A DMEA-3130
Mica
Region VII

E. R. WELLMON, SHELBY, NORTH CAROLINA. Wellmon Mine, Cleveland County, North Carolina. 272 9/25/53

Letter to the Field forwarding a contract, signed by the Acting Administrator, for execution. Also forwarded to the Field were copies of memoranda from the Bureau of Mines and the Geological Survey regarding the project. Approved for referral.

A DMEA-3130
Mica
Region VII

E. R. WELLMON, SHELBY, NORTH CAROLINA. Wellmon Mine, Cleveland County, North Carolina. 9/14/53 #267

Field Examination Report recommending approval. The report was referred to the Commodity Group.

☑ Audited R.R. 4-7-54 WO[illegible] ANALYSIS SHEET - DMEA PROJECT ☐ Actual Cost

☐ Certified Analysis as of 12-3-54 ☑ Agreed Unit Costs
Incl. Voucher for Feb. 1954

Name E. R. Wellmon Docket No. 3130

State N. C. Commodity Mica Idn-E No. 612

OPERATION	AUTHORIZED Units	AUTHORIZED Cost	COMPLETED Units	COMPLETED Cost	NET COST
Drifting & Crosscutting Timbered	75'	$ 2,625.00	75'	$ 2,625.00	$ 2,625.00
Raising					
Shafts Timbered	50'	2,250.00	50'	2,250.00	2,250.00
Winzes					
Drilling (Specify)					
Surface Excavation		60.00		60.00	60.00
Underground Excavation					
Roads and Trails					
Operating Equipment Purchased					
Surface Rehabilitation & Repairs					
Underground Rehabilitation					
New Building, Improvements, etc.		75.00		75.00	75.00
Other (Specify)					
Totals		$ 5,010.00		$ 5,010.00	$ 5,010.00

Prepared by L. G. H.

Shaft floored at 39'

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

E. R. Wellman
Route 5
Shelby, North Carolina

pertaining to Exploration Project Contract No. Idm-2612, Docket No. DMEA-3130, including Amendment No. 1, for the months of October, 1953 to February, 1954, inclusive, covering a project for the exploration of mica on property known as the Wellman Mine, located in Cleveland County, North Carolina.

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

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

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

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

Total cost as billed by Contractor		$5,010.00
Exceptions:		
By DMEA Finance Officer	$ - 0 -	
Herewith	- 0 -	-0-
Total Accepted Cost		$5,010.00

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 Four thousand five hundred nine and no/100 Dollars,

$4,509.00

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

E. D. Talbert
(E. D. Talbert, Auditor

April 7, 1954

Division Copy

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB - 3 1954

E. R. WELLMON
EXPLORATION PROJECT CONTRACT
Docket No. DMEA-3130 (mica)

AMENDMENT NO. 1

It is agreed this 22nd day of January 1954, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and E. R. Wellmon, Route 5, Shelby, North Carolina each acting in consideration of the other to the terms hereinafter set forth, that Exploration Project Contract Idm-E 612, Docket No. DMEA-3130, dated September 28, 1953 be modified and amended as of the date of the contract, as follows:

In Exhibit "A"

(a) Under "Description of the Work" delete item 5 and substitute the following: " Drive 75 feet of timbered drift and/or crosscut, not less than 5 feet by 7 feet in cross section at locations mutually agreeable to the Operator and the Government."

(b) Under "Agreed Unit Costs" add the words "and/or crosscutting" after "drifting" in item 5.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be obligated to pay, or the percentage of the costs which the Government may be obligated to pay, under the provisions of Article 4 of the contract form.

E. R. WELLMON
By: E R Wellmon

THE UNITED STATES OF AMERICA
By: Robert A. Lawrence
Executive Officer, DMEA
Field Team, Region 7

23

MF-200 (A)
(February 1952)

DOCKET NO. DMEA 339

COMMODITY Mica

Division Copy

IDM-E 612

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

EXPLORATION PROJECT CONTRACT[1]

(Short Form)

IT IS AGREED this 28th day of September, 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] E. F. Hellman
Route 3
Shelby, North Carolina

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

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

ARTICLE 2. *Operator's property rights.*—With respect to that certain land situated in the State of North Carolina, County of Cleveland, described as follows:[3] set forth in Annex I

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: Deed of trust to Lee W. Cornwell in the amount of $1,200.00 payable $400.00 annually

(*b*) ~~That the Operator is owner, in possession, and entitled to possession, and the Owner's Consent to Lease is attached.~~
The Operator shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of the exploration project without any allowance for the use, rental value, depreciation, depletion, or other cost of acquiring, owning, or holding possession thereof.

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

in or upon the described land; and shall bring the project to completion within a period of six (6) months from the date of this contract. The work to be performed is more fully described in Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, are made a part of this contract. The Government will contribute to the cost of this work as hereafter provided. The work shall be performed by the Operator or by independent contractor or contractors efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for workmen's compensation and employers' liability insurance, with suitable and adequate equipment, materials, and labor, to bring the project to completion within the time fixed. The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

ARTICLE 4. *Costs of the project.*—The agreed, estimated costs of performing the work, expressed in terms of units of work to be performed (per foot of drifting, per foot of drilling, per cubic yard of material to be moved, etc.) are set forth in Exhibit "A," attached hereto. The Government will pay 50 percent of these agreed, estimated costs, as they accrue, for units of work actually performed that conform with the description or specifications for the work set forth in this contract, in an aggregate total amount not in excess of $4,000.00, which is 50 percent of $8,000.00, the agreed, estimated total cost of the project in which the Government will participate: *Provided,* That until the Operator's final report and final accounting have been rendered to the Government and any final check or auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of ten (10) percent of the maximum total which the Government might have been called upon to pay under the terms of the contract. The Government may, as it sees fit, make payments direct to the Operator's independent contractors, if any, for the account of the Operator, rather than to the Operator.

ARTICLE 5. *Reports, accounts, audits.*—(*a*) *Progress reports.* The Operator shall provide the Government with monthly reports of units of work performed under the contract, in quintuplicate (five copies), upon forms provided by the Government. These progress reports shall be certified by the Operator, and shall constitute both the Operator's invoice of units of work performed on the project during the period covered by the report and his voucher for repayment by the Government, unless the Government requires the use of a standard voucher form with invoice attached. Progress reports shall include surface and/or underground engineering-geological maps or sketches showing the progress of the exploration, with assay-reports on samples taken concurrently with the advance in mineralized ground.

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

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

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

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

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

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

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

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

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

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

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

ARTICLE 7. *Assignment, transfer, or loss of Operator's interest.*—Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder. The Operator shall not make any voluntary nor permit any involuntary transfer or conveyance of the Operator's rights in the land described in Article 2, without making suitable provision for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof; *Provided*, that mere failure by the Operator to maintain the Operator's rights in the land, without any consideration running to the Operator other than relief from the cost of maintaining such rights (as by surrender of a leasehold, failure to perform assessment work, or failure to exercise an option), coupled with complete abandonment by the Operator of all interest in or operations on the land for a period of 10 years from the date of this contract, shall not constitute such a transfer or conveyance. Should the Operator make or permit any transfer or conveyance in violation of this provision, the Operator shall be and remain liable for payment to the Government of the same amounts, at the same times, as would have been paid under the terms of the percentage royalty on production. If for any reason the net smelter returns, net concentrator returns, or other net amounts realized from the sale or other disposition of such production are not available as a means of measuring the amount of the Operator's liability, the amount thereof shall be estimated as well as may be, and in the event of dispute as to such estimates, the determination thereof by the Administrator of Defense Minerals Exploration Administration or by his successor shall be final and binding upon the Operator.

ARTICLE 8. *Termination and completion.*—The Government may, at any time, by written notice to the Operator, terminate this contract: (*a*) If the Operator fails to provide his share of the money necessary to prosecute operations pursuant to the terms of the contract; (*b*) if the Operator, in the opinion of the Government, fails to prosecute operations pursuant to the terms of the contract; or (*c*) if, in the opinion of the Government, operations up to the time of the notice have not indicated the probability of making any worth while discovery and in the opinion of the Government further operations are not justified.

ARTICLE 9. *Changes and added provisions* _____

Executed in sextuplicate the day and year first above written.

E. R. Wellmon

E. R. Wellmon (SEAL) - Operator

By _____ 10-12-53

THE UNITED STATES OF AMERICA

By Frank E. Johnson

Acting Administrator, Defense Minerals Exploration Administration

Acting Chief Counsel

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

_____ [CORPORATE SEAL]

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

EXPLORATION PROJECT CONTRACT
E. R. WELLMON
DOCKET NO. DMEA-3130

ANNEX I

The land referred to in Article 2 hereof was formerly a part of Lot Number Two of the A. H. Cornwell land lying in Township 6. It is located about one mile east of North Carolina Highway No. 26 and 3.25 airline miles N. 20 degrees W. of Shelby, Cleveland County, North Carolina, and is described, by metes and bounds, as follows:

Beginning on an old Hickory, J. M. Wilson's corner, runs with his line S. 49½ E. 46 poles to a stake on the banks of the river, formerly a forked pine; thence down the river as it meanders 74 poles to a stake on the bank of the river on a bluff, corner of Lot #1; thence with the line of said Lot S. 58 W. 36½ poles to a stake in the old line in the center of road 3½ poles North East of the forked locust corner; thence up the road N. 21½ W. 22 poles to a stake in the road; thence N. 5½ W. 20 poles to a stake in the road thence N 10 W. 32 poles to a stake in the road; thence N. 16-3/4 W. 53 poles to a stake in fork of the road in the old line; thence with the old line S. 87½ E. 19-3/5 poles to the beginning corner, containing twenty-three (23) acres more or less.

