E 891 10/28/55 DMEA - 3543 Buchanan Minerals, Inc.

Jackson County, N.C. Buchanan, Dream Mine

Last reported Depot sale 1956 ?

Other known parties of possible interest:

H. E. Buchanan Pres Carl Buchanan

Marcellus Buchanan Sec

Francis A. Buchanan

Laura Belle Buchanan owner

J. R. & Anne L. Buchanan

Buchanan Minerals, Inc. - "B" Ruby

Lot No	Pounds	Preliminary	Final Date	Final Amount	
347	1,280	203.70	8/17/56	(35.21)	
6	1,250	272.06	8/31/56	(293.13)	
29	2,340	370.38	10/5/56	331.62	
38	1,735	203.70	10/19/56	316.80	
	6,605	1,049.76		319.08	1,368.86

A Ruby

1244	35.94	200.21	6/28/56	(48.22)	
316	12.94	188.71	8/31/56	36.14	
444	13.11	137.86	9/21/56	53.58	
	61.99	526.78		41.50	568.28

Royalty received on the above.
No other sales from this property

Refund to Claims Div 8/15/58 noted from examination of S.P. Depot
C.E.F. 6/20/62

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
6/26	[illegible]	800
		500
		120
		110
		100
		220

June 26, 1962

Memorandum

To: The File

From: C. E. Fisher, OME Auditor

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

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

Contract No.	Docket No.	Operato	Mine Names
[illegible]-684	[illegible]	Alex Teague	[illegible] (Morrison)
687	[illegible]	Glenn C. Rathbun	[illegible], [illegible] Creek
692	[illegible]	Sam L. Phillips	[illegible] McKinney, McKinney
694	3199	J. B. Chrisawn	[illegible] H. Westall
712	3410	Rock Mining Company	[illegible]
737	3459	A. Ward	[illegible]
757	3559	C. P. Phillips, et al.	[illegible] Dave, Ralph
762	[illegible]	Keller Mining Co.	[illegible]
805	3723	Alvin White, et al.	[illegible]
830	3265	Mines and Mining, Inc.	[illegible]
835	3413	T. F. Vance	[illegible] Vance, Red, [illegible] Carlson
840	3799	J. S. Beam	[illegible], Mica Field
865	3869	Ed Boone	[illegible]
882	3924	J. S. Beam & John [illegible]	[illegible] Ray, Pat
891	3943	Buchanan Miners, Inc.	[illegible], Cream
900	3942	Sam G. Smith	[illegible], Sam Smith
962	4147	Sam L. Phillips	[illegible]
1035	4279	John Phillips	[illegible]
1038	4332	John Phillips	[illegible] Brown
1037	4268	Murphy Mining Co.	[illegible], Murphy Rock
1042	4444	Clifton C. Buchanan	[illegible], Phillips
1039	4[illegible]	Sam L. Phillips	[illegible] Mountain

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

Fisher/ama
6-26-62

63683

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Washington office pertaining to Contract Idm-8891, Docket DMEA-5543 (mica), dated October 28, 1955, with

Buchanan Minerals, Inc.
Box 503
Sylva, North Carolina

for the purpose of determining the amount of royalty payable to the U. S. Government on sales of minerals from property referred to as the Buchanan (Dream) Mine located in Jackson County, North Carolina, during the period October 28, 1955, through April 28, 1961.

A certification of discovery or development was issued on September 14, 1956, and, in accordance with Article 7 of the contract, royalty is payable on all minerals produced from the land described in Article 2 of the contract for a period of 10 years from the date of the contract or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first. A Report of Review dated July 2, 1956, indicated accepted costs under the exploration contract amounting to $7,155.00 with the Government's contribution on a 75 percent basis being $5,366.25.

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

This review established the total sales subject to the Government's royalty for the period to be $2,124.89. Royalty payable to the Government at the rate specified in the contract is $106.24.

As of April 28, 1961, the royalty account of this project was found to be:

Total Royalty Payable	$106.24
Total Royalty Paid	-0-
Balance of Royalty Due	$106.24

February 9, 1962

E. D. Talbert, OME Auditor

STATUS OF PROJECT, SCOPE OF REVIEW
AND REASONS THEREFOR

At the time this contract was entered into the Operator (a North Carolina corporation organized by H. E. Buchanan, Marcellus Buchanan, and Francis A. Buchanan) was in possession of the mineral rights in the land thereunder by virtue of mining leases dated October 1, 1954, and February 1, 1955, covering tracts of .78 acres and 80 acres, more or less. The lease of the small tract for ten years was granted by the landowner, Laura Belle Buchanan, Sylva, North Carolina. The lease of the large tract was for a period of five years only and was executed by J. R. Buchanan and Anna L. Buchanan, Sylva, North Carolina, owners in fee except for a two-thirds undivided interest in the mineral rights, and most of the numerous owners of undivided interests in the two-thirds interest.

This contract provides that the Operator, as principal if the producer or as surety if not the producer, shall pay the Government's percentage royalty on all mineral production from the land thereunder. In consideration of the contract an Owner's Consent to Lien on the small tract was executed on October 1, 1954, by Laura Belle Buchanan. Furthermore, as the owners of the large tract were unwilling to grant a lien to the Government, a Guaranty of Royalty was executed on September 21, 1955, by Belle Buchanan, one and the same person as Laura Belle Buchanan.

The exploration work under the contract was completed on June 13, 1956. During the course of the exploration and a three-month period thereafter the Operator produced mica on which aggregate proceeds were received as follows:

Type	Pounds	Proceeds
Sheet	68.49	$ 618.28
Hand-cobbed	6,605.00	1,369.86
Punch	316.00	70.68
Scrap	4,405.00	66.07
	11,394.49	$2,124.89

Subsequent examinations of the property by OME field personnel have disclosed no indications of activity since the cessation of work in September 1956. The last such inspection was made on April 28, 1961. In reply to an inquiry, J. R. Buchanan stated on March 2, 1961, that the leases had "expired" prior to July 7, 1959.

During a March 18, 1957, inspection of the property, a representative (Carl Buchanan) of the Operator promised payment by the end of the month of the $106.24 royalty due the Government. A similar promise was made during an examination on January 24, 1958. Despite these oral promises, payment was not received and letters dated April 19, August 2, September 16, November 22, 1957, and February 13, 1958, addressed to the Operator, with a copy in some cases to the Guarantor (Laura Belle Buchanan), were not acknowledged.

The matter of this indebtedness was referred on April 7, 1958, to the Attorney General of the United States for such action as deemed appropriate. On May 28, 1958, the case was closed by the Department of Justice with the comment that the matter appeared properly for reporting to the Claims Division of the General Accounting Office. Accordingly, referral as an administratively uncollectible debt was made to that office by letter dated August 15, 1958.

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

(1) Examinations of the property have indicated that all production has been reported;

(2) The property has been inactive since September 1956; and

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

FEB 12 1962

Memorandum

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

From: Chief, Division of Field Operations, OMK

Subject: DMEA-3541 (Mica)
Buchanan Minerals, Inc.
Buchanan (Drake) Mine
Jackson County, North Carolina
Contract Idm-E891

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

George C. Selfridge

Enclosure

GCSelfridge/hb (12/12/62)
cc to: Docket DMEA-3543
Director's Reading File
CA&A Division
GCSelfridge
RALaurence, Reg. IV, w/cy of Report of Royalty Review dtd 2/9/62 & orig. cy of memo dtd 2/9/62 to Chief, Div. of Field Operations from CA&A Div.
V.J.Lynch, Reg. IV, w/cy of ea. item sent to Mr. Laurence.

FEB 9 - 1962

Memorandum

To: Chief, Division of Field Operations

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

Subject: XMEA-3543 (Mica)
Buchanan Minerals, Inc.
Buchanan (Dream) Mine
Jackson County, North Carolina
Contract Idm-EB91

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

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

(b) Two copies to Region IV files.

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

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

Enclosures

EDTalbert/ama 2-9-62

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

Claims Division
U. S. General Accounting Office
Washington 25, D. C.

Re: Docket No. DMEA-3543 (Mica)
Buchanan Minerals, Inc.
Contract No. Idm-E891

Gentlemen:

There is referred to you herewith the matter of $186.24 due to the Government by Buchanan Minerals, Inc., Box 503, Sylva, North Carolina, representing royalty on the value of mica produced and sold by that Company in connection with Buchanan (Dream) Mine which was the subject of Defense Minerals Exploration Project Contract Idm-E891 (Docket No. DMEA-3543) between that Company and the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration.

This is the case mentioned in the Comptroller General's letter B-136448, July 31, 1958, as having been returned to this Department by the Department of Justice with the comment that the matter appeared to be one for reporting to your office. The material transmitted herewith consists of two copies of our letter dated April 7, 1958, to the Attorney General, together with copies of the various enclosures referred to in that letter.

We trust that these enclosures will be acceptable as compliance with the regulations included in 4 GAO 5000 pertaining to debts due to the United States which have been administratively determined to be uncollectible.

Sincerely yours,

C. O. Wallendorf

Administrator

Attachs.

CEFisher/GMcC
August 12, 1958

cc: Docket
Admr. Read. File
Field Team, Region V (2)
Mr. Chambers

UNITED STATES DEPARTMENT OF JUSTICE

rrc

WASHINGTON, D. C.
May 28, 1958

Address Reply to the
Division Indicated,
and Refer to Initials and Number
77-68-216

INTERIOR DEPT.
MAY 29 1958
SOLICITOR

RECEIVED
JUN 2 1958
ASSOC. SOLICITOR
MINERAL RESOURCES

Department of the Interior
Washington 25, D. C.

