E 87 7/27/51 DMSA-1140 Pitt Mica Corp.

and

E 456 12/4/52 DMSA-2150 A.W. Reid and W.H. Hooker

Mason County, N.C. Mary, Reid, Reid-Mary, Reid Hooker Mine

Last reported Depot sale 2/4/53 $106.39 by A.W. Reid

Other known parties of possible interest:

F.T. Sierema

	Goot. Partic.	Royalty Paid
E 87	$ 1791.00	$ 60.77 2/13/53
456	1170.00	None

No subsequent sales noted in check of S.P. Depot records.

C.E.F. 6/19/62

A

		500
		120
		110
		100
		220

June

Memorandum

To: The File

From: [illegible]

Subject: Check of [illegible]
June 18 - 22, 1[illegible]

During the [illegible] of [illegible] the [illegible] records of [illegible] Carolina, [illegible] under [illegible] disclose any [illegible] following contract [illegible]

[illegible] Mary,

[illegible] Mary,

[illegible] tevens)

[illegible] Barnard

[illegible] Turley

[illegible]

[illegible] Peterson

[illegible] Talent)

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-E87, Docket DMA-1140 (mica), dated July 27, 1951, with

Pitt Mica Corporation
P. O. Box 489
Franklin, 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 Reid-Mary Mine and the Mary Mine located in Macon County, North Carolina, during the period May 8, 1959, through April 22, 1961.

A certification of discovery or development was issued on February 21, 1952, and, in accordance with Article 15 of the contract, royalty is payable on all minerals produced as a result of such discovery or development 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. The 10 year repayment period, however, was extended to December 4, 1962, by the provisions of Annex I to Contract Idm-E456, Docket DMEA-2150, with Reid and Hooker. A Report of Review dated July 11, 1952, indicated accepted costs under the exploration contract amounting to $1,990.00 with the Government's contribution on a 90 percent basis being $1,791.00.

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 Report of Royalty Review, which found the sales subject to the Government's royalty through May 7, 1959, to be $1,215.56. The royalty account as of May 7, 1959, was:

Total Royalty Payable	$60.77
Total Royalty Paid	60.77
Balance of Royalty Due	$ -0-

At April 22, 1961, the royalty account of this project was found to be:

Total Royalty Payable	$60.77
Total Royalty Paid	60.77
Balance of Royalty Due	$ -0-

November 22, 1961

E. D. Talbert, OME Auditor

STATUS OF PROJECT, SCOPE OF REVIEW
AND REASONS THEREFOR

At the time this contract was executed, the Operator was in possession of the 116 acres of land under the contract pursuant to an October 5, 1950, deed from A. W. Reid. On August 11, 1951, however, only two weeks after execution of the contract and prior to the performance of any exploration work, the Operator transferred approximately one-third divided interests to each of its only stockholders, A. W. Reid, W. H. Hooker, and F. T. Siersma.

Under date of September 12, 1951, Siersma optioned his interest to Reid. This action was followed by a September 19, 1951, agreement between Reid and Hooker whereby each acquired a one-half undivided interest in the property. On December 14, 1951, the Operator was suspended as a corporation by the Secretary of State of North Carolina.

On December 4, 1952, A. W. Reid and W. H. Hooker executed Exploration Project Contract Idm-E456, Docket DMEA-2150, covering the same land. Annex I thereto provides that, in the event of certification, Reid and Hooker jointly and severally shall pay a royalty on all production under the terms of, and for a period of 10 years from, the date of that contract or until the total Government contribution under both contracts is fully repaid. A certification of discovery or development was issued under the later contract on May 28, 1953.

Examinations of the property, the latest on April 22, 1961, and inquiries by field representatives have confirmed that the property has been inactive since shortly after completion in 1953 of the work under the later contract and that all sales of production were covered by the prior Reports of Royalty Review on this first contract. During a July 13, 1954, inspection of the property Reid stated that his interests had been sold to Hooker, who holds all mineral rights in fee.

The last known address of W. H. Hooker was 104 Hemlock Drive, Marietta, Georgia. The last address of record for A. W. Reid was Box 489, Franklin, North Carolina.

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

(1) The property has been inactive since 1953;
(2) All sales of production have been accounted for 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.

NOV 29 1961

Memorandum

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

From: Chief, Division of Field Operations, OSM

Subject: DMA-1140 (Mica)
Pitt Mica Corporation
Reid-Mary Mine
Mason County, North Carolina
Contract Ldm-[illegible]
and
DMKA-2150 (Mica)
Reid and Hooker
Reid-Hooker Mine
Mason County, North Carolina
Contract Ldm-[illegible]

Enclosed for your files are the originals of Reports of Royalty Review on the subject contracts.

George C. Selfridge

Enclosures 2

GCSelfridge/hb (11/29/61)
cc: Docket DMA-1140
Docket DMKA-2150
Director's Reading File
CA & A Division
G.C.Selfridge
R.A.Laurence, Reg. IV w/cy ea. of Reports of Royalty Review dtd 11/22/61 (both); cy ea. of 2 memos dtd 11/24/61 by CA&A Div. to Chief, Div. of Field Operations.
V.J.Lynch w/cys of all items listed for Mr. Laurence.

NOV 2 4 1961

Memorandum

To: Chief, Division of Field Operations

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

Subject: DMA-1140 (Mica)
Pitt Mica Corporation
Reid-Mary Mine
Macon County, North Carolina
Contract Idm-E87
and
DMEA-2150 (Mica)
Reid and Hooker
Reid-Hooker Mine
Macon County, North Carolina
Contract Idm-E456

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

(a) Original of each to the Fiscal Section, Division of Administrative Services, Office of the Secretary; and
(b) Two copies of each to Region IV files.

These reports are for OME record purposes only; therefore, no copies have been provided for the Operators.

