UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE

Terminated [X] Cancelled [ ] Withdrawn [ ] DMEA No. 2432

This is the official contract file of a project closed without certification. It contains all official records of the project arranged in this manner:

Left Side

Certificate of Audit (Final).

Interim Audit(s).

✓ Report of Review.

✓ Closing Letter

✓ Termination Notice or Agreement.

Recision Notice.

Assignment of Contract.

Contract Amendments (latest on top).

✓ Contract with all exhibits and annexes.

Owner's Consent to Lien.

✓ Subordination Agreement.

✓ Leases and assignments of leases.

✓ Application and attachments.

Schedule of Collections.

✓ Operator's monthly reports and all attachments (latest on top).

Right Side

✓ Project summary.

✓ Work completed analysis.

✓ All other material is filed in chronological order with correspondence including the following reports as checked:

✓ Final Field Team Report. (Tab)

✓ Operator's Final Report.

✓ Interim Reports.

✓ On-Site Exam Report(s). (Tab)

Settlement Sheets.

If additional folders are required because of volume of records, show folder numbers and contents below:

Maps in folder number ____

Operator's Monthly Reports in folder number ____

R.S.G. - 1-29-57
Reviewer's Initials and Date

C

10390

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

F. B. Hendricks

P. O. Box 835

Shelby, North Carolina

pertaining to Contract No. Idm-E359, Docket No. DMEA-2432, for the months of July and September, 1952, covering a project for the exploration of mica.

My review included an examination of the Monthly Reports (Forms MF-104) and supporting documents attached thereto, comparison of the costs claimed with the contract and pertinent schedules, consultation with the Executive Officer of the Regional Field Team, and a determination of the reasonableness and propriety of the costs.

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

(a) the administrative cost to the Government of an audit would be excessive in relation to the estimated amount of possible disallowances thereunder; and
(b) the Monthly Reports were supported by documentary proof of part of the costs incurred under the contract.

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

Total cost as billed by Contractor		$ 114.86
Exceptions:		
By DMEA Finance Officer	$ -0-	
Herewith	-0-	-0-
Total Accepted Cost		$ 114.86

The contract calls for a 90 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of One hundred three and 38/100 Dollars,

— $ 103.38 —

is considered valid and proper.

E. D. Talbert, Auditor

April 13, 1953

FILE COPY
SURNAME:

Robertson
Hook
Chambers
Clark
Barton

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

MAY 18 1953

Mr. F. S. Hendricks
P. O. Box 835
Shelby, North Carolina

Re: Docket No. DMEA-2432 - Mica
A. P. Mead Mica Mine
Cleveland County, North Carolina
Contract No. Idm-2399

Dear Mr. Hendricks:

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

The final audit of the contract expenditures and the final reports of the Operator and of the Field Team have been received and accepted by this Administration. Of the total amount of $2,400.00 approved under the contract, the sum of $114.86 was expended, 90 percent of which, or $103.38, represented the Government's share. There were no unused materials, supplies or equipment to be disposed of for the joint account of the Operator and the Government.

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

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

Sincerely yours,

C. O. Mittendorf (for)

Administrator

P.H. 5-18-53

JTRobertson:gad 5/14/53
Copy to: Admr. R. File
Operating Committee
Docket File
Mr. Hofflund
Mr. Chambers
Field Team, Region VII
Mr. Hook

GOVERNMENT COPY

Cancel 4/27/53 Putin

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

It is agreed this 16th day of April, 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and F. B. Hendricks, P.O. Box 489, Shelby, N. C.

, hereinafter called the "Operator," parties to that certain Exploration Project Contract I-dm-E 359, Docket No. DMEA-2432, dated June 25th, 1952, that the said contract shall be and is hereby terminated as of the first date above written.

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

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

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

UNITED STATES OF AMERICA

By Robert A. Lawrence EXECUTIVE OFFICER DMEA REGION VII

F B Hendricks
(Operator)

By F B Hendricks

18262-1

MF-200
(June 1951)
(Revised Feb. 1952)

DOCKET NO. DME 2432

COMMODITY Mica

Idm-E359

GOVERNMENT'S COPY

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

EXPLORATION PROJECT CONTRACT[1]

IT IS AGREED this 25th day of June, 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] F. B. Hendricks (An individual)
P. O. Box 835
Shelby, North Carolina

hereinafter called the "Operator," as follows:

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

ARTICLE 2. *Operator's property rights.*—With respect to that certain land situated in the State of North Carolina, County of Cleveland, described as follows:[3] A parcel of land, 100 feet wide by average length of 225 feet, known as the A. P. Mead Mine, and being part of a larger tract of 27¼ acres held by lease agreement dated January 23, 1952, between A. P. Mead and his wife, Carrie Mead, as Lessors and the Operator as Lessee and more fully described in Annex I attached hereto and made a part hereof.

the Operator represents and undertakes:[4]

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

Landlord's Subordination Agreement is attached.

(*b*) That the Operator is a lessee, in possession and entitled to possession, and the/~~[illegible]~~

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

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

in or upon the described land; and shall bring the project to completion within a period of ninety (90) days from the date of this contract. The work to be performed is more fully described in Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, are made a part of this contract. The Government will contribute to the cost of this work as hereafter provided.

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

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

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

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

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

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

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

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

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

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

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

(7) *Miscellaneous.*—Repairs to and maintenance of operating equipment (not including initial rehabilitation or repairs of the Operator's equipment), analytical work, accounting, workmen's compensation and employers' liability insurance and payroll taxes.

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

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

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

(*c*) No items of general overhead, corporate management, interest, taxes (other than payroll and sales taxes) or any other indirect costs, or work performed or costs incurred before the date of this contract, shall be allowed as costs of the project in which the Government will participate.

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

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

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

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

ARTICLE 8. *Payments by the Government.*—(*a*) The Government will pay **ninety (90)** percent of the allowable costs incurred, as they accrue, in an aggregate total amount not in excess of $**2,160.00**, which is **ninety(90)** percent of $**2,400.00**, the agreed, estimated total cost of the project in which the Government will participate; *Provided,* that until the Operator's final report and final accounting have been rendered to the Government, and any final auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of ten (10) percent of the maximum total which the Government might have been called upon to pay under the terms of the contract.

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

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

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

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

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

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

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

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

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

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

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

ARTICLE 13. *Changes and added provisions.* ---

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By C O Wittenborf
Acting Administrator, Defense Minerals Exploration Administration

F. B. Hendricks
(Operator)

By F B Hendricks

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]

ANNEX I

The A. P. Mead Mica Mine is located within the boundaries of leased land described in the lease agreement by metes and bounds as follows:

BEGINNING at a stone pile, formerly a post oak, and runs North 88 East 79½ poles to a stone in John Randall's line; thence with his line, North 15 West 42 poles to a stake in the swamp, Randall's corner; thence North 58 East 16 poles to two negro pines; thence North 12 East 62 poles to a stone pile, Cleveland Mill & Power Co. corner; thence with their line, North 89 West 90½ poles to two Black Jacks, Their corner; thence with their line, South 4 West 28 poles to a post oak, their corner; thence with their line, North 89 West 36 poles to a black gum; thence down the center of the branch 78 poles to a stake in center of the branch; thence South 77 East 38 poles to the BEGINNING, containing 77½ acres, more or less, being the property conveyed by W. A. Proctor and wife, M. E. Proctor, to A. P. Meade and wife, R. A. Mead, by deed dated December 17, 1926, and recorded in Book 3-U, Page 240 in Register's Office, Cleveland County, N. C., excepting therefrom a lot conveyed by A. P. Meade and wife, R. A. Mead, to Hubert T. Cook and wife, Ethel Cook, containing 50¼ acres, as will appear of record in Book 5-J, page 576 in the aforesaid office, reference being hereby made to said deeds and the records thereof for further identification and description of the said property herein described and the excepted portion.

This area and the A. P. Mead Mica Mine located therein are indicated on the map attached hereto and made a part hereof entitled

DMEA-2432
"Plat of Land Leased
by
A. P. Mead & Wife
to
F. B. Hendricks
Under Date of 1-12-52"

F. B. HENDRICKS
EXPLORATION PROJECT CONTRACT
A. P. MEAD MINE
DOCKET NO. DMEA-2432

EXHIBIT "A"

Description of the Work

It is proposed to explore the pegmatite along its strike by cleaning out the present cut and trenching on each side of it for a total length of 190 feet. The trench is to be 12 feet wide and 10 feet deep. Should the trenching show evidence of a good pegmatite, four 6' x 8' test pits will be sunk to a depth of 15 feet in the most favorable areas.

Estimated Costs of the Project
(Items followed by an asterisk are allowable maximums.)

1. Independent contracts
None

2. Labor and Supervision

1 - Shovel operator	100 hrs. @ $1.37½/hr.	$137.50	
1 - Shovel oiler	100 hrs. @ 1.10/hr.	110.00	
1 - Bulldozer operator	100 hrs. @ 1.37½/hr.	137.50	
1 - Truck driver	100 hrs. @ 1.10/hr.	110.00	
1 - Working foreman	100 hrs. @ 1.32/hr.	132.00	
1 - Office employee	40 hrs. @ 1.25/hr.	50.00	
2 - Laborers	200 hrs. @ .88/hr.	176.00	$853.00

(Rates of pay include overtime over 40 hours, based on 50 hours per week.)

3. Operating Material and Supplies

Gasoline, fuel oil, lubricating oil and grease	$250.00	
Hand tools and other supplies	100.00	$350.00

4. Operating Equipment

To be rented

1 - 3/4 yd. power shovel with dragline front end equipment ½ mo. @ $1,076/mo.	$538.00	
1 - D-7 Caterpillar tractor with angle-dozer, ½ mo. @ $908/mo.	454.00	

(Rental prices are for machines alone and do not include operator, fuel, etc.)

To be furnished by the Operator

1 - ½ ton pick-up truck costing $1,300 Depreciation ½ mo. @ $22/mo.	11.00*	$1,003.00*

5. Rehabilitation and Repairs

None

6. New Buildings, Improvements, Installations

None

7. Miscellaneous

Payroll taxes, Workmen's Compensation and Employers' Liability Insurance	75.00	
Contingencies and extra	119.00	$194.00
TOTAL ESTIMATED COSTS -		$2,400.00*
Participation by the Government, 90% - - - - - - - - - -		$2,160.00*

MF-202

LANDLORD'S SUBORDINATION AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the undersigned is the owner in fee simple of that certain parcel of ground in the county of Cleveland, State of North Carolina, described in a certain Exploration Project Contract dated June 25, 195 2, between F. B. Hendricks, the Lessee of said property, and the United States of America;

NOW, THEREFORE, the undersigned, as Lessor of said property under lease dated January 23, 1952, does by these presents subordinate all of his right, title, and interest under the provisions of said lease to the right, title, and interest of the United States of America under the provisions of said Exploration Project Contract, and agrees that the lien and claim of the United States of America under the provisions of said contract shall be prior to the undersigned's rights to rentals or royalties under the terms of said lease; and

The undersigned further agrees that if said leasehold interest should be surrendered or if said lease should terminate at any time prior to the expiration of the rights of the United States of America under said Exploration Project Contract, the undersigned shall assume and does hereby assume all of the obligations of the Lessee under said Exploration Project Contract to make repayment to the United States of America according to the terms of said contract; and

The undersigned agrees to commit no act, nor assert any claim under judicial process or otherwise that may contravene or conflict with the prior lien and claim of the United States of America under the provisions of said Exploration Project Contract.

