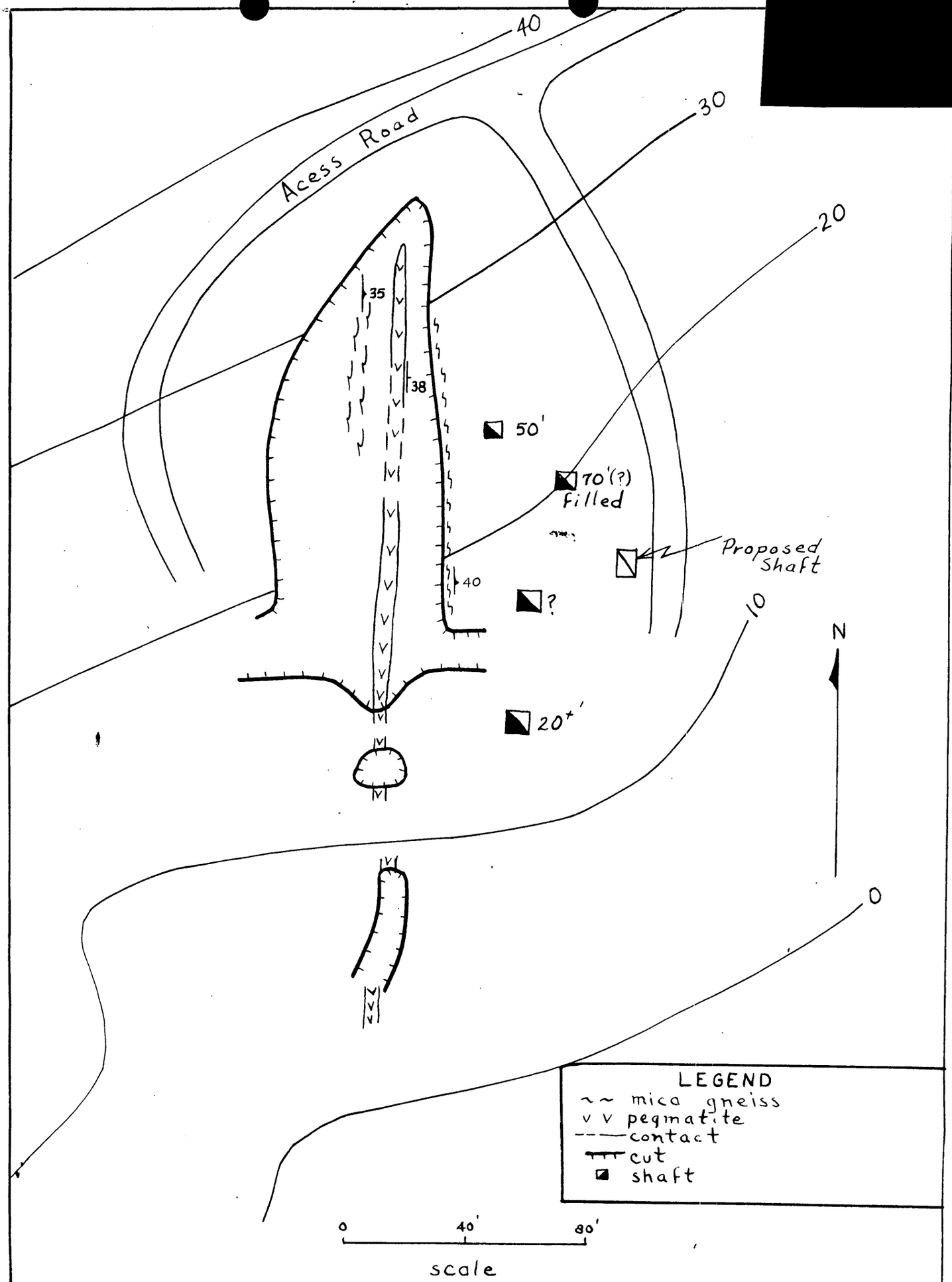
The location, inclination, direction and extent of all work are subject to the approval of the Government.

FIXED UNIT COSTS
(The unit costs include all costs whatsoever necessary to complete the work.)

Constructing:

Toolhouse 1/	$ 78.00	
Powder Magazine 1/	25.00	
Exploder Magazine 1/	13.00	
Sinking 100 feet of shaft @ $47.00/ft.	4,700.00	
Driving 100 feet of drifts and/or crosscuts @ $35.00/ft.	3,500.00	
Estimated total cost of the project		$8,316.00
Government participation @ 75%		$6,237.00

1/ The completed work constitutes the unit.



SKETCH OF
BENNETT MINE
CHEROKEE CO., Ga. DMEA-3799
May 24, 1955

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JUN 15 1955

MF-203
Revised March 24, 1955

For Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator
Docket No. DMEA-
Contract No. Idm-E 840
Contract Date July 11, 1955

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JUL 29 1955

CONSENT TO LIEN

To the United States of America:

Referring to that certain land in the County of Cherokee, State of Georgia, described as follows:1/

Lot 229, 13th District, 2nd Section of Cherokee County, Beginning at the center of the old workings of the Bennett Mine located 164 feet East of a stake and marker, and running 250 feet north; thence 250 feet west; thence 500 feet south; thence 500 feet east; thence 500 feet north; thence 250 feet west to a point of closing.

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

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

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

None

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

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

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

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

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

5. Added provision: _____

_____

_____

_____

_____

_____

_____

_____

Dated this _____ day of _____, 195__.

Estelle Burleson Mayberry [Seal]

Viola Burleson Coughlin [Seal]

_____ [Seal]

I, _____ certify that I am the _____ _____ (Secretary, etc.) of the corporation named herein; that _____ _____ who signed this agreement was then _____ (President or Vice-President, etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

_____

[Corporate Seal]

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 2 - 1955

Spruce Pine, North Carolina
April 29, 1955

Mr. Lawrence G. Houk, Chief
Nonmetallic Minerals Division
U. S. Dept. of the Interior, DMEA
Washington 25, D. C.

Dear Mr. Houk:

Your Legal Dept. will notice that the original lease on this property was made to Mr. J. K. Mayberry, who, under two separate instruments conveyed the total lease to J. R. Beam. (The reason for this being that Mr. Beam bought 1/2 the lease at one time, and a little later bought the other 1/2).

You will also notice that the lease calls for approximately 120 acres, but the landlord would like to limit the property that will be subject to exploration to that amount set forth in the description on the Owner's Consent to Lien.

I am sorry that the little crystal of mica you took fell apart.

We will be looking forward to seeing you again soon in Spruce Pine, and hope that your next trip will not be so expensive.

Sincerely,

Sam L. Phillips

Sam L. Phillips

P/b

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Department of the Interior
Defense Minerals Exploration Administration
RECEIVED
MAY 2 - 1955

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

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

Not to be filled in by applicant

Docket No. 3799
Metal or Mineral Mica
Date Received 5-2-55
Estimated Cost $10,600
Participation (Government %)

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address: J. R. Beam
Route 2
Spruce Pine, N. C.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

7. (*a*) Are you prepared to furnish your share of the cost of the proposed project in accordance with the regulations on Government participation (Sec. 7, DMEA No. 1)? Yes. Will furnish required 25%.

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

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

Explain in detail on accompanying paper.

CERTIFICATION

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

Dated April 28, 1955

J. R. Beam
(Applicant)

By J. R. Beam

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

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
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MAY 2 - 1955

MF-103 (continuation sheet)

4. (a) This mine was worked by J. E. Burleson in 1919-1920, chiefly by hand operations. Little work has been done since that time since property owners would not lease property. Mica from this operation is reported to be of high quality.

(b) No official records on past production, but reports are that large quantities of mica were sold from the original operation.

(c) See Bulletin #48, Dept. of Mines, Mining & Geology.

(d) All-weather roads to the project.

(e) Manpower, equipment, supplies, etc. readily available.

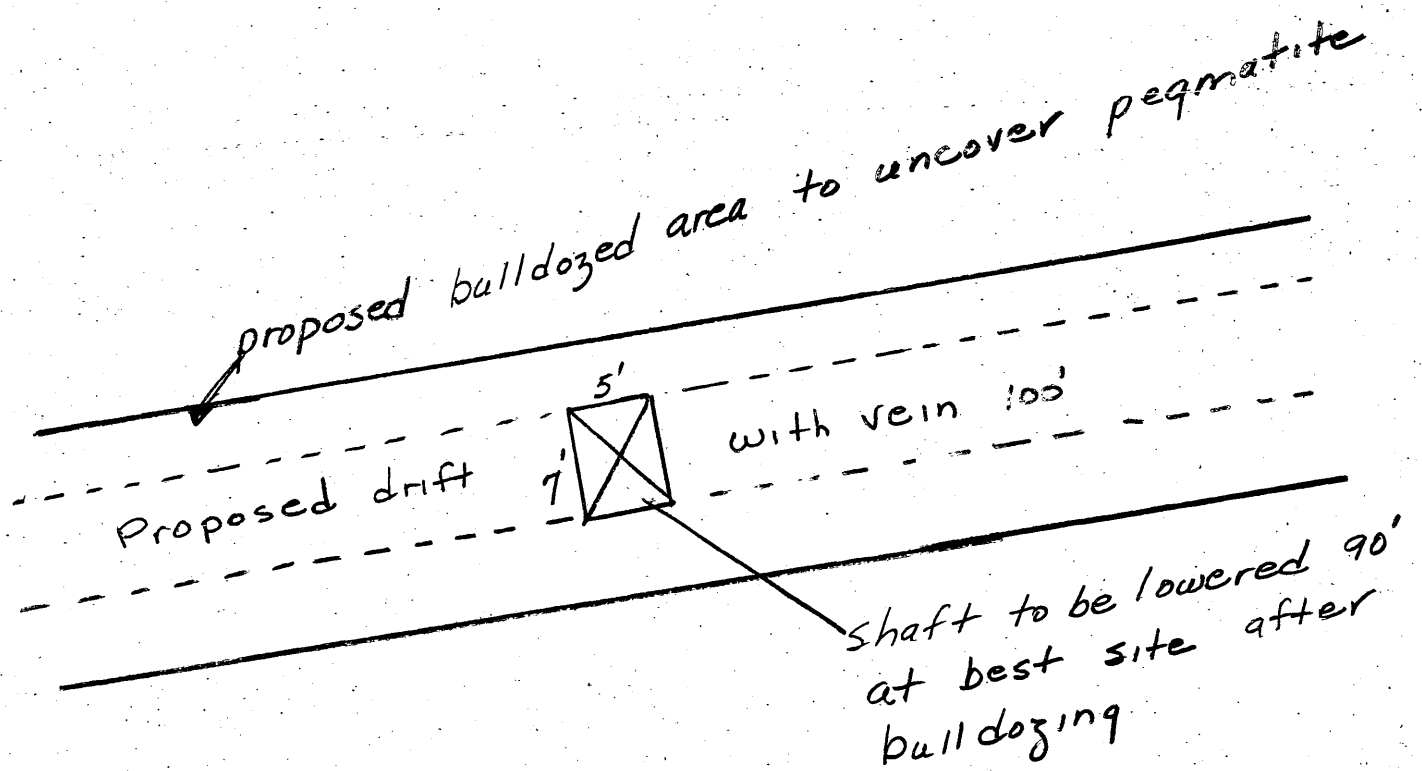
5. (b) We propose to do 200 hrs. Bulldozing to uncover pegmatite and find best location for shaft; lower shaft 90'; then drift with vein best way 100'.

6. Estimate of costs:

200 hrs. Bulldozing @ $13.00 hr.	$ 2600.00
90' Shaft @ $50.00 ft.	4500.00
100' Drift @ $35.00 ft.	3500.00
Total estimated cost	$10,600.00

BENNETT MINE

Cherokee County, Georgia



3 Copies

B-33 PP-219

Bonneville Power Administration
RECEIVED
MAY 2 - 1955

STATE OF GEORGIA,

CHEROKEE COUNTY,

THIS AGREEMENT OF LEASE, made and entered into this 28th. day of March, 1955 by and between Viola Burleson Laughridge and Estelle Burleson Mayberry, of the County of Mitchell and State of North Carolina, sometimes hereinafter referred to as the parties of the first part and J. K. Mayberry of the County of Yancey and State of North Carolina, sometimes hereinafter referred to as the party of the second part:

W-I-T-N-E-S-S-E-T-H

That for and in the consideration of the sum of Ten Dollars, ($10.00), cash, paid in hand by the party of the second part to the parties of the first part, the receipt of whereof is hereby acknowledged, the parties of the first part, for themselves, their heirs and assigns, hereby let, remise and lease unto the party of the second part, his heirs , successors or assigns, the herein referred to Mineral intrests with all of the mining and working priviledges of the parties of the first part are possessed and seized in, on and under that certain tract of land lying and being in the County of Cherokee and State of Georgia, which is particularly referred to in bulletin #48 of the Geological Survey compiled by A. S. Furcon, Assistant State Geologist and Kefton H. Teague, Junior Geologist of the Tennessee Valley Authority, published in 1943 particularly referring to the description on page 96 of said bulletin, being locally known as the"Mica Field" and referred to in said bulletin as the"Bennett Mine", the description being as follows:

> "This old mine is loaared 5.6 miles, (airline), S. 85 W. of Nelson, 1.5 miles, (airline), due South of Bethany Church and .02 miles s. 70 W. of the crossroad with the Jasper-Sharp Mountain road, South of the Pickens County line. The mine occurs on Lot 229, 13th. District, 2nd. Section of Cherokee County."

The above referred to Minerals being owned by the late J. E. Burleson of Mitchell County North Carolina and having descended by mesne conveyances from his estate to the parties of the first part who are now joint owners of same and for a more particular and specific description of the land containing the minerals herein leased reference is hereby made to the deed of conveyance and conveying said mineralsminerals to J. E. Burleson, which deed is of record in the office of the Clerk of the Circuit Court of Cherokee County, State of Georgia, recorded in the book of deeds # 00 , on page 459,

the description of which deed is by reference made the description of this lease as thoroughly and completely as if written ver batim.

The parties of the first part for themselves, their heirs and assigns hereby lease their intrests in said minerals to the party of the second part, his heirs successors and assigns for a period of five years, (5), from the date of this lease.

The parties of the first part hereby convey and grant to the party of the second part his heirs successors and assigns the right to prospect and mine the herein leased premises in any manner he may desire and shall have the right to erect and remove mining machinery and mining appliances at will and to erect and remove such sheds and buildings as is provided for in the above mentioned conveyance to J. E. Barleson.

The party of the second part covenants and agrees with the parties of the first part that he will mine said premises in a workman like manner and will use modern methods in mining.

The party of the second part agrees to pay to the parties of the first part a royalty of one-eight, (1/8), of the gross selling price of all Mica mined and sold by him, his heirs successors and assigns, from the herein leased premises, and agrees to furnish to the parties of the first part a correct duplicate copy of all sales made by him of Mica or other minerals mined and sold from the herein leases premises; it being mutually agreed and understood that if while mining for Mica on said premises that the party of the second part should encounter any other minerals which he could save and market at a profit he will pay to the parties of the first part a royalty of ten percent, (10%), of the gross selling price of same.

It is mutually agreed that all royalties due under this lease shall be paid within five days, (5), from the receipt of payment from all sales.

The party of the second part ###### further agrees to begin mining operations on the herein leases premises within thirty,(30), days from the date of the execution of this lease and it is mutually agreed between all parties hereto that if, after beginning mining operations on said premises the party of the second part shall fail to operate said premises for a period of thirty, (30), consecutive days, this lease shall become null and void and of no effect.

It is mutually agreed that the party of the second part, his heirs successors and assigns will sell all of the mica obtained by him from the herein leases premises to the United States Goverment mica purchasing agency, howevee any mica which would not be acceptable to the United States Goverment mica purchasing agency including scrap, punch and washer mica the party of the second part shall have the right to sell same for the highest price obtainable.

The parties of the first part hereby convey to the party of the second part every mining right and privilege which was conveyed to J. E. Burleson, at the time that he acquired the premises herein leased.

It is mutually agreed that the party of the second is to cancel a lease granted to him by the parties of the first part on the same premises herein described, dated January 5th. 1955 and recorded in the office of the clerk of the Superior Court, Cherokee County, State of Georgia in deed book #32, Folio #206 upon the execution of this lease agreement.

It is understood and agreed that if the party of the second part his heirs successors and assigns, shall fail to comply with the terms and conditions as herein set out, this lease shall become nuland void.

IN WITNESS WHEREOF, the parties of the first part and the party of the second part have hereunto set their hands and affixed their seals on the the day and year first herein above written.

(SEAL) Viola B. Laughridge
party of the first part
Viola B. Laughridge

(SEAL) Estelle Burleson Mayberry
party of the first part
Estelle Burleson Mayberry

(SEAL) J. K. Mayberry
party of the second part
J. K. Mayberry

WITNESS as to the signatures of Viols Burleson Laughridge, Estelle Burleson Mayberry, and J. K. Mayberry

Notary Public in and for
Mitchell County, N. C.

My Comm. Expires: 1-25-56

Ira L. Norman

Recorded 4/19/55

3

25

GEORGIA; CHEROKEE COUNTY
CLERK'S OFFICE, SUPERIOR COURT
Filed for Record 4-19- 1955
at 9 o'clock a M., and recorded in
Deed Book 33 Folio 219
4-19- , 1955
C B Holcomb
Clerk

J. R. Bearn
Spruce Pine
Rt #2 N.C.
2.00 pd

STATE OF GEORGIA,

CHEROKEE COUNTY,

THIS AGREEMENT OF LEASE, made and entered into this 19th day of April, 1955 by and between J. K, Mayberry, of the County of Mitchell and State of North Carolina, sometimes hereinafter referred to as the party of the first part and J. R. Beam, of the County of Avery and State of North Carolina, sometimes hereinafter referred to as the party of the second part.

