DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF SECOND ROYALTY REVIEW

I have reviewed all copies of settlement sheets on file with the Executive Officer, DMEA Field Team, Region V, applicable to the sales of mica for the period January 19, 1954 to March 17, 1955, by:

Al J. Goodman
d/b/a Goodmica Mining Company
P. O. Box 263
Asheville, North Carolina

produced from property referred to as Murray Mountain Mine located in Jackson County, North Carolina, under the terms of Contract Idm-E656, Docket No. DMEA-3177.

My review did not disclose any sales of mica on which Government royalties would accrue other than the sale amounting to $821.91 referred to in Royalty Audit Memorandum dated July 27, 1954, prepared by B. J. Brakhus. The review also included a conference with Mr. William A. Beck, Mining Engineer, U. S. Bureau of Mines, Knoxville, Tennessee, who is thoroughly familiar with the project.

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

(1) The amount of $41.10 royalty due and unpaid at the time of the previous review of the Operator's accounts has been paid and was deposited by Certificate of Deposit No. 14-23-070-23, dated September 24, 1954.

(2) A review of the records of General Services Administration Mica Purchase Depot, Spruce Pine, North Carolina, did not disclose any other sales of mica from Murray Mountain Mine since the effective date of the exploration contract.

The review established the total sales of mica under the contract for the period to be $821.91. Royalty due the United States Government at the contract rate of 5 percent is $41.10. The royalty paid and balance due are as follows:

Total Royalties Due	$41.10
Total Royalties Paid	41.10
Balance Royalties Due	$ -0-

March 21, 1955

C. E. Fisher

C. E. Fisher, Auditor

Division Copy

TERMINATION AGREEMENT

It is agreed this 21st day of June, 1954, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Al J. Goodman, operating as The Goodmica Mining Company, hereinafter called the "Operator," parties to that certain Exploration Project Contract Idm-E656, Docket No. DMEA-3177, dated January 19, 1954, hereinafter called the "Contract," that:

1. Effective May 17, 1954, the Contract and all other obligations of the parties thereunder, except as otherwise herein expressly provided, shall be and are hereby terminated.

2. The Government shall contribute only to the fixed unit costs of work performed prior to May 17, 1954.

3. Any work or operations prosecuted or costs incurred by the Operator beginning with May 17, 1954, shall be for the sole account of the Operator without contribution by the Government.

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

5. All rights of the Government provided for in the Contract with respect to a certification of discovery or development and a percentage royalty and lien for its payment are preserved.

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

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

THE UNITED STATES OF AMERICA

THE GOODMICA MINING COMPANY

By [signature]

By [signature]
Administrator, Defense Minerals Exploration Administration

Rubin
Hoffman
Lynch
Talbert

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Goodnica Mining Company
Box 263
Asheville, North Carolina

pertaining to Exploration Project Contract No. ~~Ian~~-E656, Docket No. DMEA-3177, for the months of February, 1954 to ~~April~~ May, 1954, inclusive, covering a project for the exploration of mica on property, known as Murray Mountain Mine, located in Jackson 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, consultation with the Executive Officer of the DMEA Field Team, and a determination of the reasonableness and propriety of the costs.

This review was made in lieu of a final audit of the Operator's accounts and records for the following 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		$5,327.50
Exceptions:		
By DMEA Finance Officer	$ -0-	
Herewith	-0-	-0-
Total Accepted Cost		$5,327.50

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 seven hundred ninety-four and 75/100 Dollars,

$4,794.75

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.

B. J. Brekhus, Auditor

June 9, 1954

MF-200-(A)
(February 1952)

Bureau of Mines
Minerals Administration
RECEIVED
JAN 1 1954

DOCKET NO. DMEA [illegible]

COMMODITY [illegible]

IDM - E - 656

Division Copy

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

EXPLORATION PROJECT CONTRACT[1]
(Short Form)

IT IS AGREED this 19 day of January, 195 54, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] [illegible], operating as the [illegible] Mining Company, R. F. D. No. [illegible], [illegible], North Carolina

hereinafter called the "Operator," as follows: [illegible] as set forth in Exhibits 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 [illegible], described as follows:[3] [illegible] Exhibit 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: [illegible] of a one-half interest in the mineral rights, which [illegible] are not subject to any encumbrances, and Owner's Consent to Lien is attached for a one-half interest in the mineral rights.

(*b*) That the Operator is a lessee, in possession and entitled to possession, and the Owner's Consent to Lien is attached.

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

ARTICLE 3. *Exploration project.*—The Operator, within 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 [illegible] 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 [illegible] 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 $[illegible], which is [illegible] percent of $[illegible], the agreed, estimated total cost of the project in which the Government will participate: *Provided,* That until the Operator's final report and final accounting have been rendered to the Government and any final check or auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of ten (10) percent of the maximum total which the Government might have been called upon to pay under the terms of the contract. The Government may, as it sees fit, make payments direct to the Operator's independent contractors, if any, for the account of the Operator, rather than to the Operator.

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

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

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

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

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

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

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

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

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

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

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

(*d*) This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations. See Annex II, substituted for Article 6.

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

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

ARTICLE 9. *Changes and added provisions* _____

_____

_____

_____

_____

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

THE COLORADO [illegible] COMPANY
(Operator)

By _____

By _____
Administrator, Defense Minerals Exploration Administration

Before Hoffman Hook Chamber

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
THE GOODMICA MINING COMPANY
DOCKET NO. DMEA-3177

ANNEX I

The land referred to in Article 2 of the contract form is known as the Murray Mountain Mine. The mineral rights in this land are owned by Clara L. Goodman and her husband, Al J. Goodman. The property is located on the southeast slope of Murray Mountain about one-half mile southwest of Savannah Creek and U. S. Highway No. 23. It is 6.8 airline miles S. 23° W. of Dillsboro, Jackson County, North Carolina, and is described as follows:

FIRST TRACT: BEGINNING on a rock on a ridge and runs thence S. 74½ West 16 poles to a stake; thence N. 70½ West 30 poles to a rock; thence North 39 West 50 poles to a stake in boundary line; thence South 48 East with top of ridge 8 poles to a stake; thence North 25 East 24 poles to a forked chestnut, N. P. Jones corner; thence South 45 East 12 poles to a chestnut; thence in Easterly direction 3 poles to a spanish oak on top of ridge; thence South 43 East with top of ridge 43 poles to a stake; thence South 3 East 23 poles to BEGINNING, containing 23 acres more or less.

SECOND TRACT: BEGINNING on a stake on the west side of road that leads to home of Bryant Browning and runs thence with the rock wall to a hickory on the side of the branch; thence with the line of J. C. Browning in Westerly direction to a maple corner in Etta Browning line; thence with Etta Browning line to a stake on West side of road; thence down the road as it meanders to BEGINNING, containing 1 acre more or less.

EXPLORATION PROJECT CONTRACT
THE GOODMICA MINING COMPA
DOCKET NO. DMEA-3177

ANNEX II

The following provisions are in lieu of Article 6:

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

b. Percentage royalty.--The Operator, or his successor in interest, shall pay to the Government a royalty on all minerals mined or produced from the land described in Article 2,--(1) regardless of any certification of discovery or development, from the date of the contract until the lapse of the time within which the Government may make such certification of discovery or development, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first, unless the Government waives its right to a royalty; or (2) if the Government makes a certification of discovery or development, for a period of ten years (or other period fixed by this contract) from the date of the contract, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first. Said royalty shall be a percentage of the net smelter returns, the net concentrator returns, or other amounts realized from the sale or other disposition of any such production (including any bonuses, premiums, allowances, or other benefits), in whatever form disposed of, including ore, concentrates, or metal, as follows:

(a) One and one-half ($1\frac{1}{2}$) percent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(b) One and one-half ($1\frac{1}{2}$) percent of any such net amounts, plus one-half ($\frac{1}{2}$) 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 ($1\frac{1}{2}$) percent; on a net amount of ten dollars ($10.00) per ton, three and one-half ($3\frac{1}{2}$) percent.)

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

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

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

f. No Obligation to Produce.--This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

EXPLORATION PROJECT CONTRACT
THE GOODMICA MINING COMPANY
DOCKET NO. DMEA-3177

EXHIBIT "A"

Description of the Work

Exploration for concentrations of strategic mica shall be accomplished in the area indicated on the attached map entitled "Sketch of Murray Mountain Mine, Jackson Co., N. C., DMEA-3177 (mica)," by the work described below:

1. Construct: a tool house, 10 feet by 15 feet; a powder magazine; and an exploder magazine.

2. Recondition not to exceed 100 feet of existing adit, including trimming to not less than 5 feet by 7 feet in cross section. The adit shall be timbered where necessary, and track installed therein.

3. From the face of the reconditioned adit, drift and/or crosscut 150 feet, 5 feet by 7 feet in cross section.

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

Agreed Unit Costs

Reconditioning of adit and installation of track, 100 feet @ $20.00/ft.		$2,000.00	
Construction of:	Toolhouse 1/	150.00	
	Powder magazine 1/	50.00	
	Exploder magazine 1/	25.00	
Drift and/or crosscut 150 feet @ $35.00/ft.		5,250.00	
Agreed Estimated Total Cost			$7,475.00
Government Participation @ 90%			$6,727.50

1/ The completed work constitutes the unit.

MF-203
(Revised July 1, 1953)

OWNER'S CONSENT TO LIEN

DEPARTMENT OF INTERIOR
Defense Minerals Administration
RECEIVED
JAN 7 1954

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of North Carolina, County of Jackson, described XX follows:1/

In a Deed, Dated September 9th.,1953 and recorded in Book 203 Page 211 Official Records of said county.

which is the subject of a proposed exploration project contract, hereinafter called the "contract", between the United States of America, hereinafter called the "Government", and

2/ The Goodmica Mining Co.

hereinafter called the "Operator"; and

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

NOW THEREFORE, the undersigned, in consideration of said contract and as an inducement to the Government to enter into same, undertakes and agrees as follows:

1. The Government's equity in and right to dismantle, sever, take possession of, and remove and dispose of facilities, buildings, fixtures, equipment, or other items as provided in the contract, or any amendment thereof, shall prevail over and be prior and superior to any conflicting or adverse rights of the undersigned, and the Government is authorized to enter upon the land for such purposes.

2. To secure the payment to the Government of the percentage royalty on production3/ provided for under the terms of said exploration project contract, or any amendment thereof, there is hereby granted to the Government a lien upon the land above referred to and upon any production of minerals therefrom, until said royalty is fully paid or ten years have elapsed from the date of the contract, whichever occurs first.

3. The undersigned shall commit no act nor assert any claim that may contravene or conflict with the lien, claim, or rights of the Government under the provisions of said contract. This agreement shall be binding upon the heirs, executors, administrators, successors, and assigns of the undersigned.

4. Changes and added provisions

Dated this 4th day of January, 1954.

Clare L. Goodman [Seal]
Clare L. Goodman

[Seal]

[Seal]

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

2/ Insert the name of the Operator as it will appear in the exploration project contract.

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

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

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

(a) One and one-half ($1\frac{1}{2}$) per cent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(b) One and one-half ($1\frac{1}{2}$) per cent of any such net amounts, plus one-half ($\frac{1}{2}$) per cent of such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) per cent of such net amounts.