This undertaking and covenant shall be binding upon the heirs, successors, and assigns of the undersigned.

Dated this 13 day of March, 195 2

Carrie Made

U. S. GOVERNMENT PRINTING OFFICE 16—64582-1

MF-200
(June 1951)
(Revised Feb. 1952)

DRAFT

DOCKET NO. D[redacted]A 2432

COMMODITY Mica

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

EXPLORATION PROJECT CONTRACT [1]

IT IS AGREED this _____ 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] F. B. Hendricks, P. O. Box 835
Shelby, North Carolina
(An individual)

hereinafter called the "Operator," as follows:

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

ARTICLE 2. *Operator's property rights.*—With respect to that certain land situated in the State of North Carolina, County of Cleveland, described as follows: [3] A parcel of land, 100 feet wide by average length of 225 feet, known as the A. P. Mead Mine, and being part of a larger tract of 27¼ acres held by lease agreement dated January 23, 1952, ~~Legal description~~ more fully described in Annex I attached hereto and ~~on accompanying map.~~ made a part hereof

the Operator represents and undertakes: [4]

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

(b) That the Operator is a lessee, in possession and entitled to possession, and the ~~owner's consent to lease is attached.~~ Landlord's Subordination Agreement is attached.

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

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

in or upon the described land; and shall bring the project to completion within a period of ninety(90) days from the date of this contract. The work to be performed is more fully described in Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, are made a part of this contract. The Government will contribute to the cost of this work as hereafter provided.

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

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

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

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

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

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

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

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

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

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

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

(7) *Miscellaneous.*—Repairs to and maintenance of operating equipment (not including initial rehabilitation or repairs of the Operator's equipment), analytical work, accounting, workmen's compensation and employers' liability insurance and payroll taxes.

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

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

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

(*c*) No items of general overhead, corporate management, interest, taxes (other than payroll and sales taxes) or any other indirect costs, or work performed or costs incurred before the date of this contract, shall be allowed as costs of the project in which the Government will participate.

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

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

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

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

ARTICLE 8. *Payments by the Government.*—(*a*) The Government will pay ninety (90) percent of the allowable costs incurred, as they accrue, in an aggregate total amount not in excess of $2,160.00, which is ninety (90) percent of $2,400.00, the agreed, estimated total cost of the project in which the Government will participate; *Provided,* that until the Operator's final report and final accounting have been rendered to the Government, and any final auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of ten (10) percent of the maximum total which the Government might have been called upon to pay under the terms of the contract.

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

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

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

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

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

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

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

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

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

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

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

ARTICLE 13. *Changes and added provisions.* _____

_____

_____

_____

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

F. B. Hendricks
(Operator)

By _____

By _____

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—66328-1

ANNEX I

The A. P. Mead Mica Mine is located within the boundaries of leased land described in the lease agreement by metes and bounds as follows:

BEGINNING at a stone pile, formerly a post oak, and runs North 88 East 79½ poles to a stone in John Randall's line; thence with his line, North 15 West 42 poles to a stake in the swamp, Randall's corner; thence North 58 East 16 poles to two negro pines; thence North 12 East 62 poles to a stone pile, Cleveland Mill & Power Co. corner; thence with their line, North 89 West 90½ poles to two Black Jacks, Their corner; thence with their line, South 4 West 28 poles to a post oak, their corner; thence with their line, North 89 West 36 poles to a black gum; thence down the center of the branch 78 poles to a stake in center of the branch; thence South 77 East 38 poles to the BEGINNING, containing 77½ acres, more or less, being the property conveyed by W. A. Proctor and wife, M. E. Proctor, to A. P. Meade and wife, R. A. Mead, by deed dated December 17, 1926, and recorded in Book 3-U, Page 240 in Register's Office, Cleveland County, N. C., excepting therefrom a lot conveyed by A. P. Meade and wife, R. A. Mead, to Hubert T. Cook and wife, Ethel Cook, containing 50¼ acres, as will appear of record in Book 5-J, page 576 in the aforesaid office, reference being hereby made to said deeds and the records thereof for further identification and description of the said property herein described and the excepted portion.

This area and the A. P. Mead Mica Mine located therein are indicated on the map attached hereto and made a part hereof entitled DMEA 2432 "Plat of Land Leased by A. P. Mead & Wife & F. B. Hendricks under date 8-12-52"

Docket No. DMEA-2432 - Mica
A. P. Mead Mine
Cleveland County, North Carolina

Exhibit A

Description of the Work

It is proposed to explore the pegmatite along its strike by cleaning out the present cut and trenching on each side of it for a total length of 190 feet. The trench is to be 12 feet wide and 10 feet deep. Should the trenching show evidence of a good pegmatite, four 6' x 8' test pits will be sunk to a depth of 15 feet in the most favorable areas.

~~Operations to start within 2 months from date of contract and be completed within 3 months.~~

Docke[illegible]o. DMEA-2432 - Mica
A. P. Mead Mine
Cleveland County, N. C.

EXHIBIT "A"

Estimated Costs of the Project

(Items followed by an asterisk are allowable maximums).

1. Independent contracts

None

2. Labor and Supervision

1 - Shovel operator	100 hrs. @ $1.37½/hr.	$137.50	
1 - Shovel oiler	100 hrs. @ 1.10/hr.	110.00	
1 - Bulldozer operator	100 hrs. @ 1.37½/hr.	137.50	
1 - Truck driver	100 hrs. @ 1.10/hr.	110.00	
1 - Working foreman	100 hrs. @ 1.32/hr.	132.00	
1 - Office employee	40 hrs. @ 1.25/hr.	50.00	
2 - Laborers	200 hrs. @ .88/hr.	176.00	$ 853.00

(Rates of pay include overtime over 40 hours, based on 50 hours per week).

3. Operating Material and Supplies

Gasoline, fuel oil, lubricating oil and grease	$250.00	
Hand tools and other supplies	100.00	$350.00

4. Operating Equipment

To be rented

1 - 3/4 yd. power shovel with dragline front end equipment ½ mo. @ $1076/mo.	$538.00	
1 - D-7 Caterpillar tractor with angle-dozer, ½ mo. @ $908/mo.	454.00	

(Rental prices are for machines alone and do not include operator, fuel, etc.).

To be furnished by the Operator

1 - ½ ton pick-up truck costing $1300 Depreciation ½ mo. @ $22/mo.	11.00	$1,003.00

5. Rehabilitation and Repairs

None

6. New Buildings, Improvements, Installations

None

7. Miscellaneous

Payroll ~~taxes, insurance~~, Workmen's Compensation and Employer's Liability Insurance	75.00	
Contingencies and extra	119.00	$ 194.00

TOTAL ESTIMATED COSTS - $2,400.00*

Participation by the Government, 90% - - - - - - - - - - - - - - $2,160.00*

NORTH CAROLINA
Cleveland County

THIS LEASE made and entered into this the 23rd. day of January, 1952, by and between A. P. Meade and wife,

of Cleveland County, North Carolina, hereinafter called the Lessors and F. B. Hendricks, of the County of Cleveland, State of North Carolina, hereinafter called the Lessee.

W I T N E S S E T H:

That for and in consideration of the sum of one dollar in hand paid by the Lessee to the Lessors, receipt of which is hereby acknowledged by the Lessors and the further consideration of the faithful compliance with all the terms and conditions hereof as hereinafter recited, said Lessors do hereby grant and lease unto the said Lessee or his heirs or assigns, for a period of ten years from the date thereof, the exclusive right and privilege to mine, search for and take from the following described real estate all the mica, quartz, feldspar and any other minerals. Said land being located in Number Ten Township, Cleveland County, North Carolina, and being more fully described by mets and bounds as follows:

Adjoining lands of G. W. Cook, Julius Hoyle, Julius Mode, and others.

BEGINNING at a stone pile, formerly a post oak, and runs North 88 East 79½ poles to a stone in John Randall's line; thence with his line, North 15 West 42 poles to a stake in the swamp, Randall's corner; thence North 58 East 16 poles to two negro pines; thence North 12 East 62 poles to a stone pile, Cleveland Mill & Power Co. corner; thence with their line, North 89 West 90½ poles to two Black Jacks, Their corner; thence with their line, South 4 West 28 poles to a post oak, their corner; thence with their line, North 89 West 36 poles to a black gum; thence down the center of the branch 78 poles to a stake in center of the branch; thence South 77 East 38 poles to the BEGINNING, containing 77½ acres, more or less, being the property conveyed by W. A. Proctor and wife, M. E. Proctor, to A. P. Meade and wife R. A. Mead, by deed dated December 17, 1926, and recorded in Book 3-U, Page 240 in Register's Office, Cleveland County, N. C., excepting therefrom a lot conveyed by A. P. Meade and wife, R. A. Mead, to Hubert T. Cook and wife, Ethel Cook, containing 50¼ acres, as will appear of record in Book 5-J, page 576 in the aforesaid office, reference being hereby made to said deeds and the records thereof for further identification and description of the said property herein described and the excepted portion.

The Lessee shall pay to the Lessors a royalty as follows:

For sheeted mica, including washer and punch 1/8 of the price obtained from such mica as solf from the property. For block mica 1/4 of the price as obtained. For scrap mica $2.00 per ton, and for all other minerals 1/10 of the price obtained. This royalty shall be paid on or before the tenth day of each Month for all mica and minerals marketed the preceding month, together with a full and complete statement of same.

The Lessee shall have the following rights and privileges:

(a) The right to the use of the surface of said land to the full extent that such use is reasonably convenient or necessary in mining, digging, milling, processing and transporting minerals, equipment and supplies to and from the public roads.

(b) The right to construct and place upon said land buildings, materials, and equipment, and to remove same.

The Lessee agreens to begin work upon said property within 180 days from the date hereof and to continue mining operations thereon diligently and in good faith as the market for the minerals obtainable permits profitable operations, and failure to operate the mining operations for ninety (90) days shall render the lease void.

The Lessee agrees that at the conclusion of its mining operation that where operations were carried on in cultivatable fields to back-fill all shafts, trenches or other surface workings and level down all waste material.

It is further understood by the parties hereto that the Lessee may surrender this lease by giving to the lessors written notice of at least thirty (30) days.