The party of the first part having, on the 28th day of March, 1955, entered into a lease agreement between Viola Burleson Laughridge and Estelle Burleson Mayberry, leasing certain property hereinafter described to the said J. K. Mayberry, the terms of which are set forth in said lease agreement and appearing of record in the Office of the Clerk of the Superior Court of Cherokee County, Georgia in Deed Book 33, page 219.

WITNESSETH: That for and in the consideration of the sum of Ten Dollars ($10.00) and other valuable considerations, paid in hand by the party of the second part to the party of the first part, the receipt of whereof is hereby acknowledged, the party of the first part, for himself, his heirs and assigns, hereby let, remise and lease unto the party of the second part, his heirs, successors or assigns, the herein referred to an undivided one-half (½) interest in the Mineral interests with all of the mining and working privileges of the party of the first part are possessed and siezed in, on and under that certain tract of land lying and being in the County of Cherokee and State of Georgia, which is particularly referred to in bulletin # 48 of the Geological Survey compiled by A. S. Furcon, Assistant State Geologist and Kefton H. Teague, Junior Geologist of the Tennessee Valley Authority, published in 1943 particularly referring to the description on page 96 of said bulletin, being locally known as the "Mica Field" and referred to in said bulletin as the "Bennett Mine", the description being as follows:

LAW OFFICES
WOOD & TALLANT
ETOWAH BANK BUILDING
CANTON, GEORGIA

"This old mine is located 5.6 miles,(airline), S. 85 W. of Nelson, 1.5 miles, (airline), due South of Bethany Church and .02 miles s. 70 W. of the crossroad with the Jasper-Sharp Mountain road, South of the Pickens County line. The mine occurs on Lot 229, 13th District, 2nd. Section of Cherokee County."

The above referred to minerals being owned by the late J. E. Burleson of Mitchell County, North Carolina and having descended by mesne conveyances from his estate to Viola Burleson Lauthridge and Estelle Burleson Mayberry, who are now joint owners of the same and for a more particular and specific description of the land containing the minerals herein leased, reference is hereby made to Deed of conveyance and conveying said mineral interest to J. E. Burleson, which Deed is of record in the Office of Clerk of the Superior Court of Cherokee County, State of Georgia, and appearing of record in Deed Book OO page 459, the description of which Deed is by reference made the description of this lease as thoroughly and completely as if written ver batim. The party of the first part for himself, his heirs and assigns hereby leases an undivided one-half (½) interest in said minerals to the said party of the second part, his heirs and assigns for a period of five (5) years, from the 28th day of March, 1955.

The party of the first part hereby conveys and grants to the said party of the second part, his heirs, successors and assigns, an undivided one-half (½) interest in all the rights conveyed to the party of the first part under the lease agreement that he obtained on the 28th day of March, 1955. Said rights to prospect and mine the herein leased premises as may be desired and shall also have an undivided one-half (½) interest in the right to erect and remove mining machinery and mining appliances at will, and to erect and remove such sheds and buildings as is provided for in the lease entered into between party of the first part under a lease agreement obtained by him and hereinbefore referred to.

The party of the second part covenants and agrees with the party of the first part that he will, in the mining of said

LAW OFFICES
WOOD & TALLANT
ETOWAH BANK BUILDING
CANTON, GEORGIA

premises, mine said premises in a workman-like manner and will use modern methods in mining and he hereby adopts the methods and terms and conditions of the lease agreement that the said party of the first part entered into with parties herein referred to on the 28th day of March, 1955.

The party of the second part agrees to pay to Viola Burleson Laughridge and Estelle Burleson Mayberry his undivided one-half (½) portion of the royalties of one-eighth (1/8) of the gross selling price of all mica mined and sold by him, his heirs, successors and assigns, from the herein leased premises, and agrees to furnish to the parties of the first part a correct duplicate copy of all sales made by them, parties of the first part of the contract of March 28, 1955, of Mica or other minerals mined and sold from the herein leased premises; it being mutually agreed and understood that if while mining for mica on said premises that the parties hereto should encounter any other minerals which they could save and market at a profit, they will pay to the said Viola Burleson Laughridge and Estelle Burleson Mayberry a royalty under the terms of the lease agreement entered into and herein referred to on the 28th day of March, 1955, and the party of the second part agrees to pay his undivided one-half (½) interest in said royalties.

It was agreed by the party of the first part hereto that all royalty due under the lease bearing the date of March 28, 1955, shall be paid within five (5) days from the receipt of payments from all sales. The party of the second part hereby binds himself to comply with the terms and conditions of the contract made on the 28th day of March, 1955, with reference to royalties and agrees to assume an undivided one-half (½) interest in all of the terms and conditions of said contract.

The party of the first part under the agreement hereinbefore referred to agreed to begin the mining operations on the leased premises within thirty (30) days from the execution of said

LAW OFFICES
WOOD & TALLANT
ETOWAH BANK BUILDING
CANTON, GEORGIA

contract, which was on the 28th day of March, 1955, and the party of the second part agrees to the terms and conditions entered into by the party of the first part in this contract and adopts the agreement made and entered into with reference to the time to begin operations.

The said Contract made and entered into on the 28th day of March, 1955, contains provisions as follows:

> "It is mutually agreed that the party of the second part, his heirs successors and assigns will sell all of the mica obtained by him from the herein leased premises to the United States Government mica purchasing agency, however any mica which would not be acceptable to the United States Government mica purchasing agency including scrap, punch and washer mica the party of the second part shall have the right to sell same for the highest price obtainable.
>
> The parties of the first part hereby convey to the party of the second part every mining right and privilege which was conveyed to J. E. Burleson, at the time that he acquired the premises herein leased.
>
> It is mutually agreed that the party of the second part is to cancel a lease granted to him by the parties of the first part on the same premises herein described, dated January 5th, 1955 and recorded in the office of the Clerk of the Superior Court, Cherokee County, State of Georgia in deed book # 32, Folio # 206 upon the execution of this lease agreement.
>
> It is understood and agreed that if the party of the second part his heirs successors and assigns, shall fail to comply with the terms and conditions as herein set out, this lease shall become nul and void.

It is hereby agreed by the party of the second part that the above provisions that was contained in said contract of March 28, 1955, are hereby made a part of this agreement and that the party of the second part hereby agrees that he will comply with all of the terms and conditions set out in said contract and that as such, he becomes obligated under the terms and conditions and the same is hereby made a part of this Contract.

In WITNESS WHEREOF, the parties of the first part and the party of the second part have hereunto set their hands and affixed

LAW OFFICES
WOOD & TALLANT
ETOWAH BANK BUILDING
CANTON, GEORGIA

their seals on the day andyear first herein above written.

(SEAL) J. K. Mayberry
Party of the first part

(SEAL) J. R. Beam
Party of the second part

WITNESS as to the signatures of J. K. Mayberry and J. R. Beam.

Myrtle Ann Cook
Notary Public

My Comm. Expires:

Notary Public, Cherokee County, Georgia
My Commission Expires Jan. 8, 1980

LAW OFFICES
WOOD & TALLANT
ETOWAH BANK BUILDING
CANTON, GEORGIA

STATE OF GEORGIA,

COUNTY OF CHEROKEE.

THIS AGREEMENT OF SUB-LEASE, Made and entered into this 26th day of April, 1955, by and between J. K. Mayberry of the County of Mitchell and State of North Carolina, sometimes hereinafter referred to as party of the first part, and J. R. Beam of the County of Avery and State of North Carolina, sometimes hereinafter referred to as party of the second part;

WITNESSETH:

That whereas Viola Burleson Laughridge and Estelle Burleson Mayberry, as parties of the first part, entered into an agreement of lease with J. K. Mayberry, as party of the second part, under date of 28 March, 1955, as appears of record in the office of the Clerk of Superior Court in and for the County of Cherokee, State of Georgia, in Deed Book No. 33, folio 219, relative to certain property hereinafter more particularly described situate in the County of Cherokee, State of Georgia;

And whereas J. K. Mayberry, the party of the second part mentioned in the agreement of lease first hereinabove referred to, has heretofore entered into an agreement of lease unto and with the above named J. R. Beam under date of 19 April, 1955, whereby the above named J. K. Mayberry conveyed, transferred and assigned an undivided one-half interest in the agreement of lease first hereinabove referred to unto the said J. R. Beam together with all such rights and subject to such conditions and restrictions as were in said original agreement of lease unto him contained which agreement of lease appears of record in the office of Clerk of Superior Court in and for the County of Cherokee, State of Georgia, in Deed Book No. _____, folio _____, which agreement of lease as so recorded

is hereby incorporated herein as fully and to the same extent as if copied verbatim herein.

And whereas the above named J. K. Mayberry in whose favor the original agreement of lease first hereinabove referred to was made and who has heretofore conveyed an undivided one-half interest therein and thereunder unto J. R. Beam by the agreement of lease next hereinabove referred to and now desires to convey unto the above named J. R. Beam his remaining undivided one-half interest therein and thereunder together with any such rights and privileges incident thereto as have been vested in him and might not have been conveyed by the previous agreement of lease next hereinabove referred to bearing date 19 April, 1955;

NOW, THEREFORE, for and in consideration of the premises and of the sum of TEN DOLLARS and other valuable considerations in hand paid by the party of the second part to the party of the first part, receipt whereof is hereby acknowledged, the party of the first part for himself, his heirs and assigns hereby lets, remises and leases unto the above named J. R. Beam, party of the second part and his heirs and assigns, an undivided one-half interest in the agreement of lease and all of the rights and privileges granted by said original agreement of lease unto the party of the first part herein subject to such conditions, limitations and provisions as are in said original agreement of lease contained it being the meaning and intention of the party of the first part herein to transfer and convey unto the above named J. R. Beam, party of the second part herein and unto his heirs and assigns every such right and privilege which party of the first part herein has or ought to have under and pursuant to said original agreement of lease bearing date 28 March, 1955, subject only to such conditions, provisions and limitations as are therein contained, in, on and under that certain tract or parcel of land lying and being in the County of Cherokee and State of Georgia, which is particularly referred to in Bulletin No. 48 of the Geological Survey compiled by A. S. Furcon, Assistant State Geologist, and Kefton H. Teague, Junior Geologist of the Tennessee Valley Authority, published in 1943, particularly referring to the description on page 96 of said Bulletin, being locally

known as the "Mica Field" and referred to in said Bulletin as "The Bennett Mine," the description being as follows:

> "This old mine is located 5.6 miles, (air line), S. 85 W. of Nelson, 1.5 miles, (air line), due south of Bethany Church and .02 miles S. 70 W. of the cross road with the Jasper-Sharp Mountain road, south of the Pickens County line. The mine occurs on Lot 229, 13th District, 2nd., Section of Cherokee County."

The above referred to minerals being owned by the late J. E. Burleson of Mitchell County, North Carolina, and having descended by mesne conveyances from his estate to Viola Burleson Laughridge and Estelle Mayberry, who are now joint owners of the same and for a more particular and specific description of the land containing the minerals herein leased, reference is hereby made to deed of conveyance and conveying said mineral interest to J. E. Burleson, which deed is of record in the office of Clerk of Superior Court of Cherokee County, State of Georgia, in Deed Book No. 00 page 459, the description of which deed is by reference made the description of this lease as thoroughly and completely as if written herein verbatim.

This agreement of sub-lease is intended to cover the un-expired portion of the five-year term provided for in the original agreement of lease of date 28 March, 1955, first hereinabove referred to.

And the above named J. K. Mayberry, party of the first part herein, doth hereby covenant to and with the above named J. R. Beam, party of the second part herein, and his heirs and assigns, that he has neither conveyed nor encumbered such rights and privileges as were granted unto him by the original agreement of lease bearing date 28 March, 1955, first hereinabove referred to, except for the conveyance of an undivided one-half interest therein and thereunder unto J. R. Beam, party of the second part herein, has not violated any of the provisions, conditions or restrictions therein contained and that said original agreement of lease is, as of this date in full force and effect.

IN WITNESS WHEREOF the party of the first part and the party of the second part have hereunto set their hands and affixed their seals, in duplicate originals as of the day and year first hereinabove written.

(SEAL) J. K. Mayberry
Party of first part

(SEAL) J. R. Beam
Party of second part

Witness as to the signatures of
J. K. Mayberry and J. R. Beam:

Essie Beam

Bruce Vance
Notary Public

My commission expires:

1-25-56

(Notarial Seal here)

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

March 8, 1956

PROJECT SUMMARY REPORT

By: Walter C. Anderson

1. Docket No. DMEA-3799-Mica
Contract No. Idm-E840
Bennett Mine
Cherokee County, Georgia

Application: MF-103(April 1952) received May 2, 1955
Work proposed: Bulldoze to uncover trench, 90 feet of shaft and 100 feet of drift.
Amount requested: $10,600.00

Operator: J. R. Beam
Route #2
Spruce Pine, North Carolina

Operator's property rights:
Mining lease for five years on the Burleson property, covering 5 acres, dated March 28, 1955
Consent to Lien of Owner

2. Contract: Form MF-200A(June 1954)dated July 11, 1955
Work authorized:

Construct toolhouse, powder and exploder magazine	$ 116.00
100 feet of shaft @ $47.00/ft.	4700.00
100 feet of drifts and/or crosscuts @ $35.00/ft.	3500.00
Estimated total cost of project	$8316.00
Government participation @ 75%	$6237.00

Amendments: none

Work completed:

Constructing toolhouse, powder and storage magazine	$ 116.00
Shaft sinking - 80 feet @ $47.00/ft.	3760.00
Drifting - 100 feet @ $35.00/ft.	3500.00
Total accept cost	$7376.00
Government participation	$5532.00

Work began July 18, 1955 and was completed December 20, 1955
Field Team Final Report received February 2, 1956
Operator's Final Report received February 2, 1956
No equipment purchased under contract

3. Audit - Report of Review issued January 17, 1956

Accepted Cost	$7376.00
Government Participation	$5532.00

4. Certification of Discovery issued_____.

About 7000 pounds "mine-run" block mica was produced during the operation

Ore Reserves:

Indicated - about 60,000 pounds "mine-run" block mica

Inferred - about 100,000 pounds "mine-run" block mica

5. Comments:

How conducted: all of the work in which the Government participated was acceptable.

Operation: good

Engineering: Reporting by the operator was acceptable

Geological Premise:

The premise that the deposit would extend to depth was correct as the vertical shaft intersected the pegmatite between the 65 and 75 foot levels and drifting followed the pegmatite for a distance of 100 feet.

Geological Criteria upon which work was based:

1. Conformable, zoned pegmatite from 3 to 6 feet thick. Consists of 2-foot medial quartz core, bound by feldspathic zones.
2. Mica, abundant, relatively large sizes, ruby colored, hard and free splitting.
3. Other minerals: Beryl has been reported, perthite, plagioclase and scattered quartz.
4. Recent production - working along outcrop, 2.5 tons of "mine-run" block mica per week.

Criteria developed during project:

1. Pegmatite 2½ feet thick at the shaft to 1½ feet at end of 104 foot drift which followed the pegmatite all the way.
2. Mica - abundant, ruby colored, generally clear, hard, and free splitting.

Future possibilities:

good for production of mica. Operator planning to continue mining.

Recommendations:

The Nonmetallic Minerals Division concurs in the Field Team's recommendation to certify the project. The commodity members of the Bureau of Mines and Geological Survey also concur.

Walter C. Anderson

Walter C. Anderson
Nonmetallic Minerals Division

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
	Lefrage	120
		110
		120

FEB 28 1966

Mrs. Estelle Burleson Mayberry and
Mrs. Viola Burleson Laughridge
Spruce Pine, North Carolina 28777

Re: DMEA-3789 (Mica)
J. R. Bean
Bennett Mine
Cherokee County, Georgia
Contract Idm-8848

Dear Mesdames:

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

This correspondence relates to the mine first leased to J. K. Mayberry on March 28, 1955, and subsequently subleased by him to J. R. Bean on April 19, 1955, and to the unsigned Consent to Lien signed by you under the Defense Minerals Exploration Administration program.

Sincerely yours,

(signed) FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

Enclosure

cc: Director's Reading File
Division File
Economic Geology File
DMEA Docket
OME Reading File
Branch of Budget and Finance
R. A. Laurence
120M

MMerrithew/mm (2/28/66)

23263

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON, D.C. 20242

OFFICIAL
IN REPLY REFER TO:
O. M. E.
RECEIVED
FEB 24 1966
INITIALS | CODE
120

REGISTERED MAIL
RETURN RECEIPT REQUESTED

January 11, 1966

Mrs Estelle Burleson Mayberry and
Mrs. Viola Burleson Laughridge
Spruce Pine, North Carolina 28777

Re: **DMEA-3799 (Mica)**
J. R. Beam
Bennett Mine
Cherokee County, Georgia
Contract Idm-2840

Dear Mesdames:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

This inquiry relates to the mine first leased to J. K. Mayberry on March 28, 1955, and subsequently subleased by him to J. R. Beam on April 19, 1955.