Attention: Solicitor

CLOSING NOTICE

Re: Buchanan Minerals, Inc.
Sylva, North Carolina
Defense Minerals Exploration
Project Contract Idm-E891
(Docket No. DMEA-3543)

Dear Sirs:

This is to advise that the Department of Justice file in the above-entitled case is being marked "Closed" as of this date.

Very truly yours,

GEORGE COCHRAN DOUB
Assistant Attorney General

Form No. CV-40
(Ed. 11-5-56)

MAY 26 1958

Memorandum

To: ADMINISTRATOR, DMEA
Attention: Director, Contract Admin. and Audit Division

From: Associate Solicitor, Div. of Mineral Resources

Subject: Buchanan Minerals Inc., Idm-2891, Docket No. DMEA-3543--Claim for unpaid royalty

The attached file has been returned by the Justice Department with the letter of April 28, 1958, signed by George F. Foley.

The matter has been subsequently discussed, by phone, with the Justice Department and with representatives of the General Accounting Office on May 13, 1958, at a meeting in the office of Mr. Arthur B. Alley, at which your office was represented by Mr. Dallas Talbert.

As a result of these discussions it is deemed advisable to hold the attached claim pending further clarification of procedures by the General Accounting Office.

Robert P. Dwyer

Attachment

RWLond:md
5/23/58

CC: Sol. Docket (2)
R. P. Dwyer
~~HCRubin~~ [illegible]
Chron
Mr. Chambers.

RECEIVED MAY 2 [illegible]

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

Memorandum

MAY 26 1958

To: ADMINISTRATOR, DMEA
Attention: Director, Contract Admin. and Audit Division

From: Associate Solicitor, Div. of Mineral Resources

Subject: Buchanan Minerals Inc., Idm-E891, Docket No. DMEA-3543--Claim for unpaid royalty

The attached file has been returned by the Justice Department with the letter of April 28, 1958, signed by George F. Foley.

The matter has been subsequently discussed, by phone, with the Justice Department and with representatives of the General Accounting Office on May 13, 1958, at a meeting in the office of Mr. Arthur B. Alley, at which your office was represented by Mr. Dallas Talbert.

As a result of these discussions it is deemed advisable to hold the attached claim pending further clarification of procedures by the General Accounting Office.

Robert P. Dwyer

Robert P. Dwyer

Attachment

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

APR 7 1958

Honorable William P. Rogers
The Attorney General
Department of Justice
Washington 25, D. C.

Dear Mr. Attorney General:

On October 28, 1955, Bushaman Minerals, Inc., a North Carolina Corporation, Box 503, Sylva, North Carolina, entered into Defense Minerals Exploration Project Contract Idm-8891 (Docket No. DMEA-3543) with the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration.

In general the contract provided that: (a) Bushaman Minerals, Inc. (hereinafter referred to as the Operator) would explore for deposits of mica as outlined in Exhibit "A" of the contract and amendments thereto; (b) the Government would pay to the Operator 75 percent of the accepted costs of completed exploration work; and (c) under provisions of Article 7(b)(2), if the Government certified that a discovery or development resulted from the exploration work, the Operator or its successor in interest would pay to the Government a percentage royalty on minerals produced from the land described in Article 2 of the contract within a period of 10 years from the date of the contract, or until the total net amount contributed by the Government is fully repaid, whichever occurs first. Attached to and made part of the contract were: (a) Owners' Consent to Lien, executed by Laura Belle Bushaman, which granted to the Government a lien upon a portion of the land referred to in Article 2 to secure the payment to the Government of its percentage of royalty on production; and (b) a Guaranty of Royalty executed by Belle Bushaman by which she guaranteed the payment of royalty due the Government resulting from production from the remaining land described in Article 2. Laura Belle Bushaman and Belle Bushaman are one and the same person (Enclosure No. 1).

The exploration work under the contract was performed between December 5, 1955, and June 13, 1956. The accepted exploration cost totaled $7,155.00 and the

Government's contribution computed at 75 percent equaled $5,356.25. A certification of clearance of development was issued by the Government on September 14, 1956 (Enclosure No. 2).

On March 28, 1957, William A. Rank, mining engineer, OSMA Region V, Knoxville, Tennessee, obtained from a representative of the Operator copies of settlement sheets on value of coal from the property. These sheets accumulated $8,124.89 on which royalty, at the rate of 5 percent is due to the Government in the amount of $406.24. By letter dated April 15, 1957, the Executive Officer, OSMA Region V, requested payment by the Operator of the latter amount (Enclosure No. 3). In letters dated August 2 and September 16, 1957, to the Operator, the Executive Officer again requested payment (Enclosures Nos. 4 and 5).

In a letter dated November 22, 1957, the Administrator, OSMA, requested payment of the royalty due from the Operator and by letter dated February 11, 1958, the Administrator advised the Operator that unless a substantial payment was made within 30 days the matter would be referred to you. Copies of each of these letters were sent to Irvin Hale Robinson, Sylva, North Carolina (Enclosures Nos. 6 and 7).

The royalty due the Government has not been paid and no reply has been received to any of the above-mentioned letters. Therefore, it is requested that your department take such action as you deem appropriate to recover the amount of $406.24.

The enclosures furnished with this letter are either photostats or copies of the original documents. If the United States Attorney to whom this case is assigned requires additional information, it may be obtained from either Robert A. Lawrence, Executive Officer, OSMA Field Unit, Region V, Room 12, Post Office Building, Knoxville 2, Tennessee, or C. D. Silvendorf, Administrator, Bureau Mineral Exploration Administration, Department of the Interior, Washington 25, D.C.

Sincerely yours,

Elmer F. Bennett

Solicitor

Enclosures

HHLong/eal - 4/4/58

Copy to: Solicitor's Element (2)
NASA Department
Adm. Reading File
Mr. Chambers, NASA
Mr. Fisher, NASA
Field Team, Dep. V (2)
R. P. Dryer
R. H. Lang
Chron
pending

ROUGH DRAFT
CFFisher/ama
March 26, 1958

Honorable William E. Rogers
The Attorney General
Department of Justice
Washington 25, D. C.

Dear Mr. Attorney General:

On October 28, 1955, Buchanan Minerals, Inc., a North Carolina Corporation, Box 503, Sylva, North Carolina, entered into Defense Minerals Exploration Administration Exploration Project Contract Idm-E891 (Docket No. DMEA-3543) with the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration.

In general the contract provided that: (a) Buchanan Minerals, Inc. (hereinafter referred to as the Operator) would conduct explorations for mica as outlined in Exhibit "A" of the contract and amendments thereto; (b) the Government would pay the Operator for 75 percent of the accepted costs of the exploration work accomplished; and (c) under provisions of Article 7(b)(2), should the Government make a certification of discovery or development, the Operator or its successor in interest would pay to the Government a percentage royalty on minerals produced from the land described in Article 2 of the contract within a period of 10 years from the date of the contract, or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first. Attached to and made part of the contract were: (a) Owners' Consent to Lien signed by Laura Belle Buchanan which granted to the Government a lien upon part of the land referred to in Article 2; and (b) Guaranty of Royalty signed by Belle Buchanan by which she guaranteed the payment of royalty due the

Government resulting from production from the remaining land described in Article 2. Laura Belle Buchanan and Belle Buchanan are the same person. (Enclosure No. 1.)

The exploration work under the contract was accomplished between December 5, 1955, and June 13, 1956. The total accepted cost of the exploration amounted to $7,155.00 with the Government's participation, on a 75 percent basis, being $5,366.25. A certification of discovery of development was issued by the Government on September 11, 1956. (Enclosure No. 2.)

On March 18, 1957, William A. Beck, mining engineer, DMEA Region V, Knoxville, Tennessee, obtained from a representative of the Operator copies of settlement sheets on sales of mica from the property. These sales aggregated $2,124.89 on which royalty was due to the Government, based on 5 percent of sales, amounting to $106.24. By letter dated April 19, 1957, the Executive Officer, DMEA Region V, requested payment of the latter amount by the Operator. (Enclosure No. 3.) In letters dated August 2 and September 16, 1957 to the Operator additional requests for payment were made by the Executive Officer. (Enclosures Nos. 4 and 5.)

By letters dated November 22, 1957, and February 13, 1958, the Administrator, DMEA, demanded payment of the royalty due from the Operator. Copies of each of these letters were sent to Laura Belle Buchanan, Sylva, North Carolina. (Enclosures Nos. 6 and 7.)

The royalty due the Government has not been paid and no reply has been received to any of the above-mentioned letters. Therefor, it is requested that your department take such action asyou deem appropriate to recover the amount of $106.24.

The enclosures furnished with this letter are either photostats or copies of the original documents. If the United States Attorney to whom this case is assigned requires additional information, it may be obtained from either Robert A. Laurence, Executive Officer, DMEA Field Team, Region V, Room 13, Post Office Building, Knoxville 2, Tennessee, or C. O. Mittendorf, Administrator, Defense Minerals Exploration Administration, Department of the Interior, Washington 25, D. C.

Sincerely yours,

Solicitor

Enclosures

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

FEB 13 1958

Mr. H. E. Buchanan, President
Buchanan Minerals, Inc.
Sylva, North Carolina

Re: Docket No. DMEA-3543-Mica
Buchanan Minerals, Incorporated
Buchanan (Dream) Mine
Jackson County, North Carolina
Contract No. Idm-8891

Dear Mr. Buchanan:

As we have not received a reply to our letter of November 22, 1957, our fourth request for royalty payment of $106.24 on mica sales under the cited contract, we are referring the case to the United States Attorney General. Preparation of the case will require about three weeks. In the meantime prompt payment of the royalty may save you any possible court fees.