It is further understood and agreed between the parties hereto that the Lessors shall not lease for the purpose of minning any part of the tract, of which the land herein described is a part, to persons other than the Lessee.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names and affixed their seals in duplicate this the day

and year first above written.

s/ A. P. Meade (SEAL)

s/ Carrie Meade (SEAL)
Lessors.

s/ F. B. Hendricks (SEAL)
Lessee

NORTH CAROLINA
Cleveland County

I, Bill Mauney, A Notary Public for said County and State, do hereby certify that A. P. Meade and wife, Carrie Meade, personally appeared before me this day and acknowledged the due execution of the foregoing instrument for the purpose and intent therein expressed.

WITNESS my hand and notarial seal this 24 day of Jan., 1952.

s/ Bill Mauney
Notary Public

My commission expires: 1/3/53

NORTH CAROLINA
Cleveland County

I, Bill Mauney, A Notary Public for said County and State, do hereby certify that F. B. Hendricks personally appeared before me this day and acknowledged the due execution of the foregoing instrument for the purpose and intent therein expressed.

WITNESS my hand and notarial seal this 24 day of & Jan., 1952.

s/ Bill Mauney
Notary Public

My commission expires: 1-3-53

Form MF-103
(Revised June 1951)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.1.

MF-103 Should Be Filed With General Technical Data Form MF-100

APPLICATION FOR AID FOR AN EXPLORATION PROJECT PURSUANT TO MINERAL ORDER 5, UNDER DEFENSE PRODUCTION ACT OF 1950

Not To Be Filled in by Applicant

Docket No. DMEA-2432
Metal or Mineral
Date Received 3-17-52
Amount $
Participation (Government %)

DEPARTMENT OF THE INTERIOR Defense Minerals Administration RECEIVED MAR 17 1952

F. B. Hendricks
P. O. Box 835
Shelby, N. C.

Name and address of applicant

Date March 5, 1952

If you have already filed MF-100, give date filed _____, type of assistance requested _____,

DMA Docket Number (if available) _____

A. P. Mead Mine

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four copies each, of the signed application form, General Technical Data Form MF-100, and answers to questions as specified, to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive office thereof, with your name and address on each sheet of the application and all accompanying papers. If you have previously filed MF-100, it is not necessary to file it again. However, you should indicate in space provided above the type of assistance previously applied for (loans, procurement contracts, etc.) and DMA Docket Number, if available. *When a question is inapplicable it should be so stated in the form.* Additional sheets should be attached in answering any questions or in supplying additional information. IF YOU CANNOT ANSWER A QUESTION, SO STATE.

1. (*a*) Give a description of the real property that will be in any way involved in the exploration project, including any existing mine or operating property.

   (*b*) If you are not the owner of the property, submit a copy of the lease, purchase option, or other agreements under which you are authorized to operate the property with each copy of your application.

   (*c*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

   NOTE: (1) If both areas are the same, so state. The only obligation to repay the Government is from the net earnings from any commercial discovery made in the area specified in (*c*) above in which the exploration is to be conducted, and the expenditure of funds which may be charged as costs of the project must be limited to that area or to work necessary to perform the exploration in that area.

   (2) If applicant is not the owner of the property or if there are any liens or encumbrances against the property, copy of agreements of claimants, lienors, encumbrances, and lessors subordinating their interests in the property to the interest of the Government under the Exploration Project Contract will be required for attachment to the Contract.

2. (*a*) What metals or minerals do you expect to find?

   (*b*) Furnish statement of the geologic features of your property, giving type of ore deposit and reasons for expecting to find commercial ore bodies. Illustrate with maps or sketches. If you have a geologic or engineering report, or assay maps showing width and grade, please send them with application, stating whether or not you wish to have them returned.

The information requested in questions 3, 4, 5, 6, 7, 8, and 9 below should be answered specifically and in detail, as this information will be attached to and incorporated as part of the Exploration Project Contract, if such contract is entered into with you by the Government.

ANSWER EACH QUESTION ON SEPARATE SHEETS OF PAPER AND SUBMIT A COPY OF EACH ANSWER FOR EACH COPY OF YOUR APPLICATION.

3. (*a*) Describe fully the proposed work and give the total cost of the project.

   (*b*) State the time required to start the project and to complete it.

4. Submit a map or sketch of the property involved showing a plan (and cross section, if needed) of the present mine workings and the *location of the proposed exploration work* as related to geologic features, such as contacts, veins, ore-bearing beds, etc.

5. Furnish an itemized list of existing facilities, buildings, installations, and fixtures with a statement of the cost of any necessary rehabilitation or repairs to put into useful and operable condition.

6. Furnish a detailed list of additional facilities, buildings, and fixtures to be purchased; installed, or erected by you, with the estimated cost of each item.

7. Furnish a detailed list of operating equipment, separated into items to be—

   (*a*) Rented

   (*b*) Purchased

   (*c*) Furnished by you

   with the rental, purchase price, or depreciation of each item, as the case may be, to be charged as a cost of the project.

8. Furnish an itemized schedule of labor, by numbers and classes (miners, muckers, etc.) and of supervisors by numbers and positions, with the maximum wages or salaries to be paid to each.

9. Furnish a detailed list with estimated cost of each item for materials, supplies, engineering, assaying, accounting, power, water, utilities, and any other items not provided for above.

10. (*a*) How much are you prepared to invest in the proposed project?

    (*b*) Is this amount sufficient to pay your part of the cost of the project, in accordance with the regulations on Government participation (Sec. 9 of MO–5)?

11. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

CERTIFICATION

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

F B Hendricks

F. B. HENDRICKS, OWNER
(Name of company)

By F B Hendricks
(Signature of authorized official)

MARCH 5, 1952
(Date)

OWNER
(Title)

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—64067-2

F. B. Hendricks
P. O. Box 835
Shelby, N. C.

March 5, 1952

1. (a) The A. P. Mead tract, shown on the accompanying may, shows evidence of mica deposit at one point other than that included in the area to be explored. This area includes an open cut.

   (b) Copy of lease enclosed.

   (c) Area to be explored is 100' X 225' as shown on map.

2. (a) Strategic Ruby Mica.

   (b) Weathered pegmatite extending through weathered country rock.
   No engineering reports or assay maps available
   Reason for expecting to find commercial ore bodies are based on the appearence of the vain material in the waste from the old workings and on the quality of the mica left in the waste dump. This indicates that large mica was found there.

F. B. Hendricks
P. O. Box 835
Shelby, N. C.

3. (a) The proposed work would consist of clearing the timber from the area, cleaning our the present cut and stripping overburden from the vein on each side of the present cut a total lenght of 190' X 10' deep X 12' wide. Sinking four shafts in cut 15' deep X 6' wide X 8' long.
Total excavation: 924 cu. yds.
Total cost of project: $ 1458.93

(b) Eight weeks from date of contract to start project and two additional weeks to complete it.

4. Map enclosed

5. None

6. None

7. List of operating equipment:
(a) None
(b) None
(c) 1 3/4 yd. Northwest Shovel with dragline front end equipment. Cost: $18,215.00
Depreciation 1/2 month $ 156.79
1 D-7 Tractor equipped with angledozer
Cost: $16,349.00. Depreciation ½ mo. 136.24
1 3/4 ton Pickup Truck, Dost: $1850.00
Depreciation 1/2 month 15.41
$ 308.44

Power Shovel and D-7 Tractor equipped as listed above under item (c) to be bought by me provided I can get the necessary priorities.

8. Schedule of Labor:

1 Shovel operator	100 hrs. @ 1.375	$ 137.50
1 Shovel oiler	100 hrs. @ 1.10	110.00
1 Bulldozer operator	100 hrs. @ 1.375	137.50
1 Truck Driver	100 hrs. @ 1.10	110.00
1 Foreman	100 hrs. @ 1.32	132.00
1 Office employe	40 hrs. @ 1.25	50.00
2 Laborers	200 hrs. @ .88	176.00
		$ 853.00

F. B. Hendricks
P. O. Box 835
Shelby, N. C.

8. Continued:

Unemployment Compensation	
2.7% of $853.00	$ 23.03
F. I. C. A.	
1.5% of $853.00	12.80
Workmens Compensation Insurance	
Mining Rate: 3.85 X $803.00	31.91
Office Employe Rate: .06 of $50	.03
	$ 67.77

9.

1000 gals.	Fuel Oil	@ 12.8¢	$ 128.00
50 gals.	Lub Oil	@ 75¢	37.50
250 gals.	Gasoline	@ 24.7¢	61.75
17½ lbs.	Grease		2.47
			$ 229.72

F. B. Hendricks
P. O. Box 835
Shelby, N. C.

10. (a) $300.00

    (b) Yes

11. None

Form MF-100
(May 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Form approved.
Budget Bureau No. 42-R1026.

GENERAL TECHNICAL DATA FOR USE UNDER THE DEFENSE PRODUCTION ACT OF 1950

NOT TO BE FILLED IN BY APPLICANT

Docket No. DMEA-2432

Date received 3-17-52

MAR 17 1952
RECEIVED
Defense Minerals Administration
Department of the Interior

F. B. Hendricks
P. O. Box 835
Shelby, N. C.

Name and address of applicant

Date March 3, 1952

INSTRUCTIONS

This form is to be filed with Defense Minerals Administration, Department of the Interior, Washington 25, D. C. It should be accompanied by appropriate application form when a specific type of Government assistance is requested, in the form of (1) loan, (2) purchase contract, (3) Government guarantee of a private loan, (4) priorities or allocation of mining equipment, and maintenance, repair and operating supplies, and (5) other forms of Government assistance that might arise under the Act. Submit four (4) signed copies of the form and accompanying papers. Name and address should be stamped or typed on each sheet of this form and all accompanying papers. *When a question is inapplicable it should be so stated on the form.* Additional sheets may be attached in answering any questions or in supplying additional information. (IF YOU CANNOT ANSWER A QUESTION, SO STATE.) If a question is answered elsewhere indicate where answered. It is not necessary to answer it again.

GENERAL TECHNICAL DATA

Supply the following information on separate sheets, arranged, numbered, and lettered as indicated:

1. Materials produced:
   (*a*) What are the chief mine, mill, or smelter products?
   (*b*) What are the byproducts, if any?
2. Name(s) and type(s) of mine(s), mill(s), smelter(s), refinery(ies), pit(s), quarry (ies), drilling operation(s). Include old names of property, if any. Show extent of workings, including the following:
   (*a*) Linear feet of shafts.
   (*b*) Linear feet of drifts and crosscuts.
   (*c*) Linear feet of tunnels or adits.
   (*d*) Linear feet of other mine openings (explain briefly).