Sincerely yours,

(Signed) FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

MME Form 63
Revised 7-65

DMEA-3799
Idm-E840

REQUEST FOR INFORMATION ON CERTIFIED PROJECT
AND PROJECT UNDER ROYALTY AGREEMENT

From February 1965, to July 11, 1965,

1. XXXXXX , has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☒

Not to my knowledge

From February 1965, to July 11, 1965

2. XXXXXX , has there been any production from the land subject to the contract? Yes ☐ No ☒

Not to my knowledge

A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value

B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity		Estimated Grade	Location
Ore		Tons		
Concentrates		Tons		
Other		Tons		

3. Since , has any production been transported through workings (see of contract)? Yes ☐ No ☐

If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name Estelle Burleson Mayberry Title Part owner

Address Spruce Pine Date 20 Jan. 1966

3799

INSTRUCTIONS TO DELIVERING EMPLOYEE

☐ Deliver *ONLY* to addressee

☒ Show address where delivered

(Additional charges required for these services)

RECEIPT

Received the numbered article described on other side.

SIGNATURE OR NAME OF ADDRESSEE *(must always be filled in)*

Mrs Estelle Mayberry
Mrs. Viola Beulah Haughwout

SIGNATURE OF ADDRESSEE'S AGENT, IF ANY

C. J. Mayberry

DATE DELIVERED	SHOW WHERE DELIVERED *(only if requested)*
1-18-66	SPRUCE PINE, N. C. 28777

C55—16—71548-5—F GPO

POST OFFICE DEPARTMENT
OFFICIAL BUSINESS

PENALTY FOR PRIVATE USE TO AVOID PAYMENT OF POSTAGE, $300

SPRUCE PINE N.C. JAN 18 PM 1966 28777

POSTMARK OF DELIVERING OFFICE

INSTRUCTIONS: Fill in items below and complete instructions on other side, if applicable. Moisten gummed ends, attach and hold firmly to back of article. Print on front of article RETURN RECEIPT REQUESTED.

RETURN TO

REGISTERED NO. 500051	NAME OF SENDER U. S. GEOLOGICAL SURVEY, OME
CERTIFIED NO.	STREET AND NO. OR P. O. BOX DEPT. OF THE INTERIOR
INSURED NO.	CITY, STATE, AND ZIP CODE WASHINGTON, D. C. 20242

POD Form 3811 Se 163

C55—16—71548-6—F

DMEA 3799

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

February 11, 1965

Re: DMEA-3799 (Mica)
J. R. Beam
Bennett Mine
Cherokee County, Georgia
Contract Idm-E840

REGISTERED MAIL
RETURN RECEIPT REQUESTED

Mrs. Estelle Burleson and
Mrs. Viola Burleson Laughridge
Spruce Pine, North Carolina 28777

Dear Mesdames:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

This inquiry relates to the mine first leased to J. K. Mayberry on March 28, 1955, and subsequently subleased by him to J. R. Beam on April 19, 1955.

Sincerely yours,

George C. Selfridge

George C. Selfridge, Chief
Division of Exploration Operations

OFFICIAL COPY
O. M. E.
RECEIVED
MAR 1 1965

INITIALS	CODE
gmm	800
	100
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3/1 mm	120
	120

220

MME Form 63
Revised 3-62

DMEA-3799
Idm-E840

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since **January 1958**, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☒

2. Since **January 1958**, has there been any production from the land subject to the contract? Yes ☐ No ☒

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value

   B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity	Estimated Grade	Location
Ore	Tons		
Concentrates	Tons		
Other	Tons		

3. Since , has any production been transported through workings (see of contract)? Yes ☐ No ☐

   A. If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name W E Laughridge Title Owner

Address Spruce Pine N C Date February 29th - 1965

4511

INSTRUCTIONS TO DELIVERING EMPLOYEE

☐ Deliver *ONLY* to addressee

☐ Show address where ~~delivered~~

(Additional charges required for these services)

RECEIPT

Received the numbered article described on other side.

SIGNATURE OR NAME OF ADDRESSEE *(must always be filled in)*

Mrs Viola Burkson Loughridge

SIGNATURE OF ADDRESSEE'S AGENT, ~~IF ANY~~

W E Loughridge

DATE DELIVERED

2-25-65

SHOW WHERE DELIVERED *(only if requested)*

3799

C55—16—71548-5—F GPO

POST OFFICE DEPARTMENT
OFFICIAL BUSINESS

PENALTY FOR PRIVATE USE TO AVOID PAYMENT OF POSTAGE, $300

POSTMARK OF DELIVERING OFFICE

INSTRUCTIONS: Fill in items below and complete instructions on other side, if applicable. Moisten gummed ends, attach and hold firmly to back of article. Print on front of article RETURN RECEIPT REQUESTED.

RETURN TO

REGISTERED NO. 55 57	NAME OF SENDER OFFICE OF MINERALS EXPLORATION
CERTIFIED NO.	STREET AND NO. OR P. O. BOX DEPT. OF THE INTERIOR
INSURED NO.	CITY, ZONE AND STATE WASHINGTON, D. C. 20240

POD Form 3811 Apr. 1962

C55—16—71548-5—F

DMEA
3799

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

November 13, 1963

Re: DMEA-3799 (Mica)
J. R. Beam
Bennett Mine
Cherokee County, Georgia
Contract Idm-E840

Mr. J. R. Beam
Route 2
Spruce Pine, North Carolina

Dear Sir:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

F M Murphy

F. M. Murphy, Acting Chief
Division of Minerals

OFFICIAL FILE COPY
O. M. E
RECEIVED DEC 6 1963

DATE	INITIALS	
12/9		800
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		220

MME Form 63
Revised 3-62

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since September 6, 1962, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☑

2. Since September 6, 1962, has there been any production from the land subject to the contract? Yes ☐ No ☑

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value

   B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity		Estimated Grade	Location
Ore		Tons		
Concentrates		Tons		
Other		Tons		

3. Since , has any production been transported through workings (see of contract)? Yes ☐ No ☑

   A. If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name J. R. Beam Title Owner.

Address Spruce Pine, N.C. Date Dec. 4, 1963

4511

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

August 31, 1962

Re: DMEA-3799 (Mica)
J. R. Beam
Bennett Mine
Cherokee County, Georgia
Contract Idm-E840

Mr. J. R. Beam
Route 2
Spruce Pine, North Carolina

OFFICIAL FILE COPY
O. M. E
RECEIVED SEP 10 1962

DATE		
9/10		8 00
		~~1 10~~
	Growth	5 00
	~~Net~~	~~5 00~~
		2 10

Dear Mr. Beam:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

W. R. Griswold, Chief
Division of Minerals

MME Form 63
Revised 3-62

DMEA-3799
Idm-E840

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since July 1, 1960, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☑

2. Since July 1, 1960, has there been any production from the land subject to the contract? Yes ☐ No ☑

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value

   B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity		Estimated Grade	Location
Ore		Tons		
Concentrates		Tons		
Other		Tons		

3. Since , has any production been transported through workings (see of contract)? Yes ☐ No ☑

   A. If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name Oren Huskins Title Prop.

Address Spruce Pine, N.C. Date 9-6-62

4511

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
6/26	[illegible]	800
		300
		120
		110
		100
		220

June 26, 1962

Memorandum

To: The File

From: C. E. Fisher, OME Auditor

Subject: Check of Spruce Pine Mica Purchase Depot Records, June 18 - 22, 1962.

During the period of June 18 to 22, 1962, I examined the purchase records of the G.S.A. Mica Purchase Depot at Spruce Pine, North Carolina, for the purpose of ascertaining any unreported production under OMEA exploration project contracts. My examination did not disclose any unreported production subject to royalty under the following contracts:

Contract No.	Docket No.	Operator	Mine Name
E- 684	3244	Alex Teague	Old Denson (Denison)
687	3256	Glenn C. Rathburn	Fox, Busby Creek
692	3260	Sam L. Phillips	W. A. McKinney, McKinney No. 1
694	3199	W. B. Chrisawn	R. D. (W. H.) Westall
712	3410	Rock Mining Company	Rock
737	3469	A. Ward	Elmore
752	3559	C. R. Phillips, et al.	Sugar Dave, Ralph
762	3577	Keller Mining Co.	Royster
805	3720	Alvin White, et al.	Coward
830	3265	Mines and Mining, Inc.	Farlow Gap
835	3813	T. B. Vance	Shuffle Vance, Red, Charlie Burleson
840	3799	J. R. Beam	Bennett, Mica Field
865	3860	Ed Boone	Goog Rock
882	3924	J. R. Beam & John Phillips	Little Ray, Pat
891	3943	Buchanan Minerals, Inc.	Buchanan, Dream
900	3942	Sam G. Smith	Bob Hill, Sam Smith
962	4147	Sam L. Phillips	Old Buchanan
1005	4214	John Phillips	Kelly (Robby)
1008	4332	John Phillips	John (John's) Brown
1037	4268	Murphy Mining Co.	Murphy, Murphy Rock
1042	4449	Clifton D. Buchanan	Boone, Phillips
1089	4554	Sam L. Phillips	Black Mountain

cc: Docket
Director's Reading File
CA & A Division
Region IV Files (2)

CEFisher/amm
6-26-62

63683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
2/9	[illegible]	120
		220

Memorandum

To: Chief, Fiscal Section, Division of Administrative Services, Office of the Secretary

From: Chief, Division of Field Operations, OME

Subject: DMEA-3799 (Mica)
J. R. Boom
Bennett Mine
Cherokee County, Georgia
Contract Idm-2340

Enclosed for your files is the original of a Report of Royalty Review on the subject contract.

/s/ George C. Selfridge

Enclosure

GCSelfridge/hb (2/9/62)
cc to: Docket DMEA-3799
Director's Reading File
CA&A Division
G.C.Selfridge
[illegible]nce, Region IV, w/cy of Report of Royalty
[illegible]/62 & orig. cy of memo dtd 2/8/62 to Chief,
[illegible]on of Field Operations from CA&A Division.
[illegible]ch, Region IV, w/cy of ea. item sent to
Mr. Laurence.

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
		220

FEB 8 - 1962

Memorandum

To: Chief, Division of Field Operations

From: E. D. Talbert, Acting Chief (Signed) E. D. Talbert
Contract Administration and Audit Division

Subject: DMEA-3799 (Mica)
J. R. Beam
Bennett Mine
Cherokee County, Georgia
Contract Idm-E840

Enclosed are the original and two copies of a Report of Royalty Review covering the subject Region IV contract. If you concur in the facts stated therein, please make the following distribution:

(a) Original to the Fiscal Section, Division of Administrative Services, Office of the Secretary; and

(b) Two copies to Region IV files.

This report is for OME record purposes only; therefore, no copy has been provided for the Operator.

As evidence of your concurrence, a copy of your memorandum transmitting the original of the report to the Department's Fiscal Section should be furnished this Division. If for any reason you do not concur, the original and both copies should be returned to this Division with your comments.

Enclosures

EDTalbert/ama 2-8-62

cc:
Docket
Director's Reading File
CA & A Division
Mr. Rothrock

43683

RECEIVED JUL 11 1960

DATE		
11	Kf	

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
3/6	Fisher	800
3-7	C	220
3/6	Hoke	600

MAR 6 1958

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

Re: Docket No. DMEA-3799 (Mica)
J. R. Beam
Bennett Mine
Cherokee County, Georgia
Contract No. Idm-E840

Dear Mr. Laurence:

I am enclosing the original and two copies of Mr. Fisher's royalty audit certificate and report dated March 5, 1958, pertaining to the subject contract.

If you concur with the findings, the original certificate and report should be forwarded to the Regional Finance Officer, one copy should be retained in your files, and a copy should be sent to the Operator.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Director
Contract Administration
and Audit Division

Enclosures

CEFisher/ama
March 6, 1958

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

8623

OFFICIAL FILE COPY
DMEA
RECEIVED JAN 23 1958

DATE	INITIALS	CODE
1-23	C	220
23	Com	100

DMEA EXPLORATION PROJECT

SEMI-ANNUAL REPORT ON CERTIFIED PROJECT

(mica)

DMEA-3799, Idm-E840, BENNETT MINE
Cherokee County, Georgia

Reporting Period: July 1, 1957 to January 1, 1958

Operator: J. R. Beam, Route #2, Spruce Pine, North Carolina

This property was visited January 6, 1958 and found idle. No work had been done since the last inspection.

Wm. A. Beck, Mining Engineer
Bureau of Mines

January 15, 1958

z

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DMEA
RECEIVED JUL 03 1957
DMEA
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DATE | INITIALS | CODE
1/8 | C | 220
9 | Com | 100

SEMI-ANNUAL REPORT ON CERTIFIED PROJECT

DMEA-3799, Idm-E840 (mica) BENNETT MINE

Reporting Period: 1-1-57 to 7-1-57.

Operator: J. R. Beam, Route #2, Spruce Pine, North Carolina

Location: 5.6 airline miles S 85° W of Nelson, Cherokee County, Georgia

This property was visited by the writer on June 10, 1957. No work was being done and from all appearances the mine had not been operated since the last visit on February 14, 1957.

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

z

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

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DMEA
RECEIVED APR 5 1957

DATE	INITIALS	CODE
4/5	C	220
		225

April 3, 1957

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Abandonment of Lease, DMEA-3799, Idm-E840 (Mica), J. R. Beam, Spruce Pine, N. C., Bennett Mine, Cherokee County, Ga.

This property was certified on March 23, 1956.

When visited on July 27, 1956, and February 14, 1957, the mine was obviously abandoned. The lease provides that it shall become null and void if, at any time, the Lessee fails to operate for a period of 30 consecutive days.

Thus, it appears that this lease became inoperative some time between January and July 1956. No notice of abandonment was ever received from the Operator.

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

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

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

EXPLORATION PROJECT CONTRACT

SEMI-ANNUAL REPORT ON CERTIFIED PROJECT

DMEA-3799, Idm-E840 (mica) BENNETT MINE

Operator: J. R. Beam, Route # 2, Spruce Pine, N.C.

Location: 5.6 airline miles S85° W of Nelson, Cherokee County, Georgia

This property was visited by the writer and E. L. Boudette, Geologist, USGS, February 14, 1957. No work was being done, and from all appearances the mine had not been operated since the last visit on July 27, 1956.

February 14, 1957

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

z

C

SEMI ANNUAL REPORT OF CERTIFIED PROJECT

Reporting Period: 1-1-56 to 7-1-56 Date of Examination: 7-27-56

Operator: J.R. Beam

Name of Mine: Bennett

County and State: Cherokee County, Georgia

Docket No. and Commodity: DMEA-3799 --Mica

Contract No. Idm-E840

Date of Contract: July 11, 1955
Date of Certification: March 23, 1956
Expiration Date of Royalty Payments: July 11,1965

Total Amount of Contract: $8316.00
Total Expenditures under Contract: $7,376.00
Amount of Government Participation: at 75% - $5532.00

Royalty Payments this Period: $137.46
Previous Royalty Payments: None
Total Royalty Payments to Date: $137.46
Percent Government Participation Repaid: 2.48%
Royalty due on Production to Date: None

Royalty Remarks: Mine not in operation.

Original Estimate of Reserves
(from final Engr.-Geol.Report): Indicated - 60,000 lbs. mine-run block mica
Inferred - 100,000 lbs block mine-run

Increase (or decrease) of Reserves
by work performed subsequent to
original and last Field Team esti. None

Production this Period (ore or concentrates) in suitable detail :
13,415 pounds of hand cobbed mica.

Amount of Previous Production (since date of contract) None

Total DMEA Production to Date: 13,415 lbs of hand cobbed mica.

Production Remarks: Due to a very great inflow of water - production ceased at the mine shortly after termination of the contract.-

Other Remarks:

The property was visited July 27, 1956. No work was being done at the time of the visit and all equipment had been removed from the property.

SIGNED: W. T. Beale
Mining Engineer

z

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

RECEIVED
MAY 9 - 1956

May 7, 1956

Memorandum

To: Helen Miller, Ass't Administrative Officer - Region V

From: Acting Executive Officer, DMEA - Region V

Subject: Royalty Payment on - DMEA contracts

Transmitted are bills-of-sale and checks on the following:

Idm-E410, DMEA-2466, Elk Mica Miners.....$93.88

Idm-E840, DMEA-3799, J. R. Beam (Bennett Mine) 2.28

V. J. Lynch

Copy

GENERAL SERVICES ADMINISTRATION
MICA PURCHASING DEPOT, SPRUCE PINE, N. C.

DATE: 4-27-56

Acceptance No. (a)
BR-4. 268 Max. $600/Ton

Certificate of Authorization No.	LOT No.			
112-B	268(a)			
RUBY [X] NON-RUBY [ ]	TOTAL LBS.	Lbs of G.S. & Better	Lbs. Stained Mica	TOTAL VALUE
TOTAL PAYMENT	1325.00	12.31	28.36	397.50
	Less Cost of Cutting or Trimming			~~35.87~~
LESS INITIAL PAYMENT		8.00	30.00	296.28
AMT DUE Gov [ ] SELLER [X]				65.35

DMEA- 3799 IDm-E 846 (Frank Cook Mining Co)

Seller: J.R. Beam

MINE; Bennett Address Spruce Pine, N.C.
Cherokee County, Ga. RFD 2

Copy

GENERAL SERVICES ADMINISTRATION
MICA PURCHASING DEPOT, SPRUCE PINE, N. C.