ANNEX [illegible]

The following provisions are in lieu of all of paragraph (a) of Article [illegible] which precedes the colon:

If the Government considers that a discovery or development from which production may be made has resulted from the exploration work, the Government, at any time not later than six months after a sufficient, complete, final report and final account referred to in the contract has been rendered, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development. The Operator, or his successor in interest, shall pay to the Government a royalty on all minerals mined or produced from the land described in Article 2, as follows: (1) Regardless of any certification of discovery or development, from the date of the contract until the lapse of the time within which the Government may make such certification of discovery or development, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first, unless the Government waives its right to a royalty; or (2) if the Government makes a certification of discovery or development, for a period of ten years from the date of the contract, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first. Said royalty shall be a percentage of the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production (including any bonuses), in whatever form disposed of, including ore, concentrates, or metal, as follows:

EXPLORATION PROJECT CONTRACT
E. R. WELLMON
DOCKET NO. DMEA-3130

EXHIBIT A

Description of the Work

Exploration for concentrates of strategic mica shall be accomplished in the area indicated on the attached map entitled Sketch of Wellmon Mine, Cleveland Co., N. C., DMEA-3130(mica) by the work described below:

1. Bulldoze and otherwise prepare a shaft site.

2. Construct an approved powder magazine.

3. Construct an approved exploder magazine.

4. Sink 50 feet of timbered shaft on the pegmatite, not less than 5 feet by 7 feet in cross section.

5. Drive 75 feet of timbered drift on the pegmatite from the bottom of the shaft, not less than 5 feet by 7 feet in cross section.

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

Agreed Unit Costs

1.	Bulldozing and other preparation of shaft site 1/	$ 60.00	
2.	Construction of powder magazine 1/	50.00	
3.	Construction of exploder magazine 1/	25.00	
4.	Shaft sinking 50 feet @ $45.00/ft.	2,250.00	
5	Drifting 75 feet @ $35.00/ft.	2,625.00	
	Total Agreed Unit Costs		$5,010.00
	Government Participation @ 90%		$4,509.00

1/ The completed work constitutes the unit.

MF-201
(June 1951)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

SUBORDINATION AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the undersigned is the holder of a mortgage, claim, lien, or encumbrance identified and described as follows: [illegible]

[illegible] County, North Carolina,

upon that certain parcel of ground described in a certain Exploration Project Contract dated ....., 195...., between E. R. Wellmon

.....,

and the United States of America;

NOW, THEREFORE, the undersigned does by these presents subordinate all of his right, title, and interest in said mortgage, claim, lien, or encumbrance 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 under the provisions of said mortgage, claim, lien, or encumbrance; and

The undersigned agrees to commit no act nor assert any right, title, or interest under said mortgage, claim, lien, or encumbrance that might contravene or conflict with the prior lien and claim of the United States of America under the provisions of said Exploration Project Contract.

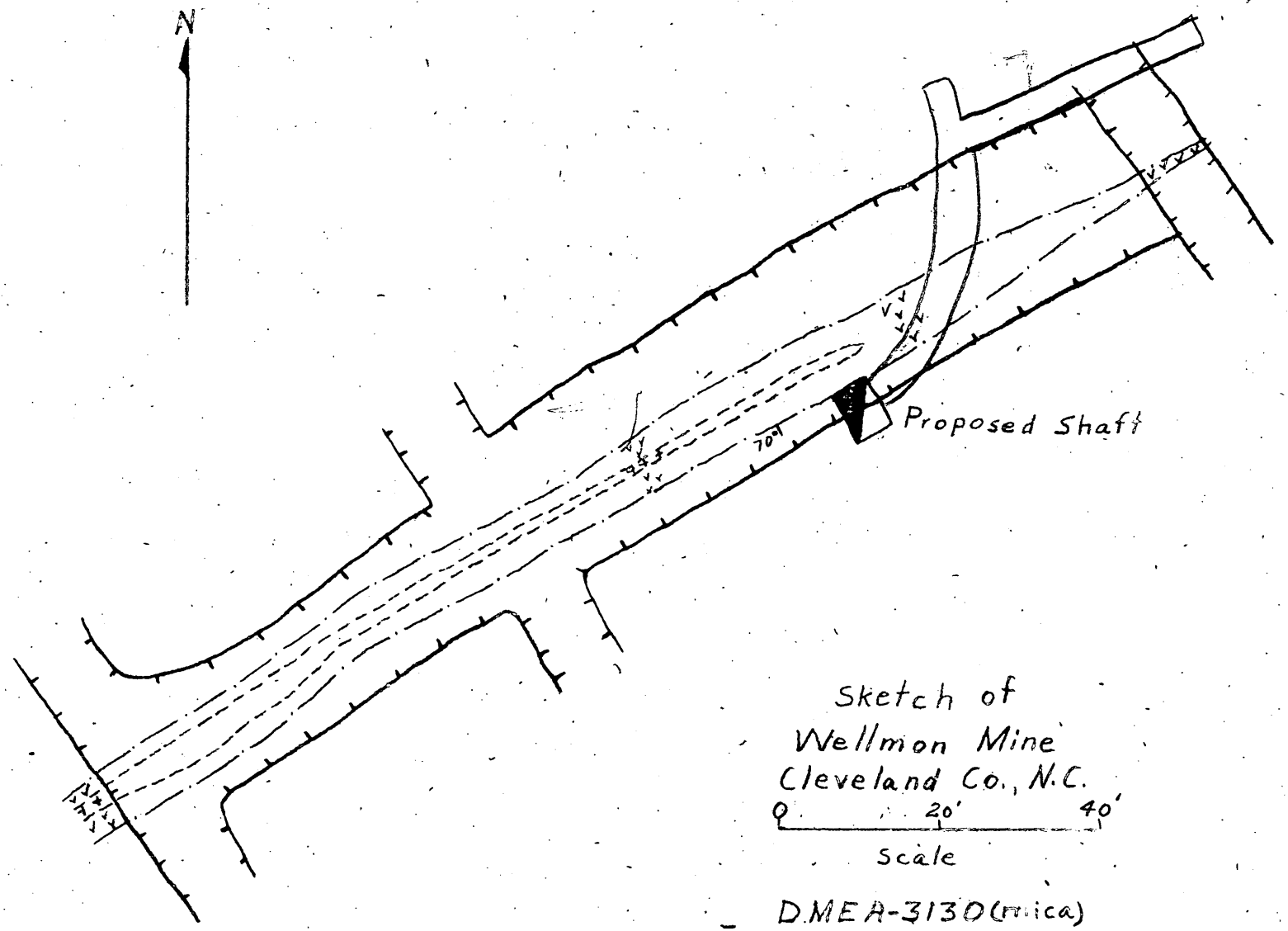
This undertaking and covenant shall be binding upon the heirs, successors, and assigns of the undersigned.

Dated this ..... day of ....., 195....

Lee W Grissell

*Include date of the instrument, and if recorded, book, page, and county of record.

U. S. GOVERNMENT PRINTING OFFICE 16—64581-2



Sketch of
Wellmon Mine
Cleveland Co., N.C.

0 20' 40'

Scale

DMEA-3130(mica)

4

600

JUN 21 1954

Mr. L. R. Wellmon
Route 5
Shelby, North Carolina

Re: Docket No. DMEA-3130 - Mica
Wellmon Mine
Cleveland County, North Carolina
Contract No. Ida-8612

Dear Mr. Wellmon:

We are pleased to advise you that your performance of exploration work under the subject contract has been acceptable to the Government, and the account relating thereto has been closed. The final audited and settled account shows:

Total claimed for units of work performed	$5,010.00
Total Government contribution at 90 percent	$4,509.00

Your attention is called to the provision of the contract which requires you to keep and preserve your records and accounts of this transaction for a period of three years for possible future reference.

We sincerely regret that the work performed did not result in a certification of discovery or development under the provisions of the exploration contract. In the absence of such certification, the Government retains no claim or lien against the property or any production therefrom except with respect to any production between the date of the contract and the end of the period within which the Government might make such certification.

The Government is grateful for your participation in the exploration program of the Defense Minerals Exploration Administration.

Sincerely yours,

C. O. Mittenderf

Administrator

WCAnderson:gad 6/18/54
Copy to: Admr. R. File
Docket File
Mr. Chambers
Field Team, Region VII
Mr. Dietrich, 3061
Mr. Houk
Mr. Larrabee, G-232 GSA

Project Summary Report

By: Walter C. Anderson June 18, 1954

1. Docket No. DMFA-3130 - Mica
   Contract No. Idm-E612
   Wellmon Mine
   Cleveland County, North Carolina

   Operator: E. R. Wellmon
   Route 5
   Shelby, North Carolina

   Operator's property rights: Owner, subject to deed of trust in the amount of $1,200.00 payable $400.00 annually. Subordination Agreement dated August 31, 1953.