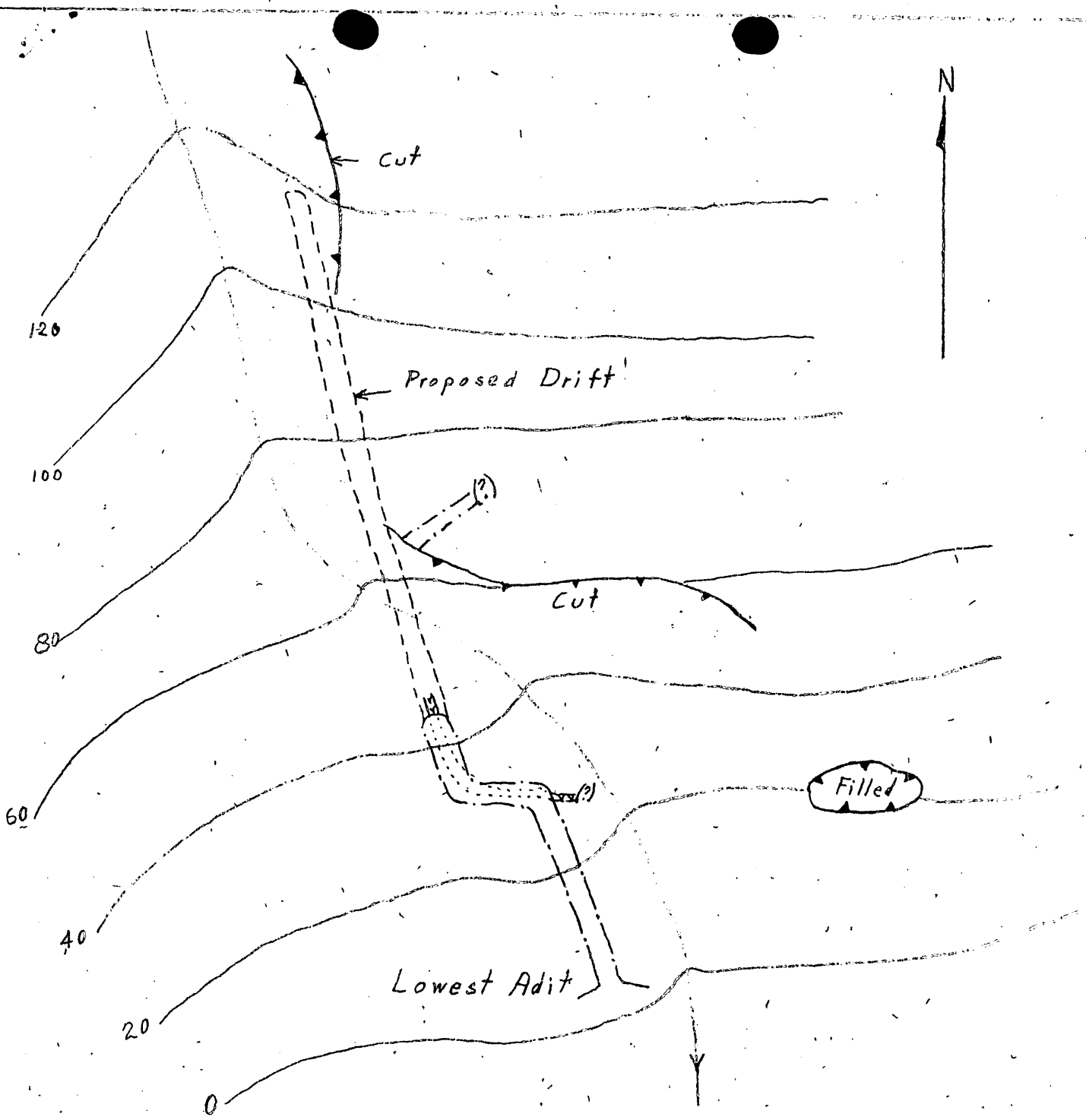
(For instance: the percentage royalty on a net amount of five dollars ($5.00) per ton, would be one and one-half ($1\frac{1}{2}$) per cent; on a net amount of ten dollars ($10.00) per ton, three and one-half ($3\frac{1}{2}$) per cent.)

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

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

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

f. No Obligation to Produce.--This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.



Sketch of
Murray Mountain Mine
Jackson Co., N.C.

0 40' 80'
Scale

DMEA-3177 (mica)

September 14, 1954

Memorandum

To: Operating Committee, DMEA - Washington

From: Field Team, DMEA - Region VII

Subject: Goodmica Mining Co., Asheville, N. C. (mica)
DMEA-2926, Idm-E 516, Eagle Cope Mine
and
DMEA-2177, Idm-E 656, Murray Mountain Mine

Enclosed are 3 copies of a letter from the Goodmica Mining Company, relative to payment of delinquent royalties on these two contracts.

As G. S. A. apparently declined to deduct royalties, we assume that the proposed method of repayment will be satisfactory. If not, we assume that any arrangement with G. S. A. would have to be handled in Washington.

Robert A. Lawrence
EXECUTIVE OFFICER
DMEA REGION VII

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

RAL/sm
cc:
Beck
Lynch
Files

C
O
P
Y

THE GOODMICA MINING COMPANY
P.O. BOX 268
Asheville, North Carolina

September 8th, 1954

U. S. Dept. of the Interior
DMEA- Region VII
Room 13, Post Office Bldg.
Knoxville q, Tennessee

Attention: Mr. Robert A. Laurence
Executive Officer

Dear Mr. Laurence:

Thank you very much for your letter of September 1st, outlining agreement to our payment plan for the exploration Project Contracts, Docket numbers DMEA-2926 and 3177.

We expect to have another mica sale within the near future, possibly around the 15th. We have checked and have found that neither the Spruce Pine office nor the Atlanta office are set up to deduct royalties on repayment from the checks and we are therefore going to mail you checks in the amount of 10% of each sale as quickly as our sales are made from now on.

Our first repayment will also include the $41.10 referred to in your third paragraph of your letter.

We certainly appreciate your courtesy and cooperation and look forward to further pleasant relations with you in the future.

Very truly yours,

THE GOODMICA MINING COMPANY

By: B. Paul Goodman
General Mgr.

S/s B. Paul Goodman

CO P Y
(sic) zm.

Washington-3
Beck- Lynch

C
O
P
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ROOM 13, POST OFFICE BLDG.
KNOXVILLE 2, TENN.

September 14, 1954

Memorandum

To: Operating Committee, DMEA - Washington

From: Field Team, DMEA - Region VII

Subject : Goodmica Mining Co., Asheville, N. C. (mica)
DMEA-2926, Idm-E 516, Engle Cope Mine
and
DMEA-3177, Idm-E 656, Murray Mountain Mine

Enclosed are three copies of a letter from the Goodmica Mining Company, relative to payment of delinquent royalties on these two contracts.

As G. S. A. apparently declined to deduct royalties, we assume that the proposed method of repayment will be satisfactory. If not, we assume that any arrangement with G. S. A. would have be handled in Washington.

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

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

C
O
P
Y

THE GOODMICA MINING COMPANY
P. O. BOX 263
Asheville, North Carolina

September 8th, 1954

U. S. Dept. of the Interior
DMEA- Region VII
Room 13, Post Office Bldg.
Knoxville 2, Tennessee

Attention: Mr. Robert A. Laurence
Executive Officer

Dear Mr. Laurence:

Thank you very much for your letter of September 1st, outlining agreement to our payment plan for the exploration Project Contracts, Docket numbers DMEA-2926 and 3177.

We expect to have another mica sale within the near future, possibly around the 15th. We have checked and have found that neither Spruce Pine office nor the Atlanta office are set up to deduct royalties on repayment from the checks and we are therefore going to mail you checks in the amount of 10% of each sale as quickly as our sales are made from now on.

Our first repayment will also include the $41.10 referred to in your third paragraph of your letter.

We certainly appreciate your courtesy and cooperation and look forward to further pleasant relations with you in the future.

Very truly yours,

THE GOODMICA MINING COMPANY

By: B. Paul Goodman
General Manager

/s/ B. Paul Goodman

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

July 13, 1954

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-3177 (mica)

Contract Number: Idm-E 656

Applicant: Goodmica Mining Company

Name and Location of Property: Murray Mountain Mine
Jackson County, North Carolina

Date of Field Team Report: June 28, 1954

Date Rec'd. by Ceramic & Fertilizer Materials Br.: July 8, 1954

Field Team Recommendation:

1. Denial of certification of discovery or development.

Comments:

1. Work on this exploration program began on January 26, 1954 and was terminated by mutual agreement effective May 17, 1954.

2. Under the contract a tool house and powder and exploder magazines were built, an existing adit was reconditioned, track was installed, and the adit was extended 92 feet.

3. The field examiners are of the opinion that no additional exploration work is warranted, because of the discontinuous nature of the pegmatite, and the reserves developed are negligible.

4. Expenditures:

Total approved	$7,475.00
Total cost	5,327.50
Gov't. share of cost	4,794.75
Value of production during operation	821.91

Recommended:

I concur with the field team's recommendation that certification of discovery or development be denied on subject property.

W. F. Dietrich

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

July 13, 1954

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

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Total cost	5,327.50
Gov't. share of cost	4,794.75
Value of production during operation	821.91

Recommended:

I concur with the field team's recommendation that certification of discovery or development be denied on subject property.

W. F. Dietrich

IN REPLY

G-10

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

July 1, 1954

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-3177 (mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant: Goodmica Mining Company, P. O. Box 2[illegible]3, Asheville, N.C.
Name of property: Murray Mountain Mine.
Location of property: Jackson County, N. C.
Date of Field Team Report: June 25, 1954.
Authorship of Field Team Report: K. H. Teague, D. H. Amos, and L. E. Shirley.
Field Team's recommendation:

1. No certification.
2. No additional work.

Comments:

Very small amount of mica found, and that during rehabilitation of adit.

ACTION RECOMMENDED:

Follow Field Team's recommendation.

D. M. Larrabee

Larrabee:jah
G-7/1/54
cc: Director's reading 4212
Branch reading 4212
DMEA 3
Larrabee 5218 Interior

IN REPLY REFER TO:

G-MD-CEM

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

July 1, 1954

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-3177 (mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant: Goodwin Mining Company, P. O. Box 2[illegible]3, Asheville, N.C.
Name of property: Murray Mountain Mine.
Location of property: Jackson County, N. C.
Date of Field Team Report: June 25, 1954.
Authorship of Field Team Report: K. H. Teague, D. H. Amos, and L. E. Shirley.
Field Team's recommendation:

1. No certification.
2. No additional work.

Comments:

Very small amount of mica found, and that during rehabilitation of adit.

ACTION RECOMMENDED:

Follow Field Team's recommendation.

D. M. Larrabee

Larrabee:jah
G-7/1/54
cc: Director's reading 4212
Branch reading 4212
DMEA 3
Larrabee 5218 Interior

12/30/54

No closing letter to be written for DWEA 3177

WRA

Project Summary Report

By: Walter C. Anderson July 26, 1954

1. Docket No. DMEA-3177 - Mica
Contract No. Idm-E656
Murray Mountain Mine
Jackson County, North Carolina

Operator: Al J. Goodman, doing business as
The Goodmica Mining Company
P. O. Box 263
Asheville, North Carolina

Operator's Property Rights: Owner of 1/2 interest in mineral rights.
Owner's Consent to Lien dated January 4, 1954.

2. Contract - dated January 19, 1954.

Work authorized:	
Recondition adit and install track - 100 feet @ $20.00/ft.	$2,000.00
Construct toolhouse, powder and exploder magazines	225.00
150 feet of drift and/or crosscut @ $35.00/ft.	5,250.00
Total estimated cost	$7,475.00
Government participation @ 90%	$6,727.50

Amendments - none

Work completed:

Construction - toolhouse, powder & exploder magazines	$ 225.00
Reconditioning adit & installation track - 95 ft. @ $20.00/ft.	1,900.00
91½ ft. of drift and/or crosscut @ $35.00/ft.	3,202.50
Total accepted cost	$5,327.50
Government participation @ 90%	$4,794.75

Work began on January 26, 1954, and terminated by mutual agreement on May 17, 1954, when pegmatite ended along strike 62.75 pounds of trimmed mica was recovered and sold during project @ $13.05/lb. or $821.91.

Field Team Final Report received June 30, 1954.
Operator's Final Report received June 30, 1954.

