DMEA Form 9
Rev. 6/57

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE  Idm-E NO. 805  DMEA NO. 3720

Application
- [ ] Denied
- [ ] Withdrawn

Contract
- [ ] Terminated - Not Certified
- [ ] Terminated - Certified
- [ ] Cancelled
- [ ] Royalty Agreement

The records contained in this file are marked (x) and arranged in this order:

Folder No. 1:

Left Side

- [x] Royalty Audits
- [ ] Certification of Discovery
- [x] Closing Letter
- [x] Cost Audits
- [x] Termination Notice or Agreement
- [ ] Recision Notice
- [ ] Assignment of Contract
- [ ] Contract Amendments
- [x] Contract with all exhibits and annexes
- [x] Owner's Consent to Lien and Subordination Agreement
- [x] Application and attachments

Right Side

- [x] Project summary (final)
- [ ] Work Comoleted analysis (final)

All other material filed in chronological order including the following reports if checked:

- [x] Field Team Semi-Annual Report for Certified Project
- [x] Final Field Team Report (Tab)
- [x] Operator's Final Report (Tab)
- [x] Interim Field Team Reports
- [x] Operator's monthly reports and all attachments
- [x] On-site Exam Report (Tab)
- [x] Settlement Sheets
- [ ] Drill Logs

Additional Folders:

Left Side

Folders No._____: Reports
- [ ] Analysis of Semi-Annual Inspection Reports
- [ ] Project Summary (Interim) by DMEA Engineers

Right Side

- [ ] Field Team Semi-Annual Report for Certified Project
- [ ] Field Team Interim Reports
- [ ] Operator's Monthly Reports with transmittal, narrative and maps.

Folders No._____: Maps (Use pocket folder or envelope)

Folders No._____: Settlement Sheets

Folders No._____: Drill Logs

Folders No._____: Royalty material

17963

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-8805, Docket DMEA-3720 (mica), dated June 2, 1955, with

Alvin White, Lee White, and Miss Florence Harris
c/o Alvin White
Ingalls Rural Station
Newland, 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 Coward Mine located in Jackson County, North Carolina, during the period April 18, 1959, through June 22, 1962.

In accordance with a May 16, 1956, Termination Agreement and Article 8 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 August 6, 1956, indicated accepted costs under the exploration contract amounting to $4,580.12 with the Government's contribution on a 75 percent basis being $3,435.09.

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

This review established no sales subject to the Government's royalty subsequent to the period covered by a prior Report of Royalty Review which found the sales subject to the Government's royalty through April 17, 1959, to be $481.77. The royalty account as of April 17, 1959, was:

| | |
|---|---|
| Total Royalty Payable | $24.09 |
| Total Royalty Paid | 24.09 |
| Balance of Royalty Due | $ -0- |

As of June 22, 1962, the royalty account of this project was found to be:

| | |
|---|---|
| Total Royalty Payable | $24.09 |
| Total Royalty Paid | 24.09 |
| Balance of Royalty Due | $ -0- |

E. D. Talbert
E. D. Talbert, OME Auditor

July 24, 1962

STATUS OF PROJECT, SCOPE OF REVIEW
AND REASONS THEREFOR

Article 5 of the Termination Agreement provides that the Operator, as principal if the producer or as surety if not the producer, shall pay to the Government a percentage royalty on all minerals produced from the land under the contract. The land under the contract consists of 12.7 acres, more or less, owned by Mrs. Davie Coward Sutton, Cullowhee, North Carolina. At the time the contract was executed Alvin White was in possession by virtue of a January 17, 1955, lease from the owner, who, in consideration of the contract, executed a Consent to Lien on June 9, 1955.

Due to lack of funds by the Operator, exploration work under the contract was discontinued during December 1955 and formally terminated by an agreement dated May 16, 1956. Production during the exploration period resulted in sales of 42.44 pounds of sheet mica to the G.S.A. Mica Purchase Depot, Spruce Pine, North Carolina, and commercial sales of 58 pounds of punch and 1,425 pounds of scrap mica. Sales were made in the name of Alvin White and Charles White.

The property later was leased to Louis F. Goodman, Maggie, North Carolina, who operated the property during the spring of 1957 and made one sale of 10.44 pounds of sheet mica to the Spruce Pine Depot and commercial sales of an unknown quantity of punch and scrap. The landowner collected $15.00 royalty on a 12½% basis and remitted $6.00 as the Government's 5% royalty on these sales of production by Mr. Goodman. All of the foregoing production is covered by a prior Report of Royalty Review.

Inspections of the property (the last on May 1, 1961), checks of the Depot records, and inquiries by DMEA and OME regional representatives have disclosed no production since 1957. Replies by the landowner to MME Form 63 inquiries have advised that neither production nor change in property status has occurred since July 1, 1959. Examination by a Contract Administration and Audit Division representative of the Mica Purchase Depot records during the week ending June 22, 1962, did not disclose any unreported sales.

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

(1) The files indicate that all sales of production have been accounted for and proper royalty thereon paid; and
(2) The administrative cost to the Government of an on-site royalty audit at this time would be excessive in relation to the amount of possible additional royalty which might be disclosed.

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Division of Nonmetallic Minerals, Office of Minerals Exploration, Washington, D. C., pertaining to Contract No. Idm-E805, Docket No. DMEA-3720 (Mica), dated June 2, 1955, with

Alvin White, Lee White and Miss Florence Harris
Ingalls Rural Station
Newland, North Carolina

for the purpose of determining the amount of royalty due the U. S. Government on sales of mica from property referred to as Coward Mine located in Jackson County, North Carolina, during the period June 2, 1955, through April 17, 1959.

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

My review established the total sales of mica to be $481.77. Royalty due the U. S. Government at the contract rate of 5 percent is $24.09. The royalty paid and balance due are as follows:

| | |
|---|---|
| Total Royalty Due | $24.09 |
| Total Royalty Paid | 24.09 |
| Balance of Royalty Due | $ -0- |

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

April 21, 1959

WHITE, WHITE AND HARRIS

Contract No. Idm-E805 Docket No. IMEA-3720

STATUS OF PROJECT, DESCRIPTION
OF REVIEW AND REASONS THEREFOR

A Termination Agreement dated May 16, 1956, waived the issuance of Certification of Discovery or Development and provided that the Operator, as principal or as surety, shall pay to the Government the royalty on production provided for in the contract. Also the land-owner agreed to incorporate in any future lease of the land a clause to insure collection of any royalty due the Government. Thus royalty, computed as outlined in Article 8 of the contract, is payable on the net value of production from the land described in Article 2 of the contract during a period of 10 years from the date of the contract or until the total amount contributed by the Government, without interest, is fully repaid or said 10 years have elapsed, whichever occurs first. A Report of Review in lieu of final cost audit dated August 6, 1956, indicated accepted costs under the exploration contract amounting to $4,580.12 with the Government's contribution, on a 75 percent basis, being $3,435.09.

My review consisted of a verification of the settlement data furnished by the Executive Officer, OME Field Team, Region V, pertaining to royalty received and reconciliation of such receipts with copies of deposit slips furnished by the regional finance office. The last receipt of royalty included in this report was in the amount of $6.00 received from the land-owner and deposited in Hamilton National Bank, Knoxville, Tennessee, on August 28, 1957, being included in Deposit No. 14-23-070-19.

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

(1) Investigation by a representative of the Field Team, Region V, indicates that royalty has been received by the Government on all sales of mica produced from the property during the period covered by this review; and

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

MME Form 22
April 59

DEPARTMENT OF THE INTERIOR
Office of Minerals Exploration

CHECK SHEET OF EXAMINING ENGINEER

Operator's Name Alvin White, et al

Address Ingalls Rural Station

Newland, N.C.

Exploration Contract No. Idm-E805 Docket No. 3720

| | | Check One Yes | Check One No. |
|---|---|---|---|
| 1. | (a) Does the Operator stockpile ore subject to royalty repayment? | | ✓ |
| | (b) If so, is segregation and identification procedure adequate? | | |
| 2. | (a) Does Operator commingle production subject to DMEA or OME royalties with exempt production? | | ✓ |
| | (b) If so, do you consider the allocation of the commingled production equitable? | | |
| 3. | (a) Does the Operator stockpile mine or mill rejects (low grade ore, tailing, middlings, etc.) that may have potential value within the royalty payment period? | | ✓ |
| | (b) If so, are adequate records maintained on such material to protect the Government's interest? | | |
| 4. | Do you consider the assay controls in effect are adequate? | ✓ | |
| 5. | Do you consider that the manner of disposing of production gives the Government its fair royalty returns? | ✓ | |
| 6. | Do your periodic examinations of operations indicate the Operator is properly reporting his production of ores subject to DMEA or OME royalties? | ✓ | |
| 7. | Does the Operator buy from or sell to other Operators? | | ✓ |
| 8. | Comment on any item 2 (b) to 6 if answer is No. | | |

APR 17 1959
Date

Original signed
Wm. A. Beck
Mining Engineer

53362

MME Form 7
(2/63)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| 10/20 | Johnson | 110 |
| | | 220 |
| | | |
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| | | |
| | | |
| | | |
| | | |

Alvin White, Lee White,
and Miss Florence Harris
c/o Alvin White
Ingalls Rural Station
Newland, North Carolina

OCT 20 1965

Re: DMEA-3720 (Mica)
Alvin and Lee White and
Florence Harris
Coward Mine
Jackson County, North Carolina
Contract Idm-E805

Dear Sirs and Madam:

By the terms of the subject Exploration Project Contract and the royalty agreement in Paragraph 5 of the Termination Agreement, dated May 16, 1956, all minerals mined or produced from June 2, 1955, to June 2, 1965, 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 (glr)

Frank E. Johnson
Chief, Office of
Minerals Exploration

MMerrithew/mm (10/20/65)
cc: Director's Reading File
Division File
Economic Geology File
Budget & Finance Br., 5408
*R. A. Laurence, Knoxville, Tenn. 120M
Mrs. Davie C. Sutton Box 374, Cullowhee, N.C. 28723
*w/cy of incoming 63
OME Reading File
OME Docket
C. Curtin
Mr. Selfridge

23263

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

## REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Alvin White, Lee White and Miss Florence Harris, partners
Dagalle Rural Station
Newland, North Carolina

pertaining to Exploration Project Contract No. Idm-2805, Docket No. DMEA-3720, for the months of July 1955, to December 1955, inclusive, covering a project for the exploration of mica on property, known as Coward 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 reasons:

(a) a major portion ($4,407.51) of the accepted costs were covered by an Interim Audit Report and Certificate issued by this auditor on February 16, 1956;
(b) the Monthly Reports were supported by documentary proof of the costs incurred under the contract; and
(c) the administrative cost to the Government of an audit would be excessive in relation to value of the contract or the estimated amount of possible additional disallowances thereunder.

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

| | | |
|---|---|---|
| Total cost as billed by Contractor | | $4,569.31 |
| Exceptions: | | |
| During Interim Audit | $61.81 | |
| Less: Certifying Officer's disallowances reinstated | 72.42 | |
| Herewith | -0- | 10.61 |
| Total Accepted Cost | | $4,580.12 |

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 Three thousand four hundred thirty-five and 09/100 Dollars

**$3,435.09**

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.

AUG 6 1956

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

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

INTERIM AUDIT CERTIFICATE

I have examined the records of

Alvin White, Lee White and Miss Florence Harris, partners
Ingalls Rural Station
Newland, North Carolina

pertaining to Exploration Project Contract No. Idm-E805, Docket No. DMEA-3720, dated June 2, 1955, covering a project for the exploration of mica on property known as the Coward Mine located in Jackson County, North Carolina, for the period July 1 to November 30, 1955, inclusive.

My examination was made in accordance with generally accepted standards applicable in the circumstances.

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

| | | |
|---|---|---|
| Total cost as billed by contractor | | $4,396.70 |
| Exceptions (see audit report for details): | | |
| Prior to this audit | $ -0- | |
| During this audit | 61.81 | |
| Less: Reinstatement of certifying officer's disallowances | 72.62 | 10.81 |
| Total Accepted Costs | | $4,407.51 |

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 Three thousand three hundred five and 63/100 Dollars,

**$3,305.63**

is valid and proper.

This certificate is issued on the provision 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.

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

February 16, 1956

# INTERIM AUDIT REPORT

## I. INTRODUCTION

On January 26, 1956, an interim audit (covering operations for the period July 1 to November 30, 1955) was made of the records and transactions pertaining to Exploration Project Contract No. Idm-2805, Docket No. DMEA-3720, dated June 2, 1955, with:

Alvin White, Lee White and Miss Florence Harris, partners
Ingalls Rural Station
Newland, North Carolina

covering a project for the exploration of mica on property known as Coward Mine located in Jackson County, North Carolina.

The original records under this contract were maintained by Mr. Lee White who met this auditor at Beam's Motel located approximately 8 miles east of Spruce Pine, North Carolina, on highway U. S. 19E.

Mr. William A. Beck, Mining Engineer, DMEA Field Team, Region V, Knoxville, Tennessee, accompanied the auditor.

## II. GENERAL INFORMATION ON RECORDS

The accounting records consisted of a memorandum book in which pencil notations were made pertaining to the work performed, cancelled checks, Federal income and withholding tax returns, and copies of paid invoices. No cash book or other bookkeeping records were maintained.

The Operator's Monthly Report and Voucher Forms MF-104 were prepared by Mr. Lee White and were signed by Mr. Alvin White. The original MF-104's were found to be adequately supported by copies of paid invoices and payroll summaries, with exception of the costs pertaining to category (6) New Buildings, Improvements, etc. The major portion of the interim audit work consisted of the review of such documentation supporting MF-104's and a determination of actual incurrence of the costs claimed.

## III. SCOPE OF AUDIT AND FINDINGS

The interim audit was limited to ascertaining the accuracy, propriety and validity of the costs shown in the "Totals to Date" column of the Form MF-104, Operator's Monthly Report and Voucher, for the month of November 1955.

The interim audit disclosed a considerable amount of improper distribution of charges to the "Items of Cost" shown on the Form MF-104. Therefore, the audit findings presented below are those resulting after correction of the cost distribution.

(1) Independent Contracts

The claimed and accepted costs under this category amounted to $50.00 covering 5 hours of bulldozer rental at $10.00 per hour from J. R. Watson Company.

(2) Labor and Supervision

The basic record for labor costs consisted of a time book maintained by Mr. Alvin White, one of the partners, who devoted full time to the exploration project as a miner and working foreman. Verification of all wages paid was made during the audit.

This contract does not provide for any costs of supervision or technical services but does specify maximum hourly rates of pay for labor, such maximum rates to include liability insurance and Social Security taxes. The maximum rates provided by the contract and the rates per hour actually paid are as follows:

| Labor | Contract Rate (incl. of taxes & ins.) | Actually Paid (incl. of taxes & ins.) |
|---|---|---|
| Miners | $1.50 per hour | $1.35 per hour |
| Helpers | 1.25 " " | 1.10 " " |
| Laborers | 1.00 " " | .90 " " |

The Operator did not carry liability insurance. Social Security taxes included in costs covered only Federal old age benefit taxes based on 2 percent of wages paid. Thus, hourly labor costs were well within the maximums provided by the contract.