2. Contract - dated September 28, 1953

Work authorized:	
Preparation of shaft site	$ 60.00
Construction - powder and exploder magazines	75.00
50 feet of shaft @ $45.00/ft.	2,250.00
75 feet of drift @ $35.00/ft.	2,625.00
Total agreed unit costs	$5,010.00
Government participation @ 90%	$4,509.00

   Amendments - No. 1 - January 22, 1954 - adds "and/or cross-cutting" to "drifting", wherever it occurs.

   Work completed: Same as authorized.

   Work began on October 12, 1953, and was completed March 9, 1954. About 200 pounds of scrap mica was produced during operation.
   Final Field Team Report received March 22, 1954
   Final Operator's Report received March 25, 1954

3. Audit - certificate issued April 7, 1954

Accepted Cost	$5,010.00
Government participation	$4,509.00

4. Certification of discovery: None issued.

5. Comments:

How conducted - Carried out the work on schedule and as authorized in the contract in a workmanlike manner.

Operation - Good.

Engineering - The narrative portions of Operator's reports were inadequate.

Geological premise - The premise that the pegmatite exposed at the surface would continue in depth was wrong, since only thin stringers of pegmatite were found yielding about 200 pounds of scrap mica.

Geological criteria upon which work was based:

1. Steeply pitching pegmatite, 2 to 8 ft. thick.
2. Mica concentrated adjacent to 1 to 3 ft. thick quartz core.
3. Past operation yielded $1,100.00 worth of strategic mica.

Criteria developed during project - Nothing except a few thin stringers of pegmatite containing only scrap mica.

Future possibilities - None. No mica is likely to be produced during the next six months.

Recommendations:

The Nonmetallic Minerals Division concurs in field team recommendation that the project should not be certified. The Geological Survey and the Bureau of Mines also concur.

WCAnderson:gad 6/18/54
Copy to: Admr. R. File
Mr. Houk

May 5, 1954

Memorandum

To: Operating Committee, D M E A- Washington

From: Field Team, D M E A - Region VII

Subject: Docket No. DMEA-3130 (mica) Wellmon Mine. E. R. Wellmon-applicant. Cleveland County, N. C. Contract Idm-E 612.

When the shaft was located at this deposit, the location was made in wall rock adjacent to its contact with the pegmatite. From exposures available for inspection, indications were that the pegmatite dipped about 75° SE., thus with the shaft located as it was, it was assumed that the pegmatite would quickly dip into the shaft. This was not the case as was demonstrated by the project. Actually the dike dips steeply to the northwest and no pegmatite was encountered in the shaft.

After the shaft was sunk to 50 feet, but before the timber was extended below 40 feet the northwest side of the shaft caved, filling it to the 39-foot level. An effort was made to remove this caved material without success. The shaft was then floored and a level turned off to the northeast to by-pass the caved area. The reason for driving in this direction is set forth in the original examination report, i.e., there was a suggestion that the mica concentration constituted a hood around the nose of the quartz core.

About 200 pounds of scrap mica were recovered during the project. No work has been done at the deposit since the completion of the project on March 9, 1954 and there is little liklihood that any will be done. No mica is likely to be produced during the next six months.

Robert A. Laurence, Executive Officer
DMEA - Region VII

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

KHT/am
cc:
Beck
Lynch
Opr. Com.

APR 6 1954

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

Subject: Docket No. DMEA-3130 - Mica
K. R. Wellman
The Wellman Mine
Cleveland County, North Carolina
Contract No. Idm-8612

Dear Mr. Laurence:

Reference is made to the Field Team's Final Report on the subject contract.

The contract as written stated that the 50-foot shaft was to be on the pegmatite. However, it appears from the interim reports that the work was not prosecuted on the pegmatite but in the country rock. As it has been pointed out on a number of occasions, it is believed that staying on the pegmatite will, in the long run, prove more economical to the Government and provide better exploration. Why was the crosscutting and drifting directed toward the narrowing portion of the pegmatite?

Before taking action on closing out the docket, we would like to have information as to whether any mica has been produced at the subject mine or is likely to be produced during the six months following completion of the contract work.

Your advice on this matter will be greatly appreciated.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee

Approved:

J. H. Hedges
Member, Bureau of Mines

T. P. Thayer
Member, Geological Survey

LGHouk:gad 4/2/54
Copies: Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3061
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

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

March 31, 1954

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-3130

Contract Number: Idm-E612

Applicant: E. R. Wellmon

Name and Location of Property: Wellmon Mine
Cleveland County, North Carolina

Date of Field Team Final Report: March 19, 1954

Date Rec'd by Ceramic and Fert. Mats. Branch: March 29, 1954

Field Team Recommendation:

1. No certification of discovery or development.

Comments:

1. Exploration by 50-foot shaft, 42-foot crosscut, and 33-foot drift.

2. No strategic quality mica was encountered in the pegmatite dike.

3. Expenditures -

Total approved	$5,010
Total cost	5,010
Government share of cost	4,509
Value	None

Recommendation:

I concur in the field team's recommendation to deny certification of discovery or development.

Signed
W. F. Dietrich

IN REPLY REFER TO:

G-MD-CN

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

March 23, 1954

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-3139 (mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant: [illegible] Wellman, Shelby, N. C.
Name of property: Wellmon Mine
Location of property: Cleveland County, N. C.
Date of field team report: March 17, 1954.
Authorship of field team report: [illegible] Teague, [illegible] Shirley, and D. H. Amos.
Field team's recommendation:

1. Work completed under project.
2. No additional work.
3. No certification.

Comments:

None.

ACTION RECOMMENDED:

Follow field team's recommendation.

D. M. Larrabee

Larrabee:jeh
3/23/54

cc: DMEA 3
Director's reading 4212
Branch reading 4212
Larrabee G-230

MF-500

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

REFERENCE SLIP

DATE 3/26

REFERRED TO:

1. 600
2.
3.
4.

FOR:

- ---------- Action
- ---------- Approval
- ---------- Comment
- ---------- Conference
- ---------- Consideration
- ---------- Filing
- ---------- Instructions
- ---------- Investigation
- ---------- Initials
- ---------- Mailing
- ---------- Previous correspondence
- ---------- Recommendation
- ---------- Record of ----------
- ---------- Referring to ----------
- ---------- Reply for signature of ----------
- ---------- Rewriting
- ---------- Signature
- ---------- Suggestions
- ---------- Your information

REMARKS:

Check (X) before the items needing attention.

ROBERT E. ADAMS

Initials of sender.

GPO 16—63815-1

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

COPY

March 19, 1954

Memorandum

To: Operating Committee, D M E A - Washington

From: Field Team, D M E A - Region VII, Knoxville, Tennessee

Subject: Final Examination Report. DMEA-3130, Idm-E 612 (mica)
Wellmon Mine, Cleveland County, North Carolina

Enclosed are four copies of the final report on the subject exploration contract. We agree with the examiners' recommendation that certification of discovery should not be made.

/s/ Robert A. Laurence
Executive Officer
DMEA Region VII

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

Reviewed by
DMEA OPERATING COMMITTEE
3-26-54
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT
FIELD TEAM, REGION VII

ON

DMEA-3130, WELLMON MINE
Idm-E 612 (mica)
Cleveland County, N. C.

By

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

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

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

March 17, 1954

Reviewed by
DMEA OPERATING COMMITTEE
3-26-54
(Date)

FIELD TEAM'S FINAL REPORT

On
WELLMON MINE, Cleveland County, N. C.
DMEA-3130, Idm-E 612 (Mica)

Operator: E. R. Wellmon, Route #5, Shelby, North Carolina

The mine is located 3.25 airline miles N. 20° W. of Shelby, Cleveland County, N. C., and one mile east of North Carolina Highway No. 26.

Work completed under the contract consisted of shaft site preparation, construction of two magazines, sinking a 50-foot vertical shaft, and driving of 75 feet of laterals. As no significant quantity of strategic mica was discovered, no certification of discovery should be issued nor is additional exploration warranted.

Work began October 12, 1953 and was completed March 9, 1954. A 50 foot 5' x 7' vertical shaft was sunk and timbered but heavy ground conditions necessitated flooring of the shaft at 39 feet. From this level a crosscut was driven northward for 42 feet. A 33 foot drift was made from the crosscut at 35 feet from the shaft in a N. 60° E. direction. Timbering was required in all the lateral work.

Semi-weathered mica-sillimanite schist with numerous pegmatitic stringers and pods occurs in the shaft and crosscut. The schist strikes N. 50°-70° E and dips 10° - 15° NW. A pegmatite 1-3 foot thick is present in the crosscut 35 feet from the shaft but thins to the northeast to about 4-inches in the head of the drift. The pegmatite strikes N. 60° E. and is vertical. It consists of kaolinized feldspar, quartz and scattered books of mica.