3. Audit - Certificate issued June 9, 1954 (No exceptions)

Accepted cost	$5,327.50
Government participation	$4,794.75

4. Certification of Discovery - none issued.

5. Comments:

How conducted - Good cooperation between the Government and the Operator, who carried out only that part of the authorized work that was necessary to prove the target.

Operation - Good.

Engineering - Reporting by Operator was acceptable.

Geological premise - The premise that a mica-rich pegmatite in the adjacent property would continue in the unexplored area of this project did not materialize, as it ended abruptly.

Geological criteria upon which work was based:
1. Irregular shaped weathered pegmatites in biotite gneiss up to 8 feet thick.
2. Quartz cores one foot thick.
3. Mica books up to 12 inches in diameter.

Criteria developed during project:
1. Discontinuous conformable pegmatite between mica schist and biotite gneiss 0-5 feet thick.
2. Discontinuous quartz core up to 2½ feet thick.
3. Series of discontinuous pods and stringers.
4. Limited occurrence of strategic mica.

Future possibilities: Because of a shallow back over the adit, a mining operation would be very limited.

Recommendations:

The Nonmetallic Minerals Division concurs with the Field Team that a certification should not be issued but recommends that Government's right to certify should be protected and defer closing letter to Operator until six months after receipt of Operator's final report has elapsed.

Geological Survey concurs with field team.

Bureau of Mines (comments not yet received). Goodman owes $1,949.26 on DMEA-2926. No more contracts for this Operator.

WCAnderson:gad 7/26/54
Copy to: Admr. R. File
Mr. Houk

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 425 P.O. BLDG.
KNOXVILLE 2, TENN.

Defense Minerals Administration
RECEIVED
SEP 29 1954

September 24, 1954

Memorandum

To: Cora Piper, Chief, Finance Division, Region VII

From: Executive Officer, DMEA - Region VII

Subject: Royalty payment on DMEA-3177, Idm-E656, Goodmica Mining Co.

Transmitted is a bill-of-sales for mica in the amount of $821.91, and a check for $41.10, which is 5% royalty due the Government on the sale from the subject contract.

Robert A. Laurence

ZM,
cc:
Heck
Lynch
Mittendorf
Goodmica Mining Co.
Files

COPY

GENERAL SERVICES ADMINISTRATION, REGION IV
MICA PURCHASE DEPOT, Spruce Pine, N. C.

Authorization No. EPS-4-849A Acceptance No. 1065 Date: 4-13-54

Seller: Goodmica Mining Company, Box 263, Asheville, N. C.

Mine: Murray Mountain Mine DMEA No. 3177, Idm-E656 (mica)

Quality of Mica	HALF TRIM			FULL TRIM		
	Pounds	Price/Lb.	Amount	Pounds	Price/Lb.	Amount
Good Stained & Better Grades No.3 & larger				.75	$70.00	52.50
No. 4 and 5				5.69	$40.00	227.60
No. 5½ and 6				24.84	$15.00	372.60
Stained No.3 and larger		$12.00		.44	$18.00	7.92
No.4 and 5		$ 5.00		4.12	$ 8.00	32.96
No.5½ and 6		$ 3.00		23.80	$ 5.00	119.00
Heavy Stained No.3 & larger		$ 8.00			$13.00	
No.4 and 5		$ 4.00			$ 6.00	
No.5½ and 6		$ 2.00		3.11	$ 3.00	9.33
LOT TOTALS		//////////		62.75	//////////	
TOTAL		//////////			//////////	821.91

$821.91

ZM.

Beck
Mittendorf

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

SEP 1 1954

The Goodnice Mining Company
P. O. Box 263
Asheville, North Carolina

Attention: Mr. E. F. Goodman, General Manager

Re: Docket No. DMEA-2926
The Goodnice Mining Company
Eagle Cope Mica Mine
Contract No. Idm-516
and
Docket No. DMEA-3177
The Goodnice Mining Company
Murray Mountain Mine
Contract No. Idm-656

Gentlemen:

Reference is made to your letter of August 10, 1954, in regard to payment of royalty due the United States Government from the sale of mica produced under the terms of Exploration Project Contract No. Idm-516, Docket No. DMEA-2926.

Royalty is payable under exploration project contracts at the time collection is made for any ores sold whether the company has realized a profit or a loss. Therefore, the amount of $1,949.26 in royalties collected by you on sales totaling $38,985.11, as of June 30, 1954, should have been transmitted by you to my office as sales were consummated.

Your attention is also called to the fact that as of April 13, 1954, you had sold $821.91 worth of mica under Exploration Project Contract No. Idm-656, Docket No. DMEA-3177, royalties on which amounted to $41.10. This amount also is due the Government.

Pd.

Your request for time to pay these obligations was referred to the Washington office and I have been authorized to set forth the Government's position and to accept payment of these obligations as follows:

(1) The above amounts are past due and no arrangement for their liquidation will in any way waive the Government's right to demand and seek through proper channels immediate payment of any balance due at any time in the future.

(2) The Government demands that you pay the $41.10 royalty due as of April 13, 1954, plus any royalty accruing to the date of payment under Exploration Project Contract No. Idn-E656, Docket No. DMA-3177, not later than September 30, 1954.

(3) You agree to make arrangements with the General Services Administration Mica Depot, Spruce Pine, North Carolina, to deduct the current 5% royalty on all future sales under both contracts named in this communication, plus 5% for past due royalties on any sales made under Exploration Project Contract No. Idn-E516, Docket No. DMA-2926, and to request that checks for such deductions be drawn to the Defense Minerals Exploration Administration and sent to my office in Knoxville, Tennessee. A copy of your letter to the General Services Administration should be furnished my office. On March 1, 1955, or earlier if the Government deems it desirable, a new appraisal of the status of your obligation for royalties to the Government will be made and new terms of payments provided if the circumstances warrant.

It is believed that under the circumstances the Government's proposal to assist you in liquidating your royalty accounts is liberal and should enable you without undue hardship to operate your mines in the future. Please reply to this letter immediately and let us know whether you plan to carry out its provisions.

Sincerely yours,

SIGNED

Robert A. Laurence
Executive Officer
DMA, Region VII

JLChambers/ams - 8/27/54
Copy to: Docket (2)
Admr. Reading File
Operating Committee
Region VII (2)
Mr. Houk
Mr. Chambers
Mr. D. M. Larrabee, Rm. C-232, GSA
Mr. Thor Killsgaard, Rm. 5227

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

July 27, 1954

Royalty Audit Memorandum

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

From: B. J. Brekhus, Auditor

Subject: Royalty Audit - Al J. Goodman, d/b/a Goodman Mining Company, Murray Mountain Mine, Contract Ida-E656, Docket No. DMEA-3177

On July 14, 1954, accompanied by Mr. Wm. A. Beck, Mining Engineer, Bureau of Mines, Knoxville, Tennessee, I called upon Mr. Al J. Goodman at his office, in his machinery warehouse in Asheville, North Carolina. The primary purpose was to establish the amount owing in royalties for sales of mica made during exploration under the subject contract. There had been one sale to the GSA Mica Depot in Spruce Pine, North Carolina, in the amount of $821.91. Royalty due is $41.10.

As the sale was made on April 13, 1954, it was considered proper to ask Mr. Goodman for a check for this royalty. He said he was unable to pay at this time, but would call a meeting with his son, E. Paul Goodman and his brother, Lew Goodman, and they would try to work out a plan for liquidating this amount along with an amount of $1,949.26, royalty due on a previous contract No. Ida-E516, Docket No. DMEA-2926. While this statement was not satisfactory, it was all that could be obtained at that time. Mr. Goodman was advised to take immediate and effective action, or it would be necessary for us to turn the collection of the royalty due over to the Comptroller General.

Mr. Goodman was also requested to advise the Field Team of DMEA of the arrangements to pay the delinquent royalties as soon as he has had the above mentioned meeting.

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

AUG 27 1954

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

Re: Contract No. [illegible]-2126
The Cookson Mining Company
Eagle Cope Iron Mine
Contract No. [illegible]-516
and
Docket No. [illegible]-3177
The Cookson Mining Company
Murray Mountain Mine
Contract No. [illegible]-1156

Dear Mr. Laurence:

Reference is made to your memorandum of August 18, 1954, signed by you and Mr. Bonk in regard to delinquent royalties of the Cookson Mining Company on ores sold from contracts cited above.

The Administrator has approved a plan set forth in a letter for your signature to be sent to the Cookson Mining Company in regard to their obligations. If you are in accord with the proposed letter please sign same and send to the Operator. If you have further suggestions for improving the letter please communicate with the Operating Committee.

You will note that the proposed letter to the Cookson Mining Company requests them to have checks made payable to the Defense Minerals Exploration Administration. The change in the inscription of checks payable to the various Government agencies is authorized by General Regulations No. 87 of the General Accounting Office and promulgated in the Department of the Interior by Budget and Finance Letter No. 103, copies of which bulletins have been sent to your Finance Office.

Sincerely yours,

APPROVED:

W. S. Martin

J. H. Hedges

ACTING Chairman, Operating Committee

Member, Bureau of Mines

JHChambers/mm - 8/27/54
Copy to: Docket (2) Mr. Bonk
Adm. Read. File Mr. Chambers
Reg. VII (2) Oper. Com.
Mr. D. M. Larrabee, Rm. C-232, GSA
Mr. Thor Hillsgaard, Rm. 5227

S/Thor H. Hilsgaard

Member, Geological Survey

Enclosures

REPORT OF INSPECTION OF TERMINATED PROJECT
ON WHICH ROYALTY IS DUE THE GOVERNMENT.

DMEA-3177, IdaW 656 (mica)

Al J. Goodman, operating as The Goodman Mining Co.
P.O. Box 263, Asheville, North Carolina

MURRAY MT. Mine
Jackson County, North Carolina

Accompanied by S. J. Prekhus, Auditor, Contract Administration and
and Audit Division, the writer called at the office of the subject company on July 14, 1954. An audit of their records showed that $621.91 worth of mica had been sold to the Government buying depot. No royalty has been paid on this sale. The Governments royalty amounts to $41.10 and Mr. Al J. Goodman states that he is unable to pay it at this time. The mine is not in operation at this time.

Jyly 14, 1954.

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

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

July 13, 1954

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-3177 (mica)

Contract Number: Idm-3 656

Applicant: Goodmica Mining Company

Name and Location of Property: Murray Mountain Mine
Jackson County, North Carolina

Date of Field Team Report: June 28, 1954

Date Rec'd. by Ceramic & Fertilizer Materials Br.: July 8, 1954

Field Team Recommendation:

1. Denial of certification of discovery or development.

Comments:

1. Work on this exploration program began on January 26, 1954 and was terminated by mutual agreement effective May 17, 1954.

2. Under the contract a tool house and powder and exploder magazines were built, an existing adit was reconditioned, track was installed, and the adit was extended 92 feet.

3. The field examiners are of the opinion that no additional exploration work is warranted, because of the discontinuous nature of the pegmatite, and the reserves developed are negligible.

4. Expenditures:

Total approved	$7,475.00
Total cost	5,327.50
Gov't. share of cost	4,794.75
Value of production during operation	821.91

Recommended:

I concur with the field team's recommendation that certification of discovery or development be denied on subject property.

J. F. Dietrich

July 12, 1954

Memorandum

To: Operating Committee, D M E A - Washington

From: Executive Officer, DMEA - Region VII

Subject: Termination Agreement - DMEA-3177, Idm-E 656 (mica)
The Goodwin Mining Company - N. C.

Transmitted herewith are three signed copies of the subject termination agreement. The usual distribution of the other copies has been made.

Robert A. Laurence

RAL/mm
cct
Book
Igrash
Files
Opr. Com. -2

UNITED STATES
DEPARTMENT OF THE INTERIOR

COPY

DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
Room 13, Post Office Building
Knoxville 2, Tenn.