   Indicate whether mine is flooded or not. Describe any pumping problems. Give size or productive capacity.
3. For each operation listed above supply the following:
   (*a*) Distance and direction from nearest town and shipping point.
   (*b*) Mining district.
   (*c*) Township, Section, Range.
   (*d*) County, State.
4. (*a*) State whether or not property is now in operation, and if in operation, by whom operated.
   (*b*) Are you operating this property as:
   - ☐ Owner.
   - ☐ Lessee.
   - ☐ Contractor.
5. Number of years in production _____

   If not in production or operation, estimated date when production will begin _____
6. Experience of operators:

   Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who manage the project.
7. History:
   (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for suspension of operation.
   (*b*) State briefly the known history and production of adjoining and neighboring properties.
   (*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

8. Names and addresses of Officers, Directors, or Partners, and in addition thereto, the five largest stockholders if applicant is a corporation.

Name and Address (a)	Official Title (If officer is also director indicate by "D") (b)	Total of Annual Salary, Commissions, Bonuses, Etc., Received From Applicant and Affiliates During Last Fiscal Year (c)	Estimated Net Worth Outside of Interest in Applicant (d)	Number of Shares Held in Applicant Corporation		Life Insurance Carried for Benefit of Applicant	
				Common (e)	Preferred (f)	Amount (g)	Net Cash Surrender Value After Loans (h)
	Total		x x x x x			x x x x x	x x x x x

If more lines are needed continue on separate sheet.

9. Capital Stock Issues:

For Corporate Applicants

Item	Authorized (a)	Outstanding (b)	Par Value (c)	Number of Shares Outstanding (d)	Dividend Rate Last Paid* (e)
Common stock	$	$	$		
Preferred stock	$	$	$		

*Indicate period covered.

10. Production:

Item	Kind of Product (a)	1948 Total (b)	1949 Total (c)	1950 Total (d)	Present Average Monthly (e)
1. Quantity of product mined or quarried (Short, long, metric tons; barrels; pounds; etc.)					
2. Quantity of product processed (specify unit of measure and type of process)					
3. Quantity and grade of product sold or shipped (specify units of measure)					

11. Do you contemplate a change in the present average monthly rate of production? If so, state estimated maximum monthly production and basis of change.

12. Ore or Mineral Reserves:

(a) Describe the ore or mineral deposit briefly. Accompany the application by any available report on the geology and ore reserves.

F. B. Hendricks
P. O. Box 835
Shelby, N. C.

Form MF-100
Page 1
March 3, 1952

1. Materials produced:
   (a) Strategic Ruby Mica.
   (b) Scrap Mica

2. A. P. Mead Mine
   (a) None
   (b) None
   (c) None
   (d) 25 ft. long 10 ft. wide and 6 ft. deep open cut. Above dimentions are approximately as the cut is now. The sidewalls have weathered and filled the original cut perhaps as much as 4 or 5 feet.

3. (a) 21 miles northwest of Shelby, N. C.
   (b) None
   (c) Number 10 Township
   (d) Cleveland County, North Carolina

4. (a) Not now in operation
   (b) Lessee

5. Number of years in production: Cannot answer
   Estimated date production will begin: September 15, 1952

6. Experience of Operators:
   (a) Applicant had 25 years experience as road grading contractor as member of firm of Hendricks and Kennedy. From December 1942 to 1946 was engaged in sheet mica mining. Our main operation was in Gaston County and was known as the Bess Mine. This was one of the largest producing mines in this region and lead the southeastern district in monthly production for two months. From 1946 to December 31, 1950 I, as an individual was engaged in mining and processing scrap mica. At the beginning of 1951 I transferred my mine and plant to the Kings Mountain Mica Co., Inc. in which I am interested.
   (b) Clarence Dook who will manage the project has been engaged in sheet mica mining in the part of the county in which the projects are located a part of the time during the past 35 years. He worked for my firm while we were operating in that area.

7. History:
   (a) This was a small operation and I have been unable to get any information as to when it was worked, production of the property or why the work was suspended. However, I was told by Clarence Cook that he recovered the scrap mica from the waste dump of this mine and that showed evidence of large sheets of good quality.
   (b) This adjoins the Bumgardner and Hubert Cook properties. (See applications)
   (c) None available

8. Not applicable

9. Not applicable

10. Not in production

11. Not applicable

12. Cannot answer

13. Access Roads: 21 miles to Shelby, N. C. All paved from Shelby to within 2.8 miles of mine. Two miles of that is now under construction and is expected to be paved next summer. The remaining .8 mile is graded and maintained by State Forces.

14. Water supply: Ample

15. No power available

16. None

17. None

18. No.

(*b*) If deposit is other than placer:

(1) Submit assay plans and/or sections showing location and size of proved (measured) and probable (indicated) ore or mineral reserve.

(2) State the tonnage (indicate type of ton) and grade of each class of ore reserve, as above, and show how computed. Tabulated total ore reserve as follows:

TOTAL ORE OR MINERAL RESERVES

Ore or Mineral Reserve	Estimated Tons (a)	Metal or Mineral Content Per Ton (Grade) (b)	Gross Value Per Ton (c)	Recoverable Unit Value Per Ton (d)	Estimated Cost of Production Per Ton (e)
Measured (proved)					
Indicated (probable)					

(*c*) If placer:

(1) Give estimated total yardage and average marketable mineral content of each deposit.

(2) Submit map showing location of placer deposit and surrounding area, with all test holes or pits. Submit logs of each hole and test pit with depth and average value of each.

(3) Describe gravel, stating whether fine, medium or coarse; loose, tight, cemented, or frozen, and whether it contains stumps or boulders more than 1 foot in diameter; if so, how large, and in what proportion.

(4) Describe bedrock, giving type (granite, sandstone, shale, etc.) and state whether it is hard or soft, smooth, uneven or rough.

(5) Describe overburden, stating whether loose, tight, or cemented; fine or coarse textured; furnish estimate of average thickness and total amount.

(6) Tabulate the reserves using the form outlined above for ore or mineral reserves.

13. Access Roads:

Give road distances to shipping, supply and residence points, stating kind and condition of roads.

14. Water Supply:

State source and quantity of water available for operations and whether sufficient for all seasons of year.

15. Power:

State amount of power used, rate per hour, and source thereof.

16. Labor:

State number and classes (miners, muckers, millmen, etc.) of men employed during a recent representative payroll period.

17. Equipment and Facilities:

Describe present equipment on the property, including buildings. (State condition.) List major pieces of equipment now owned or controlled and in serviceable condition available for this operation.

18. Are there any particular conditions or circumstances affecting your operations that are not described above? If so, explain.

CERTIFICATION

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

F. B. Hendricks, Owner
(Name of company)

By F B Hendricks
(Signature of authorized official)

Owner
(Date)

OWNER
(Title)

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—63792-1

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

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

117

PAID ON VOUCHER AND SCHEDULE PAYMENTS NOR - 46

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

Month of September 1952 Docket No. DMEA 2432 Contract No. Idm E 359
Operator's Name F. B. Hendricks Minerals Mica
Address Box 835, Shelby, N. C.
Contract Amount, $~~60.74~~ was $2400.00 Government Participation: ____% Amount, $~~54.67~~ was $2160.00

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						
(2) Labor and Supervision:						
Labor	27.92	14.25	42.17	27.92	14.25	42.17
Supervision	6.60	0.0	6.60	6.60		6.60
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Oil	2.56	3.84	6.40	2.56	3.84	6.40
(4) Operating Equipment:						
Rental Bulldozer	20.60	34.71	55.31	20.60	34.71	55.31
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes	1.46	.60	2.06	1.46	.60	2.06
Liability Insurance	1.60	.72	2.32	1.60	.72	2.32
(8) Contingencies (specify):						
TOTALS	60.74	54.12	114.86	60.74	54.12	114.86

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

Date 1-28-53 *Payee F B Hendricks

Per F B Hendricks Title Owner

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

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

(Instructions on reverse)

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

$ 54.67

Signature Cora A. Piper
(Authorized Certifying Officer)

Date MAR 3 1953 Vou. No. 117

(See other side)

2nd ✓ 7 S-9/10/52 C-9/15/52

6.07

(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. Idm E359 in accordance with the terms of the contract.

Signature Lawrence E. Shirley Title Mining Engr. U.S.B.M. Date Feb. 17, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. M. Beck Title ACTING EXECUTIVE OFFICER DMEA REGION VII Date FEB 25 1953

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 16 1953

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Sept. 1952 Docket No. DMEA 2432 Contract No. Idm E 359
Operator's Name F. B. Hendricks Minerals Mica
Address P. O. Box 835, Shelby, N. C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching	Cu.Yd.	60.74	190	114.86	365	0.515		2400.00
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								~~$2400.00~~
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS								

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

Date 2-7-53 Operator F. B. Hendricks

Per F B Hendricks Title Owner

REMARKS: The work covered by this report completed the project and should have been reported in October but was overlooked.

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

COPY

COPY

F. B. HENDRICKS
Scrap Mica
P. O. Box 835
Shelby, N. C.

February 7, 1953

Mr. V. J. Lynch, Chief Mining Branch
U. S. Bureau of Mines
111 Patton Avenue
Asheville, N. C.

Re: A. P. Mead Mine
Docket No. DMEA-2432

Dear Sir:

As previously reported on July 10, 1952, we cut a trench with power shovel in the side hill to the old workings, on the above project, to a depth of 14 ft. This was stopped when the rock encountered was too hard to dig without blasting. No mica of commercial value was found in this part of the trench.

Later, during the week of September 20, 1952, this trench was extended by bulldozing the waste material from the old workings and also the original ground material an additional 35 ft. in length from the end of the trench previously excavated and sloping upward from the bottom of this trench to the ground surface. This included all of the old workings.

No mica of any value was recovered during either operation and it was therefore decided that it would be useless to continue the work.

Yours truly,

F. B. Hendricks

copied by zm.
cc:
Beck
Laurence
Lynch
Finance office-3

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Defense Minerals Administration
RECEIVED
AUG 25 1952

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of July 1952 Docket No. DMEA _____ Contract No. 2452
Operator's Name F. G. Hendricks Minerals Mica
Address P. O. Box 535 - Shelby, N. C. [illegible] - [illegible] 350
Contract Amount, $ 240[illegible].00 Government Participation: ____% Amount, $ 43.71

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 Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	14.25		14.25	14.25		14.25
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Oil	3.84		3.84	3.84		3.84
(4) Operating Equipment:						
Rental Shovel	34.71		34.71	34.71		34.71
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes	.60		.60	.60		.60
Liability Insurance	.72		.72	.72		.72
(8) Contingencies (specify):						
TOTALS	54.12		54.12	54.12		54.12

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

Date 8-13-52 *Payee F. G. Hendricks
F. G. Hendricks

Per _____ Title _____

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

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

(Instructions on reverse)

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

$ 48.71

Signature _____
(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. IdmE 359 in accordance with the terms of the contract.