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

Enclosures

EDTalbert/ama 11-24-61

cc:
Docket
Director's Reading File
CA & A Division - Idm-E87
Mr. Rothrock

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Division of Nonmetallic Minerals, Office of Minerals Exploration, Washington, D. C., pertaining to Contract No. Idm-E87, Docket No. DMA-1140 (Mica), dated July 27, 1951, with

Pitt Mica Corporation
P. O. Box 489
Franklin, North Carolina

for the purpose of determining the amount of royalty due the U. S. Government on sales of minerals from property referred to as Reid-Mary Mine located in Macon County, North Carolina, during the period March 19, 1955, through May 7, 1959.

A certification of discovery or development was issued on February 21, 1952, and accordingly royalty is payable on all production as a result of such discovery or development for a maximum period of 10 years from the date of the contract. A Report of Review in lieu of final cost audit dated July 11, 1952, indicated accepted costs under the exploration contract amounting to $1,990.00 with the Government's contribution, on a 90 percent basis, being $1,791.00.

A prior report of royalty review dated March 21, 1955, indicated total sales subject to Government royalty amounting to $1,215.56 for the period July 27, 1951, through March 18, 1955, and that the royalty due the U. S. Government amounting to $60.77 had been paid. No royalty has been received by the Government applicable to this project since the latter date.

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

(1) Periodic inspections by a representative of the Field Team, Region V, have failed to disclose any evidence of production or sales of minerals from this project during the period covered by this review, and

(2) 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 royalty which might be disclosed.

C. E. Fisher

C. E. Fisher, OME Auditor

May 13, 1959

(Check Sheet of Examining Engineer filed in Docket)

REPORT OF
ROYALTY REVIEW

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF SECOND ROYALTY REVIEW

I have reviewed all copies of settlement sheets on file with the Executive Officer, DMEA Field Team, Region V, applicable to royalties collected on the sales of mica for the period July 27, 1951, to March 18, 1955, by:

Pitt Mica Corporation
P. O. Box 489
Franklin, North Carolina

produced from property referred to as the Reid-Mary Mine located in Macon County, North Carolina, under terms of Contract IdM-287, Docket No. DMA-1140.

My review included a conference with Mr. William A. Buck, Mining Engineer, U. S. Bureau of Mines, Knoxville, Tennessee, who is thoroughly familiar with the project.

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

(1) This account was previously reviewed by Mr. B. J. Brahms as indicated by his Royalty Audit Memorandum dated July 28, 1954.

(2) A check of the records of the General Services Administration Mica Purchase Depot, Spruce Pine, North Carolina, did not disclose any sales of mica produced from this mine subsequent to the date of the prior review.

(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.

The review established the total sales of mica for this period to be $1,215.56. Royalty due the U. S. Government at the contract rate of 5 percent is $60.77. The royalty paid and balance due are as follows:

Total Royalties Due	$60.77
Total Royalties Paid	60.77
Balance of Royalties Due	$ -0-

C. E. Fisher
C. E. Fisher, Auditor

March 21, 1955

REPORT OF
ROYALTY REVIEW

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

July 28, 1954

Royalty Audit Memorandum

To: Mr. Jay L. Chambers, Chief
Contract Administration and Audit Division

From: B. J. Brekhus, Auditor BJB

Subject: Royalty Audit - Contract Idm-E87, Docket No. DMA-1140X
Pitt Mica Corporation
Contract Idm-E456, Docket No. DMEA-2150
A. W. Reid and W. H. Hooker, partners
Contract Idm-E476, Docket No. DMEA-2327
Andrew W. Reid

On July 13, accompanied by Mr. Wm. A. Beck, Mining Engineer, Bureau of Mines, Knoxville, Tennessee, I called upon Mr. A. W. Reid for purpose of determining status of royalty payments on the subject contracts.

We found Mr. Reid at home in apparently poor physical condition. He was reported to have been involved in a mine cave in sometime previously, and had spent considerable time in a hospital. Another man was reported killed in this same cave in.

Mr. Reid stated he was now no longer active in the above mining projects and his former partner, Mr. W. H. Hooker, who now resides in Atlanta, Georgia, has taken over the properties and owns the mineral rights, and has the records of the operations. He also stated that there was now no mining being done on these properties and he believed all royalties have been paid. The records of the Field Team and the Mica Depot in Spruce Pine, North Carolina, also support this. Therefore, it was decided not to go to Atlanta, as the probable findings would not justify the trip.

The status of the royalty accounts of the above contracts is as follows:

Contract No.	Sales: Strategic Mica	Sales: Punch & Scrap	Sales: Total Sales	Royalty Paid
Idm-E 87	$ 530.98	$684.58	$1,215.56	$ 60.77
" 456	-	-	-	-
" 476	2,004.90	144.25	2,149.15	107.45

Mr. W. H. Hooker's present business address is c/o Trade Publications, Inc., 1125 Peachtree Street, Atlanta, Georgia.

Standard Form No. 1044—Revised
Form approved by Comptroller General U. S.
June 25, 1936

SCHEDULE OF COLLECTIONS

Schedule No. NOR 2k 18

Sheet No.

Defense Minerals Exploration Administration 14-23-070
(Department or Establishment)

Received by E. A. Hudson, Regional Disbursing Officer at Oak Ridge, Tenn.
(Name) (Title) (Bureau or Office) (Station)

Period February 1953 D. O. Symbol No. 1128
(Month or quarter ended)

Date Received	Receipt Number	Name of Remitter	Detail Description of Purpose for Which Collections Were Received	Amount	Fund to be Credited (Symbol and title in full)
Check No. -- dated 2/9/53		R. H. Mica Co.	5% Royalty on mica sold under contract Idm-E-87 DMA-114Ox	13.17	14X4401 Revolving Fund Defense Production Act, Interior
			Total,	13.17	

Received _____, subject to collection.