June 28, 1954

Memorandum

To: Operating Committee, DMEA - Washington

From: Field Team, DMEA - Region VII

Subject: Final Reports, DMEA-3177, Idm-E 656 (mica) Murray Mountain Mine. Operator: Goodmica Mining Co., Asheville, N. C. Jackson County.

Enclosed are four copies each of the Operator's final report, and the Field Team final report on the subject exploration contract, which was terminated by mutual consent.

We recommend that no certificate of discovery be issued.

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

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

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

Reviewed by
DMEA OPERATING COMMITTEE

7-7-54
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT

FIELD TEAM, REGION VII

On

DMEA-3177, MURPHY MOUNTAIN MINE
Jackson County, N. C.
(mica)

By

Kefton H. Teague and Dewey H. Amos, Geologists
U. S. Geological Survey

and

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

June 25, 1954

Reviewed by
DMEA OPERATING COMMITTEE

7-7-54
(date)

FINAL REPORT
On
DMEA-3177, Idm-E 656, MURRAY MOUNTAIN MINE

Operator: Goodmica Mining Company, P.O. Box 263, Asheville, N. C.

The Murray Mountain Mine is located on the southeast slope of Murray Mountain about one-half mile southwest of Savannah Creek and U. S. Highway 23. It is 6.8 miles S. 23° W. of Dillsboro, Jackson County, N. C.

Work completed under the contract consisted of construction of a toolhouse, powder and exploder magazine; reconditioning of and installation of track in an existing 95-foot adit; extension of this adit an additional 91.5 feet. As only a limited quantity of strategic mica was recovered during the project, most of which was obtained from rehabilitation of the adit, no certification of discovery should be issued. No additional exploratory work is warranted.

Work began on January 26, 1954 and was terminated by mutual agreement effective May 17, 1954 when the pegmatite ended along its strike. A toolhouse, powder magazine and exploder magazine was constructed and an existing 95-foot adit was rehabilitated. The latter consisted of trimming to 5' x7' cross-section, timbering in part, and installing a track. The adit was extended an additional 75 feet to the northwest; the last 28 feet being along a series of discontinuous pods and stringers which proved to be a branch of the main pegmatite. At a point 28 feet from the head of the adit a drift was driven N. 55° E. along the pegmatite. As the pegmatite ended about 10 feet in this drift the contract was mutually terminated.

A discontinuous pegmatite 0 - 5 feet thick was exposed by the work. Its attitude is variable and changes rapidly in short distances; the strike varying from N. 80° W. where the adit first intersects the body to N. 55° E. at the northern termination and the dip varying from vertical to 30°. The pegmatite has a discontinuous quartz core up to 2 1/2 feet in the thicker portion and it changes laterally into a quartz vein about 2 feet thick about 5 feet before the body terminates in the northeast drift. An essentially conformable relationship exists between the pegmatite and the foliation of the country rock except locally where the dip of the foliation is crosscut by the body. The latter has been emplaced in part along a fault as evidenced by slickensides along the pegmatite-wall rock contact and by the presence of layered mica schist on the hanging wall and biotite gneiss on the footwall. The pegmatite consists of kaolinized feldspar, quartz, and sparse muscovite. The portion of the body in the last 10 feet of the rehabilitated part of the adit is the richest in strategic quality mica.

A total of 62.75 pounds of trimmed mica which averaged $13.05 per pound was recovered and sold during the project. Most of this was obtained during trimming of the old adit. A the back over the adit in the area

Reviewed by
DMEA OPERATING COMMITTEE

7-7-54
(date)

containing the mica is only 20 - 25 feet, any mining operation would be very limited.

Reserves indicated by the work are negligible.

Expenditures:

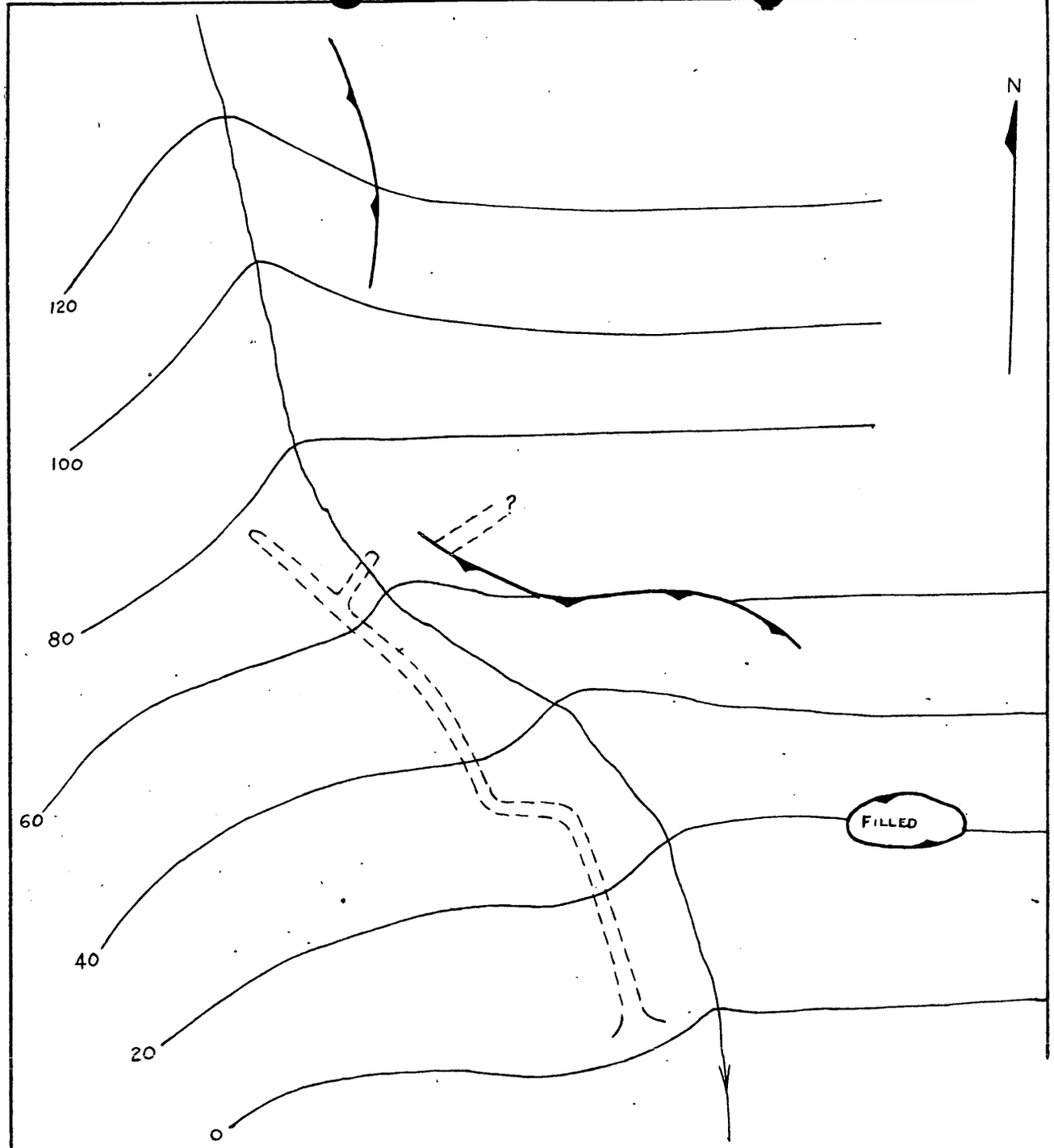
(a)	Total approved	$7,475.00
(b)	Total cost of project	5,327.50
(c)	Government's share of cost	4,794.75
(d)	Government's share unexpended	1,932.75
(d)	Value of production during oper.	821.91
(f)	Government's royalty	41.09

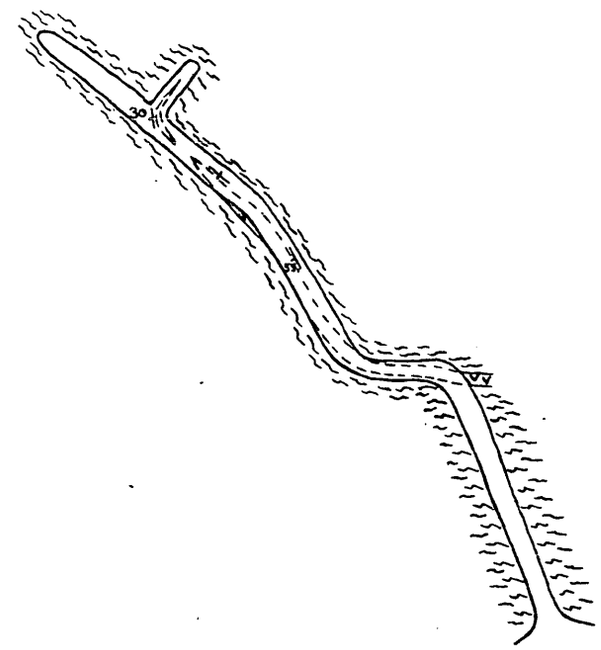
The operation was conducted in an efficient and satisfactory manner. No equipment was purchased under the contract.

June 25, 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 ADIT

0 40' 80'
SCALE

SKETCH OF
MURRAY MTN. MINE
JACKSON CO., N.C.

DMEA-3177 (mica)

IN REPLY REFER TO:

G-MD-CEM

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

July 1, 1954

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-3177 (mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant: Goodmien Mining Company, P. O. Box 2[illegible]3, Asheville, N.C.
Name of property: Murray Mountain Mine.
Location of property: Jackson County, N. C.
Date of Field Team Report: June 25, 1954.
Authorship of Field Team Report: K. E. Teague, D. N. Anon, and L. E. Shirley.
Field Team's recommendation:

1. No certification.
2. No additional work.

Comments:

Very small amount of mica found, and that during rehabilitation of adit.

ACTION RECOMMENDED:

Follow Field Team's recommendation.

D. M. Larrabee

Larrabee:jeh
G-7/1/54
cc: Director's reading 4212
Branch reading 4212
DMEA 3
Larrabee 5218 Interior

June 28, 1954

Memorandum

To: Operating Committee, DMEA - Washington

From: Field Team, DMEA - Region VII

Subject: Final Reports, DMEA-3177, Idm-E 656 (mica) Murray Mountain Mine.
Operator: Goodmica Mining Co., Asheville, N. C. Jackson County.

Enclosed are four copies each of the Operator's final report, and the Field Team final report on the subject exploration contract, which was terminated by mutual consent.

We recommend that no certificate of discovery be issued.

Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION VII

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

RAL/sm.
cc:
Beck
Lynch
Opr. Con. Div. File
Files

May 31,1954

FULL and FINAL REPORT

Re: DMA 3177, Lease-E 656
Murray Mountain Mine
Jackson County, North Carolina

On or about the 25th. day of January 1954, we the Goodnice Mining Co. did begin work at Murray Mountain Mine, under the above numbered contract.

1. We did construct a Tool House, 10 feet by 15 feet; Powder magazine; and an Exploder Magazine.

2. We did recondition the existing adit for a distance of 95 feet, to provide a clear passageway of not less than 5 feet by 7 feet in the cross section. We timbered the entire adit and installed track for a distance of 90 feet. This work was completed on February 24th., and was reported on our first voucher dated March 1st.,1954.

3. We did start on drifting in a direction of North West from the existing adit and proceeded in that direction for a total of 214 feet. Maintaining at all times a drift of 5 feet by 7 feet. This drifting was terminated by Mr Teague and Mr. Shirley on May 18th.,1954.