Signature Kefton H. Teague Title Geologist U.S.G.S. Date 8-20-52

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. A. Beck Title Acting Exec. Officer Date 8-20-52

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205675

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 25 1952

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of July 1952 Docket No. DMEA _____ Contract No. 2438

Operator's Name F. B. Hendricks Minerals Mica

Address Shelby, N. C. IDM - E 369

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching	Cu. Yds.	54.12	175	54.12	175	.30		
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		54.12		54.12				

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 8-13-52 Operator F B Hendricks
F. B. Hendricks

Per _____ Title _____

REMARKS: _____

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205676

C O P Y

F. B. HENDRICKS
Scrap Mica
P. O Box 835
SHELBY, N. C.

August 13, 1952

Mr. V. J. Lynch, Chief Mining Branch
U.S. Bureau of Mines
111 Patton Ave.
Asheville, N. C.

Dear Sir:

On July 10 work was started on Contract #2432 but was carried on for only one day, therefore, nothing was definitely determined as to the probability of recovering mica of commercial value.

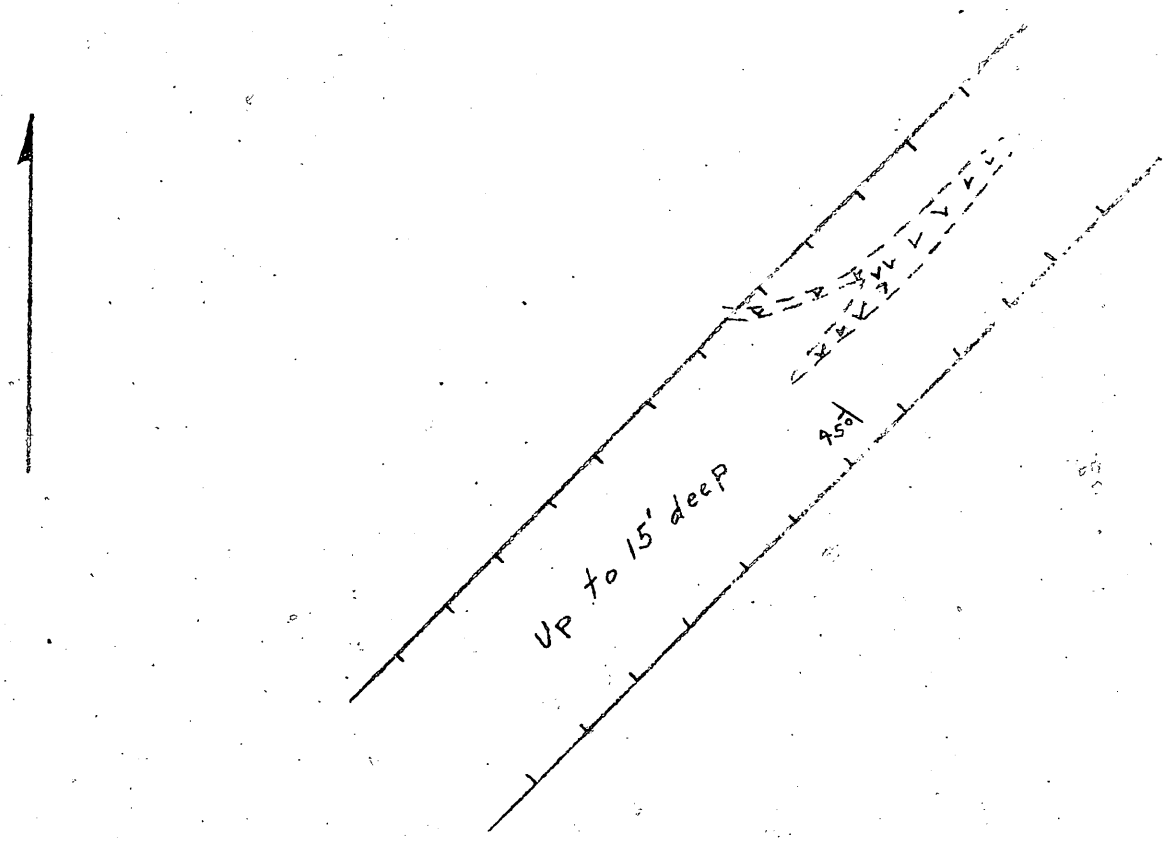
It is expected to continue this work at a later date.

Sincerely yours,

s/s

F. B. Hendricks

Copied by xm
8/20/52
cc:
Norris-3
Beck-1
Peyton-1



Sketch of
A.P. Mead Mine
Cleveland Co., N.C.

0 20' 40'

Scale

10-30-52

DMEA-2432

FILE COPY
SURNAME:

Robertson
Hunt
Chamberlin

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

May 12, 1953

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: A closing review - Docket No. DMEA-2432 - Mica
Contract No. Idm-E359
Date of contract: June 25, 1952
Amount approved: $2,400
Property: A. P. Mead Mica Mine
Cleveland County, North Carolina
Contractor: F. B. Hendricks (an individual)
P. O. Box 835
Shelby, North Carolina
Total accepted cost: $114.86
Government's share 90%: $103.38
Project started July 10, 1952
Recessed and completed: Sept. 23, 1952

Contract terminated by agreement after commencement but before completion of work.

Summary of docket:

3/1/52	Application MF-103 received.
4/10/52	Referred to Field Team, Region VII.
5/2/52	Field Team report received. Signed by Wm. A. Beck and W. R. Griffitts. Recommends project in amount of $2,381.36.
6/25/52	Project contract dated 6/25/52 in amount of $2,400.
7/10/52	Work started. Worked one day trenching.
9/23/52	Work stopped. Worked three days trenching.
3/9/53	Final Operator's Report received.
3/9/53	Final Field Team Report received. Report by Kefton H. Teague and Wm. A. Beck. They report not enough mica to constitute a discovery.
3/13/53	Date of Audit Review, signed by E. D. Talbert, Auditor.
3/16/53	Date of Termination of Exploration project by Agreement after Commencement but before Completion of the Work.

Resume:

On July 10, 1952, a trench was cut with a power shovel in the side of the hill to old workings to a depth of 14 feet. Shovel work was stopped because continued digging would require rock blasting.

Later in week of September 20, 1952, to September 23rd, bulldozing of waste from old workings was done and 35 feet of additional trenching.

No mica of any value was recovered during either operation and the operator decided it was useless to continue the work.

A pegmatite pod 30 feet long and 2 - 5 feet thick was exposed. The field team report:

"The small amount of mica recovered is ruby colored, flat or flat "A", hard and clear. Not enough mica was recovered to constitute a discovery".

No equipment costing in excess of $50 was purchased for the project thus there was no salvage values.

The audit review dated April 13, 1953 and signed by E. D. Talbert, Auditor, reports:

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

Total cost as billed by contractor		$114.86
Exceptions:		
By DMEA Finance Officer	$ -0-	
Herewith	-0-	-0-
Total accepted cost		$114.86

The contract called for a 90% participation of exploration expense by the United States Government. Therefore, payment to the contractor by the Government in the amount of One hundred three and 39/100 Dollars,

- $103.38 -

is considered valid and proper.

Comment:

This contract had very little project work done on it and was terminated by mutual consent under termination agreement dated April 16, 1953.

The Nonmetallic Minerals Division concurs in the opinion that no discovery of significance was made by the little work performed.

Jasper T. Robertson
Nonmetallic Minerals Division

JTRobertson:gad 5/12/53
Copy to: Admr. R. File
Docket File
Mr. Houk

☑ Audited R.R. 4-13-53 W[illegible]K ANALYSIS SHEET - DMEA PROJECT[illegible] ☑ Actual Cost

☐ Certified Analysis as of 12-7-54 ☐ Agreed Unit Costs

Incl. Voucher for Sept. 1952

Name J. B. Hendricks Docket No. 2432

State N.C. Commodity Mica Idm-E No. 359

OPERATION	AUTHORIZED Units	AUTHORIZED Cost	COMPLETED Units	COMPLETED Cost	NET COST
Drifting & Crosscutting					
Raising					
Shafts					
Winzes					
Drilling (Specify)					
Surface Excavation		$2400		$114.86	$114.86
Underground Excavation					
Roads and Trails					
Operating Equipment Purchased					
Surface Rehabilitation & Repairs					
Underground Rehabilitation					
New Building, Improvements, etc.					
Other (Specify)					
Totals		$2400		114.86	$114.86

Prepared by L.G.H.

71626

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

April 21, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 23 1953

Memorandum

To: Operating Committee, D M E A - Washington

From: Executive Officer, DMEA - Region 7

Subject: DMEA-2432, Idm-E359. F. B. Hendricks. (Mica) North Carolina
Termination by Agreement.

Attached hereto are three copies of "Termination of Exploration Project Contract by Agreement after Commencement But Before Completion of the Work." This agreement has been signed by Mr. Hendricks, the Operator; he retained a copy, a copy was retained by this office and a copy sent to the Finance Officer.

Robert A. Laurence
Robert A. Laurence

RECEIVED
APR 23 1953
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

UNITED STATES
DEPARTMENT OF THE INTERIOR

DOCKET COPY

DEFENSE MINERALS EXPLORATION ADMINISTRATION

WASHINGTON 25, D. C.
ROOM 13, POST OFFICE BLDG.
KNOXVILLE 2, TENN.

April 16, 1953

Memorandum

To: Operating Committee, D M EA- Washington

From: Executive Officer, D M E A - Region 7

Subject: DMEA-2432, Idm-E359 (mica) A. P. Mead Mine. F. B. Hendricks, Opr.

In reply to your letter of April 14:

The statement in the final report that this work was completed on July 10 was in error. Work was suspended on that date, resumed in September and completed on September 23.

Form 18262-1, termination by mutual consent, is being sent to Mr. Hendricks today, as suggested in your letter.

Idm-E358 (DMEA-2431) was completed, and final report will be sent to you soon.

Robert A. Laurence

Robert A. Laurence

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

DOCKET COPY

APR 16 1953

Mr. F. B. Hendricks
P.O. Box 835
Shelby, North Carolina

DMEA-2432, Idm-E359 (mica)
A. P. Mead Mine

Dear Mr. Hendricks:

Will you please sign all the enclosed copies of the form for termination of a project by mutual consent, so as to complete the records on the above designated contract? Please keep one of the signed copies, and return the original and all other copies to me.

Very truly yours,

Robert A. Laurence, Executive Officer
DMEA Field Team, Reg. 7

RAL/sm

cc:

Reek
Lynch

Files
Opr. Com.

FILE COPY
SURNAME:

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

APR 6 1953

Houk
Selfridge
Ashburn
Phillips
Mittendorf

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

Subject: Docket No. DMEA-2432 - Mica
A. F. Mead Mine
F. B. Hendricks
Cleveland County, North Carolina
Contract No. Idm-X359

Dear Mr. Laurence:

Reference is made to your memorandum of February 25, 1953, transmitting the final field team and final operator's reports on the subject contract.

The field team states work was completed on July 10; however, the operator's final report shows work being performed in the week of September 20. Inasmuch as we have no MP-104 for September, we wish to have this matter clarified. This contract should be terminated by mutual consent, in order that we may get an audit review and close the case. DMEA-2431 should be similarly processed to close it at an early date.