Forwarded February 13, 1953

_____
(Disbursing clerk or accountable officer)

By _____

By Cora A. Piper
(Name)

Title Authorized Certifying Officer

Certificate of Deposit No. _____ dated _____

U. S. GOVERNMENT PRINTING OFFICE 10—1790

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

February 12, 1953

Mr. Andrew Reid
P.O. Box 489
Franklin, North Carolina

Re: DMA-114OX, Idm-87-(mica)
Pitt Mica Corporation

Dear Mr. Reid:

This will acknowledge receipt of your check for $13.17, representing 5% royalty payment on sales of $263.47 worth of mica from the Mary Mine with your letter showing the summary of your sales.

In the letter to you that accompanied the certification of Discovery it was pointed out that "Royalty to the Government should be accompanied by suitable evidence showing the quantity, grade and quality of mica shipped, the name of the purchaser and the price, certified to be correct by the Purchaser." Please furnish this office with this evidence on the sales that were made to cover this payment and all future sales.

Yours very truly,

Wm. A. Beck, Acting Executive Officer
DMEA Field Team, Region 7

WAB/zm
cc:
Opr. Com.
Helen Miller
Laurence
Beck
Lynch

C O P Y

C O P Y

MICA MINING & SALES

P.O. Box 489
Franklin, North Carolina
Feb. 9 -53

Mr. Robert A. Laurence
Knoxville, Tennessee

DMA-1140X, Idm-E87 (mica)

Dear Sir:

Enclose find check for $13.17 for mica sales listed below.

(Reid & Hooker Mine)

11-21-52	Asheville Mica Co. (punch mica)	$45.32
11-29-52	" " " " "	63.80
12-5-52	" " " " "	47.96
2-4-53	U. S. Government (Spruce Pine)	106.39
	Total	$263.47

LESS 5% = $13.17

Yours truly,

s/ A. W. Reid.

C O P Y

2/12/53
zm.copied.
cc:
Opr.Com.
Reg. Office
Lynch
Files

Standard Form No. 1044—Revised
Form approved by Comptroller General U. S.
June 25, 1936

COPY

SCHEDULE OF COLLECTIONS

Schedule No. MCR-8

Sheet No. 1

Defense Minerals Exploration Administration (Department or Establishment) 14-23-070 (Bureau or Office)

Received by E. A. Hundson (Name) Regional Disbursing Officer (Title) at Oak Ridge, Tenn. (Station)

Period Sept. 24, 1952 (Month or quarter ended) D. O. Symbol No. 1428

Date Received	Receipt Number	Name of Remitter	Detail Description of Purpose for Which Collections Were Received	Amount	Fund to be Credited (Symbol and title in full)
Check dated Sept. 19/52		A. W. Reid, Pitt Mica Corporation	5% royalty payment under Contract Idm-E-87, DMEA-1140 (Mica)	39.07	14X4401 Revolving Fund, Defense Production Act, Interior
			Total,	39.07	

Received ....., subject to collection. Forwarded Sept. 24, 1952

(Disbursing clerk or accountable officer)

By .....

By Sam J. Wardell (Name)

Title Authorized Certifying Officer

Certificate of Deposit No. ..... dated .....

U. S. GOVERNMENT PRINTING OFFICE 10—1790

C O P Y

Standard Form No. 1044—Revised
Form approved by Comptroller General U. S.
June 25, 1936

SCHEDULE OF COLLECTIONS

Schedule No. NCR-2

Sheet No. 1

Dept. of the Interior (Department or Establishment)

Defense Minerals Exploration Adm. 14-09-070 (Bureau or Office)

Received by E. A. Hudson (Name) Regional Disbursing Officer (Title) at Oak Ridge, Tenn. (Station)

Period _____ (Month or quarter ended)

D. O. Symbol No. _____

Date Received	Receipt Number	Name of Remitter	Detail Description of Purpose for Which Collections Were Received	Amount	Fund to be Credited (Symbol and title in full)
Check dated March 1, 1952		Pitt Mica Corporation A. W. Reid	Royalty payment under Mica contract Idm-E-87 (Docket No. DMA 1140X) on Mica sold to Ashville Mica Co.	8.53	14X4401
			Total,	8.53	

Received _____, subject to collection.

Forwarded March 10, 1952

_____ (Disbursing clerk or accountable officer)

By _____

By _____ (Name) Sam J. Wardell

Title Authorized Certifying Officer

Certificate of Deposit No. 279 dated _____

U. S. GOVERNMENT PRINTING OFFICE 10—1790

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

Room 13, Post Office Building
Knoxville, Tennessee

July 16, 1952

Memorandum

To: Sam S. Wardell, DMEA Regional Finance Officer-Norris

From: Executive Office, D.M.E.A. Region 7

Subject: Report of Review of Completed Contract Idm-E87- DMA-1140X

Enclosed are original and one copy of the Contract Administration and Audit Division Report of Review on the following completed contract:

Docket No.	Contract No.	Operator
DMA-1140X	Idm-E87	Pitt Mica Corp.

This report has been reviewed by this office and is acceptable. Mr. Talbert suggested we forward it on to you. The original is to be attached to your copy of the contract and the copy to the contractor's final MF-104.

Robert A. Laurence

REPORT
OF REVIEW

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Report of:

Pitt Mica Corporation

Box 489

Franklin, North Carolina

pertaining to Exploration Project Contract No. Idm-E87, Docket No. DMA-1140X, for the month October, 1951 in which costs for the entire period of the project, from September 20 to October 18, 1951, were included.

My review included an examination of the Monthly Report (Form MF-104) and supporting documents attached thereto, comparison of the costs claimed with the contract and pertinent schedules, consultation with the Government representative who visited and examined the project, and a determination of the reasonableness and propriety of the costs.

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

(a) the administrative cost to the Government of an audit would be excessive in relation to value of the contract or the estimated amount of possible disallowances thereunder;
(b) the Monthly Reports were partially supported by documentary proof of the costs incurred under the contract; and
(c) a large portion ($1,000) of costs was for bulldozing work at standard rates.

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

Total cost as billed by Contractor		$ 1,990.00
Exceptions:		
By DMEA Finance Officer	$ -0-	
Herewith	-0-	-0-
Total Accepted Cost		$ 1,990.00

The contract calls for a 90 per cent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of One thousand seven hundred ninety-one Dollars and 00/100

- $ 1,791.00 -

is considered valid and proper.