Sincerely yours,

C. O. Mittendorf

Administrator

Copy to: Mrs. Laura Belle Buchanan
Sylva, North Carolina

LGHouk:gad 2/7/58
Rewritten
GCSelfridge:gad 2/11/58
Copy to: Admr. R. File
Mr. Selfridge
Mr. Chambers
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Field Team, Region V
Mr. Houk

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

NOV 24 1957

Mr. H. E. Buchanan, President
Buchanan Minerals, Inc.
Sylva, North Carolina

Re: Docket No. DMEA-3543-Mica
Buchanan Minerals, Incorporated
Buchanan (Dream) Mine
Jackson County, North Carolina
Contract No. Idm-8891

Dear Mr. Buchanan:

By letter dated September 16, 1957, signed by the Executive Officer of DMEA Field Team, Region V, your corporation was requested to pay the Government the sum of $106.24 representing royalty due as a result of sales of mica from the subject mine. Similar letters had been previously sent on April 19, 1957, and August 2, 1957.

It is not within the authority of this Administration to postpone indefinitely such action as may be necessary to collect the amounts properly due the Government. Accordingly, I must advise you that unless a substantial payment on account is received within thirty days from the date of this letter this Administration will take such action as it deems necessary to effect the collection of the royalty due.

Sincerely yours,

C. O. Mittendorf

Administrator

CC: Mrs. Laura Belle Buchanan, Sylva, N.C.

LGHouk/RWLong:md
11/19/57

CC: DMEA Docket
Administrator's Reading File
Operating Com.
JLChambers
LGHouk
W. F. Dietrich
RPDwyer
HCRubin
Field Team, Region V
Chron
pending

NOV 6 1957

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

Re: Docket No. DMEA-3543 (Mica)
Buchanan Minerals, Inc.
Buchanan (Dream) Mine
Jackson County, North Carolina
Contract No. Ida-1891

Dear Mr. Laurence:

Reference is made to your letter dated September 16, 1957, to Buchanan Minerals Corporation, wherein request was made for prompt payment of $106.24 royalty due to the Government under provision of the subject contract.

Will you please advise the present status of your efforts at collection of this amount and whether the matter is to be referred to this office for appropriate action.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

APPROVED:

Frank D. Lamb

Member, Bureau of Mines

Thor H. Kiilsgaard

Member, Geological Survey

CEFisher/wb 11/6/57

Copy to: Docket
Admr. Reading File
Operating Committee
Mr. Kiilsgaard, USGS
Mr. Dietrich, USBM
Mr. Chambers
Mr. Houk

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

September 16, 1957

600

Buchanan Minerals Corporation
P.O. Box 503
Sylva, North Carolina

Re: DMEA-3543, (mica)
Buchanan (DREAM) mine
Jackson County, N.C.
Contract Idm-E891

Dear Sirs:

On April 19, 1957 and again on August 2, I wrote you requesting prompt payment of $106.24 due the Government as royalties on mica produced at the Buchanan or Dream Mine. Payment has not been received, and no reply to my letters has been received.

We cannot postpone indefinitely the collection of such payments. If payment is not received within 30 days of the date of this letter, the matter will be referred to our Washington office for appropriate action. To avoid this, please send me your check for that amount by return mail.

Very truly yours,

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

RAL/sm
cc
Opr. Com-2
Lynch
Files

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Buchanan Minerals, Inc.
Box 903
Sylva, North Carolina

pertaining to Exploration Project Contract No. Idm-2891, Docket No. DMEA-3543, including Amendment Nos. 1, 2 and 3, for the months of December 1955, to June 1956, inclusive, covering a project for the exploration of mica on property, known as the Buchanan (and Dyson) 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, verification of work performed by reference to Field Team reports, and a determination of the reasonableness and propriety of the costs.

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

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

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

Total cost as billed by Contractor		$7,155.00
Exceptions:		
By DMEA Finance Officer	$ -0-	
Herewith	-0-	-0-
Total Accepted Cost		$7,155.00

The contract calls for a 75 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Five thousand three hundred sixty-six and 25/100 Dollars

$5,366.25

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

E. H. Talbert
E. H. Talbert, Auditor

July 2, 1956

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS No. 69

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of June 195 6 Docket No. DMEA 3543 Contract No. IDM-E-891

Operator's Name Buchanan Minerals, Inc. Minerals Mica

Address Sylva, N. C.

RECEIVED JUN 27 1956

Contract Amount, $ 7200.00 Government Participation: 75 % Amount, $ 5400.00

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 Contractors: Excavating	-	210.00	210.00			
Drilling						
Bulldozing						
Crosscutting	612.50	2887.50	3500.00			
Drifting						
Shafting	-	3330.00	3330.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rentals Tool House	-	75.00	75.00			
Purchase Pwd. & Explosives Mag.	-	40.00	40.00			
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	612.50	6542.50	7155.00	612.50	6542.50	7155.00

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

Date 6-20-56 *Payee Buchanan Minerals, Inc.

Per W. Buchanan Title Sec.

*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:

$ 459.38

Signature Helen R. Miller (Authorized Certifying Officer)

Date JUN 25 1956 Vou. No. 248

(See other side)

153.12

(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. E-891 in accordance with the terms of the contract.

Signature Alfred R. Taylor Title Geologist Date June 22, 1956

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. J. Lyznicki Title ACTING EXECUTIVE OFFICER DMEA REGION V Date JUN 22 1956

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
JUN 27 1956

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of June 1956 Docket No. DMEA 3543 Contract No. IDM-E-891
Operator's Name Buchanan Minerals, Inc. Minerals Mica
Address Sylva, 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	612.50	17.5	3500.00	100	35.00	100	35.00
Crosscutting								
Raising								
Shafts	ft	-	-	3330.00	74	45.00	75	45.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Excavating Cu. Yds		-	-	210.00	400	.525	400	.525
Total Distributed Costs				7040.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
Tool House				75.00				
New Buildings, Improvements, etc.								
Powder & Exp. Magazine				40.00				
Total Costs				7155.00				7200.00

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 6-20-56 Operator Buchanan Minerals, Inc.

Per W. Buchanan Title Secy.

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: FINAL REPORT. We have drifted S.E. 100 ft. and have been getting better and more Mica for last 18 ft.--looks good at present. Approximately 7 ft. Mica vein with 3 ft. quartz core

(For Government use only)

Alfred R. Taylor
Geologist, USGS

INSTRUCTIONS

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

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

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

GPO 872894

RECEIVED
JUN 27 1956

BUCHANAN MINERALS, INCORPORATED
MONTH OF JUNE, 1956
DMEA #3543
I.D.M-E-891

DATE WORK BEGAN: 12-5-55

WORK ACCOMPLISHES:

We have finished our Contract having drifted North 15 feet and S. E. 95 feet. Mica started coming in at 82 feet S. E. on the foot wall and has gradually increased on the hanging wall. We have a 6-7 foot Mica Vein with a 13 foot quartz core--at present Mica is showing in both sides and in blocks up to 15 inches in diameter and weighing up to 35 lbs. We have discontinued for the present time, work on the North end and doing all work on the S. E. end of drift.

June 1- Shot and drilled in heading.

June 4- No work, crew sick

June 5- Mucked, very little mica

June 6- Shot in heading

June 7- Mucked--got 200 lbs Mica, not so good

June 8- Mucked and shot, 100 lbs Mica.

June 11- Mucked and shot, 250 lbs Mica, better Mica.

June 12- Mucked and shot, 100 lbs Mica.

June 13- Mucked and Shot, got 200 lbs Mica--better grade.

Finished contract but continuing.

Form MF 104 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS No. 4

OPERATOR'S MONTHLY REPORT AND VOUCHER

RECEIVED JUN - 7 1956

Month of May, 1956 Docket No. DMEA _____ Contract No. IDM-E-891

Operator's Name Buchanan Minerals, Inc. Minerals Mica

Address Sylva, N. C.

Contract Amount, $ 7200.00 Government Participation: 75 % Amount, $ 5400.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Contracts: Short Form						
Excavating						
Drilling		210.00	210.00			
Bulldozing						
Crosscutting						
Drifting (32 ft)	1120.00	1767.50	2887.50			
Shafting		3330.00	3330.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Tool House		75.00	75.00			
Depreciation						
Powder Magazine		40.00	40.00			
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	1120.00	5422.50	6542.50	1120.00	5422.50	6542.50

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

Date 5-31-56 *Payee Buchanan Minerals, Inc.

Per T. Buchanan Title Sec.

*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:

$ 840.00

Signature Helen R. Muller (Authorized Certifying Officer)

Date JUN 1956 Vou. No. _____

(See other side)

280.00

(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. 14m-E691 in accordance with the terms of the contract.

Signature W. T. Beck Title Mining Engr. USBM Date JUN 4 1956

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lamme Title EXECUTIVE OFFICER DMEA REGION V Date JUN 4 1956

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
JUN - 7 1956

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of May 1956 Docket No. DMEA 3543 Contract No. IDM-E-891
Operator's Name Buchanan Minerals Incorporated Minerals Mica
Address Sylva, 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	1120.00	32	2886.50	82.5	35.00	100	35.00
Crosscutting								
Raising								
Shafts	ft			3330.00	74.0	45.00	75	45.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Excavating				210.00				
TOTAL DISTRIBUTED COSTS		1120.00	32	6427.50				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
Tool House				75.00				
New Buildings, Improvements, etc. Powder Magazine				40.00				
TOTAL COSTS				6542.50				

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 5/31/56 Operator Buchanan Minerals, Inc.

Per T M Buchanan Title Secy

REMARKS: We have a godd Mica vein approximately 7 feet wide but very little mica

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)

Costs to date for drifting should be $2887.50 instead of $2886.50.