4. We did sell to the Mica Buying Depot at Spruce Pine , N. C. The following amounts.

Good Stained and Better, grade; 31.89 Lbs.	Amount received for same	$ 552.70
Stained, grade; 29.36 Lbs.	Amount received for same	159.38
Heavy stained, grade; 3.11 Lbs.	Amount received for same	9.33
32.75 Lbs.		721.41

This is true total of Mica obtained from Murray Mtn. Mine.

Goodnice Mining Company

By: J. Frank Benfield
Office Manager

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

OPERATOR'S MONTHLY REPORT AND VOUCHER

DEPT. OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 1 0 1954

Month of May, 1954 Docket No. DMEA 3177 Contract No. Idm-K 65954
Operator's Name Goodnica Mining Co. Minerals Mica
Address Box 263, Asheville, N. C.
Contract Amount, $ 7,475.00 Government Participation: 90 % Amount, $ 6,727.50

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting	577.50	2,625.00	3,202.50			
Drifting						
reconditioning of adit		1,900.00	1,900.00			
installing track						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Powder Magazine		50.00	50.00			
Exploder Magazine		25.00	25.00			
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.		150.00	150.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	577.50	4,750.00	5,327.50	577.50	4,750.00	5,327.50

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K- 69

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 21 May 1954 *Payee Goodnica Mining Co.
Per [signature] Title General Manager

*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:

$ 519.75

Signature [signature]
(Authorized Certifying Officer)

Date JUN 3 1954 Vou. No. 299
(See other side)

57.75

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E656 in accordance with the terms of the contract.

Signature Laurence E. Shirley Title Mining Engr. U.S.B.M. Date May 24, 1954

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION VII Date JUN 2 1954

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

Defense Minerals Administration
RECEIVED
JUN 10 1954

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

Month of May 1954 Docket No. DMEA 3177 Contract No. Idm-R 656
Operator's Name Goodmica Mining Co., Minerals Mica
Address Box 263, Asheville, 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.	577.50	16½	3,202.50	91½	35.00	150	35.00
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
~~Stripping~~ Tool House				150.00	1	150.00	1	150.00
~~Trenching~~ Powder Mag.				50.00	1	50.00	1	50.00
~~Test Pits~~ Exploder Mag.				25.00	1	25.00	1	25.00
Roads and Trails								
reconditioning or adit, installing track				1,900.00	95	1900.00	100	20.00
Total Distributed Costs		577.50	16½	5,327.50				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		577.50	16½	5,327.50				

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 21 May 1954 Operator Goodmica Mining Co.

Per [signature] Title General Manager

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

MONTHLY PROGRESS REPORT
for the
MONTH of MAY 1954

Work accomplished:
Drilled, blasted and mucked out for a total distance of 16½ feet, nothing showing in the heading and work was stopped by Mr. Teague and Mr. Shirley.

May 4. Drilled and Blasted, Mucked out.

" 5. Set in Timbers, Drilled and Blasted.

" 6. Mucked out, Drilled and Blasted.

" 7. Drilled and Blasted, Mucked out.

" 10. Extended Track, Placed in timbers.

" 11. Drilled and Blasted, Mucked out.

" 12. Drilled and Blasted.

" 13. Drilled and Blasted.

" 17. Mucked out, Drilled and Blasted.

" 18. Started Drilling and work was stopped on this date.

COPY

June 23, 1954

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Amendments extending completion dates.

Amendments providing additional time for completion have been prepared and sent to the Operators for signature on the following contracts:

DMEA-2914, Idm-E 515
DMEA-3085, Idm-E 635
DMEA-3131, Idm-E 608

The following have been completed:

DMEA-3132, Idm-E 618
DMEA-3154, Idm-E 636

Permission to terminate the following has been requested, but not received. If not terminated, time amendments will be needed:

DMEA-2778, Idm-E 497
DMEA-3177, Idm-E 656

All contracts above are for strategic mica.

Robert A. Laurence
Executive Officer
DMEA Region VII

600

JUN 22 1954

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

Subject: Docket No. DMEA-3177 - Plea
The Goodnice Mining Company
Jackson County, North Carolina
Contract No. Idm-12656
Murray Mountain Mine

Dear Mr. Laurence

Reference is made to your memorandum of May 27, 1954, requesting permission to terminate the subject contract effective May 17, 1954.

You will find enclosed six copies of Termination Agreement for execution by the Operator. Please make the necessary distribution of copies after execution.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

J. H. Hedges

Member, Bureau of Mines

s/E. J. McKnight

Member, Geological Survey

Enclosures 6

LGHouk:gad 6/18/54
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3061
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

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

600

June 8, 1954

Memorandum

To: Mr. J. L. Hofflund

From: Lawrence G. Houk

Subject: Termination of Contract No. Idm-E656 - Docket No. DMEA-3177
Mica
The Goodmica Mining Company
Jackson County, North Carolina

The field team requested permission to terminate the subject contract by agreement with the operator, effective May 17, 1954, the day on which the operator was advised to suspend work.

Our right to certify should be protected. Records show that 62.75 pounds of mica was sold in April averaging $13.05 per pound. The Government's right to royalty on this production is secured by Annex II.

June 8, 1954

Memorandum

To: Mr. J. L. Hofflund

From: Lawrence G. Houk

Subject: Termination of Contract No. Idm-E656 - Docket No. DMEA-3177
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The Goodmica Mining Company
Jackson County, North Carolina

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LGHouk:gad 6/8/54

Copy to: Admr. R. File
Mr. Houk

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN - 4 1954

xxxxxxxxxxxxxxxxxx
Room 13, Post Office Building
Knoxville 2, Tennessee

June 2, 1954

Mr. J. Frank Benfield, Office Manager
The Goodmion Mining Company
P. O. Box 263
Asheville, North Carolina

Re: Docket No. DMRA-3177 - Mica
Contract Idm-E 656
Murray Mountain Mine
Jackson County, North Carolina

Dear Mr. Benfield:

Your final report on the Murray Mountain mine exploration has been received, and today, we are forwarding your May voucher to the Finance Office for payment.

We have requested permission to terminate the contract, and will notify you promptly if the permission is approved.

Very truly yours,

Robert A. Laurence
Executive Officer
DMRA Field Team, Region VII

RAL/mg
cc -
Beck
Lynch
files
Operating Committee
Division Files - DMRA

May 28, 1954

Mr. Al J. Goodman
Goodmica Mining Co.
Box 263
Asheville, North Carolina

Re: DMEA-3177, Idm-E 656 (mica)

Dear Mr. Goodman:

Your May (final) Operator's monthly report and voucher has been received in this office and is being held pending receipt of your final engineering and geological report as per Article 5 (d) of the contract form.

This Operator's final report should summarize the work completed, give a statement of the pounds of block mica recovered, an estimate of the value when sheeted, also a record of any sales to the Mica Buying Depot or anyone else. This also includes punch, scrap, feldspar or any other sales from the property.

We have requested our Washington office to allow us to terminate the project by mutual consent. When we receive this permission, we will send you the necessary forms for signature.

Very truly yours,

Robert A. Laurence
Executive Officer, DMEA
Region VII

WAR/zm
cc:
Beck
Lynch

Opr. Com.-2
Files

May 27, 1954

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: DMEA-3177, Idm-E 656,(mica) Murray Mt. Mine, Jackson Co., N. C.
Request for Termination

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

We agree with the field examiners that additional work on this pegmatite is not warranted, and request permission to terminate the contract by agreement with the Operator, effective May 17, the date on which the Operator was advised to suspend work .

R. A. Laurence,
EXECUTIVE OFFICER
DMEA REGION VII

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

RAL/sm
cc:
Beck
Lynch
Files
Div. Copy-DMEA

MINE REPORT

DMEA-5177 Idm-1666 (mica) MURRAY MOUNTAIN MINE

OPERATOR: Geodnica Mining Company, P. O. Box 163, Asheville, N. C.

LOCATION: On the southeast slope of Murray Mountain about 1/2 mile southwest of Savannah Creek and U. S. Highway No. 23. It is 5.8 airline miles S 23° W of Hillsboro, Jackson County, North Carolina.

Drifting has been completed on this contract for a total distance of 91.5 feet. Pegmatite and pegmatitic stringer material was followed for 75 feet to the northwest. The operator was advised to return to a point 47 feet from where the work began and follow the main pegmatite. 16.5 feet of drift was driven in a N 55° E direction, following pegmatite and quartz, which ended at 10 feet. The operator was advised to discontinue work at this point. It is suggested that the contract be terminated by mutual agreement.

At least one sale of mica has been made from this mine to the G.S.A. Depot, Spruce Pine, North Carolina. 82.75 pounds of mica was sold in April which averaged $13.05 per pound.

The operator conducted the work under contract satisfactorily and followed freely all suggestions made by the field examiners.

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

D. E. Amos, Geologist
U. S. Geological Survey

May 17, 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
OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of April, 1954 Docket No. DMEA 3177 Contract No. Idm-E 656
Operator's Name Goodmica Mining Co. Minerals Mica
Address Box 263, Asheville, N. C.
Contract Amount, $ 7,475.00 Government Participation: 90% Amount, $ 6,727.50

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting	1260.00		2625.00			
Drifting	~~1400.00~~	1,365.00	~~2,765.00~~	1,260.00	1,365.00	2,625.00
reconditioning of adit		1,900.00	1,900.00		1,900.00	1,900.00
installing track						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Powder Magazine		50.00	50.00		50.00	50.00
Exploder Magazine		25.00	25.00		25.00	25.00
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.		150.00	150.00		150.00	150.00
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
	1260.00		4250.00			
TOTALS	~~1400.00~~	3,490.00	~~4,890.00~~	1,260.00	3,490.00	4,750.00

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-65

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 7May54 *Payee Goodmica Mining Co.
Per [signature] Title General Manager

*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:

$ 1,134.00

Signature [signature]
(Authorized Certifying Officer)

Date MAY 14 1954 Vou. No. 293
(See other side)

3

126.00

(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-E656 in accordance with the terms of the contract.

Signature Laurence E. Shirley Title Mining Engr. U.S.B.M. Date May 10, 1954

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Ramsey Title EXECUTIVE OFFICER DMEA REGION VII Date MAY 12 1954

MONTHLY REPORT OF OPERATOR

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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.

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of April 1954 Docket No. DMEA 3177 Contract No. Idm-R 656
Operator's Name Goodnica Mining Co. Minerals Mica
Address Box 263, Asheville, 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.	1400.00	~~40~~ 36	2,765.00	~~79~~ 75	35.00	150	35.00
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
~~Stoping~~ Tool House				150.00	1	150.00	1	150.00
~~Trenching~~ Powder Mag.				50.00	1	50.00	1	50.00
~~Test Pits~~ Exploder Mag.				25.00	1	25.00	1	25.00
Roads and Trails								
reconditioning of adit installing track	Ft.			1,900.00	95	1900.00	100	20.00
Total Distributed Costs		1400.00	40	4,890.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		~~1400.00~~	~~40~~	~~4,890.00~~				

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 7 May 1954 Operator Goodnica Mining Co.

Per [signature] Title General Manager

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

(Instructions on reverse)

Remarks:

(For Government use only)

Make the following changes:
Under drifting $1260.00 instead of $1400.00
36 ft. " " 40 ft.
$2625.00 " " $2765.00
75 ft. " " 79 ft.
Change Totals to $1,260.00 " " $1400.00
$4,750.00 " " $4,890.00

W. A. Beck

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

Monthly Progress Report
for the
MONTH of April 1954

Work accomplished:
Drilled, blasted and mucked out in the old heading for a distance of 36 feet , was hitting too much mud and shale in that direction so changed direction and obtained another 4 feet for a total of 40 feet of drifting. Extended track and timbered the entire 40 feet.

April 1. Worked on track, set up drill, drilled and blasted.

" 2. Mucked out,, Set up Drill, drilled and blasted.

" 5. Mucked out, Set up drill, drilled and blasted.

" 6. Moved Compressor, Changed Air and Water lines.