July 11, 1952

E. D. Talbert

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

Room 13, Post Office Building
Knoxville 2, Tenn.

July 9, 1952

Memorandum

To: E. D. Talbert, Assistant Chief, Contract Admin & Audit Div.

From: Robert A. Laurence, Executive Officer, DMEA-Region 7

Subject: DMEA-1140, Idm-E87 (mica) Reid-Mary Mine.

Enclosed herewith are a letter from A. W. Reid, and copy of a receipted invoice, sent in response to my letter of June 26 requesting additional information. Mr. Reid's explanation that work began on September 20 and September work was included in the October voucher is satisfactory to me. The Field Team is of the opinion that the cost of this project is reasonable and that the project was carried out in accordance with the contract.

Robert A. Laurence

Robert A. Laurence

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 11 1952

FILE COPY
SURNAME:

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

Beck
Lynch
Talbert
Files
Wardell

July 9, 1952

Mr. Andrew W. Reid
Box 489
Franklin, North Carolina

Re: DMA-1140, Idm-E87
Reid-Mary Mine (Mica)

Dear Mr. Reid:

Thanks for your letter of July 5, containing information on the subject contract requested in my letter of June 26. This information and the receipted invoice from Mr. Sierman are being sent to the Contract Administration and Audit Division for their use in preparing the final audit and review.

Very truly yours,

Robert A. Laurence
Executive Officer, DMEA
Region 7

RAL/mm

4

ANDREW W. REID

MINE OWNER
&
OPERATOR
—
MAY
MARY
BUOY
SCOTT
HIGDON
CAMPBELL
LYLE KNOB
MILL KNOB
COPE MOUNTAIN
PITT
PROCESSING
PLANT

MICA MINING & SALES
Pattern, Sheet, Punch and Processed Scrap

P. O. Box 489
FRANKLIN, NORTH CAROLINA

July 5, 1952

Mr. Robert A,Laurence
DMEA Executive Officer
Field Team, Region VII
Knoxville, Tennessee

Re: DMEA-1140, Idm-E87
Reid-Mary Mine (Mica)

Dear Mr. Laurence:

Reference is being made to your letter of June 26, regarding above contract.

The actual starting date on this project was September 20, 1951. The 20th, 21st and 22nd was spent by me preparing right of way and road work, and for two days after completion - October 16 and 17 - I devoted my time to cleaning up the project. This accounts for the extra five days of jeep rental but no charge was made for my time and that of the men I employed during those days.

The record shows that the contract was for $2,635.00 but only $1,900.00 was charged to the project as I desired to hold down the Government's contribution as much as possible.

The $100.00 items for miscellaneous expense is itemized on the enclosed receipted invoice from Frank Siersma.

I trust this explains the matter as desired.

Very truly yours,

A. W. Reid

A. W. Reid

RECEIVED
JUL - 8 1952
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

C O P Y

C O P Y

FRANK SIERSMA
Mine and Mineral Consultant
P.O. Box 336
Franklin, N.C.

July 5, 1952

INVOICE TO: A. W. REID
FRANKLIN, N. C.

RE: DMLA-1140, Idr-287
Reid-Mary Mine (mica)

Office work, accounting, anrylitical work, misc. expenses, etc.	$100.00

(Work performed between 9/1/51 and 10/25/51)

Received Payment

/s/ Frank Siersma

FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS ADMINISTRATION

~~WASHINGTON 25, D. C.~~

Room 13, Post Office Building
Knoxville 2, Tennessee

Beck
Lynch
Opr. Com.
J. Chambers
Files

June 26, 1952

Mr. A. W. Reid
Pitt Mica Corporation
Franklin, North Carolina

Re: IMM-1110, Idm-187
Feld- Mary-Mine (mica)

Dear Mr. Reid:

In order to satisfactorily complete the review and audit of this contract, we need some additional information from you.

Your form MP-104 apparently covers only October 1 to 1[illegible], 1951, yet shows items of 20 days for laborers, and 25 days jeep rental. What was the actual date of starting work on this project? Was any work done in September?

The item of $100.00 for Miscellaneous expenses, supplies, office, etc., was not given in detail. Please indicate what amounts were included in this $100.00 total, and for what and to whom they were paid

Very truly yours,

Robert F. Lawrence,
Executive Officer, DMA
Field Group, Region VII

RL/zm

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 30 1952

MF-104
(August 1951)

Budget Bureau No. 42-R1036.2.
Approval Expires 6-30-52.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Contract No. Idm-E 87

Name of Operator PITT MICA CORPORATION
Docket No. DMA 1140-X
Total Contract Amount $2,635.00
Government Participation: 90 % Amount, $2,371.50
Distribution of Expenditures for Month of OCTOBER (completed 10/18/51)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 2 1952

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

Operators are to submit monthly reports to the designated field representative of the Defense Minerals Administration. Reports are to be submitted in quadruplicate prior to the 15th day of the month following the reporting period.

Narrative.—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered is to be furnished.

Maps.—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.

Cost Accounts.—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts may be made from time to time.

CERTIFICATION

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.

PITT MICA CORPORATION
(Name of Company)

By A. W. Reid
(Signature of Authorized Official)

10/18/51
(Date)

PRESIDENT
(Title)

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

16—64068-3

MONTHLY SUMMARY COST STATEMENT

List as Shown on Exhibits Attached to Contract

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
1. Fixtures and Improvements:						
(a) Facilities						
(b) Buildings						
(c) Fixtures						
2. Operating Equipment:						
(a) Purchased[1]						
(b) Rented[2] DOZER	$1000.00	–	$1000.00	$1000		$1000
JEEP	150.–	–	150.00	150		150
(c) Furnished by operator						
3. Rehabilitation and Repairs:						
(a) Facilities						
(b) Buildings						
(c) Installations						

16—64068-3

PITT MICA CORPORATION P. O. BOX 489 FRANKLIN, N. C.