Labor costs, determined by audit to be allowable, are shown in the following summary:

| Class | Hourly Rate | Allowed by Certifying Officer Hours | Allowed by Certifying Officer Amount | Allowed by Audit Hours | Allowed by Audit Amount |
|---|---|---|---|---|---|
| Miners | $1.35 | 1,136.5 | $1,525.37 | 1,122.5 | $1,515.36 |
| Helpers | 1.10 | 753.5 | 828.18 | 733.5 | 806.85 |
| Laborers | .90 | 169.5 | 152.55 | 149.5 | 134.55 |
| Totals | | 2,059.5 | $2,506.10 | 2,005.5 | $2,456.76 |

The following audit adjustments were made in determining the amount of allowed costs in the above summary:

(a) An amount of $15.56 disallowed by the certifying officer representing 2 percent of $778.12 claimed for wages in November 1955, MF-104 was reinstated in costs. Allowable costs for wages should be based on gross amounts of wages paid rather than net wages after deduction of old age benefit taxes withheld from employees; and

(b) An amount of $58.90 was transferred to (6) New Buildings, Improvements, etc., covering 54 hours of labor applicable to construction of toolhouse, powder magazine and exploder magazine.

(3) Operating Materials and Supplies

The Operator purchased materials and supplies for use as needed. All purchases were made locally and were paid for either by check or by cash. Original receipted invoices were filed in support of Forms MF-104 and were verified during the course of the audit. Material and supply costs, determined by the audit to be allowable, are shown in the following summary:

| Item | Allowed by Certifying Officer | Allowed by Audit |
|---|---|---|
| Explosives | $238.24 | $241.59 |
| Gasoline and oil | 208.52 | 209.02 |
| Drill steel | -0- | 200.60 |
| Other | 323.53 | 390.16 |
| Totals | $770.29 | $841.37 |

The following audit adjustments were made in determining the amount of allowed costs in the above summary:

(a) Transfer of $77.52 was made from (6) New Buildings, Improvements, etc., representing value of material and supplies used in exploration operations included under that category on July 1955, MF-104;

(b) Reinstatement was made to acceptable costs of the following items which had been disallowed by the Certifying Officer:

| Month | Item | Amount |
|---|---|---|
| July 1955 | Gunter Machine Co. Sharpening pick | $ .60 |
| August 1955 | Painter & Company Sharpen drill steel | 3.00 |
| Do | Explosives Supply Co. Sharpening bits | .75 |
| | Total | $4.35 |

(c) Disallowance of $10.79 was made of amount claimed on July 1955, MF-104, but not supported by copies of paid invoices or other evidence of incurrence of the cost.

The Other supplies and materials allowed by this audit consisted of the following:

| | |
|---|---|
| Work clothing | $ 55.23 |
| No. 8 T.W. Wire | 49.89 |
| 150' 4" downspout | 26.11 |
| Carbide and lamps | 15.55 |
| Hand tools and various supplies | 43.38 |
| Total | $190.16 |

(4) Operating Equipment

(a) Rental

The contract authorized charges under this subcategory for rental of equipment to be used in the exploration project as follows:

1 Compressor, Drill & Pump @ $230.00/mo.
1 Jackleg @ $10.00/mo.
1 Hoist @ $50.00/mo.
Total rental allowance $916.00

The number of each object to be rented, the rates of rental and the total of this subcategory were expressly designated as maximums allowable for Government participation.

The equipment used was owned by Mr. Ray White, brother of two of the partners who are parties to the exploration contract. Rental payments were included in project costs during each of the five months covered by this audit. Such payments were substantiated by receipts signed by the owner of the equipment. The rental paid was based on periods of time during which the equipment actually was used, no rental being charged during times the equipment was not in use. The charges included in the exploration costs, as accepted by this audit, are within the maximums provided in the contract.

(b) Purchase
(c) Depreciation

These subcategories of cost are not applicable to this contract.

(5) Initial Rehabilitation and Repairs

This item of cost is not applicable to this contract.

(6) New Buildings, Improvements, etc.

The accepted costs under this category amount to $116.00. The contract provided for estimated costs applicable to each item of construction with the total estimate for the category being the maximum allowable as follows:

| | |
|---|---|
| 1 Toolhouse | $ 76.00 |
| 1 Powder Magazine | 26.00 |
| 1 Exploder Magazine | 14.00 |
| Total (Maximum) | $116.00 |

The Operator claimed costs on July 1955, MF-104, under this category in the amount of $168.71 representing the value of certain materials and supplies purchased, many of which related to the shaft sinking operations and have been stated in this audit report under category (3) Operating Materials and Supplies. The certifying officer disallowed $52.71, being the amount claimed in excess of the contract maximum.

The following audit adjustments were made by this auditor:

(a) The disallowance of $52.71 made by the certifying officer was reinstated;

(b) Transfer of $77.52 was made to (3) Operating Materials and Supplies representing value of material used in shaft sinking;

(c) Transfers of $58.90 and $.80 representing cost of 54 hours labor constructing the toolhouse, powder magazine and exploder magazine plus 2 percent old age benefit taxes was transferred from (2) Labor and (7) Payroll Taxes; and

(d) Disallowance of $34.89 was made representing amount of adjusted costs in excess of allowable maximum provided by the contract.

(7) Miscellaneous

Payroll Taxes

Costs claimed under this item amounted to $50.31 and represented 2 percent Federal old age benefit tax applicable to wages paid. Accepted costs amounted to $33.38 after the following audit adjustments:

(a) Transfer of $.80 was made to (6) New Buildings, Improvements, etc., applicable to wages of Charlie White and Thomas White while constructing toolhouse, powder magazine and exploder magazine; and

(b) Disallowance of $16.13 was made representing oldage benefit taxes claimed on wages of Alvin White which are not inclusable in costs for Government participation as he is one of the partners under the terms of the contract.

## IV. CONCLUSIONS

The interim audit disclosed that all costs charged to this project, after reinstatement of items previously disallowed by the certifying officer amounting to $72.62 and disallowances aggregating $61.81 made as a result of this audit as itemized in the preceding section of this report, were reasonable and proper under the terms of the contract.

The adjustments between "Items of Cost" as shown on the November 1955, Form MF-104, the additional allowances and disallowances, and the accepted costs as disclosed by this audit are summarized below:

| | Totals Nov.MF-104 | Corrected Distribution | Allowances & (Disallowances) | Accepted Costs |
|---|---|---|---|---|
| (1) Independent Contracts: | | | | |
| Bulldozing | $ 50.00 | $ 50.00 | $ | $ 50.00 |
| (2) Labor & Supervision: | | | | |
| (a) Labor | 2,500.10 | 2,441.20 | 15.56* | 2,456.76 |
| (3) Oper. Mat'ls. & Supp.: | | | | |
| Explosives | 238.24 | 241.39 | | 241.39 |
| Gasoline and oil | 208.52 | 209.02 | | 209.02 |
| Drill steel | -0- | 200.60 | | 200.60 |
| Other | 323.53 | 196.60 | 4.35* (10.79) | 190.16 |
| (4) Operating Equipment: | | | | |
| (a) Rental | 910.00 | 910.00 | | 910.00 |
| (6) New Bldgs.,Improv.,etc. | 116.00 | 98.18 | 52.71* (34.89) | 116.00 |
| (7) Miscellaneous: | | | | |
| Payroll Taxes | 50.31 | 49.51 | (16.13) | 33.38 |
| Totals | $4,396.70 | $4,396.70 | $10.81 | $4,407.51 |

*Reinstatement of certifying officer's disallowances.

The contract contained numerous items, the estimated costs of which were indicated as being maximums for contribution by the Government. The hourly wage rates for labor provided by subcategory (2) (a) and the number of each item of rented equipment, the rate of rental, and the total of subcategory (4) (a) claimed by the Operator were all within such allowable maximums. In addition, audit adjustments have been made in this report to bring the accepted costs for toolhouse, powder magazine, and exploder magazine within the allowable maximum provided by category (6).

At the conclusion of the audit the findings were discussed with Mr. Lee White. On January 30, 1956, the findings were discussed with Mr. R. A. Lawrence, Executive Officer, DSSA Field Team, Region V.

C. E. Fisher

C. E. Fisher, Auditor

February 16, 1956

Docket Copy

# TERMINATION AGREEMENT

It is agreed this 16th day of May, 1956, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Alvin White, Lee White, and Miss Florence Harris, partners, hereinafter called the "Operator," parties to that certain Exploration Project Contract Idm-E805, Docket No. DMEA-3720, dated June 2, 1955, hereinafter called the "Contract," that:

1. Effective December 31, 1955, the Contract and all obligations of the parties thereunder, except as otherwise herein expressly provided, shall be and are hereby terminated.

2. The Government shall contribute to allowable costs incurred prior to said effective date; and shall contribute to allowable costs incurred or to be incurred beginning with said effective date in performing winding-up and settlement actions provided for in the Contract, including (a) the preservation and disposal of property to the cost of which the Government has contributed, and (b) the making and rendering of reports and accounts.

3. Any work or operations prosecuted or costs incurred by the Operator beginning with said effective date, except as otherwise provided in this termination agreement, shall be for the sole account of the Operator without contribution by the Government.

4. The Operator shall promptly perform all winding-up and settlement actions provided for in the Contract, including (a) the disposal of any facilities, buildings, fixtures, equipment, or other items to the cost of which the Government has contributed; and (b) the rendering of the final report and final account.

5. 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 the royalty on production provided for in the Contract, in the same manner and amount and for the full time and subject to the same conditions provided in the Contract, as if certification of discovery or development had been made, such certification being hereby waived.

4 407.51
172.62
4580.13

4940.00
4580.13
$359.87 Balance

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

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

THE UNITED STATES OF AMERICA

By C. P. Mitterdorf
Administrator, Defense Minerals Exploration Administration

Alvin White
Alvin White (Partner)

Lee White
Lee White (Partner)

Florence Harris (Partner)

Indritz 4/13/52
Asst. Sol. Off.
"Appd. Sol. Off."
Hyden
Chambers
Selfridge
F. R. Johnston

"I promise to protect the above agreement by incorporateing in anny future lease a clause to collect 5% above the royalty to take care of the ammount due the Government".

/s/ Mrs. Davie C. Sutton

Docket Copy

RECEIVED

JUN 2 9 1955

MF-200
(Revised June 1954)

Docket No. DMEA-372

Commodity Mica

Contract No. Idm-E 805

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

## EXPLORATION PROJECT CONTRACT[1]

It is agreed this 2nd day of June, 1955, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2] Alvin White, Ingalls Rural Station, Newland, N. C.
Lee White, Route # 2, Spruce Pine, N. C. and Miss Florence Harris, Hillsboro, North Carolina, partners,
whose mailing address is c/o Alvin White,
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-200), the attached Exhibit "A," Annex I, and

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 a [6] Lease, [7] unrecorded 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: None

(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

[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."

of the land (lessor, seller, optionor, etc.), are attached, as follows: Consent to lien of lessor

(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 8, it shall thereafter have no claim against the land or any production therefrom except for any production referred to in Article 8(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 JUL 15 1955 shall commence the work, and on or before Dec. 15, 1955 (unless the Operator's obligation to prosecute the work is terminated—see Article 10) shall either have completed the work or shall have incurred allowable costs (see Article 6) in a sum not less than the estimated total allowable cost set forth in Exhibit "A."

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) *Independent contracts.*—To the extent that the allowable costs are estimated in Exhibit "A" with express reference to performance by independent contractors on a unit-price basis (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations), the work may be so performed; but if the reference in Exhibit "A" to any such independent contract requires the Government's approval thereof, payments under such contract will not be allowable costs unless the Government gives its written approval of the contract. Any such independent contract shall refer to some specific and identifiable part of the work, and shall be subject to all of the pertinent terms and conditions of this exploration contract; but the Government shall not be considered a party thereto, and its rights under this contract, including the right to terminate its contributions, shall not be affected thereby. Regardless of the provisions of any such independent contract and regardless of the Government's approval thereof, the Government will participate in payments to the independent contractor only on account of work performed in accordance with the provisions of this exploration project contract, and only to the extent that the Government deems the unit prices for the work under the independent contract to be reasonable.

(c) *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.*—The estimated total allowable cost of the project, set forth in Exhibit "A," is the sum of $~~[illegible]~~ 4940.00 The Government shall contribute 75 percent of the allowable costs as they are incurred in a total sum not in excess of $~~3,612.00~~ 3705.00: *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 or not in excess of the amount of the Government's contribution to the cost of property which is or may become subject to disposal as provided in Article 9(c), whichever is greater. The Government will make its contribution on the basis of the monthly vouchers referred to in Article 7(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. "Costs incurred" mean costs that have been paid or have become due and payable, or that in the opinion of the Government have become an obligation. The Government may make payments directly to independent contractors and suppliers for the account of the Operator rather than to the Operator.

ARTICLE 6. *Estimated costs.*—(a) *Categories of costs.*—The allowable costs of the work to which the Government shall contribute are limited to those that are direct, reasonable, necessary, and that are estimated in Exhibit "A" by categories as specified in this article. If any category or subcategory is omitted from the estimate of costs, or if the word "none" is annexed to the listing thereof, costs under such category or subcategory are not allowable. Any excess over any estimate which is indicated as the maximum of any category, subcategory, or item, either as to requirement or related cost, and any excess over the estimated total allowable cost of the work, shall not be allowable. Any excess over the estimate of any category, subcategory, or item, either as to requirement or related cost, not indicated as a maximum shall be allowable within the limit of the estimated total allowable cost of the work. To the extent that excesses over maximums other than the estimated total allowable cost of the work may be necessary for the performance of the work, the Operator shall incur such excesses for his own account without contribution by the Government; but except for any such necessary excesses in categories, subcategories, or items thereunder the Operator is not obligated to incur more than his agreed percentage of the estimated, total allowable cost of the work.

To the extent specified in this article or in Exhibit "A" the following categories, subcategories, and elements thereof are maximums; but if not so specified either here or in Exhibit "A" they are not maximums, and may be exceeded within the limit of the estimated total allowable cost of the work:

CATEGORY (1)—INDEPENDENT CONTRACTS.—Work to be performed under independent contracts (see Article 4(b)). The estimated total amount of this category and the estimated cost of each unit of work for performance under an independent contract are maximums.

CATEGORY (2)—PERSONAL SERVICES.

*Subcategory (a)—Supervision.*—All elements of this subcategory (number of supervisors, periods of employment, rates of pay, and total) are maximums.

*Subcategory (b)—Technical services.*—All elements of this subcategory (number of technicians, periods of employment, rates of pay, and total) are maximums.

*Subcategory (c)—Labor.*

CATEGORY (3)—OPERATING MATERIALS AND SUPPLIES.—Includes such items as drill bits and steel, explosives, fuel, pipe, power, small tools costing less than $50 each, timber, track.

CATEGORY (4)—OPERATING EQUIPMENT.

*Subcategory (a)—Rental.*—The number of each object to be rented [6 mine cars, 1 truck], the rate of rental [$100 per month, $5 per hour], and the total of this subcategory are maximums.

*Subcategory (b)—Purchases.*—The estimated total of this subcategory is a maximum.

*Subcategory (c)—Depreciation.*—All elements of this subcategory (time periods, rate of depreciation, and subcategory total) are maximums.

CATEGORY (5)—INITIAL REHABILITATION AND REPAIRS.—Estimates under this category include all requirements and related costs, such as labor, materials and supplies, and supervision at a rate not higher than provided for in Category (2), and shall not be duplicated under any other category. The estimated total of this category is a maximum.

*Subcategory (a)—Initial rehabilitation and repairs of existing buildings, fixtures, and installations (exclusive of mine workings).*—The estimated total of this subcategory is a maximum.

*Subcategory (b)—Initial rehabilitation and repairs of operating equipment.*—The estimated total of this subcategory is a maximum.

CATEGORY (6)—NEW BUILDINGS, FIXTURES, AND INSTALLATIONS (EXCLUSIVE OF MINE WORKINGS).—Estimates under this category include all requirements and related costs, such as labor, materials and supplies, and supervision at a rate not higher than provided for in Category (2), and shall not be duplicated under any other category. The estimated total of this category is a maximum.