DATE: 4-26-56

Acceptance No.

max. $600/ton
BP-4-265(a)

Certificate of Authorization No. 112B

LOT No. 265(a)

RUBY [X] NON-RUBY [ ]

	TOTAL LBS.	Lbs of G.S. & Better	Lbs. Stained Mica	TOTAL VALUE
TOTAL PAYMENT	12090.00	61.07	160.31	2647.94
LESS INITIAL PAYMENT	Less rifling & trimming	65.00	200.00	260.37 2407.38
AMT DUE Gov [X] SELLER [ ]				19.81

DMEA- 3799 IDm-E 840

Seller: Frank Cook Mining Co
J.R. Beam, Applicant

MINE; Bennett Mine
Cherokee County, Ga

Address Spruce Pine, N.C

RECEIVED
MAY 9 - 1956

DOCKET COPY
Surname:
Anderson
Houk
Cochran
Kilsgaard
Selfridge
Johnson

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

MAR 26 1956

Mr. J. R. Beam
Route 2
Spruce Pine, North Carolina

Re: Docket No. DMEA-3799-Mica
J. R. Beam
Bennett Mine
Cherokee County, Georgia
Contract No. Idm-E840

Dear Mr. Beam:

Transmitted herewith is a certification of discovery or development under Contract No. Idm-E840 on the Bennett Mine, Cherokee County, Georgia.

By the terms of the Exploration Project Contract and of the certification, all production from the date of the Exploration Project Contract, July 11, 1955, is subject to the Government's percentage royalty as set forth in the contract until the sum of $5,532.00 is paid or until July 11, 1965, whichever occurs first.

You should continue to make royalty payments to Mr. Robert A. Laurence, Executive Officer, DMEA Field Team, Region V, Room 13, Post Office Building, Knoxville, 2, Tennessee, as you have in the past. Checks should be drawn payable to the Defense Minerals Exploration Administration. The purchaser should be advised to deduct the royalties from the amount due on each shipment and forward check to the Executive Officer.

Royalty payments to the Government should be accompanied by suitable evidence, such as copies of settlement sheets showing quantity and grade of ore sold, the name of the purchaser, and the price and charges certified to be correct by the purchaser.

You are requested to notify Mr. Laurence of any changes in ownership or production rights that may have any effect on the Government's right to its percentage royalty. Also, if production ceases at any time for any extended period, please notify Mr. Laurence at six-month intervals that no production has been made.

Sincerely yours,

C. O. Wisendorf

Administrator

Enclosure

Estelle Mayberry) To Field for
Viola Laughridge) forwarding

Mr. Kilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Anderson
Admr. R. File

3/16/56
Docket
Operating Committee
Mr. Johnson
Mr. Chambers
Field Team, Region V

R.C.L.

DOCKET COPY
Surname:
Anderson
Houk
Talbert
Perkins
Dwyer

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

Mr. J. R. Beam
Route 2
Spruce Pine, North Carolina

Re: Docket No. DMEA-3799-Mica
J. R. Beam
Bennett Mine
Cherokee County, Georgia
Contract No. Idm-E840

FROM SOLICITOR
MAR 13 1956
FOR SIGNATURE

Dear Mr. Beam:

Transmitted herewith is a certification of discovery or development related to the Exploration Project Contract No. Idm-E840 dated July 11, 1955, on the lands described in the contract.

By the terms of the Exploration Project Contract and of the Certification, all production from the land described in the contract after July 11, 1955, the date of the contract, is subject to the Government's percentage royalty as set forth in the said contract until the sum, which the Government has advanced as its participating interest is repaid, or until July 11, 1965, whichever occurs first.

You should continue to make royalty payments to Mr. Robert A. Laurence, as you have in the past. You are requested to notify Mr. Laurence of any changes in ownership and production rights that might effect the Government's right to its percentage royalty. Also, if production ceases at any time for an extended period, please notify Mr. Laurence at six-month intervals that such is the case.

Sincerely yours,

Administrator
WCAnderson:ms 3/8/56
Copy to: Docket
Operating Committee
Mr. Johnson
Mr. Chambers
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Anderson
Admr. R. File
Estelle Mayberry)To Field for
Viola Laughridge)forwarding

Enclosure

DOCKET COPY
Surname:
Anderson
Houk
Talbot
Johnson
Kiilsgaard
Selfridge
Johnson

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

MAR 26 1956

Adm. R. File

Mr. Clarence A. Fredell, Acting Director
Materials Division
Emergency Procurement Service
General Services Administration
7th and D Streets, S. W.
Washington, 25, D. C.

Re: Docket No. DMEA-3799-Mica
J. R. Beam
Bennett Mine
Cherokee County, Georgia
Contract No. Idm-E840

Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Anderson

Dear Mr. Fredell:

I am enclosing one copy of a certification of discovery or development relating to the subject contract.

The exploration contract was signed on July 11, 1955, with the Government participating to the extent of 75 percent of $8,316.00 or $6,237.00. The project was started on July 18, 1955 and completed on December 20,1955, after the expenditure of $7,376.00, which is the total net accepted cost according to the Audit Review. The Government paid 75 percent of the total accepted cost or $5,532.00.

The work performed on this project consisted of the construction of a toolhouse and powder and exploder magazines, 80 feet of vertical shaft and 100 feet of drifts. The shaft was sunk in the hanging wall rock and intersected a 2½ foot thick pegmatite between the 65 and 75 foot levels. From the bottom of the shaft, 104 feet of drift was driven on the pegmatite to the Southwest. The Government contributed to 100 feet of drifting.

About 7000 pounds of "mine-run" block mica was produced during the operation. The project work furnished sufficient data to calculate the following type reserves of strategic mica:

Indicated - 60,000 pounds "mine-run" block mica
Inferred - 100,000 pounds "mine-run" block mica

The DMEA is of the opinion that the project work was of definite benefit to the property and, therefore, we have certified that a discovery or development resulted from the work.

Sincerely yours,

C. O. Mittenbuhr

Administrator

Enclosure

WCAnderson:ms 3/8/56
Copy to: Docket
Operating Committee
Mr. Johnson
Mr. Chambers

R.G.G.

RECEIVED
MAR 1 1956

March 13, 1956

Memorandum

To: Helen Miller, Ass't Administrative Officer, Region V

From: Acting Executive Officer, Region V - DMEA.

Subject: Corrected invoice on Royalty Payment.

On February 10, 1956, an invoice in the amount of $2,407.38 and a royalty check in the amount of $120.37 was sent you to be credited to contract Idm-E560, DMEA-3008, Murphy Mining Company, Spruce Pine, N. C. This was incorrect, the check should be credited to - Idm-E840, DMEA-3799, J. R. Beam, Bennett Mine, Cherokee County, Georgia. Please make this correction on your books.

V. J. Lynch

VM.
cc:
Mittenderf
Lynch
Files

Copy

GENERAL SERVICES ADMINISTRATION
MICA PURCHASING DEPOT, SPRUCE PINE, N. C.

DATE: 2-1-56

Acceptance No. #600/Ton Maximum

Corrected Invoice

Certificate of Authorization No.

LOT No.

RUBY [X] NON-RUBY [ ]	TOTAL LBS.	Lbs of G.S. & Better	Lbs. Stained Mica	TOTAL VALUE
TOTAL PAYMENT				
LESS INITIAL PAYMENT	12090.00	65.00	200.00	2407.38
AMT DUE Gov [ ] SELLER [ ]				

DMEA-3977 IDm-E 840

Seller: Frank Cook Mining Co

MINE; Bennett Mine Address Spruce Pine, N.C.

Cherokee County, Ga.

RECEIVED
MAR 1 1956

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

RECEIVED
FEB 13 1956

February 10, 1956

Memorandum

To: Helen Miller, Ass't Administrative Officer, Region V

From: Executive Officer, DMEA- Region V - Knoxville

Subject: Royalty payment on- Idm-E560, DMEA-3008, Murphy Mining Co. Spruce Pine, N. C. (mica)

Transmitted is a bill-of-sale in the amount of $2407.38, and a check for 5% royalty on the sale in the amount of $120.37 to be credited to the subject contract.

Robert A. Laurence

RH.
cc:
Mittendorf
Lynch
Files

Copy

GENERAL SERVICES ADMINISTRATION
MICA PURCHASING DEPOT, SPRUCE PINE, N. C.

DATE: 2-1-56

Acceptance No.

Maximum $600/ton

Certificate of Authorization No. 112-B.

LOT No. 0

RUBY [X] NON-RUBY [ ]	TOTAL LBS.	Lbs of G.S. & Better	Lbs. Stained Mica	TOTAL VALUE
TOTAL PAYMENT				
INITIAL PAYMENT	12090.00	65.00	200.00	2407.38
AMT DUE Gov [ ] SELLER [ ]				

(Frank Cook Mining Co)

DMEA-3008 IDm-E 560. Murphy Mining Co

Yancey County, N.C. Seller: Sam Phillips (partner)

MINE; Bennett Mine Address Spruce Pine, N.C.

RECEIVED
FEB 13 1956

IN REPLY REFER TO:

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

RECEIVED
MAR - 7 1956

March 7, 1956

Re: DMEA 3799, Idm-E840
J. R. Beam
Bennett Mine
Cherokee Co., Ga.
$8,316.00 - Mica

Memorandum

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

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

Subject: Review of Final Field Team Report.

The sum of $8,316.00 was approved for expenditure on a narrow pegmatite from which considerable mica had been produced. $7,376.00 was spent on an 80-foot 2-compartment shaft and 104 feet of drifting from the shaft. The drift followed a discontinuous quartz core pegmatite from 18 inches to 2.5 feet thick. The dip ranged from 20° to 45°.

Seven thousand pounds of mine run block ruby mica was recovered from the shaft and drift. "It consisted generally of large books (some 13" x 15") of hard, free splitting, flat ruby mica. Some books, however, contain black inclusions (stained) and are bent and railed." Final report.

Reserves are estimated at:

Indicated

60,000 pounds mine run block

Inferred

100,000 pounds mine run block

No mica has been shipped and no royalty has been collected.

The examiners recommend that the property be certified.

I concur with that recommendation.

N. E. Nelson

N. E. Nelson

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

RECEIVED
FEB 20 1956

February 17, 1956

Memorandum

To: ~~Memorandum~~ Helen Miller, Ass't Admin. Officer, Region V

From: Executive Officer, DMEA - Region V - Knoxville

Subject: Royalty payments - DMEA Projects Region V

Transmitted are sale vouchers and checks on the following:

Idm-E840, DMEA-3799, J. R. Beam, sale $296.28, Royalty check $14.81

Idm-E814, DMEA-3740, Grindstaff, Thomas & Boone, sale $410.67, Check $20.53.

Robert A. Laurence

ZM.
cc:
Kittendorf
Lynch
Files
Shirley

[redacted] opy

GENERAL SERVICES ADMINISTRATION
MICA PURCHASING DEPOT, SPRUCE PINE, N. C.

DATE: 2-10-56

Acceptance No. BK 4-Maximum #600/ton

Certificate of Authorization No. 112B

LOT No.

RUBY ☐ NON-RUBY ☐	TOTAL LBS.	Lbs of G.S. & Better	Lbs. Stained Mica	TOTAL VALUE
TOTAL PAYMENT				
LESS INITIAL PAYMENT	1325.00	8.00	30.00	296.28
AMT DUE Gov ☐ SELLER ☐				

DMEA- 3799 ✓ IDm-E ~~840~~ 840

Seller: Frank Cook Mining Co.

MINE; Bennett Address Box 35

Cherokee County, Georgia Spruce Pine, N.C.

RECEIVED
FEB 20 1956

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

February 17, 1956

Mrs. Mary Bonner
Empire Mica Company
Spruce Pine, North Carolina

Dear Mrs. Bonner:

It will greatly facilitate our recording of royalty payments if you will indicate the DMEA number as well as the name of the mine on the check, as so many payments are made by persons or firms other than the one named in the contract.

I assume that the $14.81, check No. 335, from the Frank Cook Mining Company is for DMEA-3799, the Bennett Mine in Cherokee County, Georgia, but our contract there was with J. R. Bean. If I am incorrect in this, please advise me. We have had two contract on other Bennett Mines, so there was some uncertainty as we do not seem to have Frank Cook Mining Company listed anywhere in our records.

Sincerely yours,

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

RAL/gm
cc:
Mittendorf
Lynch
Helen Miller-Finance
Files

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

RECEIVED
FEB 15 1956

February 13, 1956

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-3799 (mica)

Applicant: J. R. Beam

Name and Location of Property: Bennett Mine, Cherokee County, Ga.

Contract Number: Idm-E 840

Date of Field Team Report: 1/30/56

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 2/6/56

Field Team Recommendation: Recommend certification of discovery

Comments:

1. About 7000 pounds of mica was produced during this exploration program.

2. Estimated reserves are 60,000 pounds of indicated "mine-run" block mica and about 100,000 pounds of inferred "mine-run" block mica.

3. The operator plans to continue operation of this mine.

4. Expenditures -

Total approved	$8,316.00
Total cost	7,376.00
Gov't share of the cost	5,532.00
Value of production during operation	$ unknown (mica has been sent to Spruce Pine Depot)

Recommendation: I concur with the field team's recommendation for certification of discovery.

W. F. Dietrich

W. F. Dietrich

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

RECEIVED
FEB 8 1956

January 31, 1956

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Final Reports, DMEA-3799, Idm-E840 (mica), J. R. Beam, Spruce Pine, N. C. Bennett Mine, Cherokee County, Ga.

Enclosed are four copies each of the final Operator's and Field Team reports on the subject contract. A significant deposit of strategic mica was discovered, and we recommend certification of discovery.

About 7000 lbs. of mica were recovered during the operation, and we understand that this mica has been delivered to the Spruce Pine Depot for preparation. Final settlement on such sales is not received by the Operator for a period of two to four months; although no royalty has been received, we expect that it will be paid promptly when the Operator receives his settlement. Mr. Beam has always been prompt and accurate in meeting his obligations on previous contracts.

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

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

RECEIVED
FEB - 2 1956

Final Operator's Report

Spruce Pine, North Carolina
January 1, 1956

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

Re: DMEA-3799, Idm-E 840 (Mica)
Bennett Mine, Cherokee County, Ga.
Final Report

Dear Mr. Laurence:

Work began July 18, 1955 on the Bennett Mine project, and was completed on December 22, 1955:

We sank a two-compartment shaft to a depth of 80' where we cut through vein. The field team directed that the drift be started from this point, as we appeared to be at the extreme end of the vein. We drove a drift for a distance of 100', all the way in vein and recovered some poor quality mica throughout the drift. A small amount of mica was also recovered in the shaft, and from the entire project we produced about four tons of mica. The mica is badly stained and soft.

The shaft was timbered to a depth of 50', and man-way and ladders were installed the remaining distance. No timbering was necessary in the drift. At the completion of the contract, the vein in the heading was 12" to 18" wide. Work is being continued.

We wish to thank the field team for their assistance on the Bennett project. If further details of the operation are necessary, please contact us.

Very truly yours,

J. R. Beam

J. R. Beam

B/b

RECEIVED
JAN 3 - 1956
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

Final Field TM Rpt.

UNITED STATES
DEPARTMENT OF THE INTERIOR

RECEIVED
FEB - 2 1956

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DMEA FIELD TEAM, REGION V
FINAL REPORT

On

DMEA-3799 (mica) BENNETT MINE
Cherokee County, Georgia

By

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

and

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

January 30, 1956

Reviewed by
DMEA OPERATING COMMITTEE
2-6-56
(date)

FINAL REPORT
On
DMEA-3799, Idm-E840 (mica) BENNETT MINE
Cherokee County, Georgia

RECEIVED
FEB - 2 1956

Operator: J. R. Beam, Route # 2, Spruce Pine, North Carolina

Location: On Lot 229, 13th District, 2nd Section, Cherokee County, Georgia, and 5.6 airline miles S 85° W of Nelson, Georgia

Summary

Abundant (approximately 7000 lbs.) of strategic quality muscovite was produced in 80 feet of shaft and 100 feet of drift. The Operator intends to continue work. No further exploration seems warranted. It is the recommendation of the field examiners that the Bennett Mine be certified as a discovery.

Introduction

Work began at the Bennett Mine (known locally as the "mica-field") under contract on July 18, 1955, and was completed December 20, 1955. A two-compartment shaft (timbered to the 55 ft level) was sunk to a depth of 80 ft to intersect the pegmatite. A drift was driven from the bottom of the shaft for 104 ft. It followed pegmatite with a discontinuous quartz core for 18 ft S 55° W. from the shaft bottom, then 86 ft in the S 35° W direction. No timbering was necessary in the drift.

Surface facilities consist of a toolhouse, bunk house, hoist shed with hoist, compressor, and powder and exploder magazines.

Geology

Pegmatite:

A zoned pegmatite, containing perthite, plagioclase, quartz, and muscovite, is conformable to the foliation of a mica-garnet-graphite gneiss. At the surface of the old cut (map) it strikes N-S to N 15° E., and dips 35 - 40° SE. Beryl has been reported (not observed in new work) in a 3 - 6 ft thick, sill-like, zoned pegmatite with a 2 ft medial quartz core (examination report, May 24, 1955).

Pegmatite, 2.5 ft thick, was encountered in the shaft between the 65 and 75 ft levels. It strikes and dip was N. 25° E and 25 - 30° S. E. The drift to the southwest followed the pegmatite which had an average thickness of 2.5 ft. Strike and dip at the 18 ft point in the drift was N. 55° E., 30° S. E., and at 32 ft point it was N 35° E and 28° S. E. Throughout the drift from the 18 ft point to the heading at 104 ft, it maintained a strike of N 35° E., and a dip of 25-30 S. E., except for a flattening of the dip at the 104 ft point. It was 18 inches thick at the 104 ft point (sections A -A' and B - B' on map).