Expenditures:

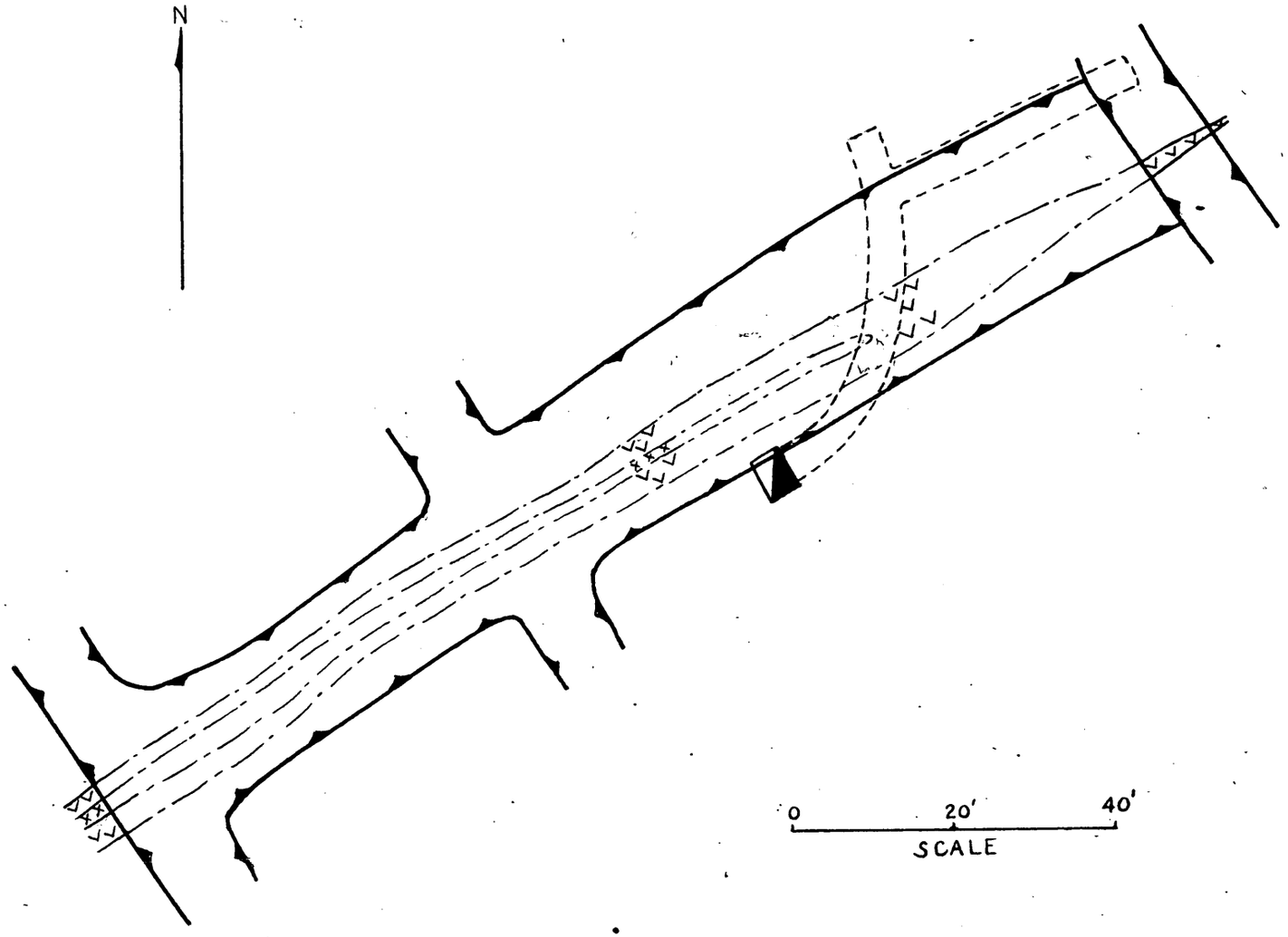
(a)	Total approved	$ 5,010.00
(b)	Total cost of project	5,010.00
(c)	Government's share of cost	4,509.00
(d)	Government's share unexpended	None
(e)	Value of production during oper.	None

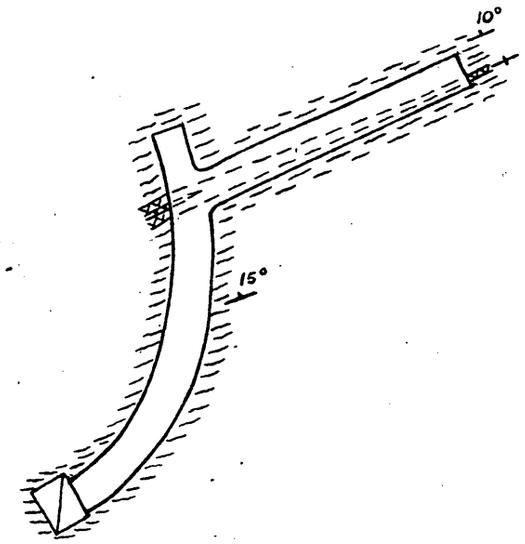
The project was conducted in a satisfactory and efficient manner. No equipment was purchased under the contract.

March 17, 1954.

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

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





PLAN OF LATERALS

WELLMON MINE

CLEVELAND CO., N.C.

DMEA-3130

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

Mr. Anderson

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE
PAYMENTS

DEPARTMENT OF THE INTERIOR
248

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of Feb., 1954 Docket No. DMEA 3130 Contract No. I dm F 617

Operator's Name E.R. Wellman Minerals

Address Route #5 Shelby N.C.

MAR 25 1954

Contract Amount, $5010.00 Government Participation: 90 % Amount, $4509.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing Lot	—	60.00	60.00			
Crosscutting						
Drifting	1680.00	945.00	2625.00			
SHAFTING	—	2250.00	2250.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Powder MAGAZINE	—	50.00	50.00			
CAP MAGAZINE	—	25.00	25.00			
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	1680.00	3330.00	5010.00	1,680.00	3,330.00	5,010.00

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

Date 3-8-54 *Payee E.R. Wellman

Per _____ Title Operator

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

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

(Instructions on reverse)

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

$1,512.00

Signature Cora A. Piper
(Authorized Certifying Officer)

Date MAR 23 1954 Vou. No. 248

(See other side)

5th + 7

C/12/26/57

168.00

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. DMEA 6102 in accordance with the terms of the contract.

Signature Lawrence E. Shirley Title Mining Engr. U.S.B.M. Date March 15, 1954

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. A. Beck ACTING Title EXECUTIVE OFFICER DMEA REGION VII Date MAR 17 1954

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

Final

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration

MAR 25 1954

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Feb. 1954 Docket No. DMEA 3130 Contract No. 2DM-E612

Operator's Name E.R. Wellmon Minerals MICA

Address Route #5 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	AUTHORIZED BY CONTRACT Unit Costs
Drifting	ft.	1680.00	48	2625.00	75	35	75	35.00
Crosscutting								
Raising								
Shafts	ft	—	—	2250.00	50	45.00	50	45.00
Winzes								
Drilling: Core								
Churn								
Auger								
~~Stripping~~ Bulldozing	Lot	—	—	60.00	Lot	60.00	Lot	60.00
~~Trenching~~ Powder Mag.	Lot	—	—	50.00	✓	50.00	✓	50.00
~~Test Pits~~ Cap Mag	Lot	—	—	25.00	✓	25.00	✓	25.00
Roads and Trails								
TOTAL DISTRIBUTED COSTS		1680.00		5010.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		1680.00		5010.00				

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

Date 3-8-1954 Operator E.R. Wellmon

Per _____ Title Operator

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

Final Narrative Report For February
Wellmon Mine - DMEA-3130

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
MAR 25 1954

2 — 1 Did not work.
2 — 2 " " "
2 — 3 " " "
2 — 4 Dug in tunnel 3 ft.
2 — 5 " " " 4 ft.
2 — 6 Did not work.
2 — 7 Sunday.
2 — 8 Dug in tunnel 5 ft.
2 — 9 " " " 3 ft.
2 — 10 " " " 3½ ft.
2 — 11 Did not work.
2 — 12 " " "
2 — 13 " " "
2 — 14 Sunday
2 — 15 Dug in tunnel 4 ft.
2 — 16 " " " 5 ft.
2 — 17 " " " 4½ ft.
2 — 18 Did not work.
2 — 19 " " "
2 — 20 " " "
2 — 21 Sunday
2 — 22 Dug in tunnel. 3 ft.
2 — 23 " " " 2 ft.
2 — 24 " " " 3 ft.
2 — 25 " " " 4 ft.
2 — 26 " " " 4 ft.
2 — 27 Did not work.
2 — 28 Sunday

RECEIVED
MAR 17 1954
U. S. BUREAU OF MINES
DEF. MIN. ADM.
Knoxville, Tennessee

[illegible]

[illegible]-3160 [illegible]- 12 (mica)

[illegible] ellipse, [illegible] 5, [illegible], [illegible] pegmatite.

[illegible] 1 mile east of [illegible] highway 22 and 5.5 airline miles [illegible] 20° [illegible] Kelby, Cleveland County, [illegible].

[illegible] has [illegible] been completed without finding [illegible] discovery of strategic mica. Located on [illegible] crosscutting accomplished totals 73 feet.