CATEGORY (7)—MISCELLANEOUS.—Repairs and maintenance (other than initial) of operating equipment, analytical work, prints and other reproductions, accounting, Operator's share of payroll taxes, liability insurance covering employment, travel, communications, and any other items of requirement or cost that do not fall within any of the first 6 categories.

THE ESTIMATED TOTAL ALLOWABLE COST of the work is a maximum.

(b) *Nonallowable costs.*—The following costs are not allowable for contribution by the Government:

(1) *Costs of the land,* such as rental, depreciation, depletion, or other cost of acquiring, owning, or holding possession;

(2) *Indirect costs,* such as general overhead, corporate management, interest, taxes (other than payroll and sales taxes), insurance (other than liability insurance covering employment), damages to persons, damages to property (other than necessary repairs or replacements of equipment or other property used in the work);

(3) *Previous work* performed or costs incurred before the date of this contract; and

(4) *Deferred payments.*—Any costs incurred by the Operator under any rental-purchase agreement, installment-purchase agreement, or any agreement for the purchase of goods under the provisions of which payment of the full purchase price is deferred more than 90 days from the delivery of the goods; unless the purchase agreement is approved by the Government in writing.

(c) *Reductions in costs.*—The Operator shall account for and give the Government credit for any incidental benefits, credits, or money received in the ordinary course of business in prosecuting the work (as by salvage or sale of materials or equipment, furnishing of room or board, furnishing of power or services to third persons, rebates or discounts on purchases, etc.), in the same ratio in which the Government contributes to costs; and such amounts shall be treated as a reduction in costs incurred so that they are available for use within the limit of the original estimated total cost. This provision does not apply to receipts from production which are subject to the Government's percentage royalty under the provisions of Article 9.

ARTICLE 7. *Reports, accounts, audits.*—(a) *Operator's records.*—The Operator shall keep suitable records and accounts of the 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. If the Government elects to audit said records and accounts relating to the exploration work by certified public accountant, it may do so as a cost of the work to which the Operator shall contribute. 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. If work under this contract is carried on in conjunction with any other operations, or if labor, supervision, services, materials, supplies, equipment, facilities, or other requirements for carrying on the work are also used in connection with other operations, the costs shall be segregated and accounted for on a basis and by methods and accounts that are satisfactory to and approved 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 detailed costs incurred during the reporting period; (2) Operator's Unit Cost and Progress Report showing the various types of work performed during the reporting period and 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 related costs incurred.

(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 8. *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 7) 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 therof 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 9. *Interests in purchased property.*—(a) *Title and ownership.*—All costs under this contract shall be incurred by the Operator in the Operator's own name and for the Operator's own account; but any property acquired to the cost of which the Government contributes shall belong to the Operator and the Government jointly in proportion to their respective contributions, although title thereto shall be taken in the name of the Operator.

(b) *Preservation of property.*—Until the final disposal of any property in which the Government has an interest the Operator shall preserve and protect same for the best interest of the Government, any reasonable and necessary costs thereof to be treated as an allowable cost of the project. After the completion of the work or termination of the Government's obligation to contribute, or when such property is not in use for or needed for the work, the Operator shall neither use it without the written consent of the Government nor without paying a reasonable rental to be fixed by the Government for its interest.

(c) *Disposal of property.*—Upon the completion of the work or termination of the Government's obligation to contribute to costs, or when the property is no longer needed for the work, the Operator shall promptly dispose of salable or salvageable property in which the Government has an interest for the joint account of the Government and the Operator, either by return to the vendor, by sale to others, or purchase by the Operator or the Government at a price at least as high as could be obtained from others, unless the Government in writing waives its interest in any such property. Without advance approval of the sales price by the Government the Operator shall not sell at any price any item of property the cost of which was more than $500, and shall not sell at less than 25 percent of the purchase price any item of property which cost $500 or less. The Government, in lieu of approving the sales price for any such item, may itself purchase the item at the best price which the Operator is able to obtain or himself cares to give. Property remaining upon any termination of the work shall be considered in groups or categories (such as drill steel, or explosives, or pipe, or rails), and if the original cost of the remaining unexpended portion of any such group or category is less than $50, the Government waives its interest therein. If necessary to accomplish the disposal of any item the Operator shall dismantle and sever it from the land, the cost thereof to be treated as a cost of the project.

(d) *Default of the Operator re disposal.*—If within 90 days after the completion of the work or termination of the Government's obligation to contribute to costs, or after the property is no longer needed for the work, or after such further time as the Government may in writing allow, the Operator has failed to sell or otherwise liquidate or dispose of any property in which the Government has an interest, the Government, at any time prior to final settlement under the contract, may pursue one of the following two courses: (1) the Government, by written notice to the Operator, may place upon such property what in its opinion is a fair valuation thereof, not in excess of the cost less 1.66 percent per month from the

date such property was purchased under this contract to the termination of said 90-day period; and such property shall thereupon be considered and accounted for as having been purchased by the Operator at the valuation so fixed by the Government; or (2) the Government may enter and take possession of such property wherever it may be found, and remove and dispose of it for the joint account of the parties.

ARTICLE 10. *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: (1) the Government shall be free of all obligation to contribute to costs not then incurred other than such as may be allowable under the provisions of the contract as necessary and incidental to winding up, reporting, and accounting; and (2) 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.

(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: (1) the Government shall be relieved of all obligation to contribute to costs not incurred when the notice was given, other than such as may be allowable by the provisions of the contract as necessary and incidental to winding up, reporting, and accounting; and (2) 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 10 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 11. *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 12. *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 13. *Changes and added provisions.*—

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Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By O. Mitchendory
Administrator, Defense Minerals
Exploration Administration

ALVIN WHITE, LEE WHITE, FLORENCE HARRIS
(Operator) (Partners)

By Florence Harris
(Partner)

By Alvin White
(Partner)

By Lee White
(Partner)

Rubin
Hoffland

Appd. Sol. Off.
Hope
Hook
Chambers
Selfridge
McPherson

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

.....

[ CORPORATE SEAL ]

U. S. GOVERNMENT PRINTING OFFICE 16—70617-1

RECEIVED
JUN 29 1965

EXPLORATION PROJECT CONTRACT
ALVIN WHITE, LEE WHITE AND FLORENCE HARRIS
DOCKET NO. DMEA-3720

ANNEX I

The land referred to in Article 2 of the Contract is described in a deed dated February 1939, from Charlie W. Davis, and wife Laura Bell, to Davie Sutton, recorded in Book 132 at page 245, in office of Register of Deeds for Jackson County, N. C., as follows:

Beginning at a stake on the South bank of road; and running thence N. 89 W. 9 poles to a stake in the center of said road thence N. 46 degs. 15' W. 32 poles to a stake in the center of a branch; thence up and with said branch as follows: N. 65½ W. 2.8 poles to a stake; N. 63 degs. 45' W. 13.6 poles to a stake; N. 55 degs. 15' W. 11½ poles to an alder on the N.E. bank of said branch; at the forks of said branch; thence up and with the right hand prong of said branch as follows: N. 14 degs. 15' W. 15.8 poles to a black walnut; N. 11½ W. 23 poles to a poplar; thence N. 25 degs. 45' W. 11.3 poles to a black oak (said black oak is N. 60 W. 1.4 poles from a spring): thence N. 30 E. 4.6 poles to a stake, formerly a large hickory corner in the N. boundry line; thence with said boundry line as follows: S. 46 degs. 9' E. 40 poles to a stake; S. 84 degs. 9' E. 10 poles to a black oak; and S. 66 degs. 9' E. 12 poles to a stake, formerly a red oak, corner in said boundry line; thence S. 35 degs. 45' E. 60½ poles to the beginning, containing 12.7 acres, more or less.

RECEIVED
JUN 29 1955

EXPLORATION PROJECT CONTRACT
ALVIN WHITE, LEE WHITE AND FLORENCE HARRIS
DOCKET NO. DMEA-3720

EXHIBIT "A"

Description of the Work

The location of the work is shown, in part, on the attached map entitled, "Sketch of Coward Mine, Jackson County, N. C., DMEA-3720 (mica)." The work consists of the following:

1. Construct 450 feet of access road with a D-6 or equivalent bulldozer.

2. Construct:

A toolhouse, minimum dimensions, 8 feet by 10 feet by 7 feet.

A powder magazine, minimum dimensions, 4 feet by 3 feet by 2½ feet.

An exploder magazine, minimum dimensions, 2 feet by 1½ feet by 1 foot.

The toolhouse may be unfloored; shall be made from 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; and shall be braced at the corners. No metal shall be exposed, and the lids shall be securely locked with the equivalent of a 5-tumbler jar-proof lock.

3. Crib off old works in the Painter Adit and clean out an 8-foot sump.

4. Sink a 40-foot, two compartment, timbered, winze on the pegmatite.

5. From a point 5 feet above the bottom of the winze drive 80 feet of drifts on the pegmatite.

The drift shall be timbered as necessary, and the drift and winze shall be approximately 5 feet by 7 feet in the clear of timber.

## ESTIMATED COSTS OF THE PROJECT

Category (I) Independent Contracts

| | |
|---|---|
| Bulldozing access road, 5 hrs. @ $10.00/hr. (the price per hour includes transporting bulldozer and all costs of bulldozing whatsoever) | $ 50.00 |

Category (II) Personal Services

(a) Supervision
None

(b) Technical Services
None

(c) Labor (the rate per hour includes liability insurance and Social Security)
Miners @ $1.50/hr.

Hoistmen @ $1.25/hr.

Laborers @ $1.00/hr. $2,650.00

Category (III) Operating Materials and Supplies

| | |
|---|---|
| Miscellaneous, other than for bulldozing | $1,208.00 |

Category (IV) Operating Equipment

Rental
1 Compressor, Drill & Pump @ $230.00/mo.

1 Jackleg @ $10.00/mo.

1 Hoist @ $50.00/mo.

$ 916.00

Category (V) Initial Rehabilitation and Repairs

None

Category (VI) New Buildings, Fixtures & Installations
(Exclusive of Mine Workings)

| | |
|---|---|
| 1 Toolhouse | $ 76.00 |
| 1 Powder Magazine | 26.00 |
| 1 Exploder magazine | 14.00 |
| | $ 116.00 |

Category (VII) Miscellaneous - None

| | |
|---|---|
| Estimated Total Cost of Project | $4,940.00 |
| Government Participation @ 75% | $3,705.00 |

MF-203
Revised March 24, 1955

For Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator
Docket No. DMEA-
Contract No. Idm-E
Contract Date

RECEIVED
MAY 2 - 1955

CONSENT TO LIEN

To the United States of America:

Referring to that certain land in the County of Jackson, State of North Carolina, described as follows:1/

Being the lands described in, and conveyed by a deed dated February 1939, from Laura Bell Davis and husband Charlie M. Davis, to to Davie Sutton, duly recorded in the Office of the Regstar of Deeds for Jackson County, North Carolina, in book 132 at page 245 to which reference is had.

which is the subject of a proposed exploration project contract, hereinafter called the "contract," with the United States of America, hereinafter called the "Government;" in consideration of the contract and as an inducement to the Government to enter into it, the undersigned hereby—

1. Undertakes and agrees that property in which the Government may acquire an interest or equity under the contract may be dismantled, severed from the land, and removed, as may be provided in the contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned;

2. Grants to the Government a lien upon all of the undersigned's right, title, and interest in the land and upon any production of minerals therefrom to secure the payment to the Government of a percentage royalty on production as may be provided for by the contract;2/ and represents and undertakes that there are no claims, liens, or encumbrances upon the undersigned's right, title, or interest in the land prior to that hereby granted to the Government other than the following:3/

None

3. Undertakes and agrees neither to commit any act nor assert any claim in conflict with the provisions of this Consent to Lien; and to give advance notice of the Government's rights under this Consent to Lien to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, or interest in the land; and

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

3/ Write "none" if that is the case. Do not leave lines blank.

4. Consents to all amendments and assignments of the contract without notice thereof, and agrees that this Consent to Lien shall extend and apply thereto.

5. Added provision: _____

_____

_____

_____

_____

_____

_____

_____

Dated this _____ day of _____, 195__.

Davie Sutton _____ [Seal] Cullowhee, N.C.

Earl Sutton _____ [Seal]

_____ [Seal]

I, _____ certify that I am the _____ _____ (Secretary, etc.) of the corporation named herein; that _____ _____ who signed this agreement was then _____ (President or Vice-President, etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

_____

[Corporate Seal]

MF-203
Revised March 24, 1955

For Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator
Docket No. DMEA-
Contract No. Idm-E
Contract Date

DEPARTMENT OF THE INTERIOR
Bureau Minerals Administration
RECEIVED
MAY 2 - 1955

CONSENT TO LIEN

To the United States of America:

Referring to that certain land in the County of Jackson, State of North Carolina, described as follows:1/

Being the lands described in and conveyed by, a deed dated February, 1939, from Laura Bell Davis and husband, Charlie M. Davis, to Davie Sutton, duly recorded in the office of the Regstar of Deeds for Jackson County, North Carolina, in book No. 132, at page 245, to which reference is had.

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None

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3/ Write "none" if that is the case. Do not leave lines blank.

4. Consents to all amendments and assignments of the contract without notice thereof, and agrees that this Consent to Lien shall extend and apply thereto.

5. Added provision: _____

_____

_____

_____

_____

_____

_____

_____

Dated this _____ day of _____, 195__.

Davie Sutton [Seal] Cullowhee, N. C.

Earl Sutton [Seal]

_____ [Seal]

I, _____ certify that I am the _____ _____ (Secretary, etc.) of the corporation named herein; that _____ _____ who signed this agreement was then _____ (President or Vice-President, etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

_____

[Corporate Seal]

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Form Approved.
Budget Bureau No. 42-R0185.2.
RECEIVED
MAR 14 1955

# APPLICATION FOR AID IN AN EXPLORATION PROJECT, PURSUANT TO DMEA ORDER 1, UNDER THE DEFENSE PRODUCTION ACT OF 1950, AS AMENDED

*Not to be filled in by applicant*

Docket No. 3720
Metal or Mineral Mica
Date Received 3-14-55
Estimated Cost $2,260
Participation (Government %)

## INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address: Alvin White, Ingalls Rural Station, Newland, N. C. - Partners - Lee White, Route #2, Spruce Pine, N. C. and Miss Florence Harris, Dillsboro, North Carolina.

(*b*) If other than an individual, add to your name above whether a corporation, partnership, etc., and the name of the State in which incorporated or otherwise organized.

(*c*) If a corporation, add to above statement, titles, names and addresses of officers.

(*d*) If a partnership, add to the above statement the names and addresses of all partners.

2. *General.*—Read DMEA Order 1, "Government Aid in Defense Exploration Projects," before completing this application. Submit this application and all accompanying papers in quadruplicate (four copies), with your name and address on each sheet of the application and on all accompanying papers. Where sufficient space is not provided on the form for all required information, state it on an accompanying paper, with a reference in each case to the instruction to which it refers by number. Comply with all applicable instructions; or, if not applicable, so state. File the application with Defense Minerals Exploration Administration, Department of the Interior, Washington 25, D. C., or with the nearest field executive officer thereof.

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract Lease on land conveyed by Deed dated February 1939, from Laura Bell Davis and Charlie M. Davis, to Davie Sutton, recorded in Office of Register of Deeds for Jackson County, North Carolina, in Book 132, Page 245.

(*b*) State any mine name by which the property is known. - Coward Mine.

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise Lessee

(*d*) If you are not the owner, submit with this application a copy of the lease, contract, or other document under which you control the property. - Copy of lease attached.

(*e*) If you own the land, describe any liens or encumbrances on it

(*f*) If the land consists of unpatented claims, add to the description above, the book and page numbers for each recorded location notice.