Muscovite:

Good, abundant strategic quality ruby muscovite was recovered from the shaft and drift. It consisted generally of large books (some 13" x 15" wide) of hard, free-splitting, flat ruby mica. Some books, however, contain black inclusions (stained) and are cracked, bent, and ruled.

Previous Production:

An average of 4,500 pounds of "run-of-mine" book mica was produced per week from the cut nearly before the present contract was started (Examination Report, May 24, 1955), which was appraised as worth $1000.00 per ton by Spruce Pine Government Depot officials (at 80% of true value). Substantial quantities were recovered during the period 1918-20.

Present Production:

Work done under contract seems to substantiate the previous reports because the mica is of good to excellent quality, and has been found in abundance.

At some places in the new drift, the large books (8-15 in. wide and 2-3 in. thick) would make up 50 - 60 percent of the pegmatite. Generally, the large books were aligned along both the hanging and footwalls of the pegmatite. Books recovered from the 18 ft point in the drift, measured 13" x 15" x 3" ; at the 46 ft point they were up to 8 in. in diameter, and at the 72 ft point they were measured to be 12" x 9" x 2", and of excellent quality.

About 2200 pounds of good mica came from the section between the 42 and 72 ft points in the drift.

The total produced under contract was about 7000 pounds of "mine-run" block mica.

Reserves

Indicated reserves up-dip for a minimum of 60 ft are good, and can be mined at a profit.

There is a possible indicated reserve of 60,000 pounds of "mine-run" block mica, and about 100,000 pounds of inferred "mine-run" block mica.

Future Work

The Operator plans to continue work up-dip from the drift, and may drive another drift from the shaft bottom in the northeast direction. Work down-dip would also produce a good quantity of strategic muscovite.

Conclusion

Although hampered by water, the Operator had an efficient crew, and conducted the work in a satisfactory manner. The foreman is to be commended on a well-conducted operation. No equipment was purchased.

Ruby mica is abundant, hard, generally clear, and free-splitting.

Reserves of strategic mica are indicated. The field examiners recommend that the Bennett Mine be certified without further exploration.

Expenditures:

(a)	Total approved	$8316.00
(b)	Total cost of project	7376.00
(c)	Government's share spent	5532.00
(d)	Government's share unexpended	705.00
(e)	Produced during operation	7000 lbs.
(f)	Value of production	Unknown
(g)	Royalty paid to date	None

January 30, 1956

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

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

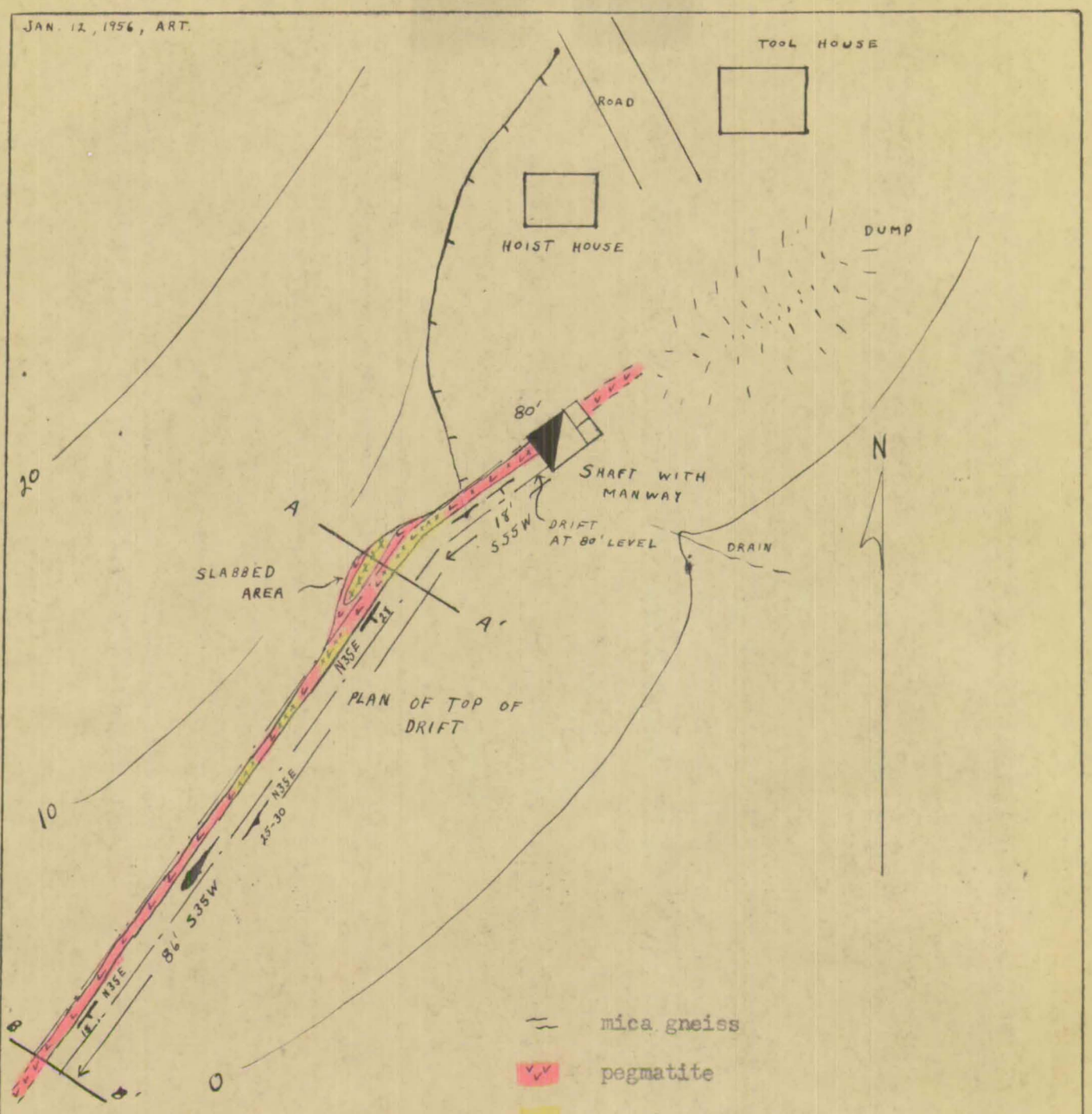
References

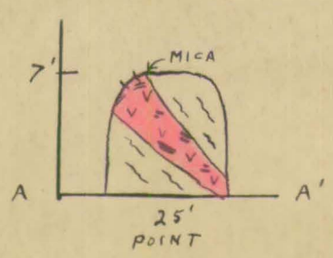
1. Examination Report of DMEA-3799, Bennett Mine (mica) K. H. Teague, U. S. G. S. and Wm. A. Beck, U. S. B. M.: May 24, 1955.

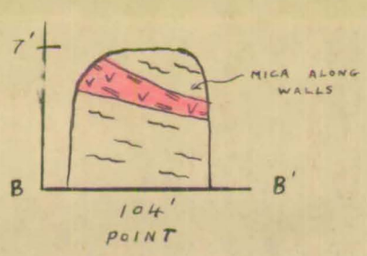
2. Furcron, A. S. and Teague, K. H. (1943) Mica Bearing Pegmatites of Georgia; Georgia Geological Survey, Bull. 48, p 96.

BENNETT MINE (MICA)

CHEROKEE CO., GA, DMEA-3799







SECTIONS

mica gneiss

pegmatite

quartz core

contact, dashed where inferred

cut

underground workings

shaft

strike & dip of pegmatite

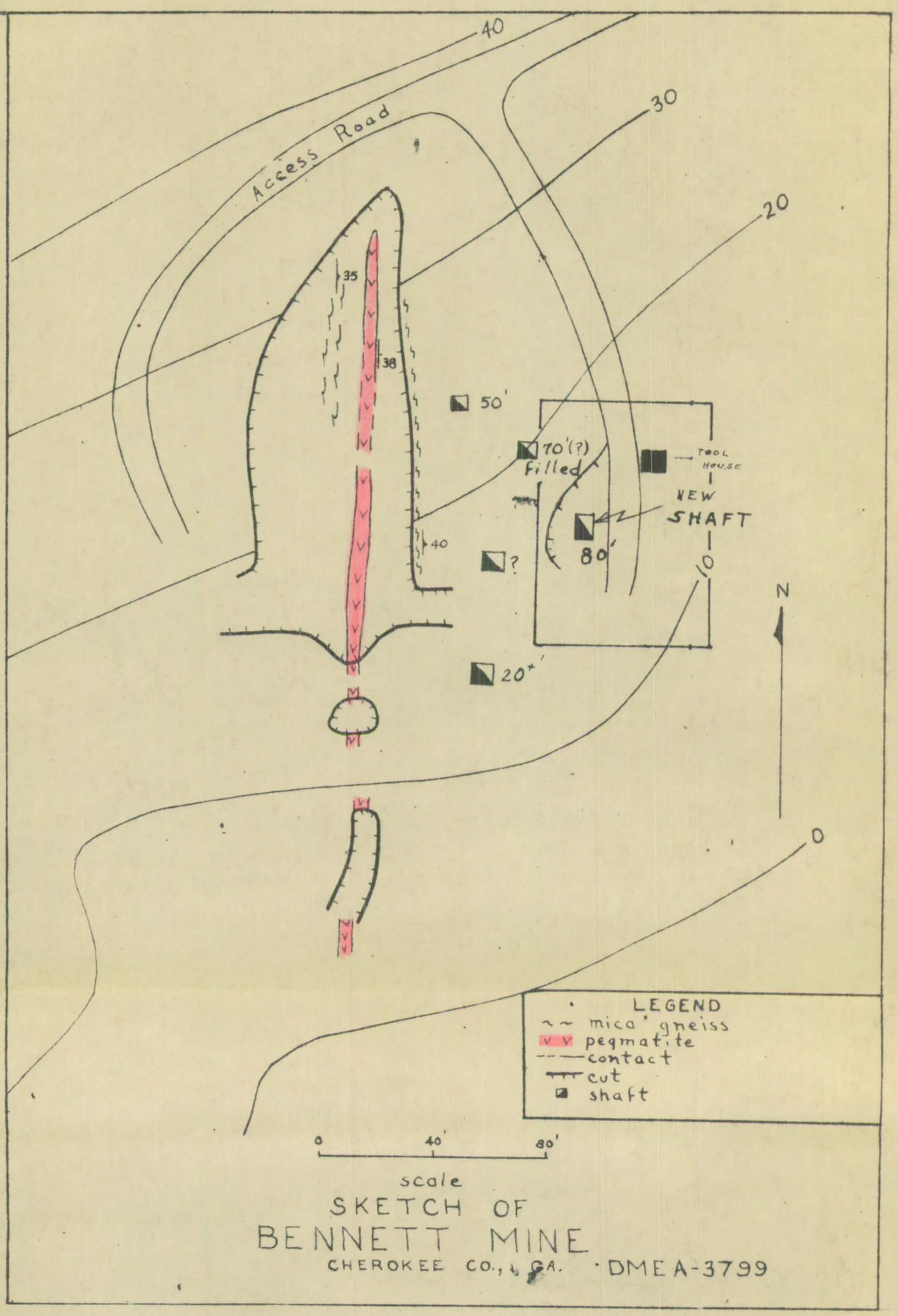
strike & dip of country rock foliation

0' 20' 40'

scale

Mapped by Wm. A. Beck, USBM and A. R. Taylor, USGS; December 20, 1955

RECEIVED
FEB - 2 1956



SKETCH OF
BENNETT MINE
CHEROKEE CO., GA. · DMEA-3799

RECEIVED
FEB - 2 1956

Final Report

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

ON VOUCHER & SCHEDULE
PAYMENTS K-

OPERATOR'S MONTHLY REPORT AND VOUCHER

RECEIVED
JAN 11 1956

Month of December, 195 5 Docket No. DMEA 3799 Contract No. Idm-E 840
Operator's Name J. R. Beam Minerals Mica
Address Route 2, Spruce Pine, N. C.
Contract Amount, $ 8316.00 Government Participation: 75 % Amount, $ 6237.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
20' Drifting 35.00 ft.	700.00	2800.00	3500.00			
Shaft		3760.00	3760.00			
(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.		78.00	78.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Powder & Exploder Magazines		38.00	38.00			
(8) Contingencies (specify):						
TOTALS	700.00	6676.00	7376.00	700.00	6,676.00	7,376.00

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

Date 1-1-56 *Payee J. R. Beam

Per J. R. Beam 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)

175.00

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

$ 525.00

Signature
(Authorized Certifying Officer)

Date JAN 6 1956 Vou. No.

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Im E840 in accordance with the terms of the contract.

Signature W. A. Beck Title Mining Engr. KSBM Date JAN 5 1956

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Fleemaner Title EXECUTIVE OFFICER DMEA REGION V Date JAN 5 1956

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

RECEIVED
JAN 11 1956

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of December 1956 Docket No. DMEA 3799 Contract No. Idm-E840
Operator's Name J. R. Beam Minerals Mica
Address Route 2, Spruce Pine, N. C.

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
20' Drifting @ 35.00	Ft.	700.00	20	3500.00	100	35.00	100	35.00
Crosscutting								
Raising								
Shafts	Ft.			3760.00	80	47.00	100	47.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Total Distributed Costs		700.00		7260.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				78.00				
Powder & Exploder Magazines				38.00				
Total Costs		700.00		7376.00				

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

Date 1-1-56 Operator J. R. Beam

Per J. R. Beam Title Operator

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

(Instructions on reverse)

Remarks:

(For Government use only)

W. T. Beck, Mining Engineer
U. S. B.M.

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

RECEIVED
JAN 11 1956

OPERATOR'S
MONTHLY PROGRESS REPORT

December, 1955

DMEA-3799

Idm-E 840
Work Completed: 12-21-55

Work Accomplished:

We completed the drift as called for in the contract and are still in vein 12" to 18" wide. We recovered about 35 bags of poor quality mica during the last 20 feet of the drift, and have recovered about 4 tons in all.

Daily Notes:

December 1 - 9:	Pumped water. Drilled, shot and mucked. Vein continues to narrow, but still bearing mica.
December 12-16:	Continued with drift, repeating same operations. Water still heavy, vein narrowed to about 18". Recovered several bags of mica.
December 19-21:	Completed 100' of drift as called for in the contract. Still in about 12-18" of vein at the heading. Recovered about 4 ton of mica in the entire operation.

RECEIVED
DEC 27 1955

INTERIM REPORT

DMEA-3799, Idm-E840 (Mica), BENNETT MINE

Operator: J. R. Beam, Route 2, Spruce Pine, North Carolina

Location: 5.6 airline miles S. 85° W. of Nelson, Cherokee County, Georgia

This property was visited on December 20, 1955. The drift to the south was in 104 feet, thus completing the 100 feet allowed in the contract. No drifting had been done to the north where a 3-foot pegmatite is showing in the shaft. At the heading of the drift the pegmatite is 1½ feet to 2 feet thick with books of mica as large as 6" x 6" showing. The pegmatite appears to be getting softer and there is no predominant quartz core at this location.

Kester Buchanan, the foreman in charge of the operation, stated that they intend to continue mining and that during the exploration they produced 6,800 pounds of run of mine mica. None of this has been sold to date.

A final report will be written on this contract with a recommendation that it be certified.

December 20, 1955

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

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

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RECEIVED
DEC 12 1955

INTERIM REPORT

DMEA-3799, Idm-E840 (mica) BENNETT MINE

Operator: J. R. Beam, R#2, Spruce Pine, North Carolina

Location: 5.6 airline miles S. 85° W of Nelson, Cherokee County, Ga.

This property was visited December 8, 1955. The pump had been broken down and the drift was full of water. This prevented examination of the face. Kester Buchanan, the man in charge of the operation told the examiners that the drift was in 98 feet which left but two feet remaining to be done on the contract. He stated the pegmatite was but 18 inches thick at the face and that very little mica was obtained from the last two shots. He was told that the examiners would return December 20 to make the final examination.

December 8, 1955

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

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

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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 November, 1955 Docket No. DMEA 3799 Contract No. Idm-E 840
Operator's Name J. R. Beam Minerals Mica
Address Route 2, Spruce Pine, N. C.
Contract Amount, $ 8316.00 Government Participation: 75 % Amount, $ 6237.00

RECEIVED DEC 12 1955

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
40' Drifting @ $35.00 ft.	1400.00	1400.00	2800.00			
Shaft		3760.00	3760.00			
(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.		78.00	78.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Powder & Exploder Magazines		38.00	38.00			
(8) Contingencies (specify):						
TOTALS	1400.00	5276.00	6676.00	1400.00	5,276.00	6,676.00

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

Date 12-1-55 *Payee J. R. Beam

Per J. R. Beam 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:

$ 1050.00

Signature Helen R. Miller
(Authorized Certifying Officer)

Date DEC 8 1955 Vou. No.
(See other side)

350.00

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idn E840 in accordance with the terms of the contract.

Signature W. M. Beck Title Mining Engr. USBM Date 12-2-55

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title ..... Date .....

MONTHLY REPORT OF OPERATOR

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

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

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).

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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".

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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).

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

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

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

GPO 872893

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
DEC 12 1955

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of November 1955 Docket No. DMEA 3799 Contract No. Idm-E 840

Operator's Name J. R. Beam Minerals Mica

Address Rt. 2, Spruce Pine, N. C.