DOCKET NO. MS 1140-X GRANVILLE Tbr-3 87

NARRATIVE - REPORT FY OCTOBER (completed 10/19/51):

WORK HAS BEEN COMPLETED IN ACCORDANCE WITH CONTRACT.

MATERIALIZATION OF STRATEGIC GRADE MICA HAS BEEN PROVEN.

CUT #1 (see map attached to contract) SHOWED FAIR GRADE BUT ALL OTHER CUTS SHOW EXCELLENT GRADES OF STRATEGIC MICA.

- - - -

PAYROLL RECORD:

LABORERS:			
John Brendle S.S. 242-01-4442	20 days @	$10.00	$200.00
Omer Elmore S.S. 240-46-2894	20 days @	10.00	200.00
ENGINEER-SUPERINTENDENT			
A. V. REID	17 days @	20.00	340.00
BULLDOZER RENTAL	100 hours @	10.00	1000.00
JEEP RENTAL	25 days @	6.00	150.00
MISCELLANEOUS, expenses, supplies, office, etc.			100.00
Total cost of project			$ 1,990.00

INVOICES FOR RENTED EQUIPMENT ARE ATTACHED.

A. V. REID HAS PREVIOUSLY BEEN SELF EMPLOYED; HAS NO SOCIAL SECURITY NUMBER.

- - - -

INVOICE

FROM: BOGGAN & BUNNELL, FRANKLIN, N. C.

TO: PEET MICA CORPORATION, FRANKLIN, N. C.

TO BULLDOZING IN ACCORDANCE WITH
CONTRACT NO. Idm-E 87

100 hours @ $10.00 $ 1000.00

INVOICE

FROM: A. W. REED, FRANKLIN, N. C.

TO: PEET MICA CORPORATION, FRANKLIN, N. C.

JEEP RENTAL - 25 days @ $6.00 $ 150.00

PER CONTRACT NO. Idm-E 87

MONTHLY SUMMARY COST STATEMENT—Continued

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(d) Fixtures						
4. Labor[3]	400.00	–	400.00	400.00		400.00
5. Supervision	340.00	–	340.00	340.00		340.00
6. Supplies						
(a) Timber						
(b) Explosives						
(c) Repair Parts						
(d) Other						
7. Power						
8. Transportation						
9. Insurance						
(a) Fire						
(b) Public Liability						
(c) Workmen's Compensation						
10. Contract Work						
11. Other (specify)						
MISC. OFFICE, ETC.	100.-	–	100.00	100.00		100.00
Total	$1990.00	–	$1990.00	1990.00		1990.00
Deletions						
Adjusted totals						
Totals previously reported						
Totals to date	1990.00		1990.00	1990.00		1990.00

[1] Enter amount paid during month toward total purchase price.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.
[3] Submit copy of the Social Security form filed under the Old Age Insurance system showing complete wage and salary data or furnish copy of payroll sheet giving same data.

NOTE.—Indicate that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY

Checked by A. L. Peyton
Entered by A. L. P.
Approved by W. A. Beck
Amount approved for payment $1791.00
Remarks Final, last and only payment. Project Completed WAB.

16—64068-3

1791.

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF OCTOBER

(Supply Data Below Applicable Only to Your Operations) COMPLETED 10/18/51

Item	Costs					Progress [4]				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract (Exhibit A)
Drifting										
Crosscutting										
Raising										
Shafts										
Winzes										
Drill holes										
Overburden										
Rehabilitation and preparation										
Geology and geophysics										
Trenching	740.-	1150.-		100.-	1990.-	CU. FT.	15000	—	15000	15000
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify)										
Totals										

[1] Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
[2] Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
[3] Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.
[4] Specify whether feet, cubic feet, acres, miles, etc.

16—64068-3 U. S. GOVERNMENT PRINTING OFFICE

Supplemental to Final Report

on the

PITT MICA CORPORATION - REID-MARY MINE, (mica) N. C.

Docket No. DMEA-1110, Idm-E87

Following a telephone request from Mr. Houk, the following additional information upon the subject mine was obtained on the "Southwest Pegmatite:"

At the northeastern end of the uncovered pegmatite mica-bearing rock has been exposed for a distance of 20 feet and over a width of 1-1 1/2 feet, situated along both sides of a quartz core. Number of mica books with diameters greater than 3 inches cannot be determined; however, it is estimated that one book of that size or larger occurs for each 3 square feet of the above area.

At the southwest end mica-bearing pegmatite 30 feet long and 1 1/2 feet thick has been uncovered. The concentration of mica books larger than three inches in diameter is similar to that at the Northeastern end; however, ruling is more pronounced and more biotite occurs as intergrowths with muscovite.

Kefton H. Teague, U.S.G.S.

March 3, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 5 1952

Reviewed by
DMEA OPERATING COMMITTEE
3-5-52
(date)

JAN 14 1963

Pitt Mica Corporation
P. O. Box 489
Franklin, North Carolina

Re: [illegible]-11[illegible] (Mica)
Reid-Mary Mine
Macon County, North Carolina
Contract Ldr-[illegible]

Gentlemen:

By the terms of the subject Exploration Project Contract, as amended by contract Ldr-[illegible], and the certification of discovery or development dated February 21, 1958, all minerals mined or produced from July 27, 1951, to December 4, 1962, 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,

George Fumich, Jr.

Director

SFholt/mm
1-11-63
cc: Director's Reading File
Region IV (2)
CAAA Division
Docket
Code 500
Mr. A. W. Reid, Box 489, Franklin, N. C.
Mr. W. H. Hooker,
104 Hemlock Drive, Marietta, Georgia

MEMO RE E87

Although the 10 year royalty repayment period provided by this contract expires July 27, 1961, the Government's lien shall not be released until December 4, 1962.