4. *Physical description.*—(*a*) Describe in detail any mining or exploration operations which have been or now are being conducted upon the land, including existing mine workings and production facilities. State your interest, if any, in such operations. Also describe accessibility of mine workings for examination purposes. - See attached.

(*b*) State past and current production, and ore reserves, if any, giving quantities and grades.

(*c*) Describe the geologic features of the property, including mineralization, type of deposit (vein, bedded, etc.), and your reasons for wishing to explore. Illustrate with maps or sketches. Send with your application (but not necessarily as a part of it) any geologic or engineering report, assay maps, or other technologic information you may have, indicating on each whether you require its return to you.

(*d*) State the facts with respect to the accessibility of the project: Access roads, distances to shipping, supply and residence points.

(*e*) State the availability of manpower, materials, supplies, equipment, water, and power.

5. *The exploration project.*—(*a*) State the mineral or minerals for which you wish to explore - See attached.

(*b*) Describe fully the proposed work, including a map or sketch of the property showing a plan (and cross sections if needed) of any present mine workings, and the location of the proposed exploration work as related to such features as contacts, veins, ore-bearing beds, etc.

(*c*) The work will start within 30 days and be completed within 6 months from the date of an exploration project contract.

(*d*) State the operating experience and background of the applicant with relation to the ability to carry out such exploration project, and also that of the person or persons who will supervise the operations.

6. *Estimate of costs.*—Furnish a detailed estimate of the costs of the proposed work (you will have to use a separate sheet), under the following headings. Add the totals under all headings to give the estimated total cost of the project:

(*a*) *Independent contracts.*—(Note.—If the applicant does not intend to let any of the work to contractors, write "none" after this item. To the extent that the work is to be contracted, do not repeat the cost of the contract-work in subsequent items.) State the cost of any proposed independent contracts for the performance of all or any part of the work, expressed in terms of units of work (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved, etc.).

(*b*) *Labor, supervision, consultants.*—Include an itemized schedule of numbers, classes and rates of wages, salaries or fees for necessary labor, supervision and engineering and geological consultants.

(*c*) *Operating materials and supplies.*—Furnish an itemized list, including items of equipment costing less than $50 each, and power, water and fuel.

(*d*) *Operating equipment.*—Furnish an itemized list of any operating equipment to be rented, purchased, or which is owned and will be furnished by the Operator, with the estimated rental, purchase price, or suggested use-allowance based on present value, as the case may be.

(*e*) *Rehabilitation and repairs.*—Furnish a detailed list showing the cost of any necessary initial rehabilitation or repairs of existing buildings, installations, fixtures, and movable operating equipment, now owned by the Operator and which will be devoted to the exploration project.

(*f*) *New buildings, improvements, installations.*—Furnish a detailed list showing the cost of any necessary buildings, fixed improvements, or installations to be purchased, installed or constructed for the benefit of the exploration project.

(*g*) *Miscellaneous.*—Furnish a detailed list showing the cost of repairs to and maintenance of operating equipment (not including initial rehabilitation or repairs of the Operator's equipment), analytical work, accounting, workmen's compensation and employers' liability insurance, and payroll taxes.

(*h*) *Contingencies.*—Give an estimate of any necessary allowances for contingencies not included in the costs stated above.

NOTE.—No items of general overhead, corporate management, interest, taxes (other than payroll and sales taxes), or any other indirect costs, or work performed or costs incurred before the date of the contract, should be included in the estimate of costs.

7. (*a*) Are you prepared to furnish your share of the cost of the proposed project in accordance with the regulations on Government participation (Sec. 7, DMEA No. 1)?

(*b*) How do you propose to furnish your share of the costs?

☐ Money ☒ Use of equipment owned by you ☒ Other

Explain in detail on acompanying paper.

## CERTIFICATION

The undersigned, whether as an individual, corporate officer, partner, or otherwise, both in his own behalf and acting for the applicant, certifies that the information set forth in this form and accompanying papers is correct and complete, to the best of his knowledge and belief.

Dated MAR. 10th, 1955

Alvin White
(Applicant)

By

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

U. S. GOVERNMENT PRINTING OFFICE 16—66551-1

APPLICATION FOR AID IN AN EXPLORATION PROJECT, PURSUANT TO DMEA ORDER 1, UNDER THE DEFENSE PRODUCTION ACT OF 1950, AS AMENDED.

Name of Applicant -
Alvin White, Ingalls Rural Station, Newland, N. C. - Partners - Lee White, Route #2, Spruce Pine, N. C. and Miss Florence Harris, Dillsboro, N. C.

Item #3:
(a) - Lease Attached on Coward Mine.
(b) - Coward Mine.
(c) - No other holdings.
(d) - Copy of lease attached.

Item #4 - Physical description:
(a) - There has been considerable work done on this mine above where exploration is to be done. Some work has been done by applicants on this project. No work is being done at the present time. A passable road leads to about 200 yards of mine.
(b) - The past production unknown to me. The mica is ruby,clear, usually slightly wavey judging from samples.
(c) - The mineralized area is a seam filling of undertermined length. The mica vein cuts this dike at a steep angle and has been worked from the surface some 75 or 80 feet to the present level where this work is to be done.
(d) - A passable road to 200 yards of mine. The mine is about 1/2 mile out of the town of Cullowhee, N. C., and about 120 miles from mica depot at Spruce Pine, N. C.
(e) - A power line is within one pole distance of the mine. This project will only require three or four men. They are readily available.

Item #5 - The exploration project:
(a) - Mica.
(b) - Removing of waste, lofting, testing and sketch.
(c) - Work will start within 30 days and be completed within six months from date of receipt of contract.
(d) - 3 or 4 years of experience in mica and feldspar mining. Also clay mining. Partner considerable experience in mining.

Item #6 - Estimate of Costs:
(a) - None.
(b) - Not over four men, one to act as foreman @ $1.25/hour. Others @ $1.00/hour. No consultants unless required by Government. Would like opinion of the field men on this project. Before contract $700.00.
(c) - Fuel $90.00, Oil $15.00, Explosives $75.00, Roof bolts Bits, etc. $100.00 - Total ---------- $380.00.
(d) - Equipment to be furnished by operator - Air Compressor, Drill Steel, 4 Carbide bits, Pipe line, Steel Rail, Mine Car, Air hose, Hoist, 2 picks, 2 shovels, rent at what is customary for similar equipment.

| | | |
|---|---|---|
| To be purchased - 1 Pump ---------- | $ 335.00 | |
| Air and discharge hose or Pipe line for pump ---------- | 100.00 | |
| Water hose for air drill ---- | 25.00 | |
| Total | $ 460.00 | $460.00 |

Alvin White
Ingalls Rural Sta.
Newland N.C.

APPLICATION FOR AID IN AN EXPLORATION PROJECT, PURSUANT TO DMEA ORDER 1, UNDER THE DEFENSE PRODUCTION ACT OF 1950, AS AMENDED.

Name of Applicant -
Alvin White, Ingalls Rural Station, Newland, N. C. - Partners -
Lee White, Route #2, Spruce Pine, N. C. and Miss Florence Harris,
Dillsboro, N. C.

Iten #6 - Continued:

| | | | |
|---|---|---|---|
| (e) - None at Present. | | | |
| (f) - Building to house workers | | | $ 100.00 |
| (g) - Liability Insurance | | $250.00 | |
| Social Security & Payroll taxes | | 20.00 | |
| Accounting | | 50.00 | |
| | Total | $320.00 | 320.00 |
| (h) - Miscellaneous | | | 300.00 |
| | | Total | $2,260.00 |

Item #7 :
(a) - Yes.
(b) - Rent on equipment and labor.

ALVIN WHITE
INGALLS RURAL STA.
NEWLAND N.C.

Bureau of the Mint
Lease Minerals Administration
MAR 14 1955

# MINING LEASE

State of North Carolina JACKSON County:

This indenture made this 17th day of January, 1955,

between Davie Sutton and husband, Earl Sutton,

of Jackson County and State of North Carolina as party of the first part, and known as lessor s, and Alvin White

of Mitchell County and State of North Carolina, party of the second part and known as lessee.

WITNESSETH, That the part s of the first part in consideration of One Dollar in hand received and hereby acknowledged by the lessor s, and in consideration of the agreements hereinafter contained, on the part of the party of the second part to be performed, hereby bargains, leases and grants to the party of the second part, and his heirs and assigns, for the period of five years from the date of this agreement, the following described real property, for mining purposes, in the County and State first above written to wit:

Being and comprehending the same lands and premises described in, and conveyed by, a deed dated ___ February, 1939, from Laura Bell Davis and husband, Charlie M. Davis, to Davie Sutton, duly recorded in the Office of the Register of Deeds for Jackson County, North Carolina, in Book No. 132, at page 245, to which reference is had.

TO HAVE AND TO HOLD the said lands to him, for mining purposes, the said lessee and his heirs and assigns for the aforesaid period of five years in compliance with the condition of this instrument, for the purpose and with the right to dig, quarry, search, explore for, obtain, and remove any kind of minerals, metals or fossils, and particularly mica, and to conduct the same to any extent the said party of the second part, the lessee, may desire. And it is hereby agreed between the parties to this agreement that the party of the second part is to have the use of any unoccupied buildings on said lands for mining purposes, and that he shall have the right to erect such buildings as he needs to carry on such mining operations during the period of this lease, and that the party of the second part shall keep the same in as good condition as when received, unavoidable accidents excepted. And it is also agreed by the party of the second part that no unnecessary damage is to be done to the lands herein leased during the period of this lease and the continuance of said lease, but the said party of the second part shall have the right to take from said lands leased to the party of the second part any wood or timber the party of the second part may need to carry on said mining operations or which may be needed to carry on the addition to existing buildings or to erect new buildings or sheds on said lands. (Timber of high or special market value is excepted and shall not be used by the lessee.) And it is hereby agreed that the party of the second part, the lessee, is to have right-of-way of ingress and egress to said mines or land upon which exploration is being conducted.

AND IT IS FURTHER AGREED That the party of the second part, the lessee hereby agrees to pay to the said parties of the first part, or his or their heirs or assigns, a rental royalty of twelve and one-half (12-1/2%) per cent

on the minerals taken and sold from said mines which shall be for the use of the said lands for the aforesaid period of five years. The said amounts shall be payable on the computation of selling bills on the tenth day of each month covering sales made during the previous month. Any minerals other than those set forth above which may be taken and sold shall be paid for and at the usual royalty rate of the minerals taken.

AND IT IS FURTHER AGREED That the lessee, the party of the second part, his heirs or assigns, shall have the option to renew this lease and to extend the period of its running for an additional five years from the date of its present termination. The option shall be exercised by giving formal written notice to the party of the first part or by the continuation of any mining operations then being conducted. The lessor s reserve the right to use the land, or convey the same not conflicting with this lease, but under any conveyance the terms of this lease must be recognized by the grantee, purchaser, or assigns thereof. And it is agreed that the lessee may assign this mining lease or any part thereof and that he may sublease.

~~AND IT IS FURTHER AGREED That the lessee the party of the second part his heirs or assigns is hereby given an option to purchase all the right title and interest legal and equitable to and in the real estate described and set forth in this lease for a total purchase price of _____, said purchase price to be paid in full within three years from the date of this instrument and it is agreed that all rental royalties paid to the party of the first part shall apply toward and be a part of the total purchase price above set forth and that at such time that the total purchase price is paid in the form of royalties or in a lump sum payment or a combination of both the party of the first part will execute a special warranty deed to the party of the second part and that extension of the remaining purchase price at any time within the next three years shall entitle the party of the second part to exercise performance of this option contract.~~

BUT IT IS EXPRESSLY AGREED That unless mineral or fossil material of practical value for mining purposes shall be found within a period of two years from the date of this instrument, the lease may be terminated by the lessee at any time thereafter on thirty days notice to the lessor s. The lessee agrees that during the period of this lease or the continuance of this lease work in said mines or exploration for new mines within the area leased shall not cease longer than ninety days at any one time, unavoidable accidents excepted.

WITNESS our hands and seals the day and year first above written.

Witness:

David L. Stillwell
Sylva, N.C.

C. Fleenor
Sylva, N.C.

Davie Sutton (Seal)

Earl Sutton (Seal)

Alvin White (Seal)

Alvin White
Ingalls Rural Sta
Newland N.C.

NORTH CAROLINA,
JACKSON COUNTY.

I, David S. Stillwell, a Notary Public of Jackson County, North Carolina, do hereby certify that Davie Sutton and husband, Earl Sutton, the lessors herein, each personally appeared before me this day and acknowledged the due execution by them of the foregoing mining lease for the purposes therein stated.

WITNESS my hand and Notarial Seal, this the 3rd day of March, A. D., 1955.

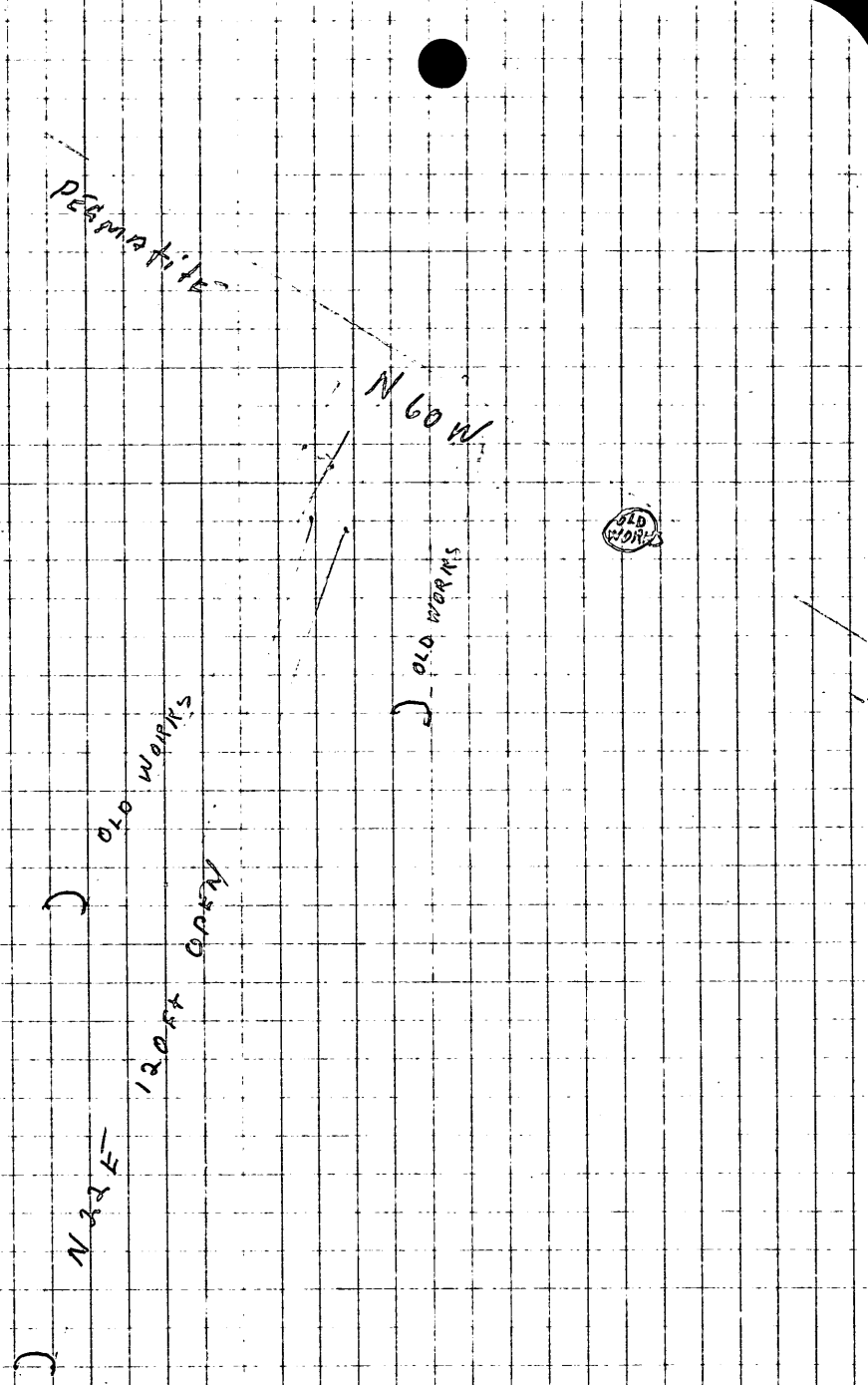
David S. Stillwell
Notary Public of Jackson County, North Carolina.