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
40' Drifting @ 35.00	Ft.	1400.00	40	2800.00	80	35.00	100	35.00
Crosscutting								
Raising								
Shafts				3760.00	80	47.00	100	47.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Total Distributed Costs		1400.00		6560.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				78.00				
Powder & Exploder Magazines				38.00				
Total Costs		1400.00		6676.00				

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

Date 12-1-55 Operator J. R. Beam

Per J. R. Beam Title Operator

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

(Instructions on reverse)

Remarks:

(For Government use only)

W. A. Buck
12-2-55

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

RECEIVED
DEC 12 1955

OPERATOR'S

Monthly Report of Progress

November, 1955

DMEA-3799

Idm-E 840

Work Accomplished:

Forty additional feet of drift was completed during the month, making a total of 80 feet. Pumped heavy water during the whole month, but made good progress. About 1500# of fair quality mica was recovered.

Daily Notes:

November 1 - 4: Pumped water. Drilled, shot and mucked. Recovered some mica, quality of which has improved.

November 7 - 11: Continued in same direction with drift. Water is heavy, requiring steady pumping. Vein now about 3 feet wide and bearing fair quality mica.

November 14 - 18: Drilled and shot. Mucked out waste and recovered mica. Pumped water.

November 21 - 25: Worked on hoist. Repeated drilling, shooting and mucking operations. Continued to recover some mica.

November 28 - 30: Vein now 3 to 4 feet wide. Completed 30' of drift, 40' during November. About 1500# of mica produced this month.

INTERIM REPORT

DMEA-3799, Idm-E840 (mica) BENNETT MINE

RECEIVED NOV 30 1955

Operator: J. R. Beam, Route # 2, Spruce Pine, North Carolina

Location: 5.6 airline miles S. 85° W of Nelson, Cherokee County, Georgia

This property was visited November 23, 1955. The drift to the southeast was then 72 feet from the shaft. The pegmatite dips 28° SE at the face is 2 feet thick near the floor and narrows to 1 foot at the back. It is made up of a 2-inch quartz core, scattered small quartz and feldspar with blocks of muscovite mica up to 8 inches in diameter. About 2200 lbs. of run-of-mine mica has been produced in the last 10 days. It is estimated that this will sheet 5 percent. Books as large as 12" x 9" and 2" thick of excellent mica have been produced during the past week.

The Operator was advised to continue the drift in the direction he was going and to complete the manway to the bottom as soon as possible.

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

November 23, 1955

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

INTERIM REPORT

DMEA-3799, Idr-E840 (mica) BENNETT MINE

Operator: J. R. Beam, Route # 2, Spruce Pine, North Carolina

Location: 5.6 airline miles S. 85° W of Nelson, Cherokee County, Georgia

This property was visited November 23, 1955. The drift to the southeast was then 72 feet from the shaft. The pegmatite dips 28° SE at the face is 2 feet thick near the floor and narrows to 1 foot at the back. It is made up of a 2-inch quartz core, scattered small quartz and feldspar with blocks of muscovite mica up to 8 inches in diameter. About 2200 lbs. of run-of-mine mica has been produced in the last 10 days. It is estimated that this will sheet 5 percent. Books as large as 12" x 9" and 2" thick of excellent mica have been produced during the past week.

The Operator was advised to continue the drift in the direction he was going and to complete the manway to the bottom as soon as possible.

W A Beck

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

November 23, 1955

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

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RECEIVED
NOV 16 1955

INTERIM REPORT

DMEA-3799, Idm-E840 (mica) BENNETT MINE

Operator: J. R. Beam, R#2, Spruce Pine, North Carolina

Location: 5.6 airline miles S. 85° W. of Nelson, 2nd Section, Cherokee County, Georgia.

This property was visited November 8, 1955. The drift to the southeast is now 46 feet from the shaft. A pegmatite which is 18-inches thick is showing in the face. It dips 25° SE and is made up of a 4-inch quartz core, scattered small quartz and feldspar with blocks of muscovite mica up to 8 inches in diameter. The Operator was advised to continue to drift along the pegmatite.

The manway was constructed to within 30 feet of the bottom. Instructions were given to complete the ladderway as soon as possible.

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

and

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

November 8, 1955

Form MF-104 (Rev.)
April 1952)

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

34

OPERATOR'S MONTHLY REPORT AND VOUCHER

RECEIVED NOV 10 1955

Month of October, 195 5 Docket No. DMEA 3799 Contract No. Idm-E340
Operator's Name J. R. Beam Minerals Mica
Address Route 2, Spruce Pine, N. C.
Contract Amount, $ 8316.00 Government Participation: 75 % Amount, $ 6237.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
40' Drifting @ 35.00 ft.	1400.00		1400.00			
Shaft		3760.00	3760.00			
(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.		78.00	78.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Powder & Exploder Mags.		38.00	38.00			
(8) Contingencies (specify):						
TOTALS	1400.00	3876.00	5276.00	1400.00	3876.00	5276.00

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 11-1-55 *Payee J. R. Beam
Per J. R. Beam 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:

$ 1050.00

Signature Helen R. Mellen
(Authorized Certifying Officer)

Date NOV 8 1955 Vou. No. 98
(See other side)

350.00

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. 840 in accordance with the terms of the contract.

Signature Alfred R. Taylor Title Geologist USGS Date Nov. 7, 1955

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature V. J. Lynch Title ..... Date .....

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 872893

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
NOV 10 1955

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of October 195 5 Docket No. DMEA 3799 Contract No. Idm-E840
Operator's Name J. R. Beam Minerals Mica
Address Rt. 2, Spruce Pine, N. C.

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
40' Drifting @ 35.00	Ft.	1400.00	40	1400.00	40	35.00	100	35.00
Crosscutting								
Raising								
Shafts				3760.00	80	47.00	100	47.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Total Distributed Costs		1400.00		5160.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				78.00				
Powder & Exploder Magazines				38.00				
Total Costs		1400.00		5276.00				

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

Date 11-1-55 Operator J. R. Beam

Per J. R. Beam Title Operator

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)

Alfred R. Taylor, Geologist

INSTRUCTIONS

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

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

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

GPO 872894

OPERATOR'S

Monthly Report of Progress

DMEA-3799

Idm-E 840

Work Accomplished:

Completed about 40 feet of drift during October, recovering about 500# of mica. Part of mica is poor quality but last part recovered has improved. Continued to pump water. Satisfactory progress has been made.

Daily Notes: Field team suggested beginning drift at 30' depth.

October 3 - 7: Pumped water. Drilled, and shot. Mucked out waste. Recovered some mica.

October 10 - 14: Continued with drift in the same type material, going in direction. Pumped water, drilled, shot and mucked. Recovered few bags mica.

October 17 - 21: Mica beginning to improve in quality, being less bent and not as cracked. Repeated drilling, shooting and mucking operations.

October 24 - 31: Pumped water, continued in same direction with drift. Recovered some mica daily. About 500# of mica recovered altogether.

INTERIM REPORT

RECEIVED
NOV - 3 1955

DMEA-3799, Idm-E840 (mica) BENNETT MINE

OPERATOR: J. R. Beam, Route #2, Spruce Pine, N. C.

LOCATION: 5.6 airline miles S85°W of Nelson, Georgia

Drifting is underway on this contract to the southwest from the shaft bottom and is now at 32 feet. Eighteen feet have been driven S55°W and 14 feet S35°W. Drift work is following a pegmatite, striking N25°-35°E anddipping 25°SE, about 2 feet thick composed of a quartz core, scattered small quartz and feldspar, and containing blocks of muscovite mica in sizes up to 13 inches by 15 inches. The operator was advised to keep the body in the drift heading at all times and to continue driving to the southwest. About 2,000 pounds of mine-run block has been recovered from drifting. Progress on this contract is satisfactory.

L. E. Shirley

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

A. R. Taylor

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

October 27, 1955

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENT

RECEIVED OCT 10 1955

26

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of September, 1955 Docket No. DMEA 3799 Contract No. Idm-E840

Operator's Name J. R. Beam Minerals Mica

Address Route 2, Spruce Pine, N. C.

Contract Amount, $ 8316.00 Government Participation: 75 % Amount, $ 6237.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
20' Shaft @ 47.00	940.00	1645.00	3760.00			
	1175.00					
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
* Deducted on Aug. voucher						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.		78.00	78.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Powder & Exploder Mags.		33.00	38.00			
(8) Contingencies (specify):						
TOTALS	2115.00	1761.00	3876.00	2115.00	1761.00	3876.00

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

Date 10-4-55 *Payee J. R. Beam

Per J. R. Beam 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:

$ 1586.25

Signature Helen R. Miller
(Authorized Certifying Officer)

Date OCT 7 1955 Vou. No. 70

(See other side)

528.75

(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. E840 in accordance with the terms of the contract.

Signature W. J. Lynch Title Mining Eng. Date 10/6/55

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION V Date OCT 6 1955

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

RECEIVED
OCT 10 1955

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of September 1955 Docket No. DMEA 3799 Contract No. Idn-E340
Operator's Name J. R. Beam Minerals Mica
Address Route 2, Spruce Pine, N. C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting								
Raising								
20' Shafts 47.00	Ft.	2115.00*	20	3760.00	80	47.00	100	47.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		2115.00		3760.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				78.00				
Powder & Exploder Magazines				38.00				
TOTAL COSTS		2115.00		3376.00				

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

*Included 1175.00 deducted from August voucher

Date 10-4-55 Operator J. R. Beam

Per J. R. Beam Title Operator

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)

$1175.00 was withheld from previous voucher until shaft timbering was completed.

W. J. Lynch
Mining Eng.
Bureau of Mines

INSTRUCTIONS

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

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

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

GPO 872894

RECEIVED
OCT 10 1955

OPERATOR'S

Monthly Progress Report

September, 1955

DMEA-3799

Idn-E 340

Work Accomplished:

We completed 20' of shaft during September, and completed the timbering above . We shot into vein for a few days, and now have gone all the way through the vein. We recovered about 200# of mica. The field team suggested that we leave a water hole and begin a drift from the level where we hit vein.

Daily Notes:

Sept. 1 - 2 : Pumped water, drilled, shot and mucked.

Sept. 5 - 9 : Pumped water, which continues to be heavy. We continued down with shaft, and worked at timbering.

Sept. 12-16 : Pumped water. Drilled and shot in hard material, getting into vein.

Sept. 19-23 : Continued in vein, finding some mica. Drilled, shot and mucked. Recovered several bags of mica, which was slightly wavy.

Sept. 26-30 : Shaft went through vein and completely out of vein. Drilled, shot and mucked. Pumped water.

INTERIM REPORT

DMEA-3799 (mica) BENNETT MINE

Operator: J. R. Beam, R# 2, Spruce Pine, N. C.

Location: On Lot 229, 13th District, 2nd Section, Cherokee County, Georgia and 5.6 airline miles S. 85° W. of Nelson, Georgia.

Shaft sinking is complete on this project at 80 feet. The pegmatite which strikes N. 25° E., and dips 25-30° SE is exposed in the shaft between the 65 and 75 foot level.

The shaft is timbered and is two-compartment to the 55-foot level. Below that level the shaft is in unweathered rock, thus only the partition will be needed. The partition as well as ladders will be installed as soon as level turn off is accomplished. Level work will be started to the S.W.

In the northeast side of the shaft the pegmatite is about 2.5 feet thick, whereas, in the southwest side it is 5 feet thick. A discontinuous quartz core is present. Mica is abundant, but the quality is not too good, as the books are somewhat bent. An estimated 400 pounds of mica was recovered from the shaft.

Progress on this project is satisfactory.

Date Inspected: September 9, 1955.

K. H. Teague

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

and

L. E. Shirley

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

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RECEIVED
SEP - 8 1955

INTERIM REPORT

DMEA-3799, Idm-E840, BENNETT MINE (mica)

Operator: J. R. Beam, Route # 2, Spruce Pine, North Carolina

Location: On Lot 229, 13th District, 2nd Section, Cherokee County, Georgia, and 5.6 airline miles S.85° W. of Nelson, Ga.

Shaft sinking is underway on this contract and has reached a depth of 64 feet. The shaft bottom is in mica schist in the hanging wall. Sinking will continue to 100 feet.

The Operator was advised to timber near the collar and to install a partitioned manway and ladders.

Work completed has been done in a satisfactory manner and progress is good.

Examined: Sept. 2, 1955.

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

and

V. J. Lynch and L. E. Shirley, Mining Engineers
U. S. Bureau of Mines

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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

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K- 18

RECEIVED SEP - 9 1955

Month of August, 195 5 Docket No. DMEA 3799 Contract No. Idm-E 040
Operator's Name J. R. Beam Minerals Mica
Address Route 2, Spruce Pine, N. C.
Contract Amount, $ 8316.00 Government Participation: 75 % Amount, $ 6237.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
50' Shaft @ 47.00 ft.	2350.00	470.00	2820.00			
(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.		73.00	73.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Powder & Exploder Magz.		33.00	33.00			
(8) Contingencies (specify):						
TOTALS	2350.00	586.00	2936.00	1175.00	586.00	1761.00

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 9-1-55 *Payee J. R. Beam
Per J. R. Beam 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:

$ 881.25

Signature Helen R. Miller
(Authorized Certifying Officer)

Date SEP 7 1955 Vou. No. 49

(See other side)

293.75

(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. IdmE840 in accordance with the terms of the contract.

Signature Henry H. Amos Title Geologist-USGS Date Sept. 6, 1955

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION V Date SEP 6 1955

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 872893

Form MF-164A
(April 1952)

Budget Bureau No. 42-R1151.2

RECEIVED
SEP - 9 1955

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of August 195 5 Docket No. DMEA 3799 Contract No. [illegible]
Operator's Name J. R. Beam Minerals Mica
Address Route 2, Spruce Pine, N. C.

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting								
Crosscutting								
Raising								
50' Shafts @ 47.00	Ft.	2350.00	50	2020.00	60	47.00	100	47.00
Winzes								
Drilling: Core			23					
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Total Distributed Costs		2350.00		2020.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				70.00				
Powder & Exploder Magazines				38.00				
Total Costs		2350.00		2936.00				

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

Date 9-1-55 Operator J. R. Beam

Per J. R. Beam Title Operator

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)

one half of shaft sinking costs with held until shaft timbering is completed in an acceptable manner.

Henry H. Amos
Geologist, USGS
Sept. 6, 1955

V. Speck

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

RECEIVED
SEP 6 1955

OPERATOR'S

MONTHLY PROGRESS REPORT

August,1955

DMEA-3799

Idm-E840

Work Accomplished:

We have made good progress during this month, and are now down to 60' with the shaft. After 10', we had to drill and shoot and have since been in hard material. We have been pumping water from an abandoned shaft near ours most of the way, and since going below the level of the old shaft, the water has become much stronger. For the past two weeks we have had heavy water.

Daily Notes:

August 1 - 5: Material began to become harder, and we had to drill and shoot. Mucked. Pumped water.

August 8 -12: Pumped water, drilled, shot and mucked. Vein material much the same. Timbered.

August 15-19: Pumped water, which became heavier. Repeated operations of drilling, shooting and mucking.

August 22-26: Pumped water. Timbered as shaft went down. Drilled, shot and mucked.

August 29-31: Continued down with shaft, reaching 60' level. Material has not changed very much. Continued to drill, shoot and muck. Pumped water daily.

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

RECEIVED
SEP - 9 1955

September 6, 1955

Mr. J. R. Beam

Spruce Pine, N. C.

Re: DMEA-3799, Idm-2840
Bennett Mine, Cherokee County
Georgia

Dear Mr. Beam:

Your Operator's Monthly Report and Voucher covering subject contract for the month of August was received today.

In this report you claim 50 feet of shaft sinking at $47.00 per feet or a total of $2,350.00. In your narrative report you state that the shaft was timbered as it went down.

The Field Team examining Engineers inspected the mine on September 2 and found that the shaft had been sunk to a depth of 64 feet and not one piece of timber had been placed in the shaft. The contract calls for a 2-compartment shaft. It is understood that one compartment is to be a manway with platforms and ladders and the other compartment is to be timbered where necessary. This has not been done.

We have deducted 1/2 of the amount claimed for shaft sinking, which amounts to $1,175.00. This amount will be with held until the shaft is timbered in an acceptable manner according to the terms of the contract.

Very truly yours,

Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION V

RAL/mm
cc:
Lynch
Shirley
Files
Finance Office-3

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
AUG - 8 1955

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of July, 1955 Docket No. DMEA 3799 Contract No. Idm-E 840
Operator's Name J. R. Beam Minerals Mica
Address Spruce Pine, Rt. 2, N. C.
Contract Amount, $ 8316.00 Government Participation: 75% Amount, $ 6237.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
10' Shaft @ 47.00 ft.	470.00		470.00			
(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.	70.00		70.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Powder Magazine	25.00		25.00			
Exploder Magazine	13.00		13.00			
(8) Contingencies (specify):						
TOTALS	586.00		586.00	586.00		586.00

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

Date 8-1-55 *Payee J. R. Beam

Per J. R. Beam 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)

146.50

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

$ 439.50

Signature Helen R. Meler
(Authorized Certifying Officer)

Date Vou. No.
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E840 in accordance with the terms of the contract.

Signature Kepton H. Teague Title Geologist, U.S.G.S. Date 8/3/55

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lemmon Title DMEA EXECUTIVE OFFICER REGION V Date AUG 3 1955

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED

OPERATOR'S UNIT COST AND PROGRESS REPORT

AUG - 8 1955

Month of July 1955 Docket No. DMEA 3799 Contract No. Ida-E640
Operator's Name J. R. Boam Minerals Mica
Address Spruce Pine, Rt. 2, N. C.