See second paragraph of Annex 1 of Contract Idm-E456, DMEA-2150.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C. 603

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

To: Pitt Mica Corporation
P. O. Box 439
Franklin, North Carolina

Pursuant to the provision of Exploration Project Contract No. Idm-297, dated July 27, 1951, (Docket No. DMEA-1140), hereinafter called the "Contract", between you and the United States of America, hereinafter called the "Government"; to establish and fix the claim and lien of the Government under the terms of the Contract, the Government hereby certifies that a discovery or development has resulted from the work under the Contract from which commercial production of ore may be made, in or upon that certain property situated in the State of North Carolina, County of Macon, described as follows: Known as the Reid-Mary Mine located N 20°E - 8.2 miles from Franklin. Legal description follows: "All the mineral rights and mining privileges in 116 acres of land situated on the head waters of Mica City Creek, in Macon County, North Carolina, approximately 14 miles northeast of the Town of Franklin; as conveyed by deed from A. W. Reid to Pitt Mica Corporation on October 5, 1950, and recorded on page 511 of Deed Book X-5, Records of Macon County.

The Government's estimate of said discovery or development is particularly described and delimited as follows: Strategic mica books up to 10" in diameter were discovered at the northeastern end of the exposed area of the southwestern pegmatite at a point marked "Locality 1" on the map attached to the contract and marked "Docket 1140X, Proposed prospecting at the Mary Mine". The mica recovered in the exploration is hard, flat, ruby colored, clear, and splits well. The operator reports 2,175 pounds of mica was recovered during the exploration. The southwestern pegmatite is more than 120 feet in length, and varies from two to twelve feet in thickness.

Dated: Feb 21 1952

THE UNITED STATES OF AMERICA

By C O Mitchenson
Acting Administrator, Defense
Minerals Exploration Administration

LGHouk:gad 2/20/52
Copy to: Contracts & Audits
Docket
Mr. Houk
Field Team, Region VII
Legal

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

Pitt Mica Corporation
P. O. Box 489
Franklin, North Carolina

Subject: Docket No. DMEA-1140-Mica
Contract No. Idm-E87
Reid-Mary Mine
Franklin, North Carolina

Gentlemen:

Transmitted herewith is Certification of Discovery under Contract No. Idm-E87 on the Reid-Mary Mine.

By the terms of the Exploration Project Contract and of the Certification, all mica produced from the property from the date of the Exploration Project Contract is subject to the Government's percentage royalty until the sum of $1,791.00 is paid or until July 27, 1961, whichever occurs first. This claim against production includes mica which was produced during the period of exploration as well as any which was produced after the Certification. The royalty rate is that set forth in the Contract, up to 5% of any amounts in excess of $11.50 per ton.

Payments should be made to Mr. Robert A. Laurence, Executive Officer, DMEA Field Team, Region VII, Room 13, Post Office Building, Knoxville 1, Tennessee. Checks should be payable to the Treasurer of the United States.

Royalty payments to the Government should be accompanied by suitable evidence showing the quantity, grade, and quality of mica shipped, the name of the purchaser and the price, certified to be correct by the purchaser.

You are requested to notify Mr. Laurence of any changes in ownership or production rights that might have

any effect on the Government's right to its percentage royalty. Also, if production ceases for any extended period, please notify Mr. Laurence at six month intervals that no production has been made, when that is the case.

Sincerely yours,

C. O. Mittendorf

Acting Administrator

Enclosure

LGHouk;gad 2/20/52
Rewritten 2/21/52 J.L.Hofflund/ema
Copy to: Mr. Frank Johnson
Admin. Reading File
Legal
Contracts & Audits
Docket File
Mr. Houk

Docket No. DMA-1140X

Commodity Mica

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS ADMINISTRATION

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM

To: Chief, Finance Section
Washington Office

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

Contract No. Idm-E 87 Date: July 27, 1951

Name of Operator: Pitt Mica Corporation

Address of Operator: P.O. Box 439
Franklin, North Carolina

Amount of contract (Government participation) $2,371.50

Percent of participation ..... 90 %

Region: VII

State: North Carolina

Please release $ 580.50.

J.L. (Name) Chambers
Chief, Contract Audit and Administration Division

(Title)

Submit one copy

MF-200
(June 1951)

Indexed
No. Card
Card
Reviewed
9/20/51

Docket No. DMA 1140X
Commodity Mica
Idm-E 87

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

EXPLORATION PROJECT CONTRACT [1]

AUG 31 1951

It is agreed this 27th day of July, 1951, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and [2]

Pitt Mica Corporation
P.O. Box 489
Franklin, North Carolina

SEP 5 SEP

hereinafter called the "Operator," as follows:

1. *Authority for contract.* This agreement is entered into under the authority of the Defense Production Act of 1950, pursuant to Mineral Order 5, entitled "Regulations Governing Government Aid in Defense Exploration Projects."

2. *Operator's property rights.* The exploration project shall be conducted on that certain property situated in the State of North Carolina, County of Macon described as follows: [3] Known as the Reid-Mary Mine located N 20°E - 8.2 miles from Franklin. Legal description follows: "All the mineral rights and mining privileges in 116 acres of land situated on the head waters of Mica City Creek, in Macon County, North Carolina, approximately 14 miles northeast of the Town of Franklin; as conveyed by deed from A. W. Reid to Pitt Mica Corporation on October 5, 1950 and recorded on page 511 of Deed Book x-5, Records of Macon Co.

with respect to which the Operator represents and undertakes:

(*a*) That he is the sole owner, in possession and entitled to possession, and that the property is subject only to the following claims, liens, or encumbrances as to each of which the subordination agreement of the holder is attached:

(*b*) ~~[illegible]~~

3. *Exploration project.* The Operator, within Thirty (30) days from the date of this contract shall commence work on a project of exploration for [5] Mica; shall prosecute the work efficiently, expertly, in a workmanlike manner, in accordance with good mining standards, with suitable and adequate equipment, materials, and labor, all properly designed to bring the project to completion within a period of [6] Three (3) Months from the date of this contract. The exploration project and the work to be performed are more fully described on Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, is made a part of this contract.