Sincerely yours,

Austin A. Selfridge (JB)
Chairman, Operating Committee

Approved:

J. E. Hodson (JB)
Member, Bureau of Mines

A. R. Ellis, Jr. (JB)
Member, Geological Survey

J.C. 4/14/53

LGHouk:gad 4/10/53
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Larrabee, G-232 GSA Bldg.
Mr. Dietrich, 3526
Mr. Houk

2432

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

February 25, 1953

Memorandum

To: Operating Committee, D M E A - Washington

From: Field Team, DMEA - Region 7

Subject: Final Report on DMEA-2432, Idm-E359, A. P. Mead Mine (mica)

Transmitted herewith are four copies of the Field Team's final report on the subject contract; Also attached to each report is a copy of the Operator's final report.

Robert A. Laurence

Robert A. Laurence, Executive Officer
DMEA Field Team, Region 7

Wm A Beck

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

Reviewed by
DMEA OPERATING COMMITTEE
3-9-53
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR
OSCAR L. CHAPMAN, SECRETARY

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT

REPORT OF EXAMINATION BY FIELD TEAM, REGION VII

DMEA-2432, Idm-E359 (mica) A. P. MEAD MINE
Cleveland County, N.C.

By

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

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

February 25, 1953

Reviewed by
DMEA OPERATING COMMITTEE
3-9-53
(date)

F.T. FINAL RPT.

FINAL REPORT
on
DMEA-2432, (mica) A. P. MEAD MINE, Idm-E359
Applicant: F. B. Hendricks, Shelby, N. C.

The A. P. Mead Mine is located 3.2 airline miles due west of Toluca in north Cleveland County, North Carolina. It is along the east side of a soil road 700 feet east of the Bumgardner Mine.

No worthwhile mica was found by this operation and no additional work is justified. This project began and ended on July 10, 1952. Exploration consisted of cutting a trench 100 feet long, 20 feet wide, and 10 to 15 feet deep. The trench is in a N. 45° E. direction.

A pegmatite pod 30 feet long and 2-5 feet thick is exposed in the cut. It trends N. 45° E, dipping vertically and is crosscutting the sillimanite garnet schist wall rock. Apparently the pegmatite is emplaced in a joint. The foliation of the wall rock trends N. 50° W, dipping 45° SW. At the northeast end of the pegmatite a thin quartz rib occurs and a little "burr pegmatite."

The small amount of mica recovered is ruby colored, flat or flat "A", hard and clear. Not enough mica was recovered to constitute a discovery. 11

Expenditures:

(a) Total approved -------	$2400.00	
(b) Total cost of project	114.86	114.86
(c) Government's share of cost--	103.38	103.38
(d) Government's share unexpended	2056.62	2056.62

(e) Value of production during operation - None.

The Operator conducted the operation efficiently.

No equipment costing in excess of $50 was purchased for the project, thus no salvage value.

K. H. Teague, USGS

Wm. A. Beck, USBM

zm

C
O
P
Y

Operator's Final Report
on
DMEA-2432, Idm-E359, (mica)
A. P. Mead Mine.

On July 10, 1952, we cut a trench with power shovel in the side hill to the old workings, on the above project, to a depth of 14 ft. This was stopped when the rock encountered was too hard to dig without blasting. No mica of commercial value was found in this part of the trench.

Later, during the week of September 20, 1952, this trench was extended by bulldozing the waste material from the old workings and also the original ground material an additional 35 ft. in length from the end of the trench previously excavated and sloping upward from the bottom of this trench to the ground surface. This included all of the old workings.

No mica of any value was recovered during either operation and it was therefore decided that it would be useless to continue the work.

s/ F. B. Hendricks

C
O
P
Y

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

February 5, 1953

Mr. F. B. Hendricks
P.O. Box 835
Shelby, North Carolina

Re: DMEA-2432, Ids-E359 (mica)
A. P. Head Mine

Dear Mr. Hendricks:

The records in this office show that only one Operator's Monthly Report and Voucher has been submitted for work done on the subject project. That one was for July 1952, and your narrative stated that work was carried on for but one day. We know that you later did considerable more work on the property but we have never received a voucher for the additional expenses incurred.

If you wish to claim payment for this work, please submit your report and voucher as soon as possible along with your Final Report on the project as required in Article 7 (b) of your contract.

Very truly yours,

Robert A. Laurence, Executive Officer
DMEA Field Team, Region 7

WAB/zm
cc:
Beck
Lynch
Opr. Com.
Files.

INTERIM REPORT

DMEA - 2432, (mica)

F. B. Hendricks, P.O. Box 835, Shelby, N.C.

A. P. MEAD MINE, Cleveland County, N.C.

Contract Idm-E359

This property was visited by the undersigned, accompanied by Mr. Hendricks on August 25, 1952.

Work on this project was started on July 10, when one days work with a shovel was done. No other work was done since that time so nothing definite can be determined as to the possibility of finding mica of commercial value.

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

Aug. 29, 1952

FILE COPY
SURNAME:

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

600

JUN 25 1952

Mr. Robert A. Laurence
Executive Officer, DMEA
Field Team, Region VII
Room 13, Post Office Building
Knoxville 01, Tennessee

Subject: Docket No. DMEA-2427 - Mica
Docket No. DMEA-2428 - "
Docket No. DMEA-2429 - "
Docket No. DMEA-2430 - "
Docket No. DMEA-2431 - "
Docket No. DMEA-2432 - "
F. B. Hendricks
Cleveland County, North Carolina

Dear Mr. Laurence:

Please find herewith the original and five copies each of contracts covering the subject exploration projects which have been signed by this office for the Government with register number and effective date.

If the contracts meet with your approval, present them to the Operator for his approval and signature. If any provisions are unsatisfactory to the Operator, return all copies to this office along with suggested changes for consideration.

After signing of the contracts, one copy each is to be given to the Operator, one copy retained for your files, and the remaining copies, including the originals, are to be returned to this office as soon as possible.

A copy of the contracts required by the Regional Finance Office will be forwarded directly by the Washington Finance Section.

Sincerely yours,

ce 6/25

(signed) FRANK E. JOHNSON
Chairman, Operating Committee
Defense Minerals Exploration
Administration

Approved:

J. H. Hedges
Member, Bureau of Mines

E. F. Thayer
Member, Geological Survey

Enclosures 36

JTRobertson:gad 6/20/52
Copy to: Admin. Reading File
Operating Committee (2)
Mr. Dietrich, 3526
Mr. Norton, G-232 GSA Bldg.
Docket File
Mr. Houk

FILE COPY
SURNAME:

AEKane

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

June 19, 1952

M. S. in R. & R.

Memorandum

To: Acting Administrator

Through: Mr. L. G. Houk

From: Chief Counsel

Subject: F. B. Hendricks, A. P. Mead Mine, Docket No. DMEA-2432

There is attached in satisfactory legal form for execution a contract covering the subject contract. However, your attention is invited to the following:

1. The map referred to in Annex I and entitled "Plat of Land Leased by A. P. Mead & Wife to F. B. Hendricks under Date of 1-12-52," should be attached to the contract.

2. There should be inserted in the Landlord's Subordination Agreement the date of the execution of this exploration project contract.

L. Hofflund
J. L. Hofflund
Chief Counsel

AEKane:gad 6/17/52

Copy to: Docket
J. L. Hofflund
A. E. Kane
L. G. Houk
Chron.

C O P Y

UNITED STATES DEPARTMENT OF THE INTERIOR

Bureau of Mines

Washington 25, D. C.

May 23, 1952

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

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

Subject: Dockets-DMEA-2427, 2428, 2429, 2430, 2431 and 2432.

I concur in the field teams recommendation for an exploration project on subject properties aggregating approximately $15,000. The proposed procedure appears to be the most effective method of exploring.

S. F. Dietrich

C O P Y

FILE COPY
SURNAME:

JTRobertson

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

COPY

May 21, 1952

Memorandum

To: Chief Counsel

From: Chief, Nonmetallic Minerals Division

Subject: Docket Numbers [illegible]A-2[illegible]7, 2[illegible], [illegible], [illegible], 2[illegible]1, 2432 - [illegible] W. A. Hendricks
Concerning the drafting of contracts.

These six North Carolina mica exploration applications are a group of mica leases to be worked by the one applicant, W. A. Hendricks, Shelby, North Carolina.

The applicant intends to rent for the work some power equipment, a clamshell bucket and hoes. The equipment will serve each project in turn and therefore, the starting date of each project has to be varied in order to use the equipment in rotation. It may be that the dates of starting and finishing of projects will require changes or amendments by the Regional Office to meet the time for transferring the equipment from one job to the other.

The six projects were examined as a group and are therefore submitted to you as a group for preparation of contracts.

The amounts involved in the contracts are listed as follows:

Docket No.	Name of Lessee	Government Share	Total Cost
[illegible]A-2[illegible]7	Hubert Cook et al. [illegible]	[illegible],15[illegible]	[illegible],500
[illegible]A-2[illegible]8	Hubert Cook et al. [illegible]	[illegible],250	[illegible],500
A-2[illegible]9	Carpenter [illegible]	1,[illegible]	1,[illegible]
[illegible]A-2[illegible]	Hendricks [illegible]	3,780	4,2[illegible]
[illegible]A-2[illegible]	[illegible]	[illegible],5	1,5[illegible]
A-2[illegible]	[illegible]	[illegible],1[illegible]	[illegible],4[illegible]
		14,130	15,770

[illegible] (sgd)
Nonmetallic Minerals Division
Defense Minerals Exploration
Administration

Attachment

JTRobertson:[illegible] 5/21/52
Docket File
[illegible]
[illegible]

IN REPLY REFER TO:

G-MD-JJN

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

May 12, 1952

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-2432 (Mica).

To: Non-Metallic Minerals Division, DMEA.
From: J. J. Norton, U. S. Geological Survey.
Applicant: F. B. Hendricks.
Name of property: A. P. Mead.
Location of property: Cleveland County, North Carolina.
Field team's recommendation:

Stage 1: Trench 10 by 12 by 150 feet.
Stage 2: 4 15-feet test pits.

Estimated Cost: $2,381.36.
Comments: None.

ACTION SUGGESTED:
Follow field team's recommendations.

J. J. Norton

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
MAY 1[illegible] 1952

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Room 13, Post Office Building
Knoxville, Tennessee

C O P Y

April 29, 1952

Memorandum

To: Frank E. Johnson, Chairman, Operating Committee DMEA

From: Field Team, Region VII-DMEA

Subject: Field examination reports on, DMEA-2427,28,29,30,31 and 32. Applications of F. B. Hendricks (mica). Shelby, N.C.