To substantiate [illegible] work performed under this contract, a shaft site was prepared by [illegible] vertical shaft, [illegible] which was sunk for a total [illegible] 40 feet, at which point heavy ground was encountered which [illegible] the shaft to a point 30 feet from the surface. The shaft was [illegible] floored and a [illegible] made from the 35 foot level to the surface. [illegible] curved to, side and top lagged, crosscut was driven for 40 feet which intersected the pegmatite at 38.5 feet. The body trended about 70° E at this point and dipped steeply to the southeast. In view of working to the ~~southeast~~ west in the vicinity of the shaft, all drifting was established along the ~~northeast~~ east strike of the body. A drift was driven for 33 feet, [illegible] narrow pegmatite which varied from 1 to 3.5 feet in thickness. [illegible] had occurred along the contact for a portion this distance [illegible] the mica was badly crushed. The body was composed principally of kaolinized feldspar, a little scattered quartz and crushed mica. No additional work appears to be justified in this direction. The operator indicated that some additional drifting would be accomplished to the ~~southeast~~ west.

The executive [illegible] ascertain if further work is accomplished. [illegible] sufficient, [illegible] work [illegible] by the [illegible] work accomplished fully.

[illegible] Hirley, Chief Engineer
[illegible] Bureau of [illegible]

[illegible]
[illegible] Geodetic Survey

April 10, 1934

Mr. Brookes

RECEIVED
1954

[illegible] REPORT

[illegible]-3130 [illegible]-612 (mica)

[illegible]: [illegible] Gillon, Route 5, Shelby, North Carolina.

[illegible]: 1 mile east of [illegible] highway 26 and 8.25 airline miles 20° of Shelby, Cleveland County, N. C.

Crosscutting has been completed on this contract and was driven for a total distance of 43 feet. Pegmatite material was encountered at 36.5 feet, but was not entirely persistent to the present face. The body strikes [illegible] 70° N and dips steeply E. The thickness of the body is variable, ranging from 2 to 5 feet at this point. The body is composed of massive quartz, kaolinized feldspar and "mashed" and small black mica. Pegmatite movement has occurred and at least one small fault was observed at the contacts. Enclosing wall rock is sillimanite schist containing granitic stringers.

Drifting will begin to the east immediately. 32 feet of drift remains on this contract. Progress has been satisfactory.

Mr. [illegible] Beck, member of the [illegible] Field Team, Region VII, accompanied the examiners on this visit to the mine.

[illegible] Shirley, Mining Engineer
[illegible] Bureau of Mines

[illegible] League [illegible] Amos, Geologists
[illegible] Geological Survey

February 24, 1954

Mr. Anderson

[illegible]

[illegible]-3130 Kem-3512 (mica) [illegible]

[illegible] 26 1934

[illegible]: [illegible] Gillner, Route [illegible], Shelby, North Carolina

[illegible]: 1 mile east of [illegible] highway 28 and 8.25 airline miles 20° [illegible] of Shelby, Cleveland County, North Carolina.

Crosscutting on fissure from the [illegible] foot shaft level and is now at 27.5 feet. A gradual turn has been made and the crosscut is now being driven at 20-30°. The material encountered has not changed appreciably from that last reported and consists principally of sillimanite schist containing narrow granitic pods, at least two of which were composed of some quartz and small mica flakes. Crosscutting will continue in this same general direction until the pegmatite is intercepted.

The crosscut has been timbered adequately with rounds for stulls and 2" x 6" sawed boards for top and side lagging. Progress on this contract is satisfactory.

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

[illegible]
Geologist, U. S. Geological Survey

February 10, 1934

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED FEB 23 1954

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of Jan, 1954 Docket No. DMEA 3130 Contract No. IDME-612
Operator's Name E R Wallmon Minerals
Address Route # 5 Shelby, N C
Contract Amount, $ 5010.00 Government Participation: 90% Amount, $ 4509.00

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 (Lot)	—	6000	6000			
Crosscutting						
Drifting (FT)	945.00	—	945.00			
Shafting (FT)	—	2250.00	2250.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Powder mag	—	50.00	50.00			
Cap mag	—	25.00	25.00			
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	945.00	2385.00	3330.00	945.00	2,385.00	3330.00

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K 51

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 2-13-1954 *Payee E R Wallmon
Per _____ Title Operator

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

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

(Instructions on reverse)

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

$ 850.50

Signature Cora A. Piper
(Authorized Certifying Officer)

Date FEB 18 1954 Vou. No. 224
(See other side)

4

945.0

(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. Tdm-E612 in accordance with the terms of the contract.

Signature Lawrence E. Shirley Title Mining Engr. U.S.B.M. Date Feb. 17, 1954

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. A. Beck Title ACTING EXECUTIVE OFFICER DMEA REGION VII Date FEB 18 1954

MONTHLY REPORT OF OPERATOR

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

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

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(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.

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of January 1954 Docket No. DMEA 3130 Contract No. Adm. E 6-12

Operator's Name E. R. Wellmon Minerals MICA

Address Shelby NC Route 5

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	ft	945.00	27	945.00	27	35.00	75	35.00
Crosscutting								
Raising								
Shafts	—	—	—	2250.00	50	45.00	50	45.00
Winzes								
Drilling: Core								
Churn								
Auger								
~~Stripping~~ Bulldozing	Lot	—	—	60.00	Lot	60.00	Lot	60.00
Trenching C&P Mag	✓	—		35.00	✓	35.00	✓	35.00
~~Test Pits~~ Pak Magasing	✓		—	50.00	✓	50.00	✓	50.00
Roads and Trails								
TOTAL DISTRIBUTED COSTS		945.00		3.330.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		945.00		3.330.00				

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

Date 2-13-1954 Operator E. R. Wellmon

Per _____ Title Operator

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

Narrative Report
DNEA 3130 Idm-E 12
Wellmon Mine

RECEIVED
1-23 1954

1 — 1	Did not Work.	
1 — 2	" " "	
1 — 3	" " "	
1 — 4	" " "	
1 — 5	Work on Pump.	
1 — 6	Hauled out mud.	
1 — 7	" " "	
1 — 8	Did not Work.	
1 — 9	" " "	
1 — 10	Sunday	
1 — 11	Drifted	4 ft.
1 — 12	"	2 ft.
1 — 13	Crebbed	
1 — 14	Drifted	3 ft.
1 — 15	"	3 ft.
1 — 16	Crebbed	
1 — 17	Sunday	
1 — 18	Drifted	3 1/2
1 — 19	"	2 1/2
1 — 20	Crebbed	
1 — 21	Did not Work.	
1 — 22	Drifted	2 ft.
1 — 23	Did not work.	
1 — 24	Sunday	
1 — 25	Drifted	4 ft.
1 — 26	"	3 ft.
1 — 27	Did not	Work.

Mr. Anderson

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 10 1954

<u>[illegible] Mn-612 (mica) [illegible]</u>

[illegible] Gibson, Route 3, Shelby, North Carolina.

LOCATION: 1 mile east of U. S. Highway 26 and 3.25 airline miles [illegible] 20° [illegible] of Shelby, Cleveland County, North Carolina.

Crosscutting from the 53 foot shaft level is underway on this contract and has advanced 5.7 feet. The material encountered is weathered schist with pronounced dip to the northwest. The cross-cut is being driven to the northeast and the operator was advised to begin a gradual turn to the north in order to intercept the body. The ground appears to be firm, but the operator was cautioned to timber the crosscut with heavier stulls and solid lagging until better ground is encountered.

The mine continues to make water and a deep well pump is handling this job satisfactorily.

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

[illegible] Lesure and Dewey Amos,
Geologists, U. S. Geological Survey

January 27, 1954

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS 201
Defense Minerals Administration
RECEIVED
FEB 4 1954

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of December, 1953 Docket No. DMEA 3130 Contract No. FEB 4 1954 E 612
Operator's Name E.R. Wellmon Minerals
Address Rt #5 Shelby NC.
Contract Amount, $5010.00 Government Participation: 90% Amount, $450 9.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing		60.00	60.00			
Crosscutting						
Drifting						
Shafting	360.00	1890.00	2250.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Powder MAG		50.00	50.00			
CAP MAG		25.00	25.00			
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	360.00	2025.00	2385.00	360.00	2025.00	2385.00

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 1-8-1954 *Payee E.R. Wellmon

Per _____ Title Operator

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

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

(Instructions on reverse)

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

$324.00

Signature Cora A. Piper
(Authorized Certifying Officer)

Date JAN 27 1954 Vou. No. 201
(See other side)

36.00

3

(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-E612 in accordance with the terms of the contract.