W T 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 872894

BUCHANAN MINERALS INCORPORATED

RECEIVED
JUN - 7 1956

MONTH OF MAY, 1956

DMEA #3543
IDM-E-891

DATE WORK BEGAN: 12-5-1955

Work Accomplished:

We have drifted 32 feet in opposite directions from shaft. Very little Mica has been obtained-- We have a 7 foot vein on north east end of drift but very little mica.

May 1, Mucked and put in steel rail for traw.

May 2, Shot and timbered

May 3, Mucked out and shot, very little mica

May 4, Mucked

May 7, Mucked and shot

May 8, Mucked and shot

May 9, Timbered and mucked

May 10, Shot in heading and s. w. side of shaft

May 11, Shot in heading and shaft

May 14, Shot in heading and shaft

May 15, Mucked

May 17, Mucked. Hoist trouble

May 18, Shot in heading and shaft

May 21, Foreman out no work except pump water

May 22, Shot in shaft approximately 75 lbs Mica

May 23, Shot in shaft approximately 75 lbs Mica.

May 24, Shot in shaft approximately 75 lbs Mica

May 25, Shot in shaft approximately 10 lbs Mica

May 28, No work pump broke down

May 29, Drilled and shot in heading. No mica

May 30, Drilled and shot in heading, 50 lbs. mica.

May 31, Mucked and shot in heading--no mica

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

Budget Bureau No. 42-R1036.5

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

Month of April, 1956 Docket No. DMEA 3543 RECEIVED Contract No. IDM-E-891
Operator's Name Buchanan Minerals, Inc. Minerals Mica
Address Sylva, North Carolina MAY 10 1956
Contract Amount, $ 7200.00 Government Participation: 75 % Amount, $ 5400.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Excavating		210.00	210.00			
Bulldozing						
Crosscutting						
Drifting (34 ft.)	1190.00	577.50	1767.50			
Shafting		3330.00	3330.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Tool House Depreciation		75.00	75.00			
Powder Magazine (5) Initial Rehabilitation and Repairs		40.00	40.00			
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	1190.00	4232.50	5422.50	1190.00	4232.50	5422.50

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

Date 4-30-56 *Payee Buchanan Minerals, Inc.

Per M Buchanan Title Secy

*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:

$ 892.50

Signature Helen R. Miller (Authorized Certifying Officer)

MAY 8 1956

Date Vou. No.

(See other side)

5

297.50

(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. E-891 in accordance with the terms of the contract.

Signature Alfred R. Taylor Title Geologist Date May 3, 1956

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION V Date MAY 3 1956

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-1044
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
MAY 10 1956

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of April 1956 Docket No. DMEA 3543 Contract No. IDM-E-691

Operator's Name Buchanan Minerals, Inc. Minerals Mica

Address Sylva, North Carolina

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.	1190.00	34	1767.50	50.5	35.00	100	35.00
Crosscutting								
Raising								
Shafts	ft.			3330.00	74	45.00	75	45.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Excavating				210.00				
TOTAL DISTRIBUTED COSTS		1190.00	34	5307.50				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc. Tool House				75.00				
Powder Magazine				40.00				
TOTAL COSTS		1190.00		5422.80				

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 4-30-56 Operator Buchanan Minerals, Inc.

Per T. Buchanan Title Supt.

REMARKS: We have been getting some good mica for past two weeks but not in large quantities.

→ 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)

Alfred R. Taylor
Geologist, USGS

INSTRUCTIONS

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

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

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

GPO 872894

BUCHANAN MINERALS, INCORPORATED

RECEIVED
MAY 1 0 1956

Month of April, 1956

DMEA No. 3543

HMM-E-91

Date Work Began: 12-6-55

Work Accomplished:

We drifted 34 ft., most of the time in the mica vein--for the past ten days we have been getting some good mica, above the average in size but not in quantity. We now have a vein 6 to 7 ft. in width and it is looking more promising. We have put in a steel draw line, permanent pumping facilities and air and water pipes.

April 2: Drilled and shot in drift.

April 3: Drilled and shot in drift and mucked.

April 4: Put in tramway and mucked.

April 5: Drilled and mucked

April 6: Drilled and mucked

April 9: Drilled and mucked

April 10: No work--weather, a inches snow.

April 11: Drilled and shot.

April 12: Drilled and shot and struck vein.

April 13: Mucked, got some mica.

April 14: Drilled and shot some mica.

April 1 : Hoist broke down.

April 1 : Drilled and shot, some mica.

April 19: Drilled and shot--some mica.

April 20: Drilled and shot--some mica.

April 23: Drilled and shot. Some mica.

April 24: Drilled and shot. Some mica.

April 25: Drilled and shot--some mica.

April 26: Drilled and shot--some mica.

April 27: Drilled and shot--some mica.

April 30: Worked on tram way, drilled and shot.

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAYMENT VOUCHER & SUMMARY OF PAYMENTS

RECEIVED APR 5 - 1956

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of March, 1956 Docket No. DMEA 3543 Contract No. IDM-E-891

Operator's Name Buchanan Minerals, Inc. Minerals Mica

Address Sylva, N. C.

Contract Amount, $ 7200.00 Government Participation: 75 % Amount, $ 5400.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Contracts: Short Form						
Excavating Drilling		210.00	210.00			
Bulldozing						
Crosscutting						
Drifting (16.5)	577.50		577.50			
Shafting (5)	225.00	3105.00	3330.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs Tool House		75.00	75.00			
(6) New Bldgs., Improvements, etc. Powder Magazines		40.00	40.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	802.50	3430.00	4232.50	802.50	3430.00	4232.50

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

Date 3-31-56 *Payee Buchanan Minerals, Inc.

Per [signature] Title [signature]

*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:

$ 601.87

Signature [signature] (Authorized Certifying Officer)

Date APR 9 1956 Vou. No.

(See other side)

Zero. 63

(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. E 891 in accordance with the terms of the contract.

Signature Ch. L. Peyton Title Mining Engineer Date 4/2/56

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Laurence Title EXECUTIVE OFFICER DMEA REGION V Date APR 3 1956

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
APR 5 - 1956

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of March, 1956 Docket No. DMEA 3543 Contract No. IDM-E391
Operator's Name Buchanan Minerals, Inc. Minerals Mica
Address Sylva, 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	16.5	577.50	16.5	35.00	100	35.00
Crosscutting								
Raising								
Shafts	ft.	225.00	5	3330.00	74	45.00	75	45.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Excavating				210.00				
TOTAL DISTRIBUTED COSTS		802.50	21.5	4117.50				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
Mill House New Buildings, Improvements, etc.				75.00				75.00
Powder Magazine				40.00				40.00
TOTAL COSTS				115.00				115.00

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

Date 3-31-56 Operator Buchanan Minerals, Inc.

Per T. M. Buchanan Title Secretary

REMARKS: Lost several days work due to sickness of crew. We have a good crew of men now and are in good position to go ahead with work.

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)

A. L. Peyton
U. S. Bureau of Mines

INSTRUCTIONS

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

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

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

GPO 872894

BUCHANAN MINERALS, INCORPORATED

March 31, 1956

RECEIVED
APR 5 - 1956

MONTH OF MARCH, 1956
DMEA #3543
IDM-E-391
DATE WORK BEGAN: 12-5-55

WORK ACCOMPLISHED:

Sank 5 feet water hole. Had bad luck in the beginning and shot out covering timber two times, drifted 16½ feet. We now have a good crew of men and hope to accomplish something in next month.

March 1, 1956: Shafted

March 2, 1956: No work--short crew

March 3, 1956: Shafted water hole

March 6, 1956: Shafted. Crew short

March 7, 1956: Shafted. Crew short

March 8, 1956: Shafted. Crew Short

March 9, 1956: Timbered water hold

March 12, 1956: Started drift 30 lbs. mica.

March 13, 1956: Drilled and shot in drift also shot out timber covering water hole.

March 14, 1956: Re-timbered water hole.

March 15, 1956: Drilled and shot in water hole, also shot out timber in water hole.

March 16, 1956: Mucked and re-timbered water hole.

March 19, 1956: Drilled and shot in drift--no mica.

March 20, 1956: Now work crew sick.

March 21, 1956: No work crew sick.

March 22, 1956: Pumped out water and mucked(short crew)

March 23, 1956: No work, crew sick.

March 26, 1956: Drifted, no mica.

March 27, 1956: Drifted, no mica and no pegmatite.

March 28, 1956: Drifted, no mica and no pegmiatite.

March 29, 1956: Strick pegmatite North side of drift. Ran steel 4 ft. through pegmatite at an aggle.

March 30, 1956: Mucked out and drilled and shot in heading.

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS X-

OPERATOR'S MONTHLY REPORT AND VOUCHER

RECEIVED MAR - 9 1956

Month of February, 1956 Docket No. DMEA 3543 Contract No. IDM-E-891
Operator's Name Buchanan Minerals, Inc. Minerals Mica
Address Sylva, N. C.
Contract Amount, $ 7200.00 Government Participation: 75 % Amount, $ 5400.00

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:						
Waiting Drilling		210.00	210.00			
Bulldozing						
Crosscutting						
Drifting						
Shafting (26)	1170.00	1935.00	3105.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Tool House Initial Rehabilitation and Repairs		75.00	75.00			
(6) ~~New Bldgs., Improvements, etc.~~		40.00	40.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	1170.00	2260.00	3430.00	1170.00	2260.00	3430.00

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

Date 3-1-56 *Payee Buchanan Minerals, Inc.

Per J. B. Buchanan Title Sec-Treas

*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:

$ 877.50

Signature Helen R. Mullin
(Authorized Certifying Officer)

Date MAR 7 1956 Vou. No.
(See other side)

292.50

(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 under Defense Minerals Exploration Administration project under Contract No. E-891 in accordance with the terms of the contract.