4. *Performance of the work.* The work shall be performed by the Operator, under his sole direction and control: *Provided,* That with the consent of the Government and its written approval of the contract or contracts, all or any part of the work may be performed by the Operator through contract or contracts with independent contractors. The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

5. *Fixtures and improvements.* The Operator shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of the exploration project without any allowance for the use, rental value, depreciation, depletion, or other cost of acquiring, owning, or holding possession thereof. Any additional facilities, buildings, and fixtures, to be purchased, installed, or erected by the Operator, with the estimated cost of each, to which the Government will contribute currently its agreed pro rata share, are listed in Exhibit "A" attached hereto. The difference between the cost of such additional facilities, buildings, or fixtures, and the salvage value thereof at the conclusion of the work, shall be charged as a cost of the project to which the Government has contributed its pro rata share.

6. *Operating equipment.* Any operating equipment to be rented, purchased, or furnished by the Operator, with the allowable rental, purchase price, or depreciation, as the case may be, is listed under appropriate headings in Exhibit "A" attached hereto. As to equipment purchased for the project, the Government will contribute its agreed pro rata share of the cost thereof, and the difference between the cost and the salvage value at the conclusion of the work shall be charged as a cost of the project to which the Government has contributed its pro rata share.

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] State name, address, and nature of organization if any.
[3] Give legal description or enough to identify the property.
[4] Strike out the provision not applicable.
[5] Name of mineral.
[6] Not in excess of 2 years.

7. *Title to and disposition of property.* All facilities, buildings, fixtures, equipment, or other items costing more than $50 each, paid for or purchased with funds contributed jointly by the Operator and the Government, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the termination of the contract, if they have any salvage value, shall be disposed of for their joint account unless the Government, in writing, waives its interest in any such items. The Government may require the dismantling, severance from land, and removal of any such items in order to realize its interest in the salvage value thereof, and the cost of any such removal and of the disposal of the items shall be for the joint account of the parties in proportion to their respective interests.

8. *Labor and supervision.* An itemized schedule of labor, by numbers and classes (miners, muckers, millmen, etc.), and of supervisors, by numbers and positions, with the maximum wages or salaries that may be paid to each as an allowable cost of the project is set forth in Exhibit "A" attached hereto.

9. *Rehabilitation and repairs.* A statement of the cost of any necessary rehabilitation or repairs to put existing facilities, buildings, installations, and fixtures into useful and operable condition and which are to be allowed as costs of the project is included in Exhibit "A."

10. *Allowable costs of the project.* The costs of the project in which the Government will participate are limited to the necessary, reasonable, direct costs of performing the exploration work, including the costs of materials, supplies, engineering, power, water, analytical work, accounting, and utilities, including items of equipment costing less than $50 each; and the costs referred to in Articles 5, 6, 8, and 9, and the exhibits annexed to and referred to in this contract. Although the Government may pay part of the cost of new or additional facilities, structures, buildings, and equipment, only the depreciation on such items, computed as indicated in Articles 5 and 6, will be charged as a cost of the project. No items of general overhead, corporate management, interest, taxes, or any other indirect costs not expressly allowed by these provisions, or work performed or costs incurred before the date of this contract, shall be allowed as costs of the project in which the Government will participate.

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

12. *Progress reports.* The Operator shall provide the Government with monthly reports of work performed under the contract upon forms to be provided by the Government. Each monthly progress report shall bear the certification of the Operator and shall constitute the Operator's invoice of costs incurred on the project during the period covered by the report.

13. *Payment to the Operator.* The monthly progress report (invoice), to the extent approved by the Government, shall be processed for payment by the Government. Payment shall be made in the amount of 90 percent of the approved costs incurred; *Provided,* That the aggregate total of all sums paid by the Government under this agreement shall not exceed $2,371.50, which is 90 percent of the agreed estimated total cost of this project, $2,635.00.

14. *Final reports by Operator.* Upon completion of the project or termination of this contract, the Operator shall provide the Government with a comprehensive geologic and engineering report, including an estimate of ore reserves, to the best of his ability. Four copies of all reports shall be furnished to the Government.

15. *Repayment by Operator.* If, upon the completion of the exploration project or termination of the contract, the Government considers that a discovery or development has resulted from the work from which commercial production of ore may be made, the Government, within 6 months thereafter, shall so certify to the Operator, particularly describing and delimiting its estimate of the discovery or the development. Thereafter, if and as ore is produced as a result of such discovery or development, the Operator and his successor in interest shall be and become obligated to pay to the Government a percentage royalty on the net smelter returns or other net proceeds realized from such ore, concentrates, or metal produced within ten (10) years from the date of this contract, until the total amount contributed by the Government, without interest, is fully repaid or said 10 years have elapsed, whichever occurs first, as follows:

Of net smelter returns or other net proceeds not in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent.

Of net smelter returns or other net proceeds in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent, plus one-half (½) percent for each additional full fifty cents ($0.50) in excess of eight dollars ($8.00) per ton of ore, but not in excess of a maximum of five (5) percent.

This obligation to repay from net returns or proceeds shall be and remain a claim and lien upon the mineral deposit which is the subject of the exploration project and upon any production resulting from such discovery or development, in favor of the Government, until fully paid, or until said 10-year period has elapsed; and this claim and lien and the Government's right to repayment shall survive any termination of the contract, whether by completion of the exploration project or otherwise. This article is not to be construed as imposing any obligation on the Operator or his successor in interest to produce ore from any such discovery or development.

16. *No assignment of contract.* Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder.

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

Executed in sextuplicate the day and year first above written.