Signature Lawrence E. Shurley Title Mining Engr. U.S.B.M. Date Jan. 20, 1954

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION VII Date JAN 22 1954

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 4 1954

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of December 1953 Docket No. DMEA 3130 Contract No. Idm E 612
Operator's Name E.R. Wellmon Minerals MICA
Address Rt #5 Shelby NC

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting								
~~Raising~~ Shafting	Ft	360.00	8	2250.00	50 ft	45.00	50	45.00
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Bulldozing ~~Stripping~~	Cu ft			60.00	370	0.16	370	0.16
Trenching								
Test Pits								
Powder Mag ~~Roads and Trails~~	1			50.00	1	50.00	1	50.00
Cap Mag	1			25.00	1	25.00	1	25.00
TOTAL DISTRIBUTED COSTS		360.00		2385.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		360.00		2385.00				

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

Date 1-8 1954 Operator E R Wellmon

Per ..... Title Operator

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 4 1954

12-13	Sunday
12-14	Did not work.
12-15	" " "
12-16	" " "
12-17	" " "
12-18	" " "
12-19	" " "
12-20	Sunday
12-21	Dug in shaft 3 ft.
12-22	" " 3 ft
12-23	" " 2 ft
12-24	Work taking out mud.
12-25	Did not work.
12-26	" " "
12-27	Sunday. "
12-28	Did not work.
12-29	" " "
12-30	" " "
12-31	" " "

February 5, 1954

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: Amendment No. 1 - Docket No. DMEA-3130 - Mica
H. R. Wellmon
The Wellmon Mine
Cleveland County, North Carolina
Contract No. Idm-E612

This amendment changes "drift" to "drift and/or crosscut," and is necessary because a short gradual turning crosscut from the shaft is anticipated before encountering pegmatite.

The Nonmetallic Minerals Division concurs in the amendment as written and executed by the Executive Officer, DMEA Field Team, Region VII.

/s/
W. C. Anderson
Nonmetallic Minerals Division

WCAnderson:ag 2/5/54

Copy to: Admr. R. File
Docket File
Mr. Houk

Mr Carlson

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

January 22, 1954

Memorandum

To: Operating Committee, DMEA - Washington

From: Field Team, D M E A - Region 7, Knoxville, Tenn.

Subject: Interim report, DMEA-3130, Idm-E 612 (mica)
Wellmon Mine, Cleveland County, N. C.

Enclosed herewith are 4 copies of the latest interim report on the subject exploration contract.

An amendment is being prepared to provide for the crosscut mentioned at the end of the first paragraph. The crosscut was approved by the field examiners.

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

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

RAL/zm

[illegible]

[illegible]-3150 [illegible]-312 (micu)

[illegible] Mellon, [illegible] 8, [illegible]lby, North Carolina.

[illegible] 1 miles east of [illegible] 20 and [illegible] airline miles [illegible] 20° west of Shelby, Cleveland County, N. C.

[illegible] shaft sinking [illegible] on this contract to a total depth of 50 feet [illegible] been cribbed solid to 30 feet. A separated partition containing ladders and [illegible] ers extend to this point. Upon completion of shaft sinking, an attempt to turnoff to the ~~southwest~~ north proved unsuccessful. Heavy ground, aggravated by recent heavy rains, started caving into the shaft and could not be controlled. The material is not appear to be so highly weathered at other levels and very little water has been previously encountered. This weathered material [illegible] the shaft to a point 30 feet from the surface. Several unsuccessful attempts to reach the original 50 ft. level have been made. It was suggested that the shaft be double floored at 30 feet, timbers cut at 30 feet and turnoff be attempted from this level to the ~~northwest~~ east. A short, gradual turning crosscut on the north is anticipated before encountering [illegible] in this direction, and will assist in placing the operation in firm ground.

Progress on this contract has been good. The operator used all available means for trying to control the heavy [illegible] the shaft from the surface to 30 feet is [illegible] condition.

[illegible] Shirley, Mining Engineer
[illegible] Bureau of Mines

[illegible], Geologist
[illegible] Geological Survey

January 11, 1944

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

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

(7d

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

PAYMENT VOUCHER & SCHEDULE OF PAYMENTS

DEFENSE Minerals Administration
RECEIVED
DEC 28 1953

Month of November, 1953 Docket No. DMEA 3170 Contract No. Idm-E612
Operator's Name E. R. Wellman Minerals
Address Rt #5 Shelby, N. C.
Contract Amount, $ 5010.00 Government Participation: 90 % Amount, $ 4509.00

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		60.00	60.00			
Crosscutting						
Drifting						
Sheeting	1080.00	810.00	1890.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Powder Mag		50.00	50.00			
Cap Mag.		25.00	25.00			
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	1080.00	945.00	2025.00	1,080.00	945.00	2,025.00

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 12-8-53 *Payee E. R. Wellman
Per _____ Title Operator

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

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

(Instructions on reverse)

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

$ 972.00

Signature Cora A. Piper
(Authorized Certifying Officer)

Date DEC 22 1953 Vou. No. 170
(See other side)

108.00

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E612 in accordance with the terms of the contract.

Signature Lawrence E. Shurley Title Mining Engr. U.S.B.M. Date Dec. 9, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Laurence Title EXECUTIVE OFFICER DMEA REGION VII Date DEC 11 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-R1151.1
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 28 1953

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of November 1953 Docket No. DMEA 3130 Contract No. Ida-E612
Operator's Name E.R. Wellmon Minerals Mica
Address Rt #5 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	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts	Ft.	1080.00	24	1890.00	42	45.00	62	45.00
Winzes								
Drilling: Core								
Churn								
Auger								
~~Stripping~~ Bulldozing	Cu. ft			60.00	370	0.16	370	0.16
Trenching								
Test Pits								
~~Roads and Trails~~ Powder Mag	1			50.00	1	50.00	1	50.00
Cap Mag	1			25.00	1	25.00	1	25.00
TOTAL DISTRIBUTED COSTS		1080.00		2025.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		1080.00		2025.00				

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

Date 12-8-53 Operator E.R. Wellmon

Per _____ Title Operator

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

Narrative Report
DMEA-3130 Idm-E612

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 28 1953

11-3 timbered shaft 6 ft down.
11-4 digging shaft 5 ft.
11-5 " " 5 ft.
11-6 " " 5 ft.
11-7 did not work
11-9 started Cribbing
11-10 " "
11-11 still Cribbing
11-12 " "
11-13 " "
11-14 " "
11-16 did not Work.
11-17 started on shaft 3 ft.
11-18 did not work.
11-19 " " "
11-20 " " "
11-21 " " "
11-23 put one pulley and Cable.
11-24 did not Work
11-25 " " "
11-26 Work in shaft 6 ft.
11-27 did not Work.
11-28 " " "

INTERIM REPORT

DMEA-3130 Idm-2612 (mica) BELLMON MINE

OPERATOR: L. R. Bellmon, Route #5, Shelby, North Carolina.

LOCATION: 1 mile east of N. C. Highway #26 and 3.25 airline miles N 20° W of Shelby, Cleveland County, North Carolina.

Shaft sinking continues on this contract and is now at 42 feet. The material encountered has not changed appreciably from that reported previously, and is sillimanitic schist containing pegmatitic inclusions. Only 8 feet of shaft remains to be sunk at which point turnoff will be made. Due to the nature of the material cribbing will be necessary to the shaft bottom. All timbering accomplished to date is in excellent condition. Progress on this contract is satisfactory.

Mr. R. A. Laurence, Executive Officer of DMEA, Region VII, accompanied the Field Examiners on this visit to the mine.

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

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

December 2, 1953

Mr. [illegible]

INTERIM REPORT

DMEA-5130 Idm-E612 (mica) WELLMON MINE

OPERATOR: E. R. Wellmon, Route #6, Shelby, North Carolina

LOCATION: 1 mile east of N. C. Highway #26 and 3.25 airline miles S 20° W of Shelby, Cleveland County, N. C.

Shaft sinking continues on this contract and is now at 34.5 feet. The shaft has been cribbed solid to 28 feet and a separated partition with landings and ladders at 12 ft. intervals has been installed. A temporary ladder extends from the last landing to the bottom. Material encountered continues to be sillimanite-mica schist containing granitic and narrow pegmatitic stringers. Progress on this contract is satisfactory.

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

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

November 18, 1953

[illegible]

Mrs. Anderson

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID VOUCHER & SCHEDULE OF PAYMENTS K- 30

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

RECEIVED

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of October, 1953 Docket No. DMEA 3130 Contract No. I&M-E 612
Operator's Name E. R. Wilkerson Minerals M & S
Address Rt. #5 Shelby, N.C.
Contract Amount, $ 501.00 Government Participation: 90% Amount, $ 450.900

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	60.00	—	60.00	60.00		60.00
Crosscutting						
Drifting						
Shafting	810.00	—	810.00	810.00		810.00
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Powder Mag	50.00	—	50.00	50.00		50.00
Cap "	25.00	—	25.00	25.00		25.00
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	945.00	—	945.00	945.00		945.00

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

Date ..... *Payee E. R. Wilkerson

Per ..... Title Operator

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

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

(Instructions on reverse)

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

$ 850.50

Signature Cora A. Pigeon
(Authorized Certifying Officer)

Date NOV 20 1953 Vou. No. 135

(See other side)

1st

(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. Dm-E612 in accordance with the terms of the contract.