" 7. Drilled and Blasted, and mucked out.

" 8. Drilled and Blasted, and Mucked out.

" 9. Extended track, worked on compressor.

" 10. Set up drill , Drilled and Blasted.

" 13. Mucked out, drilled and blasted.

" 14. Drilled and Blasted, Mucked out.

" 15. Drilled and Blasted.

" 16. Drilled and Blasted, Mucked out.

" 19. Drilled and Blasted, Mud beginning to show.

" 20. Mucked out, drilled and blasted, more mud showing.

" 21. Drilled and Blasted, Mud and Shale.

" 22. Mucked out, drilled and blasted, Mud and Shale.

" 23. Drilled and Blasted, Mud and shale.

" 26. Drilled and Blasted, Mucked out, Mud and shale.

" 27. Placed in Timbers, extended track, changed Air and Water lines.

" 28. Drilled and Blasted, Nothing but mud.

" 29. Dropped back changed direction because of the Mud.

" 30. Drilled and Blasted, This is solid flint.

22 days 40' advance = 1.8 feet

May 12, 1954

Mr. Al. J Goodman
The Goodmica Mining Co.
Box 263
Asheville, North Carolina

Re: DMSA-3177, Idm-E 656 (mica)
Murray Mountain Mine

Dear Mr. Goodman:

Your Operator's monthly report and voucher has been received in this office and is being sent to the Finance Office today for processing.

A deletion of $140.00 was made on this voucher for the following reason. Our examiner visited the project on May 6 and made his measurement. He reported that 75 feet of advance had been made in the drift. Your report shows a total of 79 feet. We are, therefore deducting 4 feet of drifting at $35 per foot. Your amounts under drifting will be $1260.00; $1,365.00, and $2,625.00, and the totals at the bottom of the page - $1,260; $3,480.00 and $4,750.

Please correct your copies of the reports to conform with the above.

Very truly yours,

Wm. A. Beck, for R. A. Laurence
Executive Officer, DMSA.

WAB/em
cc:
Beck
Lynch
Finance Office
Files

Interim Report
on

DMEA-3177, Idm-E656, MURRAY MOUNTAIN MINE
(mica)

Operator: Goodmica Mining Company, P.O.Box 263, Asheville, N. C.

Location: On the southeast slope of Murray Mt. about 1/2 mile southwest of Savannah Creek and U.S. Highway #23. It is 6.8 miles S.23° W. of Dillsboro, Jackson County, N. C.

Drifting continues to the northwest on this project and is now at 75 feet. The last 28 feet of drift is in pegmatite-biotite schist containing discontinuous stringers and pods. This work appears to have been done along a zone that is a branch of the main pegmatite. The main pegmatite enters the northeast wall of drift about 28 feet from the present heading. At this point it strikes north-south and dips about 30° to the west. The Operator was instructed to discontinue work in the present heading and to begin a drift to the north on the main pegmatite 28 feet from the present heading.

Exam: May 7, 1954.

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

MONTHLY REPORT

DMMA-3177 Idr-1336 (mica) [illegible] MOUNTAIN MINE

OPERATOR: Goodnica Mining Company, P. O. Box 263, Asheville, N. C.

LOCATION: On the southeast slope of Murray Mountain about 1/2 mile southwest of Savannah Creek and U. S. Highway 23. It is 6.8 airline miles S 23° W of Hillsboro, Jackson County, North Carolina.

Drifting continues on this contract and is now at 39 feet. The pegmatite body has thinned considerably at this point, but drifting will continue in the same general direction until another visit can be made.

Material encountered consists of pegmatite, composed of quartz, feldspar and sparse muscovite mica and country rock, a biotite schist. About 1 foot of pegmatite is now exposed in the floor and lower section of the face. It was pointed out to the operator that in the last 20 feet of drift the floor was raised too steeply and it is now necessary to lower the floor to the original grade before doing any additional heading work. The need for timber in the drift, in view of weathered country rock, was stressed.

Approximately 18 pounds of mica has been processed for sale to the Mica Depot, Spruce Pine, N. C. in the near future. This is mica that was recovered from early rehabilitation and drift work. Progress on this contract is satisfactory.

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

A. H. Teague & D. M. Jones, Geologists
U. S. Geological Survey

April 5, 1954

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

A

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

ON VOUCHER & SCHEDULE
MENTS K

261

OPERATOR'S MONTHLY REPORT AND VOUCHER

59

Month of March, 1954 Docket No. DMEA 3177 Contract No. Idm-R 656
Operator's Name Goodrica Mining Co. Minerals Mica
Address Box 269, Asheville, N. C.
Contract Amount, $ 7,475.00 Government Participation: 90 % Amount, $ 6,727.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent / Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting	1155.00	210.00	1,365.00			
Drifting						
Reconditioning of Adit		1,900.00	1,900.00			
Installing Track						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Powder Magazine		50.00	50.00			
Exploder Magazine		25.00	25.00			
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.		150.00	150.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	1155.00	2,335.00	3,490.00	1,155.00	2,335.00	3,490.00

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

Date 2 Apr. 54 *Payee Goodrica Mining Co.

Per [signature] Title General Manager

*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:

$ 1,039.50

Signature Cora A. Piper
(Authorized Certifying Officer)

Date APR 6 1954 Vou. No. 261

(See other side)

2

115.50

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E656 in accordance with the terms of the contract.

Signature Lawrence E. Shirley Title Mining Engr. 4:30 P.M. Date April 2, 1954

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. M. Beck ACTING Title EXECUTIVE OFFICER DMEA REGION VII Date APR 5 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.

MONTHLY PROGRESS REPORT
FOR THE
MONTH of MARCH 1954

Work Accomplished:
Drilled and blasted in the heading mucked out for a distance of 33 feet, extended track, timbered the drift for the same amount of footage.

March 1. Set up drill, drilled and blasted.

" 2. Mucked out set up drill, drilled and blasted.

" 3. Set in timbers, set up drill, drilled and blasted.

" 4. Drilled and blasted, moved blower.

" 5. Mucked out, set up drill, drilled and blasted.

" 8. Drilled and blasted, set up blower and mucked out.

" 9. Set in timbers, placed in more track, repaired compressor.

" 10. Set up drill, drilled and blasted.

" 11. Set up drill, drilled and blasted.

" 12. Mucked out, cut and hauled in timbers, moved exploder magazine.

" 15. Set up, drilled and blasted.

" 16. Set up drilled and blasted, mucked out.

" 17. Set in timbers, placed down track, fixed mine car.

" 18. Set up drill, drilled and blasted.

" 19. Drilled and blasted.

" 22. Mucked out set up drill and blasted.

" 23. Set up drill, drilled and blasted.

" 24. Mucked out, placed in timbers.

" 25. Set up drill, drilled and blasted.

" 28. Extended air and water lines, drilled and blasted.

" 29. Setbup drill, drilled and blasted.

" 30. Mucked out, set up drill, drilled and blasted.

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of March 195 4 Docket No. DMEA 3177 Contract No. Idm-E 656
Operator's Name Goodnica Mining Co. Minerals Mica
Address Box 263, Asheville, N. C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting	FT.	1155.00	33	1,365.00	39	35.00	150	35.00
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
~~Stripping~~ Tool House				150.00	1	150.00	1	150.00
~~Trenching~~ Powder Mag.				50.00	1	50.00	1	50.00
~~Test Pits~~ Exploder Mag.				25.00	1	25.00	1	25.00
Roads and Trails								
Reconditioning of adit ft. installing track				1,900.00	95	1900.00	100	20.00
TOTAL DISTRIBUTED COSTS		1155.00	33	3,490.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		1155.00	33	3,490.00				

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 Apr.54 Operator Goodnica Mining Co.

Per [signature] Title General Manager

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

REMARKS:

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

a

[illegible] REPORT

[illegible]-3177 [illegible]-[illegible] (mica) [illegible]

[illegible]: Goodnice Mining Company, P. O. Box 283, Asheville, N. C.

[illegible]: On the northeast slope of Surrey Mountain about 1/2 mile southwest of Savannah Creek and U. S. Highway 23. It is 8.8 airline miles S 23° W of Dillsboro, Jackson County, North Carolina.

Drifting is underway on this contract and has advanced twenty feet in the past two weeks. The drift has been driven in a N 30° W direction in both pegmatite and biotite gneiss. Pegmatite is exposed on the southwest side and is composed of quartz, feldspar, biotite and small muscovite mica. The country rock is a semi-weathered biotite gneiss. It was reported that the drift be turned gradually to the west, keeping the heading in pegmatite, if possible, at all times. Progress on this contract is satisfactory.

L. [illegible] Shirley, Mining Engineer
U. S. Bureau of Mines

[illegible] Jacque Murray [illegible],
Geologists, U. S. Geological Survey

March 22, 1954

INTERIM REPORT

DMA-3177 IGR-3356 (mica) MURRAY MOUNTAIN MINE

OPERATOR: Goodnice Mining Company, P. O. Box 203, Asheville, N. C.

LOCATION: On the southeast slope of Murray Mountain about 1/2 mile southwest of Savannah Creek and U. S. Highway #23. It is 6.8 airline miles S 23° W of Dillsboro, Jackson County, North Carolina.

Adit reconditioning and installation has been completed on this contract. No progress has been made on the drift to date, but the operator indicated that drifting would begin within the present week. The existing face shows a pegmatite trending N 80-85° W and dipping 55° ~~NW~~ SW, composed of a quartz core flanked by feldspathic and quartzose zones containing muscovite mica. Some of the mica is bent and contains stain in varying amounts. About 200 pounds of block mica was recovered during rehabilitation of the adit in pegmatite.

The exploder magazine was moved to a safe distance from the powder magazine and was placed on the opposite side of the adit. It was suggested that the walls and overhead be scaled thoroughly after shooting because of the weathered condition of the body. The operator is aware that timbering will be necessary in the drift.

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

A. H. Jacque and A. A. Amos, Geologists
U. S. Geological Survey

March 8, 1954

Mr. Anderson

RECEIVED
MAR 10 1954

[illegible]

[illegible]-3177 [illegible]-653 (mica) [illegible]

[illegible]: Goodson Mining Company, [illegible] Box 263, [illegible]ville, [illegible].

[illegible]: On the southeast slope of Murray Mountain about 1/2 mile southwest of Savannah Creek and [illegible] Highway 23. It is 3.3 airline miles [illegible] 23° [illegible] of Millsboro, Jackson County, [illegible].

The reconditioning of an existing adit and the installation of track is nearing completion on this contract. The operator expects to begin drifting in the near future. Various suggestions are made concerning additional trimming and timber work that is necessary. A tool house, 10' x 15', and powder and exploder magazines have been constructed. It was suggested that one of the magazines be moved to the opposite side of the adit because of close spacing. Material encountered in the first 80 feet of rehabilitation was principally a weathered biotite gneiss. Remaining footage consists of both gneiss and pegmatite. The present face consists of some massive quartz flanked by feldspathic and "burr" zones. Some ruled mica can be observed in the face. Progress on this contract is satisfactory.