Transmitted herewith are 4 copies of field examination report on each of the following:

DMEA-2427 Hubert Cook Mine No.1
DMEA-2428 Hubert Cook Mine No.2
DMEA-2429 Carpenter Mine
DMEA-2430 Bumgardner Mine
DMEA-2431 Glen Mead Mine
DMEA-2432 A. P. Mead Mine

All the above applications were filed by F. B. Hendricks, P.O. Box 835, Shelby, North Carolina.

The Field Team agrees with the recommendations in these reports.

In the original applications the applicant set up his costs on a depreciation basis on the heavy equipment he planned to use on the jobs. Since the time of filing he had decided to rent the equipment as he feels that if the projects are not successful he will be suck with the equipment on his hands. He has an agreement with the equipment company to rent the shovel and dozer at 1/18 of the cost per month. If he should decide to buy the equipment 90 percent of the rental money could be applied toward the purchase price.

The shovel which he plans to rent and perhaps buy is a 3/4 yard Unit Shovel Model 1020A, made by the Unit Crane and Shovel Corporation, Milwaukee 14, Wis., equipped with shovel boom and bucket and drag line boom. This equipment sells for $19,382.00.

The bulldozer is a D-7 Caterpillar Tractor with angle

dozer which sells for $16,349.00.

Mr. Hendricks has already purchased a 1/2 ton pick-up truck at a cost of $1300. This will be put on a depreciation basis if a contract is let.

There is also enclosed supporting data that was sent down with the dockets.

Sgd. Benjamin Gildersleeve

Benjamin Gildersleeve, for
Robert A. Laurence, Executive Officer
DMEA Field Team, Region VII

Sgd. Wm. A. Beck

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
OSCAR L. CHAPMAN, SECRETARY

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM, REGION VII

DMEA-2432, A. P. MEAD MINE- (Mica)
Cleveland County, North Carolina
F. B. Hendricks, Applicant

ON-SITE EXAM.

By

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

W. R. Griffitts, Geologist
U. S. Geological Survey

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY - 2 1952

Reviewed by
DMEA OPERATING COMMITTEE

5-9-52
(date)

April 15, 1952

Report of Field Examination on

IMEA-2432, A. P. MEAD MINE & (mica)
Cleveland County, North Carolina
F. B. Hendricks, Applicant

An old caved and partly filled cut at the A. P. Mead prospect is now 30 feet long, 10 feet wide, and about 5 feet deep. It is likely that the original depth was 15 feet. Nothing is known about the history of operation, although there has been no work for several decades.

The pegmatite dike probably strikes N. 35° E, parallel to the long direction of the cut. A moderately large number of blocks of massive white quartz that are a foot wide that lie on the dump indicate that the dike contains a quartz core. There is no indication that the deposit contains a perthitic intermediate zone, and it is likely that the mica was obtained from the inner part of the dike. The wall zone probably is plagioclase-quartz pegmatite, similar to that in other deposits in the area.

The dump contains "A" and flat "A" mica books, but none were exposed in pegmatite. The mica left on the dump, would yield a little 2 x 3 inch sheet and perhaps a little 3 x 3. It is clear, not badly fractured, and when carefully freed from the reeved parts of the books the sheets are flat. The color is ruby. The recovery of sheet from the mine-run mica would probably be low, as with other "A" mica.

This is another prospect that apparently was never developed extensively, but the reasons are not known. Th reasons apparently did not include poor mica quality.

It is proposed to explore the pegmatite along its strike by cleaning out the present cut and trenching on each side of it for a total length of 190 feet. The trench is to be 12 feet wide and 10 feet deep. Should the trenching show evidence of a good pegmatite, four 6' x 8' test pits will be sunk to a depth of 15 feet in the most favorable areas.

Operations to start within 2 months from date of contract and be completed within 3 months.

Estimated costs of the project are as follows:

(1) Independent Contracts
None

Revised figures used in Contract

(2) Labor and Supervision*

1 - Shovel operator,	100 hrs. @ $1.37½/hr.	$137.50	
1 - Shovel oiler	100 hrs. @ 1.10/hr.	110.00	
1 - Bulldozer operator,	100 hrs. @ $1.37½/hr.	137.50	
1 - Truck driver	100 hrs. @ 1.10/hr.	110.00	
1 - Working foreman,	100 hrs. @ 1.32/hr.	132.00	
1 - Office employee	40 hrs. @ 1.25/hr.	50.00	
2 - Laborers	200 hrs. @ 0.88/hr.	176.00	
			$ 853.00

* (Rates of pay include overtime over 40 hours, based on 50 hours per week.)

(3) Operating Material and Supplies

Gasoline, fuel oil, lubricating oil and grease	250.00	
Hand tools and other supplies	100.00	
		$ 350.00

(4) Operating Equipment

To be rented

1 - 3/4 yd. power shovel with dragline front end equipment, 1/2 mo. @ $1076.78/mo. $ 538.39

1 - D-7 Caterpillar tractor with angle-dozer, 1/2 mo. @ 908.28/mo. 454.14

* (Rental prices are for machines alone and do not include operator, fuel, etc.)

Furnished by Operator

1 - 1/2 ton pick-up truck costing $300. 11.00
Depreciation 1/2 mo. @ 21.66/mo. 10.83 $ 1003.36

(5) Rehabilitation and Repairs

None

(6) New Buildings, Improvements, Installations

None

(7) Miscellaneous

Payroll insurance and taxes	75.00	
Contingencies	100.00	
		175.00

Total estimated costs.....	$2,381.36
Participation by the Government, 90%	$2,143.22

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SURNAME: copy

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

Mr. Robert A. Laurence
Executive Officer
DMEA Field Team, Region VII
Room 13, Post Office Building
Knoxville 01, Tennessee

Subject: Docket Nos. DMEA-2427, 28, 29, 30, 31 and 32
F. B. Hendricks
Shelby, Cleveland County, N. C.

Dear Mr. Laurence:

Enclosed please find a copy of a memorandum by Mr. M. F. Dietrich, Bureau of Mines, and one by Mr. J. J. Norton, U. S. Geological Survey, both pertaining to a field team review of the above referred exploration projects.

A field examination is indicated for these six projects and, as they are located close to one another, they may be examined at one time.

The memoranda are sent for your information and are not intended to limit the field team from reporting its own independent observations and deductions.

Six maps, one for each project, are also enclosed, and they may be retained for your files.

Upon completion of the examination, send the report to this office together with your comments and recommendations.

Sincerely yours,

Lynch 4/10

Chairman, Operating Committee
Defense Minerals Exploration Administration

Enclosures - 18
Approved:

J. H. HEDGES - (CCD)

Member, Bureau of Mines

T. P. THAYER - (SGS)

Member, Geological Survey

JTRobertson:mp 4/7/52
cc: Operating Committee
Adm. Reading File
Docket File
Mr. Dietrich, 3526
Mr. Norton, G-232, GSA Building
Mr. Houk

COPY

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FILE COPY
SURNAME: copy

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

Mr. F. B. Hendricks
P. O. Box 835
Shelby, North Carolina

Subject: Docket Nos. DMEA-2427, 28, 29, 30, 31 and 32 - Mica
Shelby, Cleveland County, N. C.

Dear Mr. Hendricks:

Your applications are being referred to Mr. Robert A. Laurence, Executive Officer, DMEA Field Team, Region VII, Room 13, Post Office Building, Knoxville 01, Tennessee, for further information.

Sincerely yours,

Signed 4/10

Acting Administrator
Defense Minerals Exploration
Administration

JTRobertson:mp 4/7/52
cc: Adm. Reading File
Docket File
Mr. Dietrich
Mr. Norton
Mr. Houk

copy

IN REPLY REFER TO:

G-MD-JJN

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

March 31, 1952

Memorandum

REVIEW OF APPLICATION DMEA-2432 (One of a block of applications, DMEA 2427 through 2432).
To: L. G. Houk, Non-Metallic Minerals Division, DMEA.
From: J. J. Norton, U. S. Geological Survey.
Commodity: Mica.
Applicant: F. B. Hendricks.
Name of Property: A. P. Mead.
Location of property: Northern part of Cleveland County, North Carolina.
Estimated cost of project: $1,460.
Summary of applicant's proposal:

1. Strip overburden 10 by 12 by 190 feet.
2. Sink 4 15-feet shafts.

Sources of information on applicant's property:
None, unless this is one of the four Baumgarner pegmatites, described by Jahns, Griffitts, and others in the manuscript of the professional paper on pegmatites of the Southeastern Piedmont.

Brief description of deposit:
Weathered pegmatite. Apparently all old workings are caved. Hendricks and H. L. Kennedy sold mica valued at $166.20 from a "Meade" prospect in World War II.

RECOMMENDATION: Refer to field team.

Reasons for recommendation: Available data are quite inadequate, but the applicant probably can supply nothing additional. This is one of a block of applications, DMEA 2427 through 2432, and if any one of them is sent to the field, all of them should be. Hendricks is apparently a competent operator from whom good performance can be expected.

Additional comments: The data in the application seem to indicate that the field team will be unable to find sufficient evidence to justify an exploration project. The applicant should be required to open up the deposit at least enough to provide something for the field team to see.

J. J. Norton

J. J. Norton

COPY

UNITED STATES DEPARTMENT OF THE INTERIOR

BUREAU OF MINES
Washington 25, D. C.

March 25, 1952

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

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

Subject: DMEA-2427 - 2428 - 2429 - 2430 - 2431 - 2432
F. B. Hendricks, Shelby, North Carolina

These six applications have been made by a responsible individual, and cover two groups of properties a few miles apart.

Although there has been little past production from these properties, such work as has been done, taken in conjunction with surface indications, is favorable. The area in general is one in which ruby mica is known to be the characteristic variety.

A field investigation is recommended. Special attention should be given to coordinated exploration program for the entire group of properties, with sufficient flexibility to permit a shift of emphasis as the work progresses. Some consideration might be given to a drilling program to investigate the depth extensions of the more favorable deposits.

W. F. DIETRICH

C O P Y

COPY

Memorandum

To: George H. Roll, Requirements Division, DMPA

From: C. O. Mittendorf, Acting Administrator, DMEA

Subject: Caterpillar D-7 Tractor for F. B. Hendricks, Shelby, N. C.
Project Nos. DMEA-2427, 2428,2429,2430,2431,2432.

There has been submitted to the Non-Metallic Minerals Division by Mr. F. B. Hendricks, Shelby, North Carolina, applications for six mica exploration project loans. The projects, all situated in Cleveland County, North Carolina, involve the removal of overburden and the cutting away of top-soil to reach the underlying pegmatite dikes in which the mica occurs.

Mr. Hendricks is a contractor and also an experienced operator in mica. In his applications he has offered to furnish a caterpillar and dozer for jobs to be done on the six projects.

It is to our advantage to have the operator provide as much of the machinery and equipment as possible. In this case it is also quite probable that the equipment may be utilized in other projects in the county as there is a shortage of this sort of equipment in the district.