Signature Lawrence E. Shirley Title Mining Engr. U.S.B.M. Date Nov. 10, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION VII Date NOV 17 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-R1151.1
Approval expires 6-30-53.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 25 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of October 1953 Docket No. DMEA 3130 Contract No. Id. ME 612
Operator's Name E.R. Wellmon Minerals MICA
Address Route 5 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	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts	18	810 00	18	810 00	18	810 00		
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping Bulldozing	Cu ft	60 00	370	60 00	370	60 00		
Trenching								
Test Pits								
Roads and Trails Road Mag	1	50 00	1	50 00	1	50 00		
Cap "	1	25 00	1	25 00	1	25 00		
TOTAL DISTRIBUTED COSTS		945 00		945 00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		945 00		945 00				

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

Date ..... Operator E.R. Wellmon

Per ..... Title Operator

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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.

RECEIVED
NOV 1? ..53
U. S. BUREAU OF MINES
DEF. MIN ADM.
Knoxville, Tennessee

GPO 83-38475

Narrative Report for October
DMEA-3130 Idm-E612

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
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NOV 25 1953

10-21 Went got hoist and started putting it up

10-22 still putting up hoist.
10-23 = = = =

10-24 Went had bucket made.

10-26 started digging shaft.
5X7 3½ ft.

10-27 ~~Quitted~~ to houses for dynamite and caps
and continue digging shaft 3½ ft.

10-28 Continue digging shaft 6 ft.

10- 2 Continue digging shaft 5 ft.

600

Bureau of Mines
RECEIVED
NOV 18 1953

INTERIM REPORT

DMA-3130 Idm-E612 (mica) WELLMON MINE

OPERATOR: E. R. Wellmon, Route #8, Shelby, North Carolina.

LOCATION: 1 mile east of N. C. Highway #26 and 3.25 airline miles N 20° W of Shelby, Cleveland County, North Carolina.

Shaft sinking is in progress on this contract and is now at 24 feet. The shaft has been collared and 2" x 8" cribbing extends about 6 feet. A hoisting frame has been erected and powder and cap magazines constructed. A gasoline-powered hoist is in operation. Material removed consists principally of semi-weathered sillimanitic schist containing lenses, stringers and pods of granitic pegmatite containing small mica. Safety suggestions were made and voucher preparation discussed with the operator. Progress on this contract is satisfactory.

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

November 4, 1953

MEMORANDUM

[illegible]-3130 [illegible]-612 (mica) [illegible]

OPERATOR: [illegible] Gillham, Route [illegible], Shelby, N. C.

LOCATION: 1 mile east of N. C. Highway 26 and 3.25 airline miles N 20° E of Shelby, Cleveland County, N. C.

Starting date on this contract is October 15, 1953. Preliminary excavation for a shaft site has been completed, which required 2-3 hours of machine work, and shaft sinking will probably begin within the coming week. The shaft location has been made and the contract discussed in detail with the operator.

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

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

October 20, 1953

A

SEP 28 1953 600

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

Subject: Docket No. DMEA-3130 - Mica
E. R. Wellmon
The Wellmon Mine
Cleveland County, North Carolina

Dear Mr. Laurence:

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

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

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

Copies of memoranda from the Geological Survey and the Bureau of Mines are enclosed.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

J. H. Hedges

Member, Bureau of Mines

A. R. Kinkel, Jr.

Member, Geological Survey

Enclosures 10

WCAnderson:gad 9/23/53
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

630

SEP 21 1953

Mr. E. R. Wellmon
Route 5
Shelby, North Carolina

Re: Docket No. DMLA-3130 - Mica
The Wellmon Mine
Cleveland County, North Carolina

Dear Mr. Wellmon:

Reference is made to our telephone conversation of September 21, 1953, on the status of your docket and the need for additional information.

A further study of the docket indicates that the subordination agreement contained in the docket and signed by Lee W. Cornwell is sufficient to further process your application.

Sincerely yours,

SIGNED

Lawrence G. Houk, Chief
Nonmetallic Minerals Division

LGHouk:gad 9/21/53
Copy to: Admr. R. File
Docket File
Field Team, Region VII
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

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

September 16, 1953

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-3130, Mica, Wellmon Mine, E. R. Wellmon, Cleveland County, North Carolina

I concur in the field team's recommendation for an exploration program in the amount of $5,010.

Signed

W. F. Dietrich

IN REPLY REFER TO:

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

September 16, 1953

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-3130 (Mica)

To: L. O. Houk, Defense Minerals Exploration Administration
From: D. A. Brobst, U. S. Geological Survey
Applicant: E. R. Wellmon
Name of property: Wellmon
Location of property: 1 mi. E. of N. C. highway 26 and 3.25 air miles N. 20 W. of Shelby, Cleveland Co., N. C.
Date of field team report: 9/2/53
Authorship of field team report: K. H. Teague and L. E. Shirley
Field team's recommendation:

5 hrs. bulldozing at $12.00/hr	$60.00
50' of 5' x 7' shaft at $45.00/ft.	2250.00
75' of drift at $35.00 ft.	2625.00
1 powder magazine	50.00
1 exploder magazine	25.00
Estimated total cost	$5,010.00
" time required	5 months

Comments: $1100 worth of strategic mica were found in surface prospecting.

ACTION SUGGESTED:

Follow field team's recommendation.

D. A. Brobst

Copies to: DMEA 3

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

September 4, 1953

Memorandum

To: Chairman, Operating Committee, D M E A - Washington

From: Acting Executive Officer, DMEA - Region 7

Subject: Field Examination Reports.

Transmitted herewith are four copies each of the reports listed below. The Field team concurs in the recommendations set forth in the reports.

DMEA-3087, Old Sharp Mine (mica)

DMEA-3125, Banks Mine (mica)

DMEA-3130, Wellmon Mine (mica)

DMEA-3131, Old Shining Rock Mine (mica)

DMEA-3132, Hurst Mine (mica-beryl)

Six extra copies of the map are attached to each report.

/s/ Benjamin Gildersleeve

Benjamin Gildersleeve
U. S. Geological Survey
Member Field Team

/s/ Wm. A. Beck

Wm. A. Beck
Acting Executive Officer
DMEA-Region 7

COPY

Reviewed by
DMEA OPERATING COMMITTEE
9-14-53
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR

4/1/54

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM, REGION VII

DMEA-3130, WELLMON MINE (MICA)

Cleveland County, North Carolina

By

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

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

September 2, 1953

Reviewed by
DMEA OPERATING COMMITTEE
9-14-53
(date)

Field Examination Report
on
DMEA-3130, Wellmon Mine (Mica)

Applicant: E. R. Wellmon
Route 5
Shelby, North Carolina

The applicant has prospected a pegmatite along its strike for about 150 feet, resulting in the recovery of about $1,100.00 worth of stockpiling grade mica. The possibilities for the discovery of a worthwhile deposit of strategic mica appear favorable; therefore, the examiners recommend that exploration aid be granted.

The deposit was examined on August 8, 1953. Mr. E. R. Wellmon accompanied the examiners on the inspection which required two hours.

This deposit is located about one mile east of North Carolina Highway No. 26 and 3.25 airline miles N. 20° W. of Shelby, Cleveland County, North Carolina. This is the W. H. Wellmon Prospects of U. S. G. S. Professional Paper 248-D, Part 5, "Shelby-Hickory District, North Carolina," page 264. Access to the mine is excellent at all times.

The applicant has limited mining experience. If exploration assistance is granted, he plans to employ an experienced miner to supervise the work.

Ownership of property and liens on same are described in application. At the time the deposit was examined, the necessity for the Subordination Agreement (MF-201, June 1951) was explained. To date these signed forms have not been received in Knoxville, although they may have been sent to Washington. If they are received by this office, we will forward them to Washington. Adequate area is covered for the proposed project.

At present only a small tool house is on the property. The pegmatite has been prospected by a cut along its strike for about 150 feet. Maximum depth of the cut is about 10 feet. In addition to the cut along the strike, three crosscutting trenches have been made.

The pegmatite strikes N. 60° E. where exposed, dipping about 75° SE. A core of massive white quartz is exposed for about 110 feet. Weathered plagioclase rich pegmatite occurs on both sides of the quartz core and mica appears to be concentrated adjacent to the core. Where exposed the core is from 1 to 3 feet thick and the overall thickness of the pegmatite is from 2 to 8 feet, averaging about 6 feet. The most and best mica has been recovered from near the northeast end of the quartz core. There is a suggestion that the mica concentration constitutes a hood around the nose of the core.

Enclosing rock is a mica sillimanite-schist.

Most all of the openings have been made by Mr. Wellmon within the past several months. Production from this work has amounted to about $1,100.00 worth of strategic mica. Mica in excess of 3 x 3 inches has been obtained during the recent work.

The mica is hard, clear, ruby colored, and splits well. Some exhibits "flat A" structure and some is flat. Books up to 6 inches in diameter were observed.

Surface prospecting has demonstrated that the deposit contains strategic mica. Also, it has shown the most likely place for the discovery of additional mica. The examiners recommend that the 6-foot bank along the southeast side of the cut near the northeast end of the quartz core be leveled off and a 50-foot shaft sunk on the pegmatite. The shaft should be collared in the footwall with one side against the pegmatite. Considering the steep dip of the dike, this will allow most of the shaft to be sunk in the pegmatite. After the shaft is completed, 75 feet of drift should be driven on the pegmatite.