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

[illegible] Fairley, Mining Engineer
U. S. Bureau of Mines

[illegible] League [illegible] Jones, Geologists
U. S. Geological Survey

February 23, 1954

Mr. Anderson

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

OFFICE OF
REGIONAL DIRECTOR

POST OFFICE BOX 1909
KNOXVILLE, TENNESSEE

Defense Minerals Administration
RECEIVED
MAR 9 - 1954

March 5, 1954

Memorandum

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

From: Chief, Administrative Division, Region VII, Knoxville, Tennessee

Subject: Monthly Reports and Vouchers

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

Idm-I-618 Dixie Mines, Inc.
DMEA Docket No. 3132
3rd payment - month of January
Amount $472.50

Idm-I-656 Goodnica Mining Company
DMEA Docket No. 3177
1st payment - month of February
Starting Date: 1/20/54
Amount $2101.50

Helen H. Miller

Enclosures 4

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of February, 1954 Docket No. DMEA 3177 Contract No. IDC-E 656
Operator's Name Goodnica Mining Co., Minerals Mica
Address Box 263, Asheville, N. C.
Contract Amount, $ 7,475.00 Government Participation: 90 % Amount, $ 6,727.50

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) ~~Independent~~ Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting	210.00		210.00			
Reconditioning of Adit installing track (95 FT.)	1900.00		1,900.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Powder Magazine	50.00		50.00			
Exploder Magazine	25.00		25.00			
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.	150.00		150.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	2335.00		2,335.00	2,335.00		2,335.00

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-52

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 1-Thrch-54 *Payee Goodnica Mining Co.,
Per [signature] Title General Manager

*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:

$ 2,101.50

Signature [signature]
(Authorized Certifying Officer)
Date MAR 4 1953 Vou. No. 226
(See other side)

1st S-11/26/54 253.50

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E656 in accordance with the terms of the contract.

Signature Lawrence E. Shirley Title Mining Engr. U.S.B.M. Date March 1, 1954

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION VII Date MAR 3 1954

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
MAR 9 - 1954

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of February 1954 Docket No. DMEA 3177 Contract No. IDM-R 656

Operator's Name Goodnica Mining Co. Minerals Mica

Address Box 263, Asheville, 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.	210.00	6	210.00	6	35.00	150	35.00
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Tool House	1	150.00	1	150.00	1	150.00	1	150.00
Powder Mag.	1	50.00	1	50.00	1	50.00	1	50.00
Exploder Mag.	1	25.00	1	25.00	1	25.00	1	25.00
Reconditioning of Adit	Ft.	1900.00	95	1900.00	95	1900.00	100	20.00
Installing Truck								
Total Distributed Costs		2,335.00	104	2,335.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		2,335.00	104	2,335.00				

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-March-54 Operator Goodnica Mining Co.

Per [signature] Title General Manager

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

[illegible]
[illegible]
[illegible] 1954

MONTHLY PROGRESS REPORT
for the
MONTH of FEBRUARY 1954

Work accomplished:
Constructed a tool house, a powder magazine, and an exploder magazine. Reconditioned the existing adit for ninety five (95) feet, including trimming to 5 feet by 7 feet timbering and laying track. Drilled, blasted and bucked out in heading for 6 feet of drifting.

Daily Notes:
January 26. Started cutting and getting timbers in.

" 27. Cut timbers and hauled lumber.

" 28. Cut and hauled timbers.

" 29. Cut and hauled timbers, moved compressor.

February 1. Worked reconditioning adit.

" 2. " " "

" 3. " " "

" 4. " " "

" 5. " " "

" 8. " " "

" 9. " " "

" 10. " " "

" 11. " " "

" 12 " " "

" 15. Worked reconditioning adit and building tool house.

" 16 " " " " " " "

" 17. " " " " " " " .

" 18. " " " " " " " , boiler magazine

" 19. Worked reconditioning adit, and building exploder magazine.

" 22. " " ", and laying track.

" 23. " " ", " " " .

CONTINUED ON PAGE # 2

February 24. Set up drill, drilled and blasted and mucked out.

" 25. Installed Blower, Drilled and blasted, Mucked out.

" 26. Drilled and Blasted two complete rounds, Mucked out.

" 27. Drilled and blasted two complete rounds, mucked out.

Mr. Anderson

[illegible]

[illegible]-3177 Ker-3553 (mica) [illegible]

[illegible]: Goodnice Mining Company, [illegible] Box 253, Asheville, [illegible] C.

[illegible] Site: On the southeast slope of Murray Mountain about 1/2 mile southwest of Savannah Creek and [illegible] Highway No. 24. It is 2.5 miles S 26° [illegible] of Sylva, Jackson County, [illegible] C.

Adit reconditioning continues on this contract and is partially completed to 56 feet. Most of the work to date consists of trimming the adit to 5' x 7' in cross section and timbering where necessary. The portal has been top lagged and will be loaded with fill. Stulls have been set on 5 ft. centers and top and side lagging employed where needed. No track has been laid, but this is expected as soon as some corner trimming is completed. No construction has started on tool house or magazines. Material encountered during trimming is a weathered mica schist.

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

[illegible] and Henry [illegible],
Geologists, U. S. Geological Survey

February 8, 1954

McCanderson

[illegible]

[illegible] 20 1954

[illegible]

[illegible]-3177 [illegible]-551 (mica) [illegible]

[illegible]: [illegible]oodmine [illegible]ining [illegible]ompany, [illegible]. [illegible] [illegible]ox 203, [illegible]ashville, [illegible]. [illegible].

[illegible]: On the northeast slope of [illegible]urray [illegible]ontain about 1/2 [illegible] [illegible]ile southwest of [illegible]avannah [illegible]reek and [illegible]. [illegible]. [illegible]ay [illegible]o. 23. [illegible]t is 3.8 [illegible]iles, airline, [illegible] 85° [illegible] of [illegible]illsboro, Jackson [illegible]ounty, [illegible]orth [illegible]arolina.

[illegible]tarti[illegible] date on this contract is [illegible]anuary 20, 1954. [illegible]econ[illegible]ditioning of the existi[illegible] [illegible]it is underway and about 10 feet of [illegible]ing has been accomplishe[illegible]. [illegible]o timbers have been set to date, but [illegible]aterial encountered, a weathered [illegible]ica schist, indicates that some [illegible]imber will be necessary. [illegible]nstructions were given for the [illegible]ring of the portal, setting of stulls where necessary and trimming the adit for laying track. [illegible]iscussion concerning construction of tool house [illegible] and magazines was held with the operator.

[illegible]. [illegible]. Shirley, [illegible]ining [illegible]ngineer
[illegible]. [illegible]. [illegible]ureau of [illegible]ines

[illegible]. [illegible]. [illegible]eague [illegible]nd [illegible]ray [illegible]ons,
[illegible]eologists, [illegible]. [illegible]. [illegible]eological [illegible]urvey

January 28, 1954

JAN 1 9 1954 600

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

Subject: Docket No. DMEA-3177 - Mica
The Goodmica Mining Company
Murray Mountain Mine
Jackson 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 approval and signature. Please explain to the Operator that the contract, when executed, is a firm commitment under the terms of which it 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

D. M. Larrabee
Member, Geological Survey

W.C.Anderson:gad 1/18/54
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

Enclosures 10

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

DEC 16 1953

Mr. J. Frank Benfield, Office Manager
The Goodnica Mining Company
P. O. Box 263
Asheville, North Carolina

Re: Docket No. DMEA-3177
Murray Mt. Mine
Jackson County, North Carolina

Dear Mr. Benfield:

Reference is made to your letter dated December 2, addressed to this Administration, attention of Mr. Lawrence G. Hoult.

From the deed of March 2?, 1953, which you enclosed with your letter, it would appear that Ingle Cope, Neal Bishop and wife, Rose Bishop, and Bryant Browning and wife, Lula Browning, transferred their mineral rights in the property in question to Al J. Goodman and his wife, Clara L. Goodman. Consequently, Clara L. Goodman is part owner of the mineral rights and the Owner's Consent to Lien must be signed by her while Al J. Goodman's signature thereon is not essential.

There is enclosed an Owner's Consent to Lien to be signed by Clara L. Goodman and returned to this office after its execution. If the Owner's Consent to Lien is to be signed by B. Paul Goodman as attorney for Clara L. Goodman, then you should also forward a Power of Attorney indicating that B. Paul Goodman is authorized to sign for Clara L. Goodman.

Sincerely yours,

C. O. Mittendorf

Administrator

Enclosures 5

AFKane/emd 12/15/53
Copy to: Docket
Adm. R. File
C. O. Mittendorf
Operating Committee
L. G. Hoult
Executive Officer, Reg. VII (2)
A.F.Kane
J.E.Hofflund chron. pending

UNITED STATES 140
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

NOV 3 0 1953

The Goodman Mining Company
P. O. Box 2[illegible]
Asheville, North Carolina

In: Docket No. DME-[illegible] (Mica)
Tilley M. Mine
Jackson County, North Carolina

Gentlemen:

Reference is made to your letter dated November [illegible] to this Administration enclosing six copies of an Owner's Consent to Lien signed by E. Paul Goodman. We do not quite understand the relationship of E. Paul Goodman to the property as he is not referred to specifically in your application which states only that you own the mineral rights to the land which is the subject of the proposed exploration, and that you have a deed of trust from Ingle Cope et al. to Clare [illegible] and [illegible] J. Goodman, recorded in Book 20[illegible], Register of Deeds, Jackson County. Will you please enlighten us on this point and also send us a copy of the instrument by which you acquired your mineral rights and a copy of the above-mentioned deed of trust.

You ask whether the Government will contribute 90% of the exploration costs if your application is approved. The answer is in the affirmative, since your application was received before publication of the order reducing the Government's contribution to [illegible]% of the costs for mica exploration projects.

You also ask the difference between the old form of Owner's Consent to Lien and the revised form of July [illegible], 1953. The principal changes in the form are that the maximum amount of the Government's contribution is not specified and the owner consents to the lien as set forth in the contract or any amendment thereof.

Sincerely yours,

SIGNED

Lawrence C. Hole

AEKane/ema/11-25-53
Copy to: Docket
Adm. R. File
Op. Comm.
Mr. Thayer
Mr. Hedges
Mr. Houk
A.E.Kane
J. D. Hoffland
Chron. Pending Field Team, Region VII (2)

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

U.S. Department of the Interior
Defense Minerals Administration
RECEIVED
NOV 10 1953

November 10, 1953

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-3177, Mica

Applicant: Goodmica Mining Company
Name and Location of Property: Murray Mountain Mine
Jackson County, North Carolina
Date of Field Team Report: October 27, 1953
Field Team's Recommendation:

1. Recondition 100 feet of existing adit.
2. Exploration by a 150 foot drift.
3. Total estimated cost - $7,475

Comments:

1. The proposed program of exploration will determine the value of a block of ground previously unexplored in an area adjacent to a presently productive mine.

Recommendation:

I concur in the field team's recommendation for an exploration program in the amount of $7,475.

Signed

W. F. Dietrich

NOV 16 1953

Mr. Al. J. Goodman
Goodmica Mining Co.
P. O. Box 263
Asheville, North Carolina

Re: Docket No. DMEA-3177 - Mica
Murray Mt. Mine
Jackson County, North Carolina

Dear Mr. Goodman:

Reference is made to the Owner's Consent to Lien on the subject property.

It is now mandatory that we use a new form, seven copies of which are enclosed. Please have them executed and returned to this office. We are returning the old forms.

The processing of your exploration application will be resumed upon receipt of the requested data.

Sincerely yours,

SIGNED

Lawrence G. Houk, Chief
Nonmetallic Minerals Division

Enclosures 13

WCAnderson:gad 11/16/53
Copy to: Admr. R. File
Docket File
Field Team, Region VII
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

IN REPLY REFER TO:

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

November 3, 1953

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-3177 (Mica)

To: L. G. Heuk, Defense Minerals Exploration Administration
From: D. A. Brobst, U. S. Geological Survey
Applicant: Goodmica Mining Co. - Al J. Goodman, Box 263, Asheville, N.C.
Name of property: Murray Mountain Mine
Location of property: SE slope of Murray Mountain about 1/2 mile SW of Savannah Creek and U. S. Highway 23, or 6.8 air miles S. 23° W. of Dillsboro, Jackson Co., N. C.
Date of field team report: October 27, 1953
Authorship of field team report: K. H. Teague and L. E. Shirley
Field team's recommendation:

Recondition 100' of adit, trim to 5' x 7' timber where necessary; install track at $20/ft.	$2,000.00
10 x 15 tool house	150.00
Powder magazine	50.00
Exploder magazine	25.00
150 feet of 5 x 7 drift at $35/ft.	5,250.00
	$7,475.00

Estimated time: 6 months

Comments:

1. The examiners report that strategic mica might be produced from this mine: the mica is of good ruby quality.

2. The examiners revised the applicant's proposal to include a realistic program of work for exploration of a hitherto unknown property.