Signature [illegible] Title Mining Eng. Date 3-5-56

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION V Date MAR 5 1956

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

RECEIVED
MAR - 9 1956

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of February 1956 Docket No. DMEA 3543 Contract No. IDM-E-891
Operator's Name Buchanan Minerals, Inc. Minerals Mica
Address Sylva, N. C.

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts 26	ft	1170.00	26	3105.00	69	45.00	75	45.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Excavating cu. yds.				210.00	400	.525	400	.525
Total Distributed Costs		1170.00	26	3315.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
Tool House, Buildings, Improvements, etc.				75.00				75.00
Pwl. magazine				40.00				40.00
Total Costs				115.00				115.00

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

Date 3-1-56 Operator Buchanan Minerals, Inc.
Per T. M. Buchanan Title Secy Treas

Remarks: Lost several days on account of equipment break down also weather has been a handicap.

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)

V. J. Lynch
Bureau of Mines
3-5-56

INSTRUCTIONS

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

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

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

GPO 872894

BUCHANAN MINERALS, INCORPORATED

Month of February, 1956
DMEA No. 3543
IDM-E-691

Date Work Began: 12-5-55

WORK ACCOMPLISHED:

Sank shaft an additional 26 feet; struck hard rock at 55 feet, approximately 3 feet below where we struck the Mica vein; Mica vein is now in center of shaft, approximately 2-3 feet wide. We are now blasting out a 4-5 feet water hole.

DAILY NOTES:

February 1, Shafting

February 2, Shafting

February 3, Shafting. Stuck water at 50 ft.

February 6, No work on account of weather.

February 7, Shafting

February 8, Shafting hit pegmatite--53 feet.

February 9, Shafting hit pegmatite

February 10, Shafting. Got 15 lbs. Mica, about 10 inches pegmatite.

February 13, Shafting

February 14, Hoist broke down

February 15, No work.

February 16, Pumped water

February 17, Shafted got 30 lbs. mica, good size.

February 20, Shafted

February 21, Some mica

February 22, Shafted, lots of water.

February 23, Shafted, some mica.

February 24, Shafted

February 27, No work, weather and part of crew sick

February 28, Shafted, partiof crew sick

February 29, Shafted, part of crew sick. Some mica.

MF-104 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

FILED ON VOUCHER & SCHEDULE OF PAYMENTS

RECEIVED FEB 13 1956

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of January, 1956 Docket No. DMEA 3543 Contract No. IDM-E-891

Operator's Name Buchanan Minerals Inc. Minerals Mica

Address Sylva, N. C.

Contract Amount, $ 7200.00 Government Participation: 75 % Amount, $ 5400.00

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 Contracts: Short Form Excavating		210.00	210.00			
Drilling						
Bulldozing						
Crosscutting						
Drifting						
Shafting (39)	1755.00	180.00	1935.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
Tool House (5) Initial Rehabilitation and Repairs		75.00	75.00			
Powder Mag. (6) New Bldgs., Improvements, etc.		40.00	40.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	1755.00	505.00	2260.00	1755.00	505.00	2260.00

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

Date ..... *Payee Buchanan Minerals Inc.

Per M Buchanan Title Secy

*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:

$ 1316.25

Signature Helen R. Miller (Authorized Certifying Officer)

Date FEB 10 1956 Vou. No. 71

(See other side)

V

438.75

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

Signature S. C. Berryman Title Geologist USGS Date 2/8/56

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION V Date FEB 9 1956

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

n MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
FEB 13 1956

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of January 1956 Docket No. DMEA 3543 Contract No. IDM-E-891
Operator's Name Buchanan Minerals Inc. Minerals Mica
Address Sylva, N. C.

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts 39	ft.	1755.00	39	1935.00	43	45.00	75	45.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Excavating	Cu yds.			210.00	400	.525	400	.525
Total Distributed Costs		1755.00	39	2145.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
Tool House				75.00				75.00
New Buildings, Improvements, etc.								
Pwd. and cap Magazine				40.00				40.00
Total Costs				115.00				115.00

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 2-1-56 Operator Buchanan Minerals Inc.

Per T. M. Buchanan Title Secy

Remarks: Weather has been bad also lost approximately oneweek on account of bursted block in air compressor.

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)

S. C. Bergman - Geologist USGS 2/8/56

INSTRUCTIONS

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

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

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

GPO 872894

JANUARY 1956

DMRA #3543
IBM-2-891

Date Work Began: 12-5-55

WORK ACCOMPLISHED:

Sank shaft 39 ft. through medium to semi-hard rock. Timbered with green 2 x 6 green oak all the way; had to put new block in water of Air Compressor. Built Air Compressor shed. Worked on road leading to mine.

DAILY NOTES:

January 2, Set up hoist.

January 3, Shafting

January 4, Shafting

January 5, Shafting

January 6, Shafting. Completed 10 ft. this week.

January 9, Partitioned 15 ft. of ladder way and shafted.

January 10, No work on account of weather.

January 11, Built compressor shed.

January 12, Shafted and employed another hand.

January 13, Shafted. Approximately 9 ft. this week.

January 16, Shafting.

January 17, Shafting

January 18, Closed down on account of air compressor through 23.

January 24, Shafting

January 25, Shafting

January 26, Shafting

January 27, Shafting and worked on road to mine.

January 30, Shafting and worked on road to mine.

January 31, Shafting and worked on road to mine.

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

JAN 10 1956

Month of December, 1955 Docket No. DMEA 3543 Contract No. DDM-E891
Operator's Name Buchanan Minerals, Inc. Minerals Mica
Address Sylva, North Carolina
Contract Amount, $ 7200.00 Government Participation: 75 % Amount, $ 5400.00

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						
Excavating (400 cu. yds) Bulldozing	210.00	None	210.00			
Crosscutting						
Drifting						
Shafting (4)	180.00	None	180.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Tool House Depreciation	75.00					
(5) ~~Initial Rehabilitation and Repairs~~	40.00					
(6) New Bldgs., Improvements, etc. Powder and explosive Magazines						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	505.00	None	505.00	505.00	—	505.00

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

Date 1-1-56 *Payee Buchanan Minerals, Inc.

Per [signature] Title Agent and Secretary

*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:

$ 378.75

Signature [signature]
(Authorized Certifying Officer)

Date JAN 6 1956 Vou. No. 46
(See other side)

1 of 12/5

128.25

(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. E 891 in accordance with the terms of the contract.

Signature V. J. Lynch Title Mining Eng. Date 1-4-56

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION V Date JAN 4 1956

MONTHLY REPORT OF OPERATOR

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(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.

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
JAN 11 1956

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of December 1955 Docket No. DMEA 3543 Contract No. [illegible]
Operator's Name Buchanan Minerals, Inc. Minerals Mica
Address Spivey, North Carolina

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts 4	Ft.	[illegible]	4	100.00	4	25.00	75	15.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Excavating Co. Min.	220.00		400	220.00	400	.525	400	.525
Total Distributed Costs		[illegible]		[illegible]				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
Cost Items New Buildings, Improvements, etc.		[illegible]		[illegible]				
Rentals and Royalties		[illegible]		[illegible]				
Total Costs		[illegible]		[illegible]				305.00

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 January 1, 1956 Operator Buchanan Minerals, Inc.
Per [signature] Title Agent and Director
Marcellus Buchanan, III

Remarks: Minerals have been stored [illegible] until the [illegible].

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 872894

RECEIVED
JAN 11 1956

Month of December, 1955

DMEA No. 3543

IDM-A 891

Date Work Began 12-5-'55

Work Accomplished:

Bulldoized old dump for shaft site, dumping ground, site for buildings and ¼ mile of road to Mine. Worked on and improved 1 mile of road leading to mine. Erected the following buildings: Powder and explosive magazine (mostly underground), tool house and dressing room, Toilet and shed for hoist. Sank shaft 4 ft., including collar built out of 12 inch green hickory and oak timber, 12 ft. long.

DAILY NOTES:

December 5, Bulldozing

December 6, Bulldozing

December 7, Bulldozing

December 8, Working on road.

Did not work for next two weeks on account of weather-except to hire a crew of men to overhaul machinery.

December 26, Dug out and started work on powder and explode magazines.

December 27, Started Tool House.

December 28, Finished above Buildings.

December 29, Started work on hoisting rig and collar for shaft.

December 30, Went down on shaft 4 ft. and did some work on road.

FEB 8 1966

Buchanan Minerals, Inc.
Box 503
Sylva, North Carolina

Re: DMRA-3543 (Mica)
Buchanan Minerals, Inc.
Buchanan (Dream) Mine
Jackson County, North Carolina
Contract Ide-8891

Gentlemen:

By the terms of the subject Exploration Project Contract, as amended, and the certification of discovery or development dated September 14, 1956, all minerals mined or produced from October 28, 1953, to October 28, 1963, were subject to the Government's royalty as set forth in said contract.

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

Sincerely yours,

(signed) FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

:Merrithew/mm (2/8/66)
cc: Director's Reading File
Division File
Economic Geology File
ONE Docket
Laura Belle Buchanan, Sylva, N.C.
120M
R. A. Laurence w/cy of incoming 63
ONE Reading File
Branch of Budget and Finance, Rm 3408
CA&A

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

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

To: Buchanan Minerals Incorporated
Box 503
Sylva, North Carolina

Pursuant to the provisions of Exploration Project Contract No. DMe-[illegible], dated October 28, 1955, Docket No. DMEA-3543, hereinafter called the "contract", between Buchanan Minerals Incorporated, a corporation, and the United States of America, hereinafter called the "Government"; to establish and fix the Government's percentage royalty on production and its lien therefor and on the land described in the contract, the Government considers and therefore certifies that discovery or development from which production may be made has resulted from the exploration work.