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting								
Crosscutting								
Raising								
10' Shafts 47.00	Ft.	470.00	10	470.00	10	47.00	100	47.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Total Distributed Costs		470.00		470.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.		78.00		78.00				
Powder & Exploder Magazines		38.00		38.00				
Total Costs		586.00		586.00				

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

Date 8-1-55 Operator J. R. Boam

Per J. R. Boam Title Operator

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

(Instructions on reverse)

Remarks:

(For Government use only) Keyton H. Teague, Geologist

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

RECEIVED
AUG - 8 1955

OPERATOR'S

Monthly Report of Progress

July, 1955

DMEA-3799

Idm-E 840

Work Began: July 18,1955

Work Accomplished:

We completed construction of the tool house, powder and exploder magazines. We moved equipment in and lowered shaft about 10'. Most of the ten feet was in soft material, and shaft was just beginning to reach hard material which made drilling and shooting necessary.

Daily Notes:

July 18-22: Began construction of tool house, powder and exploder magazines. Moved equipment in.

July 25-29: Completed building and magazines. Began to lower shaft. Material at top soft. Reached 10' depth by end of month, and began to reach hard material. Drilled, shot and mucked.

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

RECEIVED
JUL 29 1955

July 27, 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA Field Team, Region V - Knoxville

Subject: Signed Contract DMEA-3799,(mica) J. R. Beam, Spruce Pine, N. C.

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

Robert A. Laurence

Robert A. Laurence

Docket File
Surname:
Anderson
Kennan
Chandler
Selfridge
Johnson

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

JUL 11 1955

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

Subject: Docket No. DMEA-3799 - Mica
J. R. Bean
Bennett Mine
Cherokee County, Georgia

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. The execution of this contract is contingent on the attachment of a new Consent to Lien which contains a description of the land which corresponds to the description in Annex I. The copies of the old Consent to Lien are returned herewith.

If the contract meets with your approval present it to the Operator for his 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 a memorandum from H. C. Rubin of the Office of the Solicitor, dated June 29, 1955, are enclosed.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (GCS)

Approved:

/s/ Robert W. Gechan (GCS)
Member, Bureau of Mines

Thor H. Kiilsgaard (GCS)
Member, Geological Survey

Enclosures 13

WCAnderson:pk 7/6/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

P. S. Copies of memoranda from N. E. Nelson of the Geological Survey, dated June 23, 1955, and from W. F. Dietrich of the Bureau of Mines, dated June 28, 1955, are enclosed.

R.G.S.

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

RECEIVED
JUL - 8 1955

July 6, 1955

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Docket No. DMEA-3799 (mica). J. R. Beam , Applicant
Bennett Mine, Cherokee County, Georgia

Reference is made to your letter of June 23, 1955, on the subject field examination report.

Cost of insurance on mining operations in the southeastern states is variable. In most states insurance companies will not insure mining operations; however, they are required by law to accept such insurance when assigned to them by the various states. In general the item "Insurance and Social Security" in the examination reports include the following:

(1) Compensation Insurance, cost approximately 10% of the anticipated annual payroll, paid in advance.

(2) Social Security - 2% of payroll

(3) Unemployment Insurance - 2% of payroll

(4) Sales Tax - 3% of cost of equipment and supplies.

In case of the subject examination report, total cost of compensation insurance for proposed project was charged to the shaft. Perhaps this should have been pro-rated.

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

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

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

JUN 29 1955

Memorandum

To: The Administrator, DMEA
Attention: Mr. L. G. Houk

From: Acting Assistant Solicitor, Defense Minerals

Subject: Docket No. DMEA-3799, J. R. Beam, Mica

Pursuant to Mr. Houk's request on routing slip dated June 27, we have prepared the attached contract in satisfactory legal form for execution subject to attachment of a new Consent to Lien which contains a description of the land which corresponds to the description in Annex I.

Henry C. Rubin
For J. L. Hofflund
Acting Assistant Solicitor
Defense Minerals

Attachments

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

RECEIVED
JUN 28 1955

June 28, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA - 3799 (mica)

Applicant: J. R. Beam

Name and Location of Property: Bennett Mine
Cherokee County, Georgia

Date of Field Team Report: May 24, 1955

Date Rec'd by Br. of Ceramic & Fertilizer Materials: June 23, 1955

Field Team Recommendation: Exploration program at a cost of $8,313.00

Comments:

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

2. Although exploration workings will be largely through country-rock, the program appears sound and is similar to previous practices at this property.

Recommendation:

I concur with the field team's recommendation.

W. F. Dietrich

W. F. Dietrich

Memorandum June 27, 1955

To: Files

From: Walter C. Anderson, Nonmetallic Minerals Division

Subject: Evaluation of application and field examination report.

Docket No. DMEL-3799-Mica

J. R. Beam

Bennett Mine

Cherokee County, Georgia

A contract is recommended

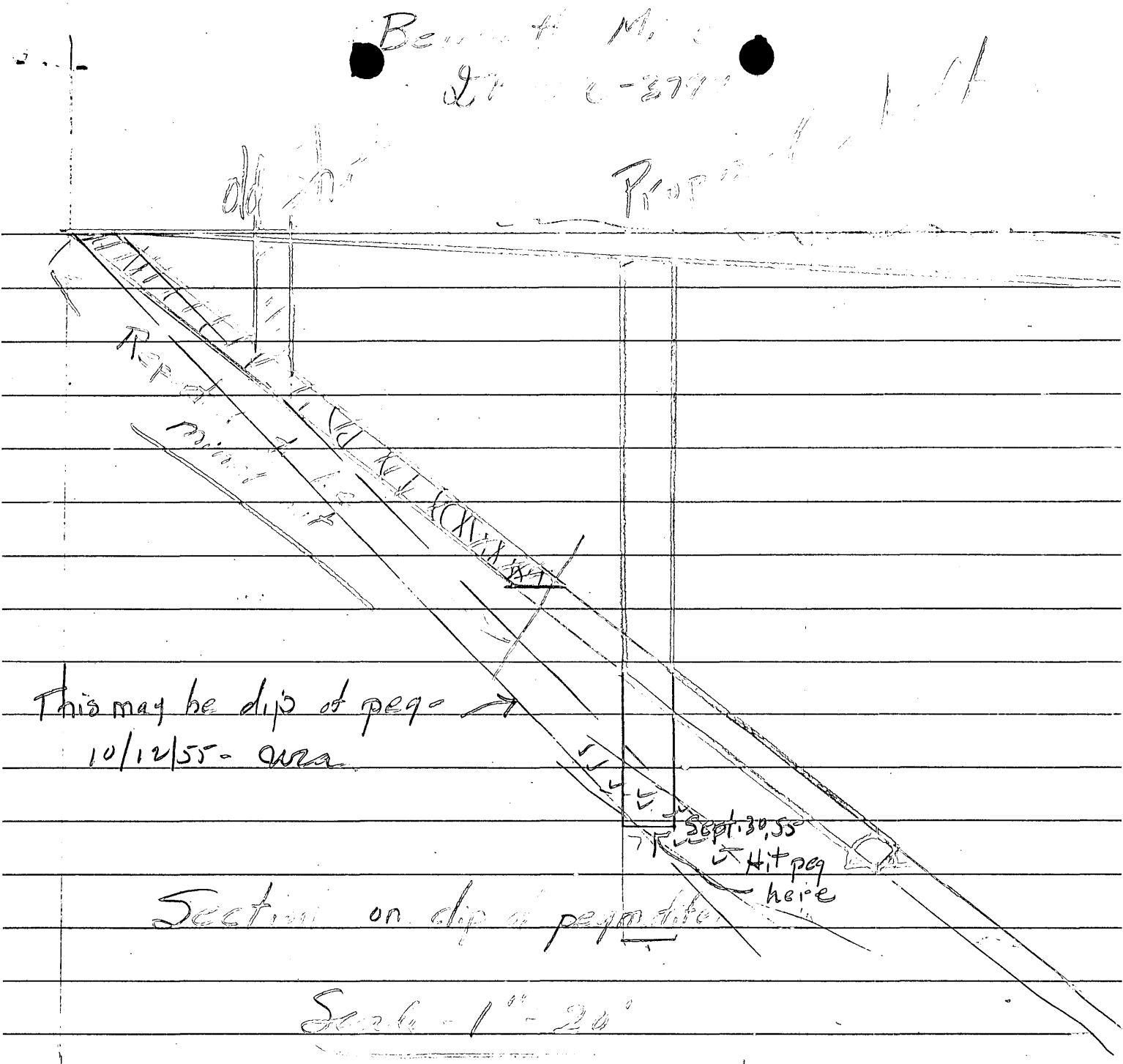
Mica - Abundant and in relative large sizes. Ruby colored, hard and free splitting. Few books contain scattered black spots; some are cracked and bent. Spruce Pine Depot appraises the mica at approximately $1000 per ton "run-of-mine-book".

Pegmatite - Sill-like pegmatite, 3 to 6 feet thick, Zoned and conformable to foliation of mica-garnet-graphite gneiss, and dipping 35°-40° SE. At least 260 feet long. Hanging wall zone the richer in mica.

Old Workings - Bulldozer cut 150 feet long along strike by a maximum depth of 25 feet. Three shafts 40 to 70 feet deep. Reported that mica is mined out above the 70 foot level. In recent weeks a trenching operation has produced 2.5 tons of "run-of-mine" mica per week.

Method of exploring - The applicant proposed trenching, 90 feet of shaft and 100 feet of drifts. The field team recommends 100 feet of shaft and 100 feet of drifts. The shaft will be sunk in the country rock to intersect the pegmatite and continue on the pegmatite to an overall depth of 100 feet. No rehabilitation costs. See attached sketch.

Economics and Costs - As indicated on the attached sketch 55 feet of the shaft is in country rock if the dip continues as reported. Then the pegmatite should be followed down dip for 45 feet. Drifting will require mining a small amount of country rock. Field team is recommending the applicants request for $35 per foot for drifting, but cut down shaft sinking from $80 to $47 per foot. If the vertical shaft does not intersect pegmatite at the projected point, some long hole footwall be drilled before sinking further. With this in mind the Nonmetallic Minerals Division concurs in the field team's recommendation for a contract amounting to $6,237.00. Breakdown of unit cost is shown on the Field Team Examination report.



This may be dip of peg - 10/12/55 - [illegible]

Section on dip of peg [illegible]

Scale - 1" = 20'

Docket File
Surname:
Anderson
Houk
Selfridge
Fryman
Matteucci

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

JUN 23 1955

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

Re: Docket No. DMEA-3799
J. R. Beam
Bennett Mine
Cherokee County, Georgia

Dear Mr. Laurence:

Reference is made to the report of field examination of May 24, 1955 on the subject property.

Under the estimated cost of the project, attention is called to the item of "Insurance and Social Security." In the case of shaft sinking the item amounts to 13.1 per cent of the labor cost, while in the case of drifting it amounts to 5.[illegible] per cent. In the interest of information we would appreciate having this item broken down separately to insurance and social security. Social security rates are constant, but we surmise that insurance rates are established according to hazards involved. In the future, please separate these two items.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee (JHB)

Approved:

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

Thor H. Kiilsgaard
Member, Geological Survey (JHB)

WCAnderson:pk 6/16/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Dietrich, 3061
Mr. Kiilsgaard, 5222
Mr. Houk

R.C.L.

IN REPLY REFER TO:

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

RECEIVED
JUN 24 1955

June 23, 1955

Re: DMEA-3799
J. R. Beam
Bennett Mine
Cherokee Co., Ga.
$8,313.00 - Mica

Memorandum

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

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

Subject: Review of Field Team report

The proposed shaft may be expected to go thru the pegmatite at about 70 feet. Most of the minable pegmatite above this level is said to have been stoped. Not counting a sump, 30 feet of height would remain to the bottom of the old stopes. 30 feet of crosscut would be necessary to reach the pegmatite. Perhaps a deeper shaft should be sunk and a better location sought.

I concur with the recommendation of the Field Team.

N. E. Nelson

N. E. Nelson

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

June 13, 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: DMEA Field Team, Region 5, Knoxville, Tennessee

Subject: Field Examination Report, DMEA-3799 (mica) J. R. Beam, Spruce Pine, N. C. Bennett Mine, Cherokee County, Ga.

Enclosed are four copies of the subject examination report and six extra copies of the sketch map.

We are in agreement with the examiners' recommendations, and therefore recommend approval of a unit-cost contract as outlined in the report.

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

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

RECEIVED
JUN 15 1955

Reviewed by
DMEA OPERATING COMMITTEE
6-20-55
(date)

ON-SITE Report

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF FIELD EXAMINATION

BY
FIELD TEAM, REGION V

On

DMEA-3799, BENNETT MINE
(mica)
Cherokee County, Georgia

By

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

and

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

Reviewed by
DMEA OPERATING COMMITTEE
6-20-55
(date)

RECEIVED
JUN 15 1955

May 24, 1955

FIELD EXAMINATION REPORT
On

DMEA-3799 (mica) BENNETT MINE

Applicant: J. R. Beam, Route #2, Spruce Pine, North Carolina

The applicant is currently stripping this pegmatite, working along the outcrop and removing pegmatite which remains from earlier operations. During the past 4 weeks the operation has produced an average of 2.5 tons of "run-of-mine" book mica per week. Data available for inspection suggests that the deposit extends to depth and that a considerable deposit of strategic mica may be expected. Exploration assistance is recommended.

This deposit was examined on May 24, 1955. Messrs. J. S. Beam, S. L. Phillips, Kabe Buchanan and Frank Cook, accompanied the examiners on the inspection which required two hours.

The Bennett Mine is 5.6 airline miles S. 85° W. of Nelson, and 0.2 mile S. 70° W. of a crossroad which is near the Cherokee-Pickens County line. The mine is on Lot 229, 13th District, 2 Section of Cherokee County, Georgia. Access is good at all times.

Previous experience with the applicant has indicated that he is competent to conduct the proposed work. The area under lease is in excess of 100 acres. For the purpose of this application, an area 500 feet on the side is included. This area is adequate for the proposed project and all is included in area under lease.

There are no surface facilities on the property at present. A single phase 220-volt power line crosses the property. Existing workings consist of a bulldozer cut along the pegmatite outcrop which extends from the north end of the pegmatite southward for 150 feet. Its maximum depth is 25 feet. For an additional 150 feet to the south several caved pits and cuts have been made along the pegmatite outcrop. In addition to the workings along the outcrop, three shafts from 40 - 70 feet east of the outcrop were sunk to intersect the pegmatite down dip. It is thought that most mineable pegmatite has been stoped above the level of the deepest shaft (reported to be 70 feet). The shafts sunk to intersect the pegmatite at depth bottomed in unweathered rock.

The pegmatite at this place is conformable to the foliation of the mica-garnet-graphite gneiss which strikes N - S to about N. 15° E. and dips 35 - 40 degrees S. E. The pegmatite is sill-like, ranges in thickness between 3 and 6 feet, and the thicker portion at the north end plunges about 60° to the south. In this area it consists of a 2-foot medial quartz core, bounded on both walls by feldspathic zones. These zones consist of perthite, plagioclase, scattered quartz, and muscovite. The recent stripping has shown that the hanging wall zone is the richer in mica. Beryl is reported, but the examiners did not observe any.

The mica is abundant and in relatively large sizes. It is ruby-colored, hard, and free splitting. A few of the books contain scattered black spots; some are cracked and bent. The applicant reports that the mica recovered recently has been appraised by the buyers at the Spruce Pine Depot as worth approximately $1000 per ton as "run-of-mine Book." This figure, according to the Depot officials, is supposed to represent approximately 80 percent of its true value.

All indications point to the presence at this place of a considerable deposit of strategic mica. Reports indicate that substantial quantities of mica were produced from the deposit during 1918-20 and that mica-bearing pegmatite extends below the depth previously worked.

The examiners believe this deposit offers possibilities for the discovery of significant reserves of strategic mica. We recommend that the following program of exploration be undertaken: Construct a toolhouse and two magazines, sink 100-foot shaft and drive 100 feet of drift.