My commission expires:
April 23, 1956.

ALVIN White
INGALLS RURAL STA.
NEWLAND N.C.

SKETCH OF COWARD MINE

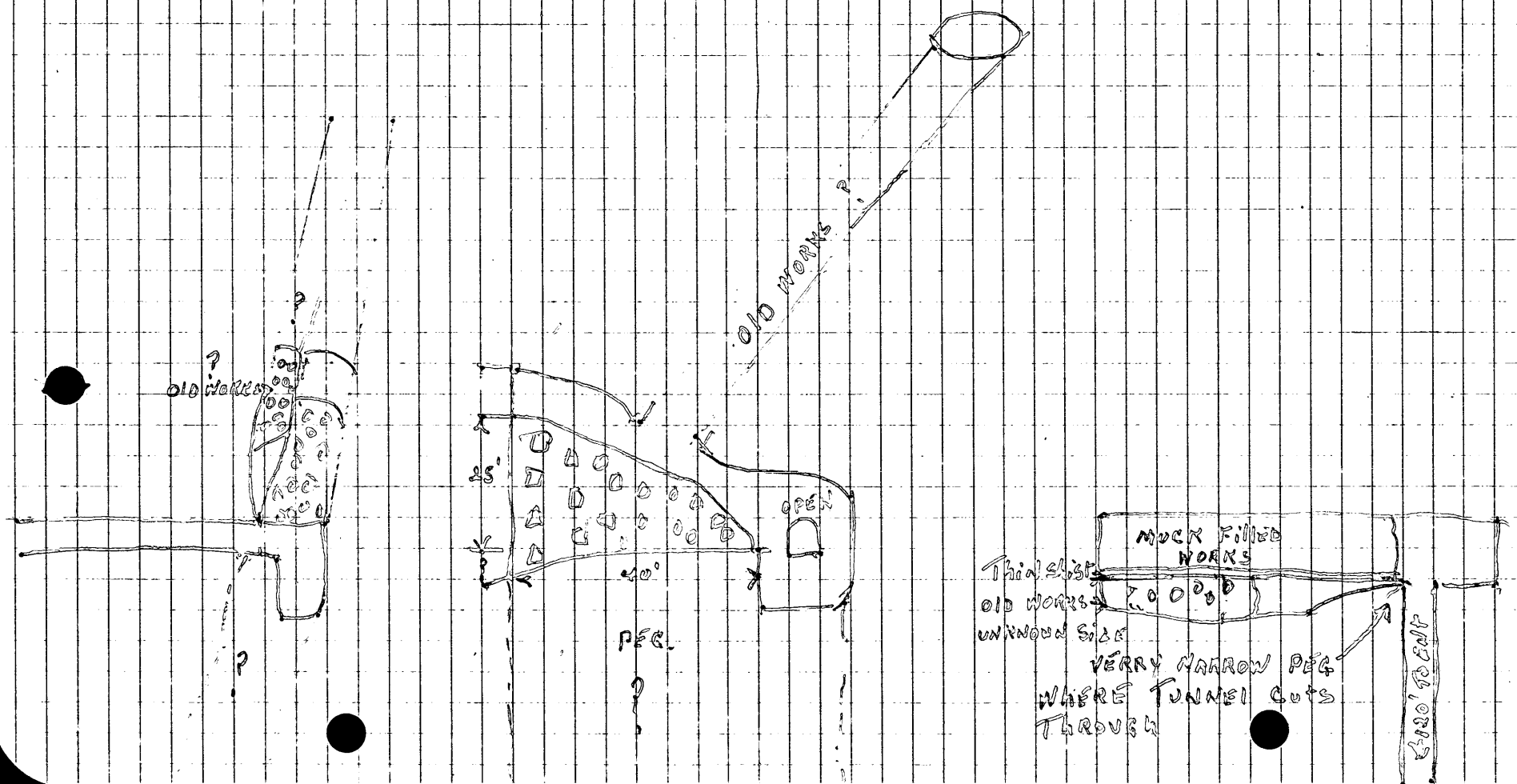
CULLOHEE N.C. JACKSON COUNTY



Alvin White
Ingans Rural Sta
Newland N.C.

SKETCH OF COWARD MINE

Cullohee N.C. Jackson County



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

April 23, 1957

Project Summary Report

By: W. C. Anderson

1. Docket No. DMEA-3720 - Mica
Contract No. Idm-E2805
Coward Mine
Jackson County, North Carolina

Operators: Alvin White, Lee White &
Florence Harris
Dillsboro, North Carolina

Operator's property rights: Five year mining lease on the Sutton Property, consisting og 12.7 acres, dated January 17, 1955.
Owner's Consent to Lien, undated.

Application: Form MF-103 (April, 1952) received March 14, 1955.
Work proposed by applicant: No details given, applicant says only, " Removing of waste, lofting, testing and sketch.".
Total amount requested $2,260.00

2. Contract: Form MF-200 (June 1954) dated June 2, 1955.
Work authorized: Actual cost contract, consisting of bulldozing access read, construction of new buildings, underground rehabilitation, 40 feet of shaft and 80 feet of drift.

| | |
|---|---|
| Access road | $50.00 |
| New Buildings | 116.00 |
| Underground rehabilitation | 370.00 |
| 40 feet of shaft @ $40.10/ft. | 1,604.00 |
| 80 feet of drift @ $35.00/ft. | 2,800.00 |
| Total estimated cost | $4,940.00 |
| Government participation 75% | $3,705.00 |

Amendments: None

Work completed:

| | |
|---|---|
| Access road | $50.00 |
| New Buildings | 116.00 |
| Underground rehabilitation | 370.00 |
| 35 feet of shaft @ $94.74/ft. | 3,316.12 |
| 9 feet of drift @ $80.90/ft. | 728.00 |
| Total accepted cost | $4,580.12 |
| Government participation | 3,435.09 |

Work began on June 28, 1955 and because of lack of funds, was terminated by mutual agreement on December 31, 1955.
Field Team Final Report received August 13, 1956.
Operator's Final Report, dated January 7, 1956, received March 8, 1956.

| | |
|---|---|
| Value of Mica produced during operation | $361.77 |
| Royalty paid | 18.09 |

No equipment purchased under contract.

3. Audit: Report of Review issued August 6, 1956.

| | |
|---|---|
| Total accepted cost | $4,580.12 |
| Government participation 75% | $3,435.09 |

4. Certification: Certification by Agreement, provided for in Termination Agreement, dated May 16, 1956.

Mica Reserves: Inferred - 36,576 pounds, value $11,000,000.

5. Comments:

How conducted: The money authorized under the contract was nearly exhausted with only 35 feet out of 40 feet of shaft completed and only 9 feet completed of the 80 feet of drift stipulated in the contract. This resulted in excessive unit costs, as indictated above. In the main part this was due to the employment of incompetent miners.

Operation: Very bad.

Engineering: Operator's reporting was very inaccurate. Costs were not identified as to the phases of the work, therefore an accurate unit cost for each phase was not obtainable, but had to be estimated by ratios.

Geological premise: The premise that additional mica reserves occur below the worked out area, was partly substantiated by the work. However, the property was not completely explored according to the provisions of the contract.

Geological criteria upon which work was based:

1. Pegmatite - from 1 to 3 feet thick, exposed for 185 feet along strike and 85 feet vertically. Unzoned, emplaced along a fault, showing hanging wall movement, composed of kaolinized feldspar, quartz, mica and several minor minerals. Country rock is a very fine-grained biotite-quartz gneiss.
2. Mica - abundantly distributed throughout the pegmatite. Greenish-brown, badly ruled, somewhat warped, crumpled and containing black dendritic specks.

3. Past production

Criteria developed during project:

1. Pegmatite - zoned, $3\frac{1}{2}$ to $4\frac{1}{2}$ feet thick, 1 foot thick quartz core, conformably emplaced in an extremely hard and weathered biotite gneiss country rock.
2. Mica - ruby, flat, ruled, up to 4 inches wide, some bent and badly ruled, but most of strategic quality.

Future possibilities: The work accomplished indicates that under good management and competent help, this mine could be worked on a paying basis.

Recommendations: The Field Team did not recommend certification since the Termination Agreement providing a Certification by Agreement clause has the effect of waiving certification. The Nonmetallic Minerals Division and the commodity members of the Bureau of Mines and Geological Survey concur.

MME Form 7
(2/63)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| | | |
| 10/20 | Johnson | 11C |
| | | 220 |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |

OCT 20 1965

Mrs. Davie C. Sutton
Box 374
Cullowhee, North Carolina 28723

Re: DMEA-3720 (Mica)
Alvin and Lee White and
Florence Harris
Coward Mine
Jackson County, North Carolina
Contract Idm-E805

Dear Mrs. Sutton:

Enclosed is a copy of a self-explanatory letter of today to the Operator under the subject contract.

This correspondence relates to the undated Consent to Lien signed by you and Earl Sutton under the Defense Minerals Exploration Administration program.

Sincerely yours,

(signed) FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

Enclosure

GCSelfridge/mm (10/20/65)
cc: Director's Reading File
Division File
Economic Geology File
R. A. Laurence, Knoxville, Tenn.
OME File
OME Reading File
Mr. Selfridge
120M

23263

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON, D.C. 20242

September 23, 1965

OFFICIAL COPY
IN REPLY REFER TO:
O. M. E.
RECEIVED
SEP 30 1965

| INITIALS | CODE |
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| | |
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| | |

Mrs. Davie C. Sutton
Box 374
Cullowhee, North Carolina 28723

Re: DMEA-3720 (Mica)
Alvin and Lee White and
Florence Harris
Coward Mine
Jackson County, N. C.
Contract Idm-E805

Dear Mrs. Sutton:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

Frank E. Johnson
Chief, Office of
Minerals Exploration

MME Form 63
Revised 7-65

DMEA-3720
Idm-E805

# REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

**From September 1964, to June 2, 1965**

1. XXXXX , has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☑

**From September 1964, to June 2, 1965**

2. XXXXX , has there been any production from the land subject to the contract? Yes ☐ No ☑

A. If so and it was shipped, give quantity, value, and name and address of purchaser.

| | Quantity | Value |
|---|---|---|
| | | |

B. If stockpiled awaiting sale, state quantity, grade, and location.

| Type | Quantity | Estimated Grade | Location |
|---|---|---|---|
| Ore | Tons | | |
| Concentrates | Tons | | |
| Other | Tons | | |

3. Since , has any production been transported through workings (see of contract)? Yes ☐ No ☑

If so, state quantity, value, and disposition of material.

| Disposition of Material | Quantity | Value |
|---|---|---|
| | | |

Submitted by:

Name Mrs. Davie C. Sutton Title Owner of Mine

Address Cullowhee, N. C. Date Sept. 27, 1965

# UNITED STATES
# DEPARTMENT OF THE INTERIOR
## OFFICE OF MINERALS EXPLORATION
## WASHINGTON 25, D. C.

September 14, 1964

Re: DMEA-3720 (Mica)
Alvin and Lee White and
Florence Harris
Coward Mine
Jackson County, N. C.
Contract Idm-E805

Mrs. Davie C. Sutton

Cullowhee, North Carolina

Dear Mrs. Sutton:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

George C. Selfridge

George C. Selfridge, Chief
Division of Exploration Operations

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| | | 220 |

MME Form 63
Revised 3-62

DMEA-3720
Idm-E805

# REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since September 1963, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☑

2. Since September 1963, has there been any production from the land subject to the contract? Yes ☐ No ☑

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

| | Quantity | Value |
|---|---|---|
| | | |

   B. If stockpiled awaiting sale, state quantity, grade, and location.

| Type | Quantity | | Estimated Grade | Location |
|---|---|---|---|---|
| Ore | | Tons | | |
| Concentrates | | Tons | | |
| Other | | Tons | | |

3. Since , has any production been transported through workings (see of contract)? Yes ☐ No ☑

   A. If so, state quantity, value, and disposition of material.

| Disposition of Material | Quantity | Value |
|---|---|---|
| | | |

Submitted by:

Name Mrs. Davie C. Sutton Title Coward Mine

Address Cullowhee, N. C. Date Sept. 15, 1964

Box 374

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

September 11, 1963

Re: DMEA-3720 (Mica)
Alvin and Lee White and
Florence Harris
Coward Mine
Jackson County, N. C.

E805

Mr. Davie C. Sutton

O.K.

Cullowhee, North Carolina

Dear Sir:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

F M Murphy

F. M. Murphy, Acting Chief
Division of Minerals

OFFICIAL FILE COPY
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RECEIVED SEP 19 1963

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| | | 320 |

MME Form 63
Revised 3-62

## REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since March 29, 1962, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☑

2. Since March 29, 1962, has there been any production from the land subject to the contract? Yes ☐ No ☑

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

| | Quantity | Value |
|---|---|---|
| | | |

   B. If stockpiled awaiting sale, state quantity, grade, and location.

| Type | Quantity | Estimated Grade | Location |
|---|---|---|---|
| Ore | Tons | | |
| Concentrates | Tons | | |
| Other | Tons | | |

3. Since , has any production been transported through workings (see of contract)? Yes ☐ No ☑

   A. If so, state quantity, value, and disposition of material.

| Disposition of Material | Quantity | Value |
|---|---|---|
| | | |

Submitted by:

Name Mrs. Davie C. Sutton Title Owner of mine

Address Cullowhee, N. C. Date Sept. 16, 1963

4511

MME Form 7
(10-58)

OFFICIAL FILE COPY

| Date | Surname | Code |
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| 7/25 | GCS | 120 |
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| | | 225 |
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JUL 25 1962

**Memorandum**

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

**From:** Chief, Division of Field Operations, OME

**Subject:** DMEA-3720 (Mica)
Alvin White, et al.
Coward Mine
Jackson County, North Carolina
Contract Idm-E805

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

George C. Selfridge
(HB)

Enclosure

GCSelfridge/hb (7/25/62)
cc to: Docket DMEA-3720
Director's Reading File
CA&A Division
G. C. Selfridge
R. A. Laurence, USGS, Region IV, w/cy of Report of Royalty Review dtd 7/24/62 & Orig. cy of memo dtd 7/24/62 to Chief, Division of Field Operations, from CA&A Division.
Avery Redd, USBM, Region IV, w/cy of ea. item sent to Mr. Laurence.