The nature of said discovery or development is described broadly or indicated as follows:

Shaft sinking and subsequent drifting at the 49-foot level exposed strategic mica in a conformable zoned pegmatite enclosed in biotite gneiss. The work furnished sufficient data to calculate indicated and inferred mica reserves.

THE UNITED STATES OF AMERICA

By Frank E. Johnson
ACTING Administrator, Defense Minerals Exploration Administration

Dated September 14, 1956

Copy to: Admr. R. File
Docket
Operating Committee
Mr. F. E. Johnson
Mr. Chambers
Mr. Fredell, EPS, GSA
Field Team, Region V
Finance Office
Mr. Kilpatrick, 5222
Mr. Frank D. Lamb, 3649
Mr. Hook
Mr. Hopkins
Mr. Hook (Certification File)
Laura Belle Buchanan, Owner of land

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

Mr. H. E. Buchanan
Buchanan Minerals, Incorporated
Box 503
Sylva, North Carolina

SEP 14 1956

Re: Docket No. DMEA-3543-mica
Buchanan Minerals, Incorporated
Buchanan (Dream) Mine
Jackson County, North Carolina
Contract No. I&m-E891

Dear Mr. Buchanan:

Transmitted herewith is a certification of discovery or development under Contract No. I&m-E891 on the Buchanan (Dream) Mine, Jackson County, North Carolina.

By the terms of the Exploration Project Contract and of the certification, all production from the date of the Exploration Project Contract, October 28, 1955, is subject to the Government's percentage royalty as set forth in the contract until the sum of $5,366.25 is paid or until October 28, 1965, whichever occurs first.

Payments should be made to Mr. Robert A. Laurence, Executive Officer, DMEA Field Team, Region V, Room 13, Post Office Building, Knoxville, 2, Tennessee. Checks should be drawn payable to the Defense Minerals Exploration Administration. The purchaser should be advised to deduct royalties from the amount due on each shipment and forward the checks to the Executive Officer.

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

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

Sincerely yours,

Frank E. Johnson
ACTING Administrator

Enclosure

Laura Belle Buchanan (landowner)

Mr. Kilsgaard, 5222
Mr. Lamb, 3649
Mr. Houk
Mr. Hopkins
Admr. R. File
Certification File

:ms 8/29/56
Copy to: Docket
Operating Committee
Mr. Johnson
Mr. Chambers
Field Team, Region V

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

600

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

Re: Docket No. DMEA-3543-mica
Buchanan Minerals, Incorporated
Buchanan (Dream) Mine
Jackson County, North Carolina
Contract No. Idm-2891

Dear Mr. Fredell:

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

The exploration contract was signed on October 28, 1955, with the Government participating to the extent of 75 percent of $7,200.00 or $5,400.00. The project was started on December 5, 1955, and completed on June 13, 1956, after the expenditure of $7,155.00, which is the total net accepted cost according to the Audit Review. The Government paid 75 percent of the total accepted cost or $5,366.25.

The work performed on this project consisted of sinking a 74-foot, two compartment, vertical shaft and driving 100 feet of drifts on the 69-foot level.

About 2,500 pounds of "mine-run" block, ruby muscovite was recovered under the contract. The project work furnished sufficient data to calculate the following types and quantities of strategic mica reserves:

Indicated - 30,000 pounds "mine-run" block mica
Inferred - 70,000 pounds "mine-run" block mica

The DMEA concurs in the Field Team's evaluation of the work performed and has, therefore, certified that a discovery or development has resulted from the work under the contract.

Sincerely yours,

Frank E. Johnson

ACTING Administrator

Enclosure

Mr. Killgaard, 5222
Mr. Lamb, 3649
Mr. Houk
Mr. Hopkins
Admr. R. File
Certification File

Hopkins:ms 8/30/56
Copy to: Docket
Operating Committee
Mr. Johnson
Mr. Chambers
Field Team, Region V

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

Miss Laura Belle Buchanan

Sylva, North Carolina

Re: Docket No. DMEA-3543-mica
Buchanan Minerals, Incorporated
Buchanan (Dream) Mine
Jackson County, North Carolina
Contract No. Idm-8891

Dear Miss Buchanan:

Transmitted herewith for your information is a copy of the certification of discovery or development issued as a result of the exploration program under the above-referenced contract.

The property set forth in the contract is the same property referred to in the Owner's Consent to Lien, dated October 1, 1954, signed by you as "Laura Belle Buchanan", covering a tract of land leased by you to Buchanan Minerals, Incorporated and in a Guaranty of Royalty, dated September, 1955(notarized September 21, 1955), executed by you as "Belle Buchanan", covering a tract of land leased by J. R. Buchanan and his wife Anne L., et al. to the same operator.

Also enclosed is a copy of our letter to Mr. H. E. Buchanan of Buchanan Minerals, Incorporated.

Sincerely yours,

Frank E. Johnson

ACTING Administrator

Enclosures: 2

JHopkins:ms 9/11/56
Copy to: Docket
Operating Committee
Mr. Johnson
Mr. Chambers
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Lamb, 3649
Mr. Houk
Mr. Hopkins
Admr. R. File
Certification File

1-9

GOVERNMENT COPY

EXPLORATION PROJECT CONTRACT

DMEA-3543, Idm-E891, DREAM MINE (mica)

AMENDMENT No. 3

Contract Idm-E 891, Docket No. DMEA-3543, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration and Buchanan Minerals, Inc., a North Carolina Corporation, dated October 28, 1955, be further amended as follows:

Article 3, is further amended to read...." the Operator on or before July 30, 1956 complete the work," instead of April 30, 1956 as written in Amendment No. 2 to this contract.

April 23, 1956

This amendment is necessary due to inclement winter weather.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be obligated to pay, or the percentage of the cost which the Government may be obligated to pay, under the provisions of Article 5 of the contract form.

BUCHANAN MINERALS, Inc.

W. Buchanan, Sec.

UNITED STATES OF AMERICA

By Robert A. Laurence

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

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1-10

GOVERNMENT COPY

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MAR - 2 1956

EXPLORATION PROJECT
CONTRACT

DMEA-3543, Idm-E891, DREAM MINE (mica)

AMENDMENT No. 2

Contract Idm-E891, Docket No. DMEA-3543. between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration and Buchanan Minerals, Inc., a North Carolina Corporation, dated October 28, 1955, be further amended as follows:

Article 3, is further amended to read...." the Operator on or before April 30, 1956 complete the work," instead of February 29, 1956 as was first written in the contract.

February 20, 1956

THE UNITED STATES OF AMERICA

By Robert A. Lawrence
Executive Officer, DMEA
Field Team, Region V

BUCHANAN MINERALS CORPORATION

By H E Buchanan
H. E. Buchanan, President

1-11

Government's copy

RECEIVED
DEC 30 1955

EXPLORATION PROJECT CONTRACT

AMENDMENT No. 1

DMEA-3543, Idm-E891 (Mica) BUCHANAN (DREAM) MICA MINE

Contract Idm-E891, DMEA-3543, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration and Buchanan Minerals, Inc., Box 503, Sylva, North Carolina, dated October 28, 1955, is amended as follows:

1. Article 3 is amended to read ".....The Operator, on or before December 10, 1955 shall commence the work...." instead of December 1, 1955, as originally stated in contract.

Dated: December 22, 1955

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be obligated to pay, or the percentage of the cost which the Government may be obligated to pay, under the provisions of Article 5 of the contract form.

BUCHANAN MINERALS, INC.

By W Buchanan
Sec -

UNITED STATES OF AMERICA

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

g

Contract No. Idm-E 891

Docket No. DMEA 3543

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

TO: Chief, Finance Section, Budget and Finance Branch, Bureau of Mines

Please make the following entry on the records of the Defense Minerals Exploration Administration under the Strategic and Critical Minerals Exploration Program.

Date of Contract	Region	State	Commodity
October 28, 1955	V	North Carolina	Mica

Name and Address of Operator:

Buchanan Minerals, Inc.
P.O. Box 503
Sylva, North Carolina

	Reserve	Obligation
Prior Amount		$5,400.00
Increase		
Decrease		33.75
Revised Amount		$5,366.25

Remarks:

Robert E. Adams, Chief
(Name)

Operations Control and Statistics Division
(Title)

Date Delivered to Bureau of Mines, Washington 7/18/56

98963

Docket No. 3543

Commodity Mica

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

STRATEGIC AND CRITICAL MINERALS EXPLORATION PROGRAM

TO: Chief, Finance Section, Budget and Finance Branch, Bureau of Mines

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

Contract No. Idm-E 891

Date of Contract ~~or Amendment~~: October 28, 1955

Name and Address of Operator:

Buchanan Minerals, Inc.
Box 503
Sylva, North Carolina

Amount of Government participation $ 5,400.00

Percent of Government participation 75 %

Region: V State: North Carolina

E. A. Talbert
(Name)

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

Date Delivered to Bureau of Mines, Washington. 10/28/55

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Government's Copy

RECEIVED
NOV 23 1955

MF-200A
(Revised June 1954)

Docket No. DMEA 3543

Commodity Mica

Contract No. Idm-E 891

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

It is agreed this OCT 28 1955 day of ....., 195..., between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2] Buchanan Minerals, Inc., a North Carolina Corporation, whose mailing address is Box 503, Sylva, North Carolina, hereinafter called the "Operator," as follows:

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

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

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

(b) The Operator represents and undertakes that:

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

(2) The Operator's right, title, or interest (whether as owner, lessee, or otherwise) is subject only to the following claims, liens, or encumbrances: A 1/15th interest in Tract II held by heirs of Mrs. John Dillard of Jackson County, North Carolina

(c) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above, and (if the Operator does not hold the legal title) the Consent to Lien of any holder of the legal title of the land (lessor, seller, optionor, etc.), are attached, as follows: Consent to Lien of owner for Tract I; Guaranty of Royalty by Belle Buchanan for Tract II in lieu of Consent to Lien

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

16—70618-1

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

ARTICLE 3. *The exploration project.*—The project is a search for indicated or undeveloped deposits of Mica The work to be performed is described in Exhibit "A." The Operator on or before DEC 1 1955 shall commence the work, and on or before February 29, 1956 (unless the Operator's obligation to complete the work is terminated—see Article 8) shall complete the work.