Estimated Cost:

5 hrs bulldozing @ $12.00/hr.	$60.00
50 feet, 5' x 7' shaft, @ $45.00/ft.	2,250.00
75 feet drift @ $35.00/ft.	2,625.00
1 powder magazine	50.00
1 exploder magazine	25.00

Estimated total cost $5,010.00

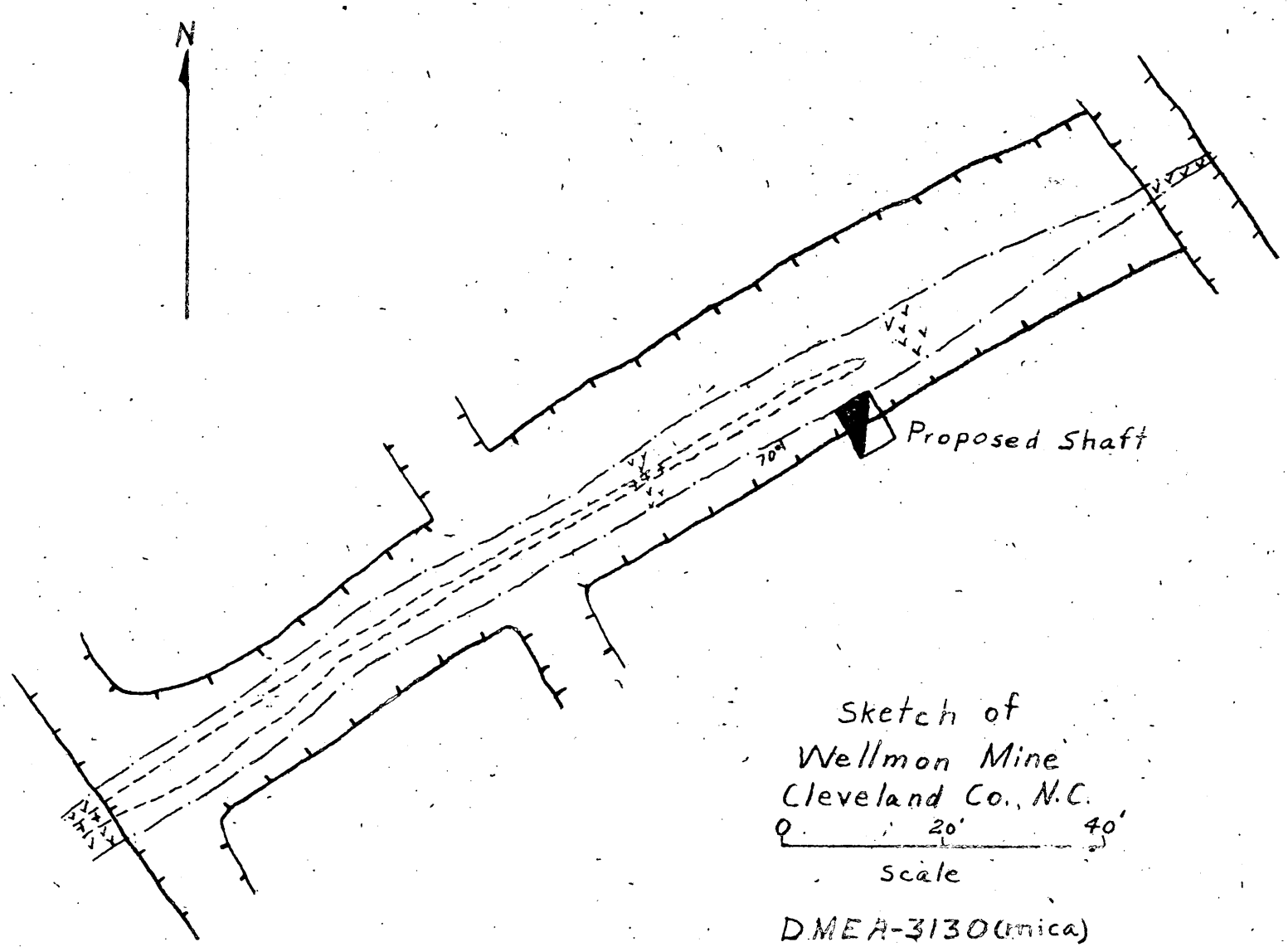
Estimated time required - 5 months

K. H. Teague, U. S. G. S.

Lawrence E. Shirley, U. S. B. M.

9/2/53

mg



DMEA-3130(mica)

September 1st, 1953.

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

Re: Docket No. DMEA-3130 - Mica
The Wellmon Mine
Cleveland County, North Carolina

Dear Mr. Houk:

As requested by you in your letter of August 12th, 1953, I herewith submit below answers to Article 6 (a) to (f), and also enclose copy of metes and bounds, together with a sketch showing the location of the proposed work in relation to permanent landmarks.

6 (a) - Independent Contracts - None.

(b) - Labor, Supervision, etc. Number of employees - 4. Class and rate of wages - common labor $1.00 per hr. Supervision - $1.50 per hour.

(c) - Operating Material and Supplies: Picks, shovels, and mattocks, electrical tools.

(d) - Operating equipment to be rented: Hoist, air compressor, pump - approximately $300.00 per month.

(e) - Rehabilitation and repairs - None at present.

(f) - New buildings, etc. Tool house and sample room approximately $300.00.

Trusting that the above is the desired information, I am

Yours very truly,

/s/ E. R. Wellmon

E. R. Wellmon
Route #5
Shelby, N. C.

C O P Y

Re: Docket No. DMEA-3130 - Mica
The Wellmon Mine
Cleveland County, North Carolina

This plot represents a tract of the Lee Cornwell land and was formerly a part of Lot Number Two of the A. H. Cornwell land, and is conveyed to E. R. Wellmon.

The division line with the road was made from a survey made by J. W. Elliott October 8, 1951, and the remainder taken from a plot made by A. E. Elliott February 17, 1928.

Being more particularly described as follows: BEGINNING on an old Hickory, J. M. Wilson's corner, runs with his line S. 49½ E. 46 poles to a stake on the banks of the river, formerly a forked pine; thence down the river as it meanders 74 poles to a stake on the bank of the river on a bluff, corner of Lot #1; thence with the line of said Lot S. 58 W. 36½ poles to a stake in the old line in the center of road 3½ poles North East of the forked locust corner; thence up the road N. 21½ W. 22 poles to a stake in the road;

Thence N. 5½ W. 20 poles to a stake in the road; thence N. 10 W. 32 poles to a stake in the road; thence N. 16-3/4 W. 53 poles to a stake in fork of the road in the old line; thence with the old line S. 87½ E. 19-3/5 poles to the BEGINNING corner, containing twenty-three (23) acres more or less.

C O P Y

AUG 12 1953

Mr. E. F. Wellson
Route 5
Shelby, North Carolina

Re: Docket No. [illegible]-3137 - Mica
The Wellson Mine
Cleveland County, North Carolina

Dear Mr. Wellson:

Reference is made to the subject application for exploration assistance and the omission of cost data, the legal description of the property, and a definite proposal.

It is a requisite part of your application to include a detailed cost estimate for the required work. Kindly supply answers to Article 6 (a) to (f) inclusive of application form AF-103, giving a detailed cost breakdown under each of the subheadings.

A copy of the metes and bounds description of the property together with any map, plot or sketch available showing location of proposed work in relation to permanent landmarks should also be submitted. Your application will be processed promptly when the requested information is received.

Sincerely yours,

Lawrence [illegible], Chief
Nonmetallic Minerals Division

JHopkins:gad 8/12/53
Copy to: Admin. File
Docket File
Field Scan, Region VII
Mr. Diebrich, 3526
Mr. Jarrams, G-232 GSA Bldg.
Mr. Touk[illegible]

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

August 5, 1953

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-3130, Mica, The Wellmon Mine, Cleveland County
North Carolina

It is suggested that applicant be requested to furnish further information, with reference to a detailed plan of proposed exploration, map indicating geological features, and relevant questions not answered adequately in the application.

W. F. Dietrich

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IN REPLY REFER TO:
G-ND-CNM

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

July 24, 1953

Memorandum

REVIEW OF APPLICATION DMEA-3130 (misa)

To: L. G. Houk, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant's name and address: E. R. Wellmon, Route 5, Shelby, North Carolina.
Name of property: Wellmon mine (?), T. 6, Cleveland County, North Carolina.
Location of property: Township 6, northwest of Shelby in Cleveland County, North Carolina.
Summary of applicant's proposal: No proposal; only requests $10,000.
Sources of information on applicant's property: None.
Comments:

1. Applicant plans to mine the deposit to "exhaustion", rather than explore it.
2. No exploration proposal.
3. Small mine now in operation. May be the Chic Wellman prospect.

RECOMMENDATION:
Ask applicant for sound proposal before referring this to the Field Team.

D. M. Larrabee

Larrabee:jeh
G-7/24/53.
cc: Director's reading 4212
Branch reading 4212
DMEA 3
Larrabee G-232 files

IN REPLY REFER TO:
G-MD-CNM

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Defense Minerals Administration
RECEIVED
JUL 24 1953

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