To avoid too much delay in starting the projects, after loans are approved, we request and recommend, that Mr. Hendricks be allowed a priority rating to enable him to receive delivery, within a reasonable time, one Caterpillar D-7 Tractor equipped with Caterpillar 7-A Dozer, and Caterpillar No. 25 Cable Control, all of which, we understand, is at present on order by Mr. Hendricks with the Carolina Tractor and Equipment Company, Salisbury, North Carolina.

Any action you may take to expedite the delivery of above mentioned equipment will be appreciated.

C. O. Mittendorf, Acting Administrator
Defense Minerals Exploration
Administration

JTRobertson:mp 3/24/52
cc: Adm. Reading File
Docket File
Field Team, Region VII (2)
Mr. Dietrich,3526
Mr. Norton, G-232,GSA Bldg.
Mr. Houk

EXPLORATION

Subject: DMEA-2432
Re: Exploration Loan
A. P. Mead Mine
March 19, 1952

Mr. F. B. Hendricks
P. O. Box 835
Shelby, North Carolina

My dear Mr. Hendricks:

This will acknowledge receipt of your application dated March 5, 1952 for a loan under the Defense Production Act of 1950.

Your application was assigned Docket Number DMEA-2432 and referred to the Non-Metallics Division.

Kindly refer to DMEA-2432 in any future correspondence relating to your application.

Sincerely yours,

ROBERT E. ADAMS

Robert E. Adams
Acting Administrative Officer

7862

C O P Y

F. B. HENDRICKS

Scrap Mica

P.O. Box 835
Shelby, North Carolina

March 15, 1952

Defense Minerals Exploration Adm.
U. S. Department of Interior
New Interior Building
Washington 25, D. C.

Attention : Mr. F. L. Knouse

I am mailing you under 3 separate covers, applications for aid for Exploration Projects as follows:

One each on the properties of Mrs. Charlcie Carpenter, Glen Mead, A. P. Mead and Mrs. Etta Bumgardner and two on the Hubert T. Cook property. Each application consists of 5 copies of forms MF 100 and 103 and 6 of 202, one copy of the lease and an overlay.

In addition there is one copy of a subordination agreement between Hubert T. Cook and A. P. Mead.

Sincerely yours,

F. B. Hendricks (Sgd)

C O P Y

C O PY

February 6, 1952

Mr. George Roll
Defense Minerals Administration
Department of Interior
Washington 25, D. C.

SUBJECT: Request for Priority Assistance in Obtaining a Track-Type Tractor

Gentlemen:

I am submitting the following information with the urgent request that I be given some assistance in obtaining a track-type tractor necessary to our operation.

1. This is to advise that I have leased five large tracts of property in Cleveland County, N. C., which have been mined for Strategic Ruby Sheet Mica. My plans are to start mining operation on this property as soon as the necessary equipment is available.

2. My company is in urgent need of:

(a) One "Caterpillar" D-7 Tractor equipped with "Caterpillar" 7-A Dozer and "Caterpillar" No. 25 Cable Control. The approximate cost of this equipment is $16,400.00 F.O.B. Salisbury, North Carolina.

3. I placed an order with the Carolina Tractor and Equipment Company, Salisbury, North Carolina on January 31, 1952. The manufacturer of this equipment is the Caterpillar Tractor Company, Peoria, Illinois.

4. Timely delivery cannot be effected without the assistance requested for the following reasons:

(a) The Caterpillar Tractor Company has been unable to obtain raw materials without priority ratings and for that reason have been unable to operate their production lines anywhere near their capacity.

(b) Because of large government orders placed with the Caterpillar Tractor Company and other priority orders being received by them, they are unable to allocate this model tractor to their distributor in any quantity that allows them to promise a delivery.

(c) With a priority they can make delivery within five to six weeks after receipt of priority.

(d) Comparable equipment cannot be purchased because other manufacturers are in the same delivery position. We have tried to rent, lease or purchase outright a good used crawler-type tractor but have been unable to locate a unit to fit our needs. Therefore, the only means we have of obtaining this much needed equipment is by obtaining a priority rating.

5. The general location of these properties is approximately 18 miles North of Shelby, North Carolina near the Northern Boundary of the County and about three miles west of Highway Route No. 18.

6. A brief description and history of these mines in so far as I know them is as follows:

DMEA -2429 (a) The Mrs. Charlie Carpenter property was mined within the last few years and proved to be a narrow but rich vein bearing a good quality of Ruby Mica. This operation was a small one, the work being done by hand labor. Another operation on this tract was carried on some 40 or 50 years ago. The only information I have about this was given me by Clarence Cook, who lives in the vicinity, and who has had many years experience in Mica Mining. He stated that a good grade of Ruby Mica was recovered from this pit which is a trench about twelve feet and thirty feet long.

DMEA-2432 (b) The A. P. Mead property which is a mile or so northwest of the above has been mined to a limited extent. The open pit is a small one. From the apprerance of the still to be found around the pit some fair sized sheet was recovered then. I have no information as to why it was abandoned.

DMEA-2427 & 2428 (c) The Hubert Cook property which adjoins the above offers what may prove to be the best prospect of all. It was mined about 50 or 60 years ago. There are several shafts and one open pit. The main shaft, I was told, was sunk to a depth of about 40'. It was reported that an extra good grade of Ruby Mica was being recovered but the work was stopped because of a bad cave-in. At another location about a thousand feet from this, there is an open pit which shows evidence of a good grade of Mica. This was done many years ago and was probably abandoned because of large quarts boulders which show up in the pit.

DMEA-2430 (d) The Mrs. Etta Bumgardner land has one open pit which was rich in A. Mica. This pit is about 20' deep and according to the information I have a good percentage of the Mica was a good grade of Ruby. The above Nos. 2,3 and 4 are adjoining farms.

DMEA-2431

(e) The Glen Mead has been working very little but does show out croppings over a rather large area. There is no open pit or shaft there now.

(f) All the Ruby Sheet Mica produced from the above mentioned mines will be sold to the Government Mica Buying Program.

7. This is to advise that I have been in the Mica business since 1942. Then, as of January 1, 1951, I transferred my mining equipment and plant to the Kings Mountain Mica Company, Inc., in Which I am still interested.

(a) My experience extended over a period of about 3½ years as a member of the firm of Hendricks and Kennedy and later as an individual.

(b) Our main mining operation cas carried on in Gaston County in this state and was known as the Bess Mine. This was one of the largest producing mines in this region. The total value of our product was over $150,000.00.

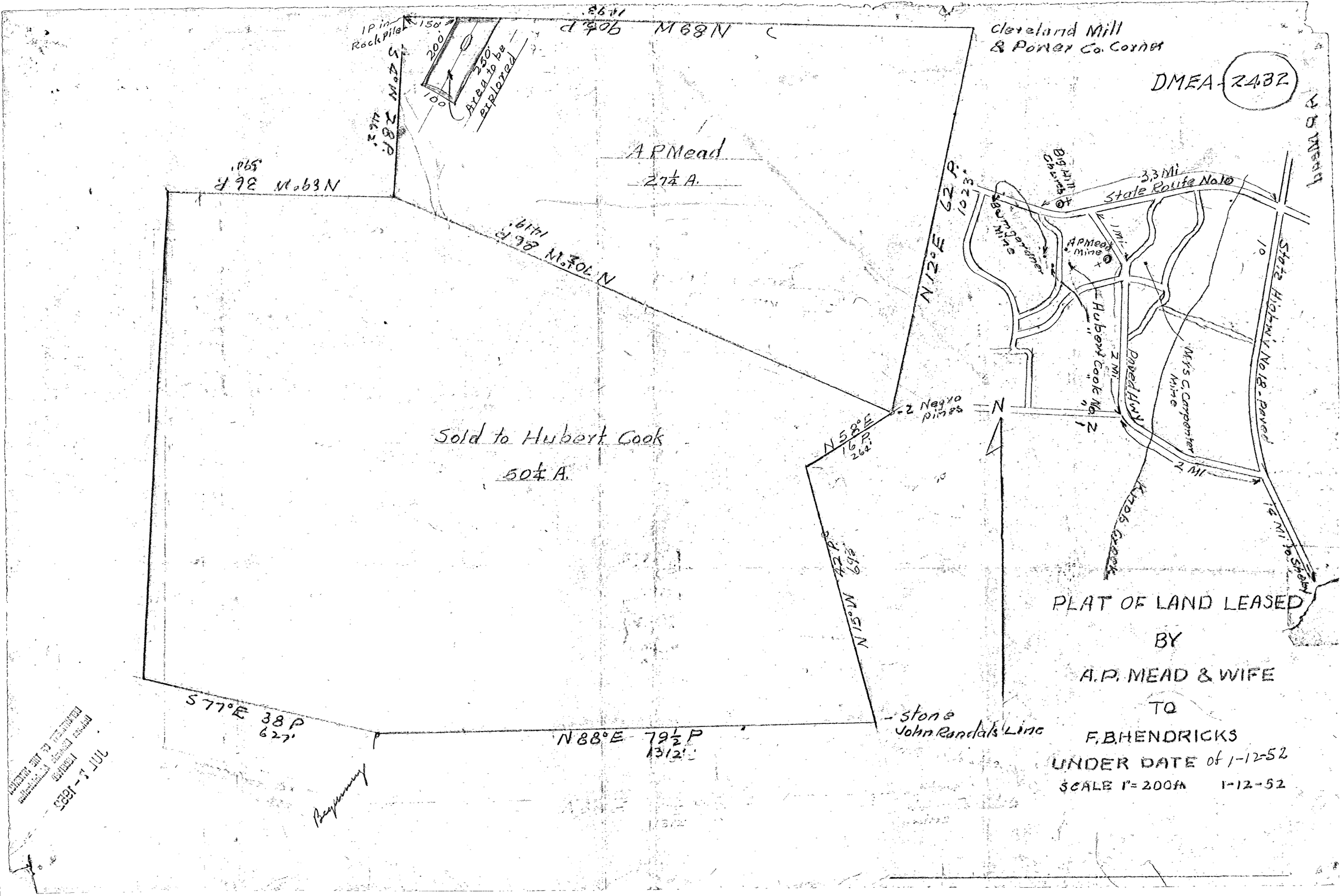
8. I have previously applied for priority rating on a Northwest Model 25 combination Shovel-Clam-Drag and at that time included one Model TD-18 International Crawler Tractor. After due consideration I have decided that I would prefer the "Caterpillar" D-7 Tractor and that is my reason for filing this application.

I trust that the above information is sufficient for you to approve my application and will be looking for your favorable decision at the earliest possible date.

Very truly yours,

F. B. HENDRICKS (sgd)
OWNER

C O P Y



PLAT OF LAND LEASED
BY
A.P. MEAD & WIFE
TO
F.B. HENDRICKS
UNDER DATE of 1-12-52
SCALE 1" = 200 ft 1-12-52

JUL 1 - 1985