Pitt Mica Corporation
(Operator)

By L. Dierauer
Treasurer

THE UNITED STATES OF AMERICA

By C O Mitteudorf
Director
Production Expansion Division
Defense Minerals Administration

U. S. GOVERNMENT PRINTING OFFICE 16—64066-2

"EXHIBIT "A"

Performance of Work:

Work will consist of:

Sub-Project 1: Three tractor-dozer trenches about 50 feet long, 6 to 10 feet wide and 6 feet deep across the altered pegmatite and through the overburden, followed by shallow test pits and sampling of the pegmatite exposed in the trenches. The test pits to be put down with hand tools.
Total expenditure allowed $1,725.00

Sub-Project 2: If Project 1 exposes promising mineralization of strategic grade mica (in the opinion of the Government field engineers) the following additional work will be approved to explore the strike extension of the pegmatite. Two tractor dozer trenches about 50 feet long, 6 to 10 feet wide and 6 feet deep across the altered pegmatite and through the overburden, followed by shallow test pits and sampling of the pegmatite exposed in the trenches. The test pits to be put down with hand tools.
Total expenditure allowed $ 910.00

Location of tractor dozer trenches and test pits to have the prior approval of the Government field engineers. Approximate location of the trenches is outlined on the attached map. All sampling to be supervised by Government field engineers.

Total Cost of Project:

Sub-Project No. 1

Tractor dozer trenching - tractor rental @ $10.00/hr - 60 hrs.	$ 600.00	
1 - Engineer-Superintendent @ $20.00/day 10 days	200.00	
1 - Working Foreman @ $15.00/day - 15 days	225.00	
3 - Laborers @ $10.00/day - each 15 days	450.00	
Tools	100.00	
Jeep rental @ $6.00/day - 15 days	90.00	
Miscellaneous expenses, supplies, office, etc.	60.00	
Total Sub-Project No. 1		$ 1,725.00

Sub-Project No. 2

Tractor dozer trenching - tractor rental @ $10.00/hr - 40 hrs.	$ 400.00	
1 - Engineer-Superintendent @ $20.00/day 7 days	140.00	
1 - Working Foreman @ $15.00/day - 6 days	90.00	
3 - Laborers @ $10.00/day - each 6 days	180.00	
Jeep rental @ $6.00/day - 10 days	60.00	
Miscellaneous expenses, supplies, office, etc.	40.00	
		$ 910.00
Total Cost of Project		$2,635.00

Fixtures and Improvements:

Does not apply to this contract

Operating Equipment:

Equipment to be purchased

Hand tools	$ 100.00

Equipment to be rented

1/ Jeep at $6.00/day
2/ Tractor w/dozer blade $10/hr.

1/ Rate does not include gasoline or oil cost, but includes cost of any repairs to the equipment

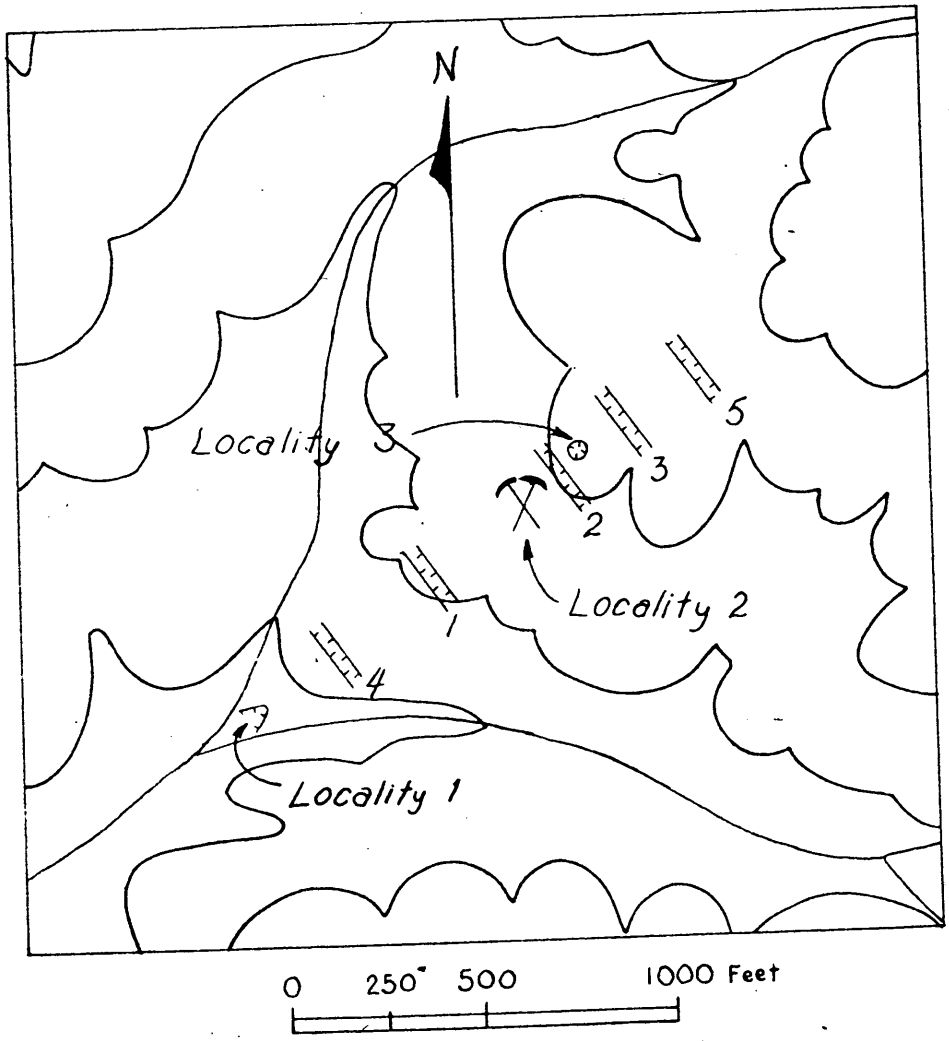
2/ Total cost including supplies, operators' wages, and repair cost. Rental rate to be charged will be for actual operating time.

Labor and Supervision:

By quantity, classification and rate of compensation
1 - Engineer-Superintendent @ $20.00/day
1 - Working Foreman @ $15.00/day
3 - Laborers @ $10.00/day

Rehabilitation and Repairs:

Does not apply to this contract



Docket 1140X Proposed prospecting at the Mary mine

RECEIVED
AUG 24 1951
G. A. O.