ACTION SUGGESTED:

Following field team's recommendation.

D. A. Brobst

Copy to: DMEA (3)

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 29 1953

October 28, 1953

Memorandum

To: Operating Committee, D M E A - Washington

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

Subject: Field examination Reports.

Transmitted herewith are four copies of field examination reports with six extra copies of maps on the following:

DMEA-3177, Goodmica Mining Co. North Carolina (mica)

DMEA-3178, Buchanan, Johnson and Buchanan, North Carolina

The field team is in agreement with the recommendations set forth in the reports.

Executive Officer, DMEA
Region 7

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

Reviewed by
DMEA OPERATING COMMITTEE
11-2-53
(date)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 27 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM, REGION VII

ON

DMEA-3177, MURRAY MOUNTAIN MINE (mica)
Jackson County, North Carolina

BY

Kefton H. Teague, Geologist
U. S. Geological Survey
and
Lawrence E. Shirley, Mining Engineer
U. S. Bureau of Mines

October 27, 1953

Reviewed by
DMEA OPERATING COMMITTEE
11-2-53
(date)

DEFENSE MINERALS EXPLORATION ADMINISTRATION

Field Examination Report
on
DMEA-3177, MURRAY MOUNTAIN MINE (mica)
Applicant: Goodmica Mining Company, c/o Al J. Goodman, P.O. Box 263
Asheville, North Carolina

Only one exposure of pegmatite is available for inspection. Mica around the deposit is of similar quality to that being mined from the nearby Engle Cope Mine, DMEA-2926, Idm-E 516, which is being operated at a profit. The examiners believe that exploration on the subject mine is justified.

The deposit was examined on October 22, 1953. Messrs. L. H. Goodman, Engle Cope, and S. Wilson accompanied the examiners on the inspection which required two hours.

The Murray Mountain Mine is on the southeast slope of Murray Mountain about one-half mile southwest of Savannah Creek and U.S. Highway No. 23. It is 6.8 airline miles S. 23° W. of Dillsboro, Jackson County, North Carolina. Access is possible at all times by jeep.

At present the applicant is successfully operating the nearby Engle Cope mine and appears to be competent to conduct the proposed exploration.

The applicant owns the mineral rights on the property and holds a deed of trust on the surface rights, thus it would appear that they hold adequate interest to the property. Adequate area is covered by their holdings.

The workings, which extend N. 10° W. for 650 feet and over a width of 200 feet, consist of numerous small, shallow open cuts, prospect pits, short drifts, and crosscuts. The largest cut is 75 by 30 feet in plan and 12 feet deep. Recently the lowest adit, which trends N. 20° W., for 60 feet was cleaned out and some work was done in the 40-foot drifts.

The country rock is interlayered mica and feldspathic biotite gneiss, which is schistose near the pegmatite body. Local garnetiferous and kyanitic phases are also present and some layers consist principally of amphibole and garnet. The strike of the foliation averages N. 30° W. and the dip is 65° ENE.

More than one pegmatite may have been prospected in the past. Where exposed in the lowest adit, the pegmatite rambles on strike, but in general is to the northwest with a southwest dip. The pegmatite or pegmatites are irregular in detail shape, and locally are offset by small faults. Quartz cores as much as a foot thick are sometimes present, and in the lowest adit a one-foot core lies near the hanging wall contact of the body. The bodies range in thickness up to about 8 feet. Most of the pegmatite consists of a weathered quartz-feldspar aggregate, some "burr rock," and kaolinized feldspar.

Most of the mica is similar to that now being produced at the Engle Cope

Mine, although somewhat smaller. The majority of the mica is ruby colored, although a small amount with a greenish tint is present. Some of the books are bent and ruled, but most are flat. Books up to 12 inches in diameter are reported, none larger than 5-inches were seen during the inspection.

Part of the applicant's proposal for exploration is valid; other parts are more nearly mining than exploration. The field examiners believe that work from the lowest adit is worthwhile, but the bulldozing is of questionable value. We believe that the adit should be enalrged and reconditioned to the present face (100 feet), then a drift should be driven on the pegmatite for not more than 150 feet. All of the new work will be in unexplored ground.

Estimated Cost:

Recondition 100 feet of existing adit, including trimming to 5' x7', timber where necessary, and install track @ $20.00/ft.	$2,000.00
Tool house, 10' x 15'	150.00
Powder magazine	50.00
Exploder magazine	25.00
150 feet 5' x7' drift @ $35.00/ft.	5,250.00
Estimated Total Cost	$7,475.00

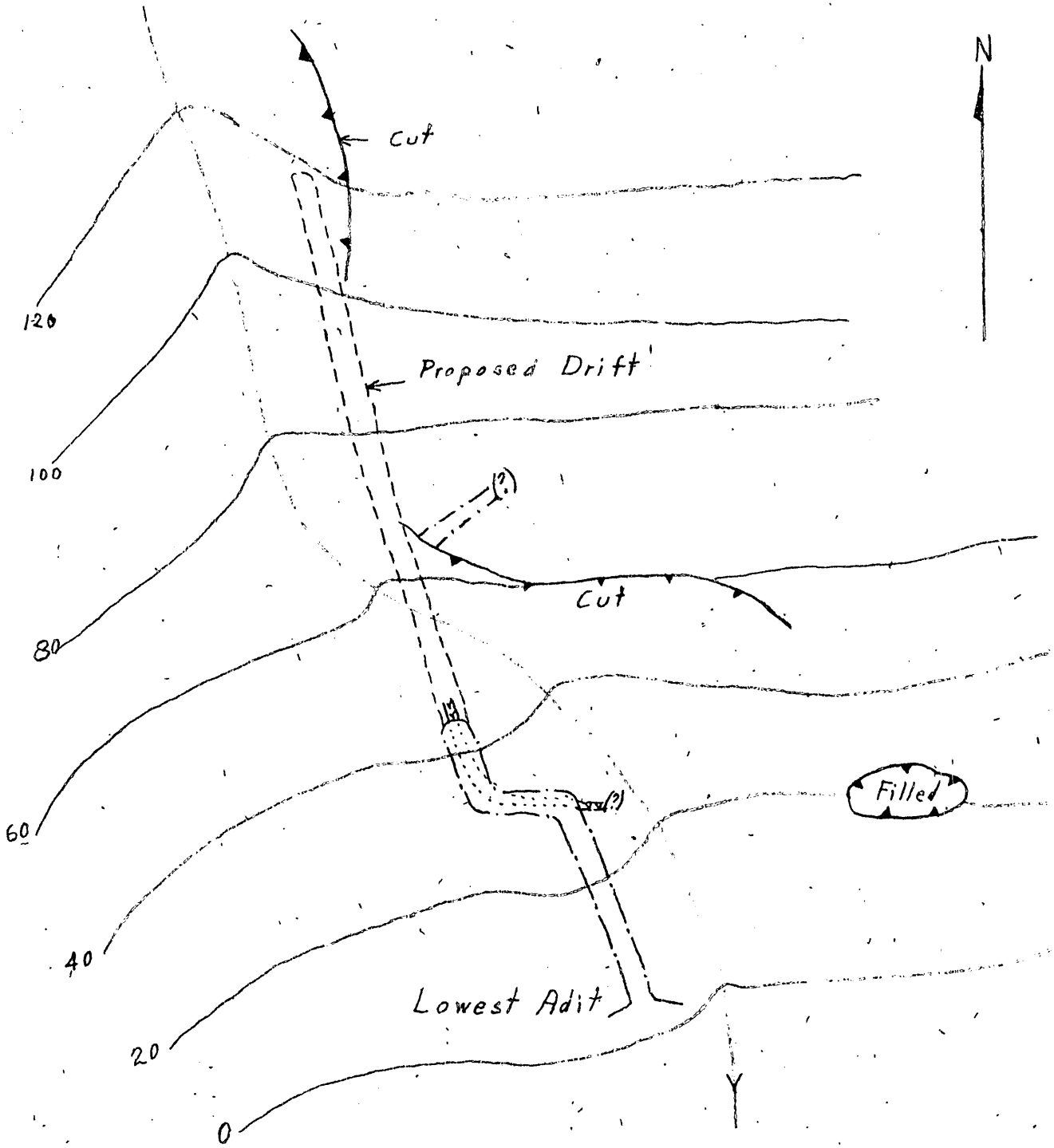
Estimated time required six months.

October 27, 1953

K. N. Teague, U. S. G. S.

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

zm



Sketch of
Murray Mountain Mine
Jackson Co., N.C.

0 40' 80'
Scale

DMEA-3177 (mica)

600

OCT - 5 1953

Mr. Al. J. Goodman
Goodrich Mining Co.
P. O. Box 263
Asheville, North Carolina

Re: Docket No. DMEA-2177 - Mica
Murray Mt. Mine
Jackson County, North Carolina

Dear Mr. Goodman:

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

The Regional Office will contact you [illegible] n early date if an examination is to be made. Any assistance that you may give the members of the Field Team during the examination will be appreciated.

Sincerely yours,

Frank E. Johnson
ACTING Administrator

WCAnderson:gad 10/2/53

Copy to: Admr. R. File
Docket File
Operating Committee
Field Team, Region VII
Mr. Dietrich, 3526
Mr. Larrabee, C-232 GSA Bldg.
Mr. Houk

600

OCT - 5 1953

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

Subject: Docket No. DMEA-3177 - Mica
Goodmica Mining Co.
Murray Mt. Mine
Jackson County, North Carolina

Dear Mr. Laurence:

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

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

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

J. H. Hedges

Member, Bureau of Mines

T. P. Thayer

Member, Geological Survey

Enclosures 4

WCAnderson:gad 10/2/53
Copy to: Admr. R. File
Docket File
Operating Committee
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 30, 1953

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-3177, Mica, Murray Mt. Mine, Goodmica Mining Company, Jackson County, North Carolina

Geological Survey (Professional Paper 225, p. 10) tested 15 pieces of mica from subject mine to be 100 percent of E-1 capacitor quality and color was classed as cinnamon brown, generally acceptable as ruby mica. On the basis of this fact, it is recommended the field team investigate this mine for justifying an exploration program.

Signed

W. F. Dietrich

IN REPLY REFER TO:

G-MD-CNM

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

September 28, 1953

Memorandum

REVIEW OF APPLICATION DMEA-3177 (Mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: Donald A. Brobst, U. S. Geological Survey
Applicant's name and address: Al J. Goodman - Goodmica Mining Co., P. O. Box 263, Asheville, North Carolina.
Name of property: Murray Mountain Mine.
Location of property: Jackson County, North Carolina - near (?) the Engle (Ingle) Cope mine ? which is 7.5 air miles S. 23° W. of Dillsboro, North Carolina.
Summary of applicant's proposal:

1. "Drive on in the tunnel" now 60' long.
2. Bulldozer trenches to get down on the vein.

A 6-month project for total estimated cost of $13,708.

Sources of information on applicant's property:

No information on this property, but application states that this pegmatite is believed to be "on the same lead of the Ingle Cope Mine, now being worked." Report in our file indicates mica from the Ingle (Engel) Cope mine is of good quality and strategic grade.

Comments:

1. The applicants proposal for a 6-month exploration for $13,708 seems costly and out of line.
2. The mica on the nearby property is good, so the property probably should be checked.

RECOMMENDATION:

Refer to the field team for examination.

Donald A. Brobst

Brobst:jeh
9/28/53
cc: Director's reading 4212
Branch reading 4212
DMEA 3
Brobst G-230