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

| Date | Surname | Code |
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JUL 24 1962

**Memorandum**

To: Chief, Division of Field Operations

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

Subject: DMEA-3720 (Mica)
Alvin White, et al.
Coward Mine
Jackson County, North Carolina
Contract Idm-2805

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 OML 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 7-24-62

cc:
Docket
Director's Reading File
CA & A Division
Fiscal Section

43683

OME Form 7
(10-58)

OFFICIAL FILE COPY

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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. | Operator | Mine Names |
|---|---|---|---|
| E- 684 | 3244 | Alex Teague | Old Denson (Denison) |
| 687 | 3256 | Glenn C. Rathburn | Fox, Busby Creek |
| 692 | 3260 | Sam L. Phillips | W. A. McKinney, McKinney No. 1 |
| 694 | 3199 | W. B. Chrisman | R. D. (W. H.) Westall |
| 712 | 3410 | Rock Mining Company | Rock |
| 737 | 3469 | A. Ward | Elmore |
| 757 | 3559 | C. R. Phillips, et al. | Sugar Dave, Ralph |
| 762 | 3577 | Keller Mining Co. | Roystar |
| 805 | 3720 | Alvin White, et al. | Coward |
| 830 | 3265 | Mines and Mining, Inc. | Farlow Gap |
| 835 | 3813 | T. B. Vance | Shuffle Vance, Red, Charlie Burleson |
| 840 | 3799 | J. R. Beam | Bennett, Mica Field |
| 865 | 3860 | Ed Boone | Goog Rock |
| 882 | 3924 | J. R. Beam & John Phillips | Little Ray, Pat |
| 891 | 3543 | Buchanan Minerals, Inc. | Buchanan, Dream |
| 900 | 3942 | Sam G. Smith | Doe Hill, Sam Smith |
| 962 | 4147 | Sam L. Phillips | Old Buchanan |
| 1005 | 4239 | John Phillips | Roby (Robby) |
| 1008 | 4332 | John Phillips | John (John's) Broom |
| 1037 | 4268 | Murphy Mining Co. | Murphy, Murphy Rock |
| 1042 | 4449 | Clifton D. Buchanan | Boone, Phillips |
| 1089 | 4554 | Sam L. Phillips | Black Mountain |

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

CEFisher/ama
6-26-62

63683

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

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MAR 2 6 1962

Re: DMEA-3720 (Mica)
Alvin and Lee White and
Florence Harris
Coward Mine
Jackson County, No. Carolina
Contract Idm-E805

Mrs. Davie Sutton
Cullowhee,
North Carolina

Dear Mrs. Sutton

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

George C. Selfridge

George C. Selfridge, Chief
Division of Field Operations

MME Form 63
Revised 3-62

## REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since February 20, 1961 , has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☑

2. Since February 20, 1961 , has there been any production from the land subject to the contract? Yes ☐ No ☑

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

| | Quantity | Value |
|---|---|---|
| | | |
| | | |

   B. If stockpiled awaiting sale, state quantity, grade, and location.

| Type | Quantity | | Estimated Grade | Location |
|---|---|---|---|---|
| Ore | | Tons | | |
| Concentrates | | Tons | | |
| Other | | Tons | | |

3. Since February 20, 1961 , has any production been transported through workings (see of contract)? Yes ☐ No ☑

   A. If so, state quantity, value, and disposition of material.

| Disposition of Material | Quantity | Value |
|---|---|---|
| | | |

Submitted by:

Name Davis Coward Sutton Title

Address Cullowhee, N. C. Date March 29, 1962

4511

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

OFFICIAL FILE COPY
O. M. E
RECEIVED MAY 22 1961

| DATE | INITIALS | CODE |
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| | | 500 |

May 18, 1961

Report of Investigation of Certified Project

Alvin White

Coward mine, Jackson County, N.C.
DMEA 3720 E 805

The Coward mine is not being worked now* and there has been little or no work done at the mine since the contract exploration. The DMEA adit is still open but partly flooded.

Frank G. Lesure

Date Inspected
1 May 1961

* Last royalty was paid in Aug. 1959.
Talbert
5/22/61

MME Form 18
10-60

OFFICE OF MINERALS EXPLORATION

ANALYSIS OF ANNUAL REPORT
OF CERTIFIED PROJECT OR PROJECT UNDER ROYALTY AGREEMENT

Division of Minerals prepares in duplicate, files original in official docket, and sends copy -

To: (1) Code 110 (for verification or adjustment)
(2) Code 210

| Docket No. | Operator | Report Period | Contract No. |
|---|---|---|---|
| 3720 | Alvin White | Through April - '61 | E805 |

| ORE ESTIMATES | Original DMEA or OME (From Final Report) | Revised DMEA or OME | Found by Operator after DMEA-OME work |
|---|---|---|---|
| Analysis | | | |
| [redacted] Found | 36,576 pounds mica | | |
| Tons Produced (Ore or Concentrate) | | | |
| Previously Reported | | | |
| This Period | | | |
| Tons Remaining | ? | | |

Comments of Analyst:

Inactive at present

Prepared by W R Fournier Date 5/26/61

82444-60

REQUEST FOR INFORMATION
FROM OPERATOR ON CERTIFIED PROJECT
AND PROJECT UNDER ROYALTY AGREEMENT

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

From: Chief, Division of Field Operations
~~Field Officer, OME:~~
Office of Minerals Exploration
Department of the Interior
Washington 25, D. C.

Date: February 15, 1961

Concerning:
Docket No. DMA-3720 (Mica)
Property Alvin White, et al.
Coward Mine
Location Jackson County, North Carolina
Contract Idm-2805

OFFICIAL FILE COPY
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RECEIVED FEB 23 1961

| DATE | INITIALS | CODE |
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| | Murphy | |
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Mr. and Mrs. Earl Sutton
c/o Mrs. Davie Sutton
Cullowhee, North Carolina

With the certification of the exploration project identified above, you were asked to inform our office about changes in the status of the property and production from it.

To assist you to furnish this information and to assure the accuracy of our records, we ask that you answer the questions below and return ~~one copy~~ two copies to this office with copies of any pertinent documents.

~~Field Officer:~~
Chief, Division of Field Operations

1. Since July 1, 1959, has there been a change in ownership, lease, or sublease about which the OME has not been notified? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents. Yes ☐ No ☑

2. Since July 1, 1959, has there been any production from the property?* Yes ☐ No ☑

A. If so and it was shipped, give name and address of purchaser?

| | Quantity | Value |
|---|---|---|
| | | |
| | | |

B. If stockpiled awaiting sale, state quantity, grade, and location.

| Type | Quantity | | Estimated Grade | Location |
|---|---|---|---|---|
| Ore | | Tons | | |
| Concentrates | | Tons | | |
| Other | | Tons | | |

Submitted by:

Name Davie C. Sutton Title Owner of mine

Address Cullowhee, N. C. Date Feb. 20, 1961

MME Form 63 8-60 * Property means land subject to the contract. 79340-60

1 cy to Region IV 2/23/61

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| 9-21 | [illegible] | [illegible] |
| [illegible] | [illegible] | [illegible] |
| 9-22 | [illegible] | [illegible] |
| 9-22 | [illegible] | [illegible] |

Official

SEMI-ANNUAL REPORT ON CERTIFICATES OF [illegible]
CERTIFICATED MINERALS

RECEIVED JUL 2 [illegible]

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ACTIVE SINCE LAST REPORT

Commodity : Mica

Reporting Period: January 1, 1958 to July 1, 1958

| DMEA No. | Idx-E | Operator & Mine | Date Inspected | | |
|---|---|---|---|---|---|
| 1140X | [illegible] | Pine Mica Corp (Mary Mine) | June 5, [illegible] | | |
| 1700X | 116 | Fred Cobe (Cobe Metal Mine) | " | " | " |
| [illegible] | 155 | Reid & Hooker (Reid Mine) | " | " | " |
| 2277 | [illegible] | Dixie Mica Mines (Dixie Mica Mine) | " | " | " |
| 2293 | 393 | Dixie Minerals Inc. (Belle Stephens Mine) | " | 24 | " |
| 2327 | 475 | Andrew W. Hall (Hay Mine) | " | 23 | " |
| 2582 | 461 | Zeb Angel (Hansen Mine) | " | 24 | |
| 2610 | 431 | Dixie Minerals Inc. (Shell Ridge Mine) Pseudo | " | 24 | " |
| 2687 | 425 | Sam Phillips, et al (Lotha Bowers Mine) | " | 24 | " |
| 2875 | 613 | Latt Young (Cox Mine) | " | 24 | " |
| 2926 | 516 | The Boonville Mining Co. (Eagle Cape Mine) | " | 24 | " |
| 3000 | 557 | B.T.R. Mining Co. (Terrill Bryson Mine) | " | 25 | " |
| 3265 | 830 | Mines & Mining Inc. (Farlow Cap) | " | 26 | " |
| 3287 | 674 | Sam Phillips, et al (Mud Cut & Tallent Mines) | " | 25 | " |
| 3469 | 732 | A Ward (Sluers Mine) | " | 24 | " |
| ✓3720 | 835 | Alvin White, et al (Coward Mine) | " | 24 | " |
| 3543 | 891 | Buchanan Minerals Inc (DHEAN Mine) | " | 24 | " |

Wm. A. Beck, Mining Engineer, USBM (DMEA)

DMEA EXPLORATION PROJECT

Semi-Annual Report of Pseudo-Certified Project

Reporting Period: 7-1-57 to 1-1-58. Examinated: 1-24-58

Operators: Lee White, R#2, Spruce Pine, N.C., and Alvin White, Ingalls Rural Station, Newland, N. C. and Florence Harris, Dillsboro, N. C.

Mine Name: Coward. County: Jackson. State: North Carolina

DMEA-3720, Contract: Idm-E805. Commodity: Mica

Date of Contract: June 2, 1955. Date Terminated: May 5, 1956

Expiration Date of Royalty Payments: June 2, 1965

Total Amount of Contract: $4,940.00

Total Expended Under Contract: $4,580.12

Amount of Government Participation at 75%----$3,435.09

Royalty Paid this Period: $6.00 Previously Paid: $18.09

Total Royalty Paid to Date: $24.09

Percent Gov't Participation Repaid: 0.70%. Royalty Due: None

Royalty Remarks: Lew Goodman the last operator of the mine paid the land owner $15.00 royalty on production. He claimed he did not remember the amount of the sales. As the landowner's royalty is 12 1/2%, this represents sales amounting to $120.00. The Government's royalty amounts to $6.00. Part of the $120 is a sale amounting to $82.03 to the Government Depot. The balance $37.97 is assumed to be punch or scrap.

Original Estimate of DMEA Reserves (Field TEam Final Report)
Inferred reserves of 36,500 lbs of mine-run mica.

Production DMEA ore not previously reported:

| Type | Pounds | Amount |
|---|---|---|
| Scrap | Est. 2532 | $37.97 |

Previous Production:

| | | |
|---|---|---|
| Sheet | 52.88 | $419.45 |
| Punch | 58.00 | 2.90 |
| Scrap | 1425.00 | 21.37 |
| | 1535.88 | $443.72 |

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DMEA
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DATE | INITIALS | CODE
2-7-58 | C Com | 220 100

Total Production todate:

| Type | Pounds | Amount |
|---|---|---|
| Sheet | 52.88 | $419.45 |
| Punch | 58.00 | 2.90 |
| Scrap | 3957.00 | 59.34 |
| | 4067.88 | $481.69 |

Remarks: The writer talked to Mr. and Mrs. Sutton on January 24, 1958. They stated no one was operating the mine at present.

In order to get the royalty on the production made by Lew Goodman who operated the mine during the spring of 1957, they had to go to Maggie, North Carolina where he was operating a motel. He said he did not have a record of the sales made but felt $15 would cover the royalty of twelve and one-half percent due the land owner.

Wm. A. Beck, Mining Engineer
Bureau of Mines (DMEA)

2/5/58

z

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

August 27, 1957

Memorandum

To: Finance Officer, DMEA - Region V

From: Acting Executive Officer, DMEA - Region V-Knoxville

Subject: Royalty Payment - Idm-E805, DMEA-3720-mica
Lee and Alvin White, Newland, N.C.
Coward Mine, Jackson County, N.C.

Attached is a check (no number) in the amount of $6.00 for royalty sent by the land owner, Mrs. Davie C. Sutton. A copy of Mrs. Sutton's letter is attached.

V. J. Lynch.

zm.
Mittendorf
Lynch
Files

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DMEA
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| 8/30 | G | 220 |
| 9/3 | Hunt | 600 |

Cullowhee, N. C.,
Aug. 26, 1957

Mr. R. A. Laurence,
Knoxville, Tenn.

Dear Mr. Laurence,

I saw Mr. Lou Goodman and collected fifteen dollars ($15.00) from him for royalty on Coward Mine. He claimed he didn't remember the amount of the last sale. The government's part is six dollars. I'm enclosing check.

Sincerely,
Davie C. Sutton

Land owner's royalty -
Landowner paid gov. royalty also.

RECEIVED
AUG 27 1957

DMEA EXPLORATION PROJECT

SEMI-ANNUAL REPORT OF PSEUDO CERTIFIED PROJECT

Reporting Period: 1-1-57 to 7-1-57. Date of Examination: August 8, 1957

Operator: Lee White R#2, Spruce Pine, N.C. Alvin White, Rural Station, Newland, N. C. and Miss Florence Harris, Dillsboro, N. C.

Name of Mine: Coward. County: Jackson. State: North Carolina. Commodity: Mica

Docket No. *DMEA-3720; Contract: Idm-E805. Date of Contract: June 2, 1955.

Terminations: May 16, 1956. Expiration Date of Royalty Pay't: June 2, 1965

Total Amount of Contract: $4,940.00. Total Expended: $4,580.12.

Government participation at 75%-----$3,435.09

Royalty Payments this Period: None. Previous Royalty Payments: $18.09

Royalty Payments to date: $18.09. Percent Gov't Participation Repaid: 0.53%

Royalty Due on Production to Date: $4.10

Royalty Remarks: The records at the GSA Depot in Spruce Pine, N. C., show a sale of 10.44 lbs of mica from the Coward Mine made by L. H. Goodman on March 11, 1957. Mr. Goodman received $82.03 for this mica. Royalty in the amount of $4.10 has never been paid. Mrs. Sutton, the property owner told the writer that Mr. Goodman has not paid them royalty on any production from the mine.

Original Estimate of DMEA Reserves (Field Team Final Report)
Inferred reserves of 36,500 lbs of mine-run mica.

| | Type | Pounds | Amount |
|---|---|---|---|
| Production - DMEA ore this period: | Sheet | 10.44 | $82.03 |
| | Punch | unknown | -- |
| | Scrap | unknown | -- |
| | | 10.44 | $82.03 |
| Previous Production:..... | Sheet | 42.44 | 337.42 |
| | Punch | 58.00 | 2.90 |
| | Scrap | 1425.00 | 21.37 |
| | | 1525.44 | 361.69 |
| Total production to DMEA.. | Sheet | 52.88 | 419.45 |
| | Punch | 58.00 | 2.90 |
| | Scrap | 1425.00 | 21.37 |
| | | 1535.88 | 443.72 |

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ACTION ON INTERIM
OR FINAL FIELD TEAM REPORT

Date 9/9

Referred to:

1. Mr. ~~Mattendorf~~
2. ~~Mr. Johnson~~
3. ~~Mr. Chambers~~
4. ~~Docket Control Mails and Files~~
5. ~~Assistant Director, Finance Division~~
6. Docket Control Mails and Files

Note comments in report regarding:

1. follow up on royalty due
2. Paid by land owner
3. on Aug 26, $ 600
4.

and take appropriate action.

- - - - - - - -

Action taken by Division:

Robert E. Adams

Remarks: This mine was visited August 8, 1957. No equipment was on the property and no work was being done. Mr. and Mrs. Sutton, the property owners, told the writer that Mr. L. H. Goodman, the last lessee had pulled out without their knowledge and had not paid them any royalty on his production. The records at the Spruce Pine mica buying depot show that a sale of 10.44 pounds of sheet mica was made March 11, 1957 by L. H. Goodman. This mica was reported as having been produced at the Coward Mine. The Government paid Goodman $82.03 for the Lot. No record of the amount of punch and scrap produced is available.