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

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

ARTICLE 5. *Contribution by the Government.*—A fixed cost for each unit of work to be performed (per foot of drifting, per foot of drilling, per hour of operations, etc.) is hereby agreed upon, and is set forth in Exhibit "A" in connection with the estimated total cost of the project in the sum of $7,200.00 The Government will contribute 75 percent of the fixed unit costs as work is performed, in a total sum not in excess of $5,400.00: *Provided,* That until the Operator has rendered to the Government his final report, and any final auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of 10 percent of the estimated total cost of the work. The Government will make its contribution on the basis of the monthly vouchers referred to in Article 6(b), but all payments by the Government are provisional only, subject to audit, until the account between the Operator and the Government is finally audited and settled. To the extent that excesses over fixed unit costs or any excess over the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such excesses for his own account without contribution by the Government. The Government may make payments directly to independent contractors and suppliers for the account of the Operator rather than to the Operator.

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

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

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

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

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

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

ARTICLE 7. *Repayment by Operator.*—(a) *Certification.*—If the Government considers that a discovery or development from which production may be made has resulted from the work, the Government, at any time not later than six months after a sufficient final report and final account (see Article 6) has been rendered, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

(b) *Royalty on production.*—The Operator, as principal if the Operator is the producer, or as surety if the Operator is not the producer, shall pay to the Government a royalty on all minerals mined or produced from the land, as follows: (1) regardless of any certification of discovery or development, from the date of the contract until the lapse of the time within which the Government may make such certification, or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first; or (2) if the Government makes a certification of discovery or development, within a period of ten years from the date of the contract, or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first.

(c) *Basis for computation.*—The Government's royalty shall be a percentage of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrates, metal, or equivalent), at the point of delivery (the f. o. b. point); *except,* that charges of *the buyer* arising in the regular course of business, and shown as deductions on the buyer's settlement sheets, on account of the cost of treatment processes performed by *the buyer,* sampling and assaying to determine the value of the production sold, and freight paid by *the buyer* to a carrier (not the Operator), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. Any costs of treatment processes, sampling or assaying, or transportation, performed or paid by the Operator or by anyone other than the buyer, are not deductible in arriving at the "gross proceeds" as that term is here used. The term "treatment processes," as here used, means those processes (such as milling, concentrating, smelting, refining, or equivalent) applied to the crude ore or other production after it is extracted from the ground, to put it into a commercially marketable form; excluding fabricating or manufacturing.

(d) *Unsold production.*—If any production (ore, concentrates, metal, or equivalent), after the lapse of six months from the date the ore was extracted from the ground, remains neither sold nor used by the Operator in integrated manufacturing or fabricating operations (for instance, if it is stockpiled), the Government, at its option, as long as it so remains, may require the computation and payment of its royalty on the value of such production in the form (ore, concentrates, metal, or equivalent) it is in when the Government elects to require computation and payment. If any production is used by the Operator in integrated manufacturing or fabricating operations before the Government makes its election, the Government's royalty on such production shall be computed on the value thereof in the form in which and at the time when it is so used. "Value" as here used means what is or would be gross income from mining operations for percentage depletion purposes in Federal income tax determination, or the market value, whichever is greater.

(e) *Percentages of royalty.*—The percentages of the Government's royalty shall be as follows:

One and one-half (1½) percent of amounts ("gross proceeds" or "value") not in excess of eight dollars ($8.00) per ton of production in the form in which sold, held, or used, plus one-half (½) percent for each additional full fifty cents ($0.50) by which such amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such amounts.

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

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

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

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

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

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

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

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

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

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

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

ARTICLE 11. *Changes and added provisions.*—

1-3

Executed in sextuplicate the day and year first above written.

BUCHANAN MINERALS, INC.
(Operator)

By H E Buchanan Pres.

THE UNITED STATES OF AMERICA

By Frank E. Johnson
ACTING ADMINISTRATOR, DEFENSE MINERALS
EXPLORATION ADMINISTRATION

I, Mamilton Buchanan, certify that I am the secretary of the corporation named as Operator herein; that H. E. Buchanan who signed this contract on behalf of the Operator, was then President 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.

Mamilton Buch

[CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE 16—70618-1

1-4

EXPLORATION PROJECT CONTRACT
BUCHANAN MINERALS, INC.
DOCKET NO. DMEA-3543

ANNEX I

The land referred to in Article 2 of the contract form consists of two tracts of land, known as the Buchanan Mine, as follows:

Tract No. I is described in a lease dated October 1, 1954, from Laura Belle Buchanan, Jackson County, North Carolina, and in the Consent to Lien of the owner attached to the contract, as follows:

> Beginning on a stake which stands east 60 feet from the proposed shaft, also shown on map which is marked "Exhibit B" and in the Buchanan property line and runs with said line S 10° W 100 feet to a stake; thence leaving the property line and runs west 170 feet to a stake; thence N 10° E 200 feet to a stake; thence 170 feet east to a stake in the Buchanan property line; thence S 10° W 100 feet with said line to the beginning, containing .78 acres more or less.

Tract No. II is described in a lease dated February 3, 1955, from J. R. Buchanan and wife Annie L, et al., as follows:

> Beginning on a large white oak on top of Panther Knob Mountain in first gap South of Panther Knob, in the line of the Harve Sellers tract, and runs N. 66° W with Sellers line 56 Poles to a locust in said line; thence South 78° West 110 poles to the N.E. corner of the R.D. Cowan tract; thence S. 10° W. 200 poles to a chestnut on the south side of Locust Lick Ridge; R. D. Cowan's S. E. corner; thence West with R. D. Cowan's line 16 poles to East Fork Creek 134 poles with the meanders of said creek to a stake; in the M. Buchanan's 640 acre tract; thence N. 32° E. with the line of M. Buchanan's tract 390 poles to a black oak in Harve Sellers line; thence N. 66° W. 20 poles to the Beginning, containing 80 acres, more or less.

The Buchanan Mine is 6.5 airline miles and 11.3 road miles southwest of Sylva, Jackson County, North Carolina.

EXPLORATION PROJECT CONTRACT
BUCHANAN MINERALS, INC.
DOCKET NO. DMEA-3543

EXHIBIT "A"

Description of the Work

The approximate location of the exploration project is shown on the map entitled, "Buchanan (Dream) Mica Mine, Jackson County, North Carolina, DMEA-3543 (mica)" attached hereto.

The work consists of the following:

1. With a Model D-8 caterpillar tractor w/dozer or equivalent unit, prepare a shaft site. This will involve removing approximately 400 cubic yards of dump and weathered rock.

2. Construct:

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

(b) A powder storage magazine, minimum dimensions 4 feet by 3 feet by $2\frac{1}{2}$ feet.

(c) An exploder storage magazine, minimum dimensions 2 feet by $1\frac{1}{2}$ feet by 1 foot.

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

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

3. Sink a 75-foot, two compartment shaft. The shaft shall be vertical until the pegmatite is penetrated, and then inclined along the pegmatite.

4. Drive 100 feet of drifts from the shaft on the pegmatite.

The shaft and drifts shall have minimum cross-sectional dimensions of 5 feet by 7 feet in the clear of timber.

All workings shall be timbered as necessary.

1-6

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

Fixed Unit Costs

1.	Excavating 400 cubic yards @ $.525/cu. yd.	$ 210.00	
2.	Construct:		
	Toolhouse 1/	75.00	
	Powder magazine 1/	26.00	
	Exploder magazine 1/	14.00	
3.	Sink 75 feet of shaft @ $45.00/ft.	3,375.00	
4.	Drive 100 feet of drifts @ $35.00/ft.	3,500.00	
	Estimated Total Cost of Project		$7,200.00
	Government Participation @ 75%		$5,400.00

1/The completed work constitutes the unit.

EXPLORATION PROJECT CONTRACT
DOCKET NO. DMEA-3543
BUCHANAN MINERALS, INC.

GUARANTY OF ROYALTY

WHEREAS, negotiations are now pending between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Buchanan Minerals, Inc., hereinafter called the "Operator," for an Exploration Project Contract relating to certain land in the State of North Carolina, County of Jackson, described as follows:

> BEGINNING on a large white oak on top of Panther Knob Mountain in first gap South of Panther Knob, in the line of the Harve Sellers tract, and runs N. 66 deg. W. with Sellers line 56 poles to a locust in said line; thence South 78 deg. West 110 poles to the N.E. corner of the R. D. Cowan tract; thence S. 10 deg. W. 200 poles to a chestnut on the South side of Locust Lick Ridge; R. D. Cowan's S.E. corner; thence West with R. D. Cowan's line 16 poles to East Fork Creek 134 poles with the meanders of said creek to a stake; in the M. Buchanan's 640 acre tract; thence N. 32 deg. E. with the line of M. Buchanan's tract 390 poles to a black oak in Harve Sellers line; thence N. 66 deg. W. 20 poles to the BEGINNING. Containing 80 acres, more or less.