Estimated Cost:

Toolhouse	$75.00
Powder Magazine	25.00
Exploder Magazine	13.00

Sink 100-foot, 2-compartment shaft, timbered where necessary (60 shifts)

Labor:		
1 - Miner @ $1.50/hr.	$720.00	
1 - Hoistman @ $1.25/hr.	600.00	
2 - Laborers @ $1.00/hr.	960.00	
Equipment (rental)		
Compressor, drill, pump, 2 mos. @ $240/Mo.	480.00	
Hoist @ $50/Mo.	150.00	
Supplies:		
Explosives	300.00	
Timber, 6M. b. f. @ $65/M	390.00	
Gasoline and oil	200.00	
Drill steel	200.00	
Small tools and pipe	200.00	
Miscellaneous	200.00	
Insurance and Social Security	300.00	$4,700.00

Drive 100 feet of drift (50 shifts)

Labor:

1 - Miner @ $1.50/hr.	$600.00	
1 - Hoistman @ $1.25/hr.	500.00	
2 - Laborers @ $1.00/hr.	800.00	

Equipment (rental)

Compressor, drill, pump and jackleg @ $250/Mo.	625.00	
Hoist @ $50/Mo.	125.00	

Supplies:

Explosives	300.00	
Gasoline and oil	150.00	
Drill steel	150.00	
Small tools and pipe	100.00	
Miscellaneous	50.00	
Insurance and Social Security	100.00	$3,500.00
Estimated Total Cost.....		$8,313.00

K. H. Teague, Geologist
U. S. G. S.

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

Date of Examination: May 24, 1955

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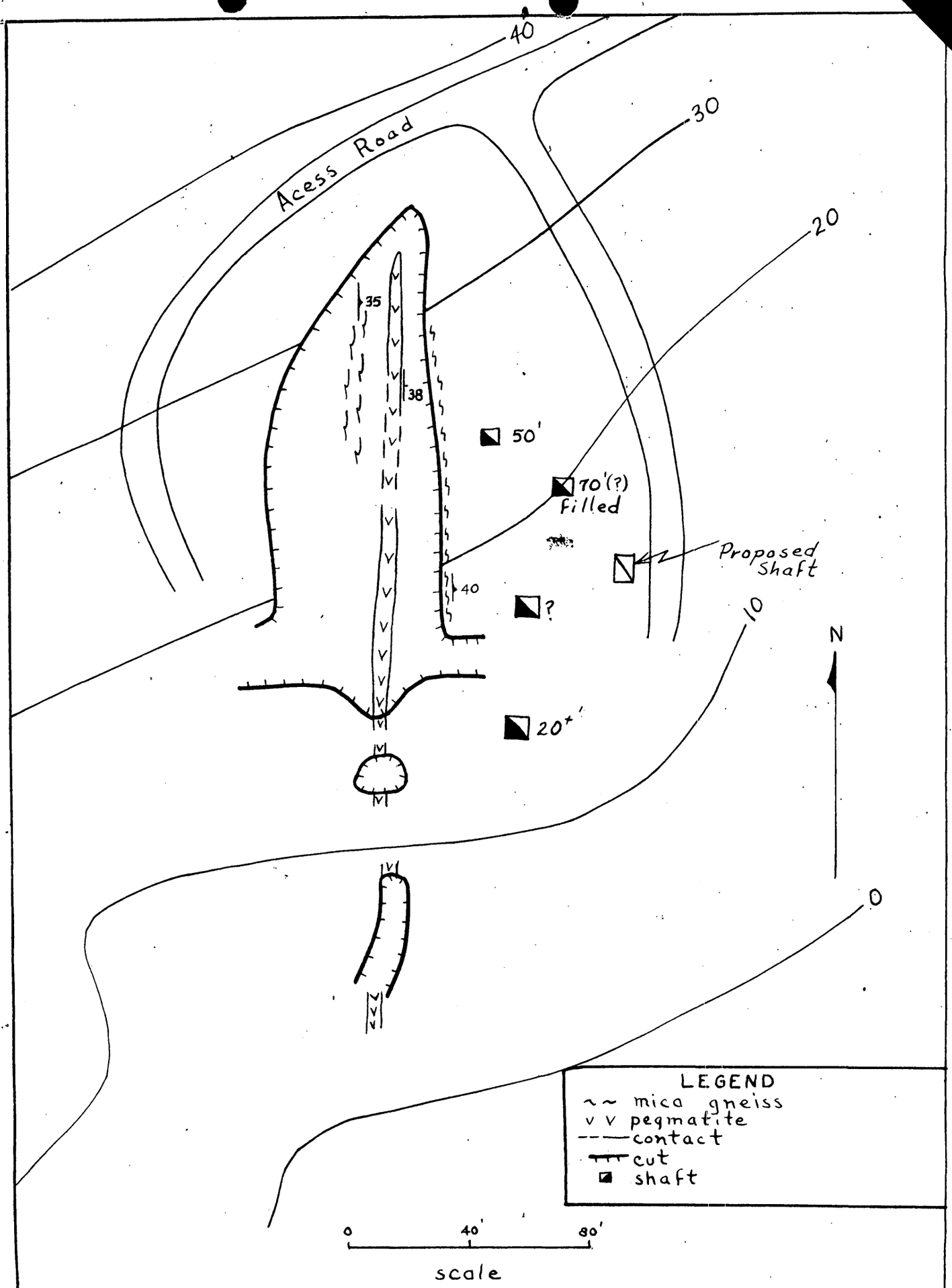


SKETCH OF
BENNETT MINE
CHEROKEE CO., ~~NC~~ Ga. DMEA-3799
May 24, 1955

Spruce Pine, N. C.
May 16, 1955

Mr. C. O. Mittendorf, Administrator
U. S. Dept. of the Interior, DMEA
Washington 25, D. C.

Re: DMEA-3799 - Mica
Bennett Mine
Cherokee County, Ga.

Dear Mr. Mittendorf:

We have your letter of May 13 regarding the legal description given on the Owner's Consent to Lien for the above application. We are listing a new legal description below which we request that you substitute for the original one given. The other description was copied in error from another document. The following description will replace the former one, and should be attached to your copies:

" Beginning at the center of the old workings of the Bennett Mine located 164' East of a stake and marker, and running 250' North; thence 250' West; thence 500' South; thence 500' East; thence 500' North; thence 250' West to a point of closing."

If further information is necessary, please contact me.

Very truly yours,

J. R. Beam

J. R. Beam

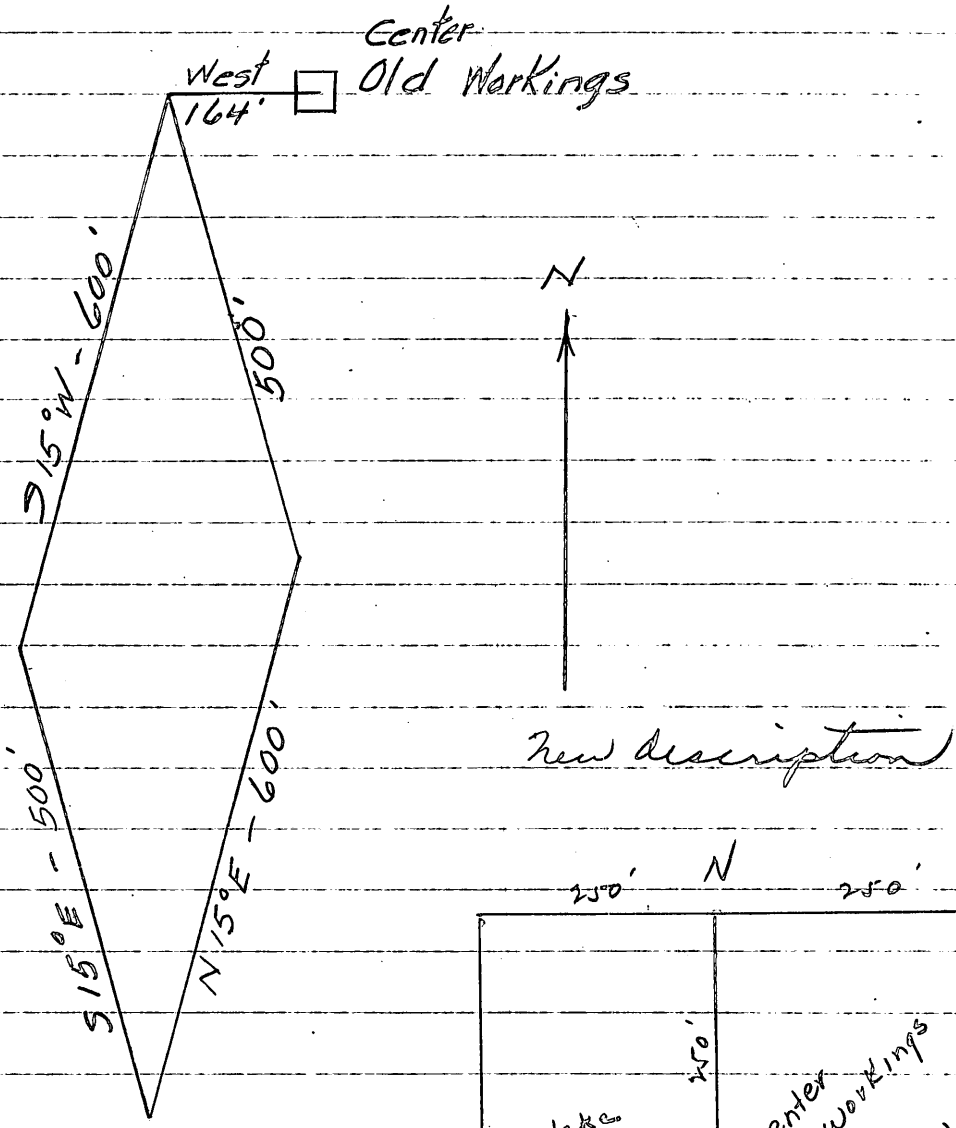
B/b

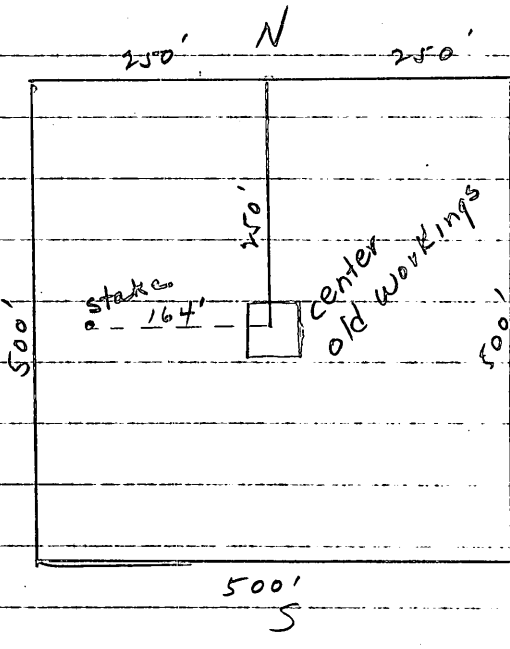
Docket No. DMEA-3799-Mica

J. R. Beam

Boundaries of Bennett Mine
as plotted from legal description
typed on Owner's Consent to Lien
Scale - 1" = 200

Defense Minerals Administration
RECEIVED
MAY 18 1955





Docket Copy
Surname:
Anderson
Houk
Selfridge
Johnson

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

MAY 13 1955

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

Subject: Docket No. DMEA-3799 - Mica
J. R. Beam
Bennett Mine
Cherokee County, Georgia

Dear Mr. Laurence:

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

Copies of memoranda from E. L. Newcomb of the Geological Survey, dated May 5, 1955, and from W. F. Dietrich of the Bureau of Mines, dated May 9, 1955, are enclosed for your information.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee (SHB)

Approved:

M. E. Volin for J. H. Hedges
Member, Bureau of Mines (SHB)

Thor H. Kiilsgaard
Member, Geological Survey (SHB)

Enclosures 4

WCAnderson:gad 5/11/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Dietrich, 3061
Mr. Kiilsgaard, 5222
Mr. Houk

R.C.L.

Docket Copy
Surname:
Anderson
Houk
Volin
Kiilsgaard
Selfridge
Johnson

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

600

MAY 13 1955

Mr. J. R. Beam
Route 2
Spruce Pine, North Carolina

Re: Docket No. DMEA-3799 - Mica
J. R. Beam
Bennett Mine
Cherokee County, Georgia

Dear Mr. Beam:

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

We are enclosing a sketch of the property as plotted from the land description given in the Owner's Consent to Lien. Please note that the area as plotted does not include the old mine workings, and consists only of 3-1/3 acres instead of 6-2/3 acres as cited in the description. If a contract is recommended we will require an accurate legal description of the property to be explored.

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,

C. O. Mittendorf

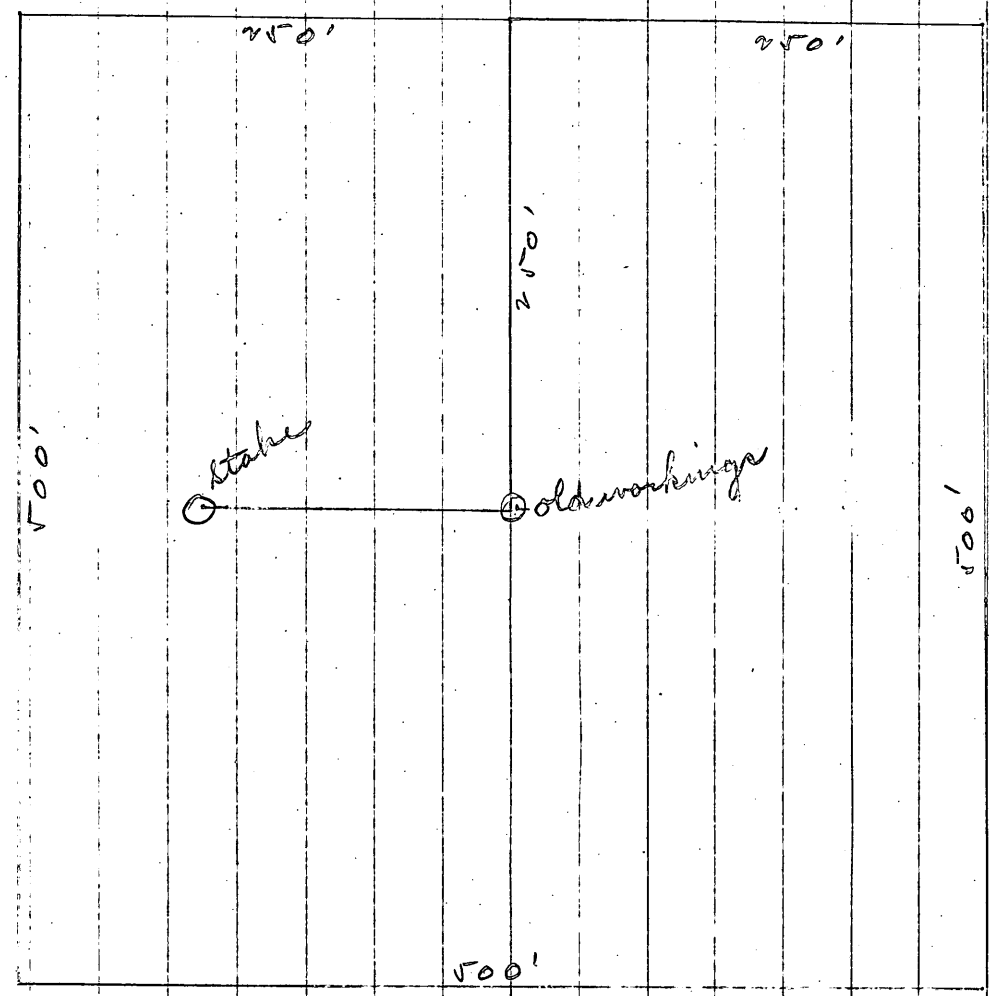
Administrator

Enclosure

WCAnderson:gad 5/11/55
Copy to: Admr. R. File
Docket
Field Team, Region V
Operating Committee
Mr. Dietrich, 3061
Mr. Kiilsgaard, 5222
Mr. Houk

R.C.

OMEA - 3799



435) 250000 (-6 acre

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 10 1955

May 9, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-3799 (mica)

Applicant: J. R. Beam

Name and Location of Property: Bennett Mine
Cherokee, Georgia

Date Application Rec'd. by Br. of Ceramic & Fert. Mtls.: 5-4-55

Comments:

1. Mine was worked in 1919-20.

2. In 1942-43 (as reported in Georgia Geological Survey Bulletin 48) workings consisted of a series of pits and shafts, one shaft being 300 feet.

3. K. H. Teague was co-author of the above report and should be well informed regarding this area.

Recommendation:

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

W. F. Dietrich

W. F. Dietrich

IN REPLY REFER TO:

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

Department of the Interior
Defense Minerals Administration
RECEIVED
MAY 5 - 1955

May 5, 1955

Re: DMEA-3799
J. R. Beam
(Bennett Mine)
Cherokee Co., Ga.
$10,600 - Mica

Memorandum

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

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

Subject: Review of application

The operator has proposed a two-stage project involving bulldozing, 90 feet of shaft and 100 feet of drift. Presumably if dozing does not disclose favorable mica-bearing pegmatite material the underground work will not be undertaken.

The best information on the Bennett mine (Mica Field) is contained in the Georgia Geological Survey Bulletin 48, 1943, p. 96-99, by A. S. Furcron and K. H. Teague. Mr. Teague is currently doing DMEA field examinations at the Knoxville office.

The following data was obtained from Bulletin 48.

The Bennett mine is located about 1.5 miles south of Bethany Church. It has been worked intermittently since the Civil War period. From 1918 to 1919 extensive mining was done by Oliver Howell.

The mine consists of a series of pits and shafts and an inclined shaft which have explored about 300 feet along the strike of the pegmatite. The number of workings and the size of the dumps indicate that a considerable tonnage has been mined.

The country rock is biotite gneiss which strikes northeast and dips southeast. The pegmatite probably ranges from 3 to 5 feet in width and parallels the strike and dip of the gneiss. Material on the dumps suggests that mica-bearing pegmatite is associated with quartz lenses. Books of flat, clear mica up to 6 by 6 inches can be found on the dumps. The principal defects in the mica books are cracks and ruling.

Past production figures are not available, but considerable good mica undoubtedly has been obtained from this mine. The mine was left in poor condition thus reopening the mine will involve some expense to expose the pegmatite. The pegmatite should be prospected to the northeast.

We do not have any information on recent activity for the period from 1943 to the present. It is possible that the Knoxville office has more recent data.

I recommend the application be referred to the Field Team for their review and a possible field examination if deemed necessary.

E. L. Newcomb

E. L. Newcomb

May 3, 1955
Subject: DMEA 3799
Re: Exploration Assistance
Bennett Mine

Mr. J. R. Beam
Route 2
Spruce Pine
North Carolina

Dear Mr. Beam:

The receipt of your application dated April 28, 1955 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA 3799 and referred to the Nonmetallic Minerals Division.

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

Sincerely yours,

Robert E. Adams, Chief
Operations Control and
Statistics Division

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