Wm. A. Beck, Mining Engineer
Bureau of Mines

9/5/57

z

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| 5/3 | Anderson | 600 |
| 5/3 | Houk | 600 |
| 5-7 | Chambers | 800 |
| | Long | 140 |
| | Hoffund | 140 |
| 5/7 | Selvidge | 120 |
| " | Shaw | 110 |
| 8 | Mittendorf | 100 |
| | | 220 |

600

MAY - 8 1957

Mr. and Mrs. Earl Sutton
c/o Mrs. Davie Sutton
Cullowhee, North Carolina

Re: Docket No. DMEA-3720-Mica
Alvin White, et al.
Coward Mine
Jackson County, North Carolina
Contract No. Idm-E805

Dear Mr. and Mrs. Sutton:

In an agreement executed May 16, 1956, with the Government, Messrs. Alvin White and Lee White agreed to pay royalty to the Government, as provided in the contract, on all production of minerals from the land described in said contract, beginning June 2, 1955, until the sum of $3,435.09 is paid or until June 2, 1965, whichever occurs first. You understand that the Consent to Lien, received in this office on May 2, 1955, and signed by you, granted to the Government a lien upon said land and upon any production of minerals therefrom to secure any royalty due the Government.

You are requested to notify Mr. Laurence of any change in the lease status that affects the Government's right to royalty. In this regard, we understand that your present lease to Alvin White of the property in question expires January 17, 1960, with the option of extension for an additional five years from the date of its present termination.

In the event production is made and royalty is not received by the Government, the Government may look to you for payment.

Sincerely yours,

E. O. Mittendorf (fw)

Administrator

WCAnderson:rsi 4/24/57
Rewritten
WCAnderson:rsi 5/3/57
Copy to: Admr. R. File
Operating Committee
Mr. Chambers
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| 4/30 | Anderson | 600 |
| 4/30 | Houk | 600 |
| 4/30 | Chambers | 800 |
| | Long | 140 |
| | Sawyer | 140 |
| 5/7 | Selfridge | 120 |
| " | Johnson | 110 |
| | | 100 |
| 5/8 | C | 220 |

600

MAY - 8 1957

Messrs. Alvin White, Lee White
and Miss Florence Harris
c/o Mr. Alvin White
Ingalls Rural Station
Newland, North Carolina

Re: Docket No. DMEA-3720-Mica
Alvin White, et al.
Coward Mine
Jackson County, North Carolina
Contract No. Idm-E805

Gentlemen:

Reference is made to the subject contract, which was terminated by mutual agreement on May 16, 1956.

By the terms of the Exploration Project Contract and the Termination Agreement all production of minerals from the land described in the contract from June 2, 1955, is subject to the Government's percentage royalty, as set forth in the contract until the sum of $3,435.09 is paid or until June 2, 1965, whichever occurs first. Therefore, even if you are not the producer, you remain liable as surety for payment of royalty on any production.

Royalty payments should be made to Mr. Robert A. Laurence, Executive Officer, DMEA Field Team, Region V, Room 13, Post Office Building, Knoxville 2, Tennessee, and checks should be drawn payable to the Defense Minerals Exploration Administration.

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.

Sincerely yours,

C. O. Mittendorf (for)

Administrator

WCAnderson:rsi 4/24/57
Rewritten
WCAnderson 4/29/57
Copy to: Admr. R. File
Operating Committee
Mr. Chambers
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061

Mr. Houk

8623

DMEA EXPLORATION PROJECTS

Semi-Annual Report of Pseudo Certified Projects

Reporting Period 7/1/55 to 1/1/57 Date of Examination: 3/18/57

Operator: Lee White, Route #2, Spruce Pine, N. C., Miss Florence Harris, Dillsboro, N. C., and Alvin White, Ingalls Rural Station, Newland, N. C.

Mine Name: Coward Mine

County: Jackson State: North Carolina

DMEA-3720 Contract No. Idm-E805 Commodity: Mica

Date of Contract: June 2, 1955 Date of Certification by Termination Agreement 5/16/56

Expiration Date of Royalty Payments: June 2, 1955

Total Amount of Contract: $4,940.00

Total Expenditures under contract: $4,580.12

Amount of Government Participation at 75% $3,435.09

Royalty Payments this Period: None

Previous Royalty Payments: $18.09

Total Royalty paid to Date: $18.09

Percent Government Participation Repaid: 0.53%

Royalty Due on Production to Date: None

Royalty Remarks: This property has not been in operation since termination of the contract.


OFFICIAL FILE COPY
DMEA
RECEIVED MAR 29 1957

| DATE | INITIALS | CODE |
|---|---|---|
| 4/1 | C | 220 |
| " | COM | 100 |
| | | |
| | | |
| | | |
| | | |
| | | |


Original estimate of DMEA Reserves (Field Team Final Report):

Inferred reserves of 36,500 pounds of mine-run mica

ACTION ON INTER[illegible]
OR FINAL FIELD TEAM [illegible]ORT
Date 4-1

Referred to:

1. ~~Mr. Mittendorf~~
2. ~~Mr. Johnson~~
3. ~~Mr. Shankers~~
4. ~~Docket Control Mails and Files~~
5. ~~Chief, Systems Division~~
6. Docket Control Mails and Files

Note comments in report regarding:

1. Any recommendation of reserves in other
2. We don't carry on
3. reserve figures for
4. Pandy. Carrying
pay. dt — Eg

and take appropriate action.

- - - - - - - - - - -

Action taken by Division:

Robert E. Adams

Production DMEA ore this period:

| Type | Pounds | Amount |
|---|---|---|
| Sheet | 42.44 | $337.~~42~~ 40 |
| Punch | 58.00 | 2.90 |
| Scrap | 1425.00 | 21.37 |
| Total | 1525.44 | $361.69 .77 |

Previous Production: None

Total production to date: Same as this period.

Remarks: This mine was visited on March 18, 1957. There were indications that the mine had been operated recently as a compressor and other equipment was outside the adit. Upon conferring with Mr. W. H. Sutton, whose wife owns the property, it was learned that the property is now leased to L. H. Goodman. Mr. Goodman formerly operated the Engle Cope and Shell Ridge Mines for his brother under the name of Goodmica Mining Company. Mr. Sutton stated that Mr. Goodman had not made any sales to date and that he was not operating because the compressor had broken down.

On March 19th, the writer called at Mr. Goodman's home in Sylva, N. C., and was told by Mrs. Goodman that he was going to cease operating the Coward Mine as the mica quality was not good.

W A Beck

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

Inspected: March 18, 1957

WAB/as
cc
Laurence
Lynch

IN REPLY REFER TO:

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

RECEIVED
OCT 23 1956

October 22, 1956

Re: DMEA 3720, Idm-E805
Alvin White, et al.
Coward Mine
Jackson Co., N. C.
$4,816.00 - Mica

Memorandum

To: L. G. Houk, Defense Minerals Exploration Administration

From: N. E. Nelson, U. S. Geological Survey

Subject: Review of Field Team Final Report.

The contract approved the expenditure of $4,816.00 in further exploration, by winze and drifts, of a pegmatite from which mica has been produced. A 125-foot crosscut (Painter) adit intersects the pegmatite at a depth of about 80 feet and the winze was sunk in the pegmatite from the adit level at the intersection.

The winze was sunk to a depth of 35 feet and a drift was run 9 feet to the northwest. The cost of the work including a road, cleanup and timbering in the adit (Painter) was $4,580.12. On the request of the operators, a termination agreement, with a waiver of certification, was granted.

About 400 lbs of mine-run-block mica was recovered, largely from the 12 feet of the winze, and the inferred reserves are estimated to be 36,500 lbs. of run-of-mine block mica, worth $11,000.

The examiners recommend certification of the project, a result effected by the pseudo certification provision of the termination agreement.

I concur with the conclusions of the examiners.

N. E. Nelson

N. E. Nelson

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

August 20, 1956

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

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

Subject: DMEA-3720 (mica)

Applicant: A. White

Name and Location of Property: Coward Mine, Jackson County, N. C.

Contract Number: Idm-E 805

Date of Field Team Report: 8/10/56

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 8/17/56

Field Team Recommendation: Recommend no certification of discovery.

Comments:

1. This contract was not completed and the property has already been pseudocertified.
2. The estimated value of $11,000 of reserves would yield a royalty of $550 and would not repay the cost of keeping it on the books for 10 years.
3. Mica was recovered during DMEA exploration.
4. Expenditures -

| | |
|---|---|
| Total approved | $4,816.00 |
| Total cost | 4,580.12 |
| Gov't. share of the cost | 3,435.09 |
| Value of production during operation | 361.77 |

Recommendation:

I concur with the field team's recommendation.

RECEIVED
AUG 21 1956

W. F. Dietrich

W. F. Dietrich

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

RECEIVED
AUG 13 1956

August 10, 1956

Reviewed by
DMEA OPERATING COMMITTEE
8-17-56
(date)

Memorandum

To: Operating Committee - DMEA- Washington

From: DMEA Field Team, RegionV - Knoxville, Tenn.

Subject: Field Team Final Report - DMEA-3720, Idm-E805 (mica) Alvin White, et al, Ingalls, N.C. Coward Mine, Jackson County, N.C.

Transmitted are 4 copies of the subject report, which has been delayed until definite figures on approved cost of the contract could be inserted.

The Field Examiners recommend certification, based on a potential gross value of $11,000. This would yield a royalty of only $550.00, and probably would not repay the cost of keeping it on the records for 10 years. However, the work did discover some mica, and to that extent it is a discovery.

As the termination agreement contains a "pseudo-certification" clause, waiving certification, it appears that it can not now be certified. Therefore, although this is a "marginal" case, we do not recommend certification.

Robert A. Laurence
Robert A. Laurence
Executive Officer, DMEA
Field Team, RegionV

V.J. Lynch
V.J. Lynch, Member
Bureau of Mines

3720

ACTION ON INTERIM
OR FINAL FIELD TEAM REPORT
Date 8-20

Referred to:

1. ~~Mr. McCombs~~
2. ~~Mr. Johnson~~
3. ~~Mr. Chambers~~
4. ~~Docket Control Mails and Files~~
5. ~~Mrs. Stubblefield~~ Division
6. Docket Control Mails and Files

Note comments in report regarding:

1. Is "Pseudo-Cut" yes, actually in effect?
2. Is Temporary agreement in effect as not signed
3. by one of operators?
4. Case should be reviewed, and take appropriate action. No

- - - - - - - - - - -

Action taken by Division:
"Legal" ruled that one Operator's signature binds all others to the agreement

~~Robert L. Adams~~

RECEIVED
AUG 1 3 1956

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

# FINAL REPORT

On

## DMEA-3720, Idn-E805, COWARD MINE (mica)
Jackson County, N.C.

By

S. C. Bergman and A. R. Taylor, Geologists
U. S. Geological Survey

and

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

AUG 1 0 1956

Reviewed by
DMEA OPERATING COMMITTEE
8-17-56
(date)

FINAL REPORT

RECEIVED
AUG 13 1956

On
DMEA-3720, Idn-E805, COWARD MINE (mica)
Jackson County, N. C.

Operators: Alvin White, Lee White and Miss Florence Harris, c/o Alvin White, Ingalls Rural Station, Newland, N.C.

## Summary

Work was suspended January 5, 1956. The Operators, who requested termination by mutual agreement, have returned the Agreements with only two signatures. The work accomplished to date indicates that the mine could be on a paying basis if competent miners were to operate it. About 400 lbs. of "mine-run-block" muscovite was recovered down to the 12 ft level of the winze. Production from that level to the 35-ft level and including 9-ft of drift is unknown to the Field Examiners. Inferred reserves are 36,500 pounds of mine-run block mica, with a potential gross value of about $11,000. It is recommended that the Coward Mine be certified as a discovery.

## Introduction

The Coward Mine is one airline mile west of Cullowhee, Jackson County, North Carolina. It lies on the northeastern side of and near the head of an un-named tributary of Long Branch (Cullowhee, N.C. Quad., TVA, 175-SW, 1/24,000, Ed. 1946).

Work began June 28, 1955 and was stopped because of lack of funds by January 5, 1956. The Operators requested that the project be terminated by mutual agreement, so the Government mailed the Termination papers to the Operators for their signatures May 21, 1956. The papers with only two of the three required signatures were returned to the Field Examiners July 10, 1956. Mr. Lee White stated that the papers had been with Miss Florence Harris for some time and that she refused to sign them.

The work completed under the contract consisted of making a 450-foot long access road, a toolhouse, powder and exploder magazines. After cribbing

off old works in the Painter adit, timbering overhead in the stope, and cleaning out an 8-ft sump, the Operators sank a 35-ft deep untimbered winze on pegmatite and drove a 5' x 7' untimbered drift for 9 ft. N 30° W.

The Operators employed incompetent miners and therefore expended their allotted funds under the long form contract before the project was completed.

No equipment was purchased under the contract.

## Geology

### Pegmatite and Country Rock

A zoned, conformable, plagioclase-perthite-quartz-muscovite pegmatite dike, 3 1/2 to 4 1/2 feet thick strikes N. 30° W and dips 72° SW. It is 3 1/2 feet thick and contains a quartz core 1 foot thick down to the 18-ft level where the quartz is pinched and somewhat offset by a biotite gneiss inclusion 16 inches thick. The inclusion extends to the 30-ft level where it bottoms and extends 9 ft into the drift where it is presently showing in the head of the drift (Sect. A-A').

The pegmatite from the winze to the 9-ft point in the drift is 4.5 ft thick and contains a continuous quartz core at least 10 inches thick.

The dike rock and country rock of biotite gneiss is extremely hard and unweathered in the new workings.

Accessory minerals noted in an unpublished USGS manuscript (Examination Report, April 18, 1955, p.2 ) (OMEA-3720), includes biotite, garnet, pyrite, pyrrhotite, apatite, and allanite, with some vivid green flaky minerals, possibly torbernite.

### Muscovite

Ruby, flat, ruled muscovite is fairly abundant in books up to 4 inches

wide. Some is bent, clear and badly ruled, but most of it is of strategic quality.

The total production is not known; however, in the first 7 feet of winze about 100 pounds of block mica was recovered, and in the next 5 ft ( to the 12-ft level) about 300 lbs was recovered. It is known that the pegmatite thickened and got richer with muscovite on the hanging wall in a wall zone about 2 to 4 inches thick. The pegmatite away from the wall is rich in scrap-sized muscovite.

From mica recovered during the project, the Operator sold 44.12 lbs. to the GSA Depot for a total of $337.42, an average of $7.95 per lb. Percentage of recovery is difficult to determine, as no record is available of the total amount of mica recovered. Sale of 1425 lbs. of scrap for $21.37 and 58 lbs. of punch for $2.90 was reported, but this included some mica from other mines. It seems probable that about 1200 pounds of mica was removed during this operation; this gives a recovery of 3.7 per cent.

Significant reserves are probably present, but work did not proceed far enough to outline or indicate any great amount. However, upon extrapolating the probable continuity of the pegmatite for 30 ft along strike in each direction and for 30 feet up and down dip respectively at an average dike thickness of 4 feet, one gets an estimated 30,480 cu. ft. of pegmatite (67' x 60' x 4' + 60' x 60' x 4').

At an average recovery of 1.2 lbs of block muscovite per cu. ft. of pegmatite, (from the first 12 ft of winze 400 lbs of block muscovite was recovered from approximately 336 cu. ft of pegmatite) the inferred reserves may be calculated to be about 36,576 lbs. of "mine-run-block" muscovite,

187
60
10800
440

valued at approximately $11,000.

## Conclusions

It is recommended that the project be certified as a discovery. About 400 lbs of "mine-run-block" muscovite was recovered from the first 12-feet of the winze. It is unknown what the total production was, but is inferred to be as good or better than the first 12 ft of work.