NOW, THEREFORE, in consideration of the waiver by the Government of the requirement of a Consent to Lien referred to in said contract, and in lieu thereof, the undersigned hereby guarantees the payment to the United States of America of any royalties that may fall due under the provisions of said contract or any amendment or assignment thereof, notice of any such amendment or assignment being hereby waived. If the records of any sales or other disposition of the production upon which any such royalties may accrue, whether the production is by the Operator or by others, are not made available to the Government for the computation of said royalties, the undersigned agrees that the amounts thereof may be determined according to the best estimates that can reasonably be made; and in the event of dispute as to such estimates, the determination thereof by the Administrator of Defense Minerals Exploration Administration or his successor, or by his representative authorized for that purpose, shall be final and binding upon the undersigned.

Dated September, 1955.

Belle Buchanan (SEAL)
BELLE BUCHANAN

Sworn to and subscribed before me this 21 day of September, 1955.

Belle Rick Jones
Notary Public

My commission expires:

September 2, 1957

1-8

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC - 2 1954

MF-203
(Revised July 1, 1954)

OWNER'S CONSENT TO LIEN

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 as follows:1/

In a lease dated October 1st. 1954 recorded in Book 198, page 553 Official Records of said County. Se e Annex on reverse side.

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/ Buchanan Minerals, Inc.

hereinafter called the "Operator"; and

WHEREAS, under the provisions of said contract the Government is entitled to a percentage royalty on production 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.

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.

(OVER)

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 1 day of October, 1954.

Laura Belle Buchanan [Seal]

_____ [Seal]

_____ [Seal]

~~Re: Docket No.# 3543 - Mica~~
~~Buchanan (Dream) Mine~~
~~Clarification of legal description of land in the above contract.~~
~~Beginning: On a stake which stands East 60 ft. from the proposed shaft, also shown on Map which is marked "Exhibit B" and in the Buchanan property line and runs with said line S. 10 W. 100 ft. to a stake; thence leaving the property line and runs West 170 ft. to a stake; thence N. 10 E. 200 ft. to a stake; thence S. 10 W. 100 ft. to the BEGINNING.~~

Re: Docket No. DMEA-3543 - Mica
Buchanan (Dream) Mine

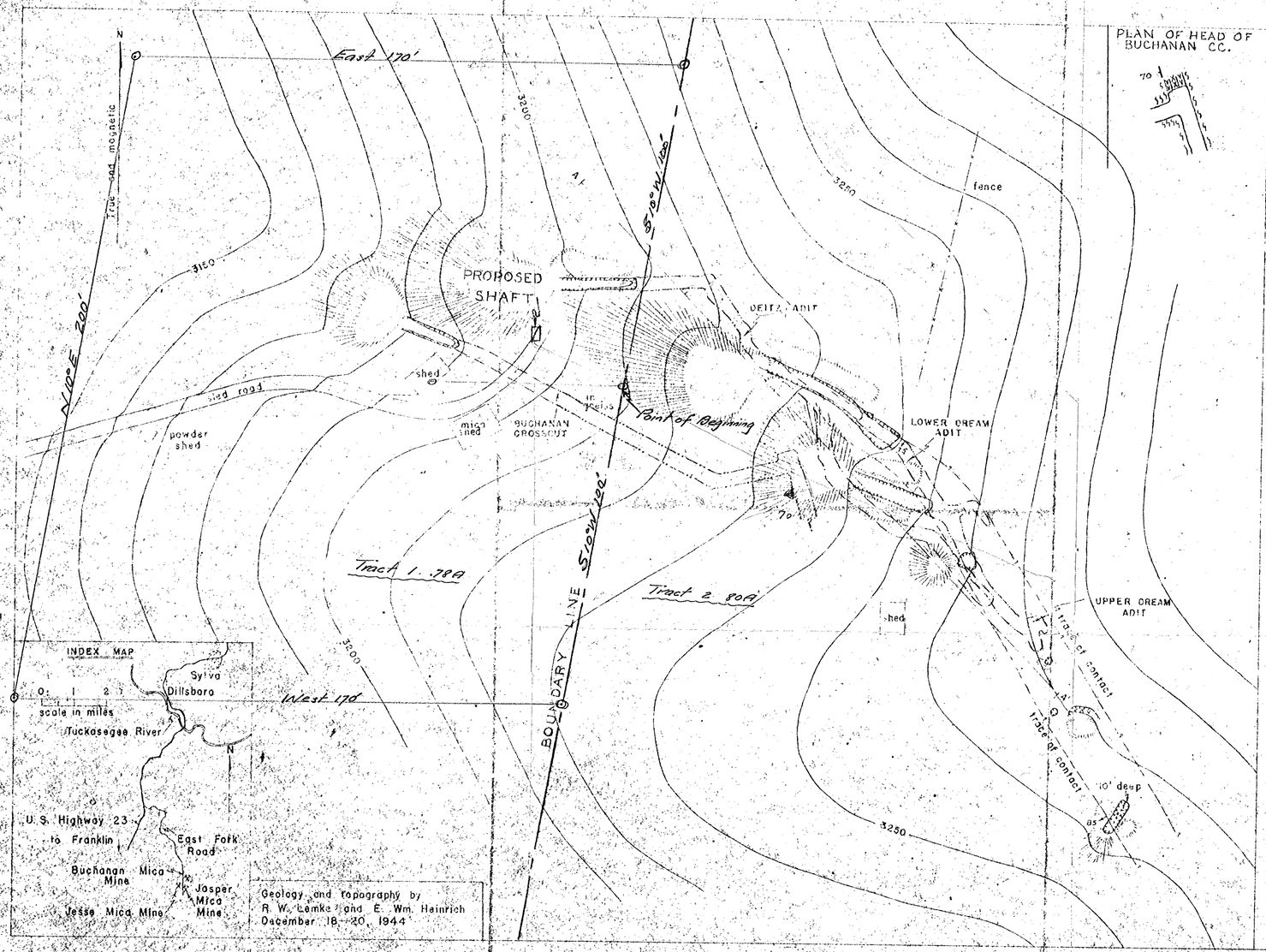
Beginning on a stake which stands east 60 feet from the proposed shaft, also shown on map which is marked "Exhibit B" and in the Buchanan property line and runs with said line S 10° W 100 feet to a stake; thence leaving the property line and runs west 170 feet to a stake; thence N 10° E 200 feet to a stake; thence 170 feet east to a stake in the Buchanan property line; thence S 10° W 100 feet with said line to the beginning, containing .78 acres more or less.

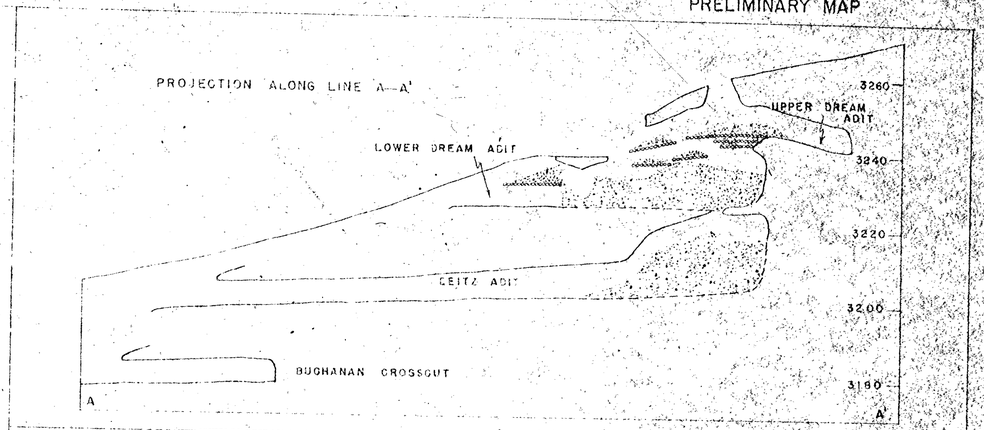
11-18-54

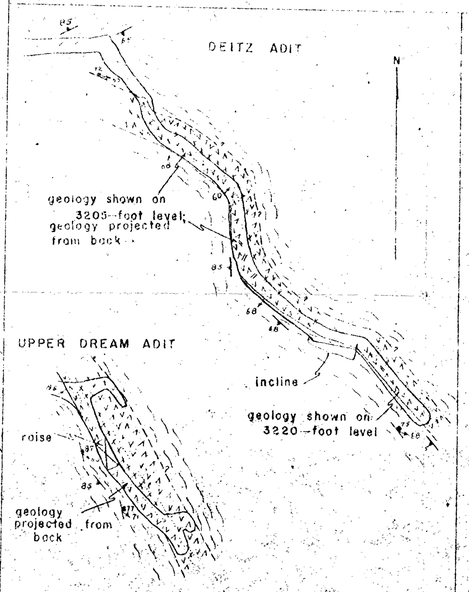
Laura Belle Buchanan

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

STRATEGIC MINERALS INVESTIGATIONS
PRELIMINARY MAP







GEOLOGIC PLANS OF UNDERGROUND WORKINGS
(Geology shown on a plane 3.5 feet above floor)

EXPLANATION

- Backfill
- Feldspar-quartz pegmatite
- Sheet mica
- Massive quartz
- Biotite gneiss
- Contact, location accurate, showing dip
- Contact, location approximate
- Attitude of foliation
- Strike and dip of slip plane, showing attitude of slickenside
- Contact between pegmatite units
- Projected outline of underground workings
- Logging
- Rim of open cut or pit
- Dump

Surface mapped by plane table and stadia methods
Underground mapped by tape and compass methods
Contour interval 10 feet, datum assumed

Prepared in cooperation with the North Carolina Department of Conservation and Development

BUCHANAN (DREAM) MICA MINE, JACKSON COUNTY, NORTH CAROLINA

0 10 20 40 60 80
scale in feet

DMEA-3543 (mica)