The mine is now in a good position to be worked by anyone. It is accessible, has facilities, toolhouse, magazines, and is wired for electricity. The drift from the bottom of the winze affords an opportunity for anyone with very little capital outlay to commence working and continue economically.

Expenditures:

| | | |
|---|---|---|
| A. | Total amount of contract..... | $4,816.00 |
| B. | Total Amount spent..... | 4,580.12 |
| C. | Total expended..... | |
| D. | Government's share of cost..... | 3,435.09 |
| E. | Value of production..... | 361.77 |
| F. | Royalty paid ..... | 18.09 |

A. R. Taylor and S. C. Bergman, Geologists
Geological Survey

L. E. Shirley, Mining Engineer
Bureau of Mines

Aug. 10, ~~xxxx~~ 1956

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UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D.C.
KNOXVILLE 2, TENN.

RECEIVED
AUG 13 1956

August 10, 1956

Memorandum

To: Operating Committee - DMEA - Washington, D. C.

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

Subject: Operator's Final Report, DMEA-3720, Idm-E805 (Mica)
Alvin White, et al.
Coward Mine, Jackson County, North Carolina

Enclosed are the original and three copies of the Operator's final report. This was sent to the Washington office along with the Operator's final voucher in March, and was returned with the voucher and related documents which we held in our file pending receipt of the final Report of Review.

Having received the Report of Review, we are now approving the final voucher for payment.

Robert A. Laurence
Robert A. Laurence
Executive Officer

V. J. Lynch
V. J. Lynch
Member, Bureau of Mines

Enclosures 4

COWARD MINE
1-7-54

RECEIVED
MAR - 8 1956

DEAR SIRS:

I REGRET VERRY MUCH THAT WE HAVEN'T BEEN ABLE TO MAKE A BETTER SHOW ON THIS PROJECT. I KNOW THE UNIT COST LOOKS ALMOST UNREASONABLE BUT I ASSURE YOU THAT THERE HAS BEEN AN HONEST EFFORT.

ALTHOUGH I CAN ONLY SAY THAT THE UNUSUAL COS[illegible] WAS DUE TO BAD LUCK, I DO THINK THAT THIS JOB DESERVED ABOVE NORMAL COST. THE MUCK HAD TO BE HOISTED AND TRANSFERED. WHICH IS MUCH SLOWER THAN A STRAIGHT WINZE. THE VEIN MATERIAL IS HARDER THAN IS NORMALY ENCOUNTERED, ALSO IT IS WEIDED TO THE WALL ROCK WHICH OFTEN ISN'T THE CASE. THIS MADE IT HARDER TO PULL.

ALMOST THE WHOLE OF THE FIRST MONTH WAS SPENT IN BLOCKING OFF THE OLD WORKS AND CONSTRUCTING THE BUILDINGS AND SHOOTING OUT FOR HEAD RIG AND TRANSFER PLATFORM, THIS COST AMMOUNTED TO ABOUT 12.00 PER FT.

OUR STEEL ARE WORN OUT WE ONLY HAVE A FEW STICKS OF DYNAMITE LEFT. I AM NOT FINANCIALL ABLE TO CARRY THIS WORK FARTHER WITHOUT HELP. IT IS MY HONEST OPINION THAT THIS IS A GOOD PROSPECT IF I HADN'T THOUGHT SO I ASSUR YOU I WOULDN'T HAVE

ABKED HELP. I ALSO BELIEVE IT IS FARTHER TO THE RICH PART OF THIS VEIN, FROM WHERE WE ARE NOW THA IT WAS FROM WHERE WE STARTED THE WINZE. I'M NOT GRIPING THIS WOULD HAVE BEEN WHAT I BELIEVE WAS THE BEST IF WE COULD HAVE REACHED IT.

THE LAST WORK HAS PRODUCED ABOUT 200 POUNDS OF MICA OF ALL QUALITIES, AS SOON AS IT IS WORED UP WE WILL MAIL CHECK FOR ALL MICA SOLD. WHERE SHOULD THE MONEY BE SENT? I WISH TO SAY AGAIN I AM EXTREMLY SORRY WE WERE NOT ABLE TO DO A BETTER JOB.

RESPECTFULLY YOURS

Lee White

alvin White

RECEIVED
JAN 11 1956
U. ... Survey
Geologic Division
Knoxville, Tenn.

Talbert

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

AUG - 8 1956

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

Re: Docket No. DMEA-3720 (Mica)
Alvin White, Lee White and
Miss Florence Harris
Jackson County, North Carolina
Contract No. Idm-2805

Dear Mr. Lawrence:

By letter dated March 12, 1956, returning the original December 1955 Form MF-104 and supporting documents, I advised you that the issuance of a Report of Review in lieu of a final audit was being held in abeyance pending termination or amendment of the contract.

Inasmuch as a Termination Agreement was executed on May 16, 1956, terminating the contract effective December 31, 1955, the Report of Review may now be released. Accordingly, the original and two copies are enclosed for distribution within the Region V offices as prescribed by Sec. 3 of Supplement No. 4 to DMEA Circular 19 dated October 9, 1952.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

Enclosure

EDTalbert/wb
August 8, 1956

Copyto: Docket
Admr. Reading File
Mrs. Miller
Mr. Chambers

R.C.S.

Operating Committee

RECEIVED
AUG - 8 1956

August 6, 1956

Mr. Alvin White
Ingalls Station
Newland, North Carolina

Re: DMTA-3720, Idm-8805 (mlcm)
Cossard Mine, Jackson County, N.C.
Termination Agreement.

Dear Mr. White:

Enclosed is the Operator's copy of the agreement terminating the above subject contract.

Please be advised that our Legal Division in Washington has determined that the agreement has been legally executed, although signed by only two of the three partners.

Very truly yours,

W. J. Lynch, Acting Executive Officer
DMTA Field Team, Region V

WJL/mm
cc:
Lynch
Shirley
Finance Officer
Files

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

600

Docket Copy
Surname:
Houk
Chandler
Martin
Johnson
Mitterdorf

AUG - 2 1956

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

Re: Docket No. DMEA-3720-Mica
Alvin White, et al.
Coward Mine
Jackson County, North Carolina
Contract No. Idm-E805

Dear Mr. Laurence:

Enclosed are the Operator's, Field Team's and Finance Officer's copies of the Termination Agreement for the subject contract. The Operator's signature on the agreement has been reviewed by the Legal Division in Washington and found to be satisfactory as it is.

Please distribute the enclosed copies in the usual manner.

Sincerely yours,

W. S. Martin 654

ACTING Chairman, Operating Committee

Approved:

7s/ Robert W. Geehan 657
Member, Bureau of Mines

N. E. Nelson 659
Member, Geological Survey

JHopkins:ms 7/27/56

Copy to: Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Admr. R. File

Enclosures: 3

R.C.S.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 307 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

RECEIVED
JUL 18 1956

July 16, 1956

Memorandum

To: Operating Committee DMEA - Washington

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

Subject: DMEA-3720, Idm-E805 (mica) Alvin White, et al.
Coward Mine, Jackson County, N. C.

Enclosed are the original and all copies of the Termination Agreement for the subject contract, signed by two of the partners. Mr. Alvin White says that Florence Harris refused to sign the agreement. She did, however, sign the Operator's Copy, and then evidently changed her mind (exercising a woman's time-honored privilege).

Note also that Mrs. Davie C. Sutton, the land-owner, signed a statement on the Operator's copy, agreeing to stipulate that any future lessee would be required to pay the royalties due the Government.

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

V. J. Lynch
V. J. Lynch, Member
Bureau of Mines

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

RECEIVED
JUL 11 1956

July 9, 1956

Memorandum

To: Operating Committee, DMEA, Washington 25, D. C.

From: Field Team, DMEA, Region V - Knoxville

Subject: DMEA-3720, Idm-E805 (Mica)
Alvin White, et al., Spruce Pine, N. C.
Coward Mine, Jackson County, North Carolina

Reference is made to your letter of July 6:

On May 21, we sent the Termination Agreement to Mr. Alvin White. No answer has been received. Our field men have not seen Mr. White lately, although in April he told them he would sign the Termination Agreement. They have been asked to see Mr. White while they are in Spruce Pine this week, and to obtain the executed Agreements if possible.

Robert A. Laurence
Robert A. Laurence
Executive Officer

V. J. Lynch
V. J. Lynch, Member
Bureau of Mines

DOCKET COPY
Surname:

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

JUL 6 - 1956

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

Re: Docket No. DMEA-3720-mica
Alvin White et al.
Coward Mine
Jackson County, North Carolina
Contract No. Idm-E205

Dear Mr. Laurence:

Reference is made to our letter dated May 17, 1956, transmitting a Termination Agreement on the subject contract for the operators' signatures.

If there have been no objections to this agreement by the operators, please advise when we may expect the executed copies.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

/s/ Robert W. Geeham

Member, Bureau of Mines

Thor H. Kiilsgaard

Member, Geological Survey

JHopkins:ms 7/3/56
Copy to: Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Admr. R. File

DOCKET COPY
Surname:

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

600

Hopkins
Houk
Champlin
Selfridge
Fitzsimmons
Mattendorf

MAY 17 1956

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

Re: Docket No. DMEA-3720-Mica
Alvin White, et al.
Coward Mine
Jackson County, North Carolina
Contract No. Idm-8805

Dear Mr. Laurence:

Reference is made to your memorandum dated April 4, 1956, in which you agree with our suggestion that the subject contract be terminated by mutual agreement, effective December 31, 1955.

We have prepared and enclose the original and five copies of a Termination Agreement of the subject contract containing a "Certification by Agreement" clause, which have been signed by the Administrator with effective date as shown. Two extra copies are enclosed for the use of the Field Team.

If this agreement meets with your approval present it to the Operator for approval and signature. If any part of it does not have either your approval or that of the Operator, then the original and all copies of the agreement are to be returned to this office, together with the proposed changes for consideration.

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

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (JHS)

Approved:

/s/ Robert W. Geehan (JHS)
Member, Bureau of Mines

Thor H. Kiilsgaard (JHS)
Member, Geological Survey

Enclosures: 8

JHopkins:ms 4/18/56
Copy to: Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Hopkins
Admr. R. File

R.C.L.

C

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

RECEIVED
MAY 16 1956

May 14, 1956

Memorandum

To: Operating Committee, DMEA- Washington

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

Subject: Request for Termination* Idm-E805, DMEA-3720-Mica, Coward Mine, Jackson County, N. C. Alvin White, et al applicants, Ingalls Rural Station, Newland, N. C.

After receiving your letter of April 26, concerning the subject contract, Mr. Alvin White, Operator, was interviewed by one of the Field Examiners to determine his reaction toward your suggestion of including a "Certification by Agreement" clause in the termination.

In the enclosed letter Mr. White has expressed his willingness to have a Certification included in the termination agreement.

The Field Team concurs with your suggestion and requests that the termination agreement be prepared by your office.

V. J. Lynch

V. J. Lynch, Acting
Executive Officer, DMEA
Region V

S. C. Bergman gm

S. C. Bergman, Geologist
U. S. Geological Survey

ALVIN WHITE
INGALLS RURAL STA.
NEWLAND N.C.
MAY 9, 1956

RECEIVED
MAY 11 1956
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

MR. ROBERT A LAURENCE
EXECUTIVE OFFICER
DMEA FIELD TEAM REGION 5
KNOXVILLE 2 TENN.

RECEIVED
MAY 16 1956

DEAR MR. LAURENCE:

IN REGARD TO CONTRACT NO 805 DMEA 3720.

IF IT IS POSSIBLE WE WOULD LIKE TO HAVE THIS CONTRACT TERMINATED BY MUTUAL CONSENT. IF THIS COULD BE DONE WITH A DECLARATION ON THE MINE TO PROTECT THE GOVERNMENT INVESTMENT. IF A CERTIFICATION COULD BE MADE AND RELEASE US FROM THIS CONTRACT IN A MANNER THAT WOULD ALLOW THE LAND OWNER TO LEASE TO ANNOTHER PARTY. I WOULD DEEPLY APPRECIATE IT.

I FEEL BADLY ABOUT HAVING THE MINE TIED UP AND NOT BEING ABLE TO WORK IT. I FEEL THAT SOME ONE WHO IS FINANCIALLY ABLE MIGHT LIKE TO WORK IT. I SHALL BE VERRY GRATEFUL FOR ANNY THING YOU CAN DO THAT WILL BRING THIS CONTRACT TO A SATISFACTORY CLOSE.

THANK YOU FOR YOUR KIND CONCIDERATION IN THE PAST.

RESPECTFULLY YOURS
Alvin White

DOCKET COPY
Surname:

Hopkins
Houk
Selfridge
Kiilsgaard
Dietrich

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

APR 26 1956

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

Re: Docket No. DMEA-3720-Mica
Alvin White, et al.
Coward Mine
Jackson County, North Carolina
Contract No. Idm-1805

Dear Mr. Laurence:

Reference is made to your Memorandum of April 4, 1956, in regard to terminating the subject contract.

Since the project work did not result in a significant discovery, and termination by mutual agreement is acceptable to you, we would appreciate your reaction and comments on the inclusion of a "Certification by Agreement" clause in the termination. However, it is possible that the Operators may be unwilling to accept this form of termination because their request for additional funds to complete the project was denied.

Before preparing and sending this form of termination for the Operators' signatures, please ascertain if it will be acceptable to them.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (2/3)

Approved:

/s/ Robert W. Geehan (2/3)

Member, Bureau of Mines

Thor H. Kiilsgaard (2/3)

Member, Geological Survey

JHopkins:ms 4/23/56
Copy to: Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Hopkins
Admr. R. File

R.C.L.

DOCKET COPY
Surname:

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

April 10, 1956

Memorandum

To: Mr. Robert Dwyer, Associate Solicitor

From: L. G. Houk, Chief
Nonmetallic Minerals Division

Subject: Termination with "Certification by agreement"
Docket No. DMEA-3720-Mica
Alvin White, et al.
Coward Mine
Jackson County, North Carolina
Contract No. Idm-E805

Please prepare a mutual termination agreement of the subject contract that contains a "Certification by agreement" clause to protect the Government's interest. The effective date of the agreement will be as of December 31, 1955.

James Hopkins,
Nonmetallic Minerals Division

JHopkins:ms 4/10/56
Copy to: Docket
Mr. Houk
Mr. Hopkins
Admr. R. File

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

RECEIVED
APR 6 - 1956

~~March~~ April 4, 1956

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: DMEA-3720, Idm-E805 -Mica, Alvin White, et al. Coward Mine, Jackson County, N. C.

Reference is made to your letter of March 22.

Termination by mutual agreement is acceptable to us. We do not expect to recommend certification of discovery. The results of the work accomplished so far could hardly be called a significant discovery. There is, of course, the possibility that someone else may complete the work and discover more mica.

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

V. J. Lynch
V. J. Lynch, Member
Bureau of Mines

DOCKET COPY
Surname:
Houk
Chambers
Selfridge
Johnson
Whitenbury

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

MAR 22 1956

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

Re: Docket No. DMEA-3720-Mica
Alvin White, et al.
Coward Mine
Jackson County, North Carolina
Contract No. Idm-E805

Dear Mr. Laurence:

Reference is made to our letter of January 6, 1956, deferring the final decision on granting additional funds until after an audit.

Costs of this project as disclosed by the audit indicate the Operator's inability to perform the work under the contract efficiently and economically.

Based upon the size of the target and the results of the work to date, the approval of additional funds to complete the work outlined in the contract is not justified. It is not felt that the Operator will perform more efficiently under a unit cost contract. The target area has been partially explored and our question is whether a significant discovery has been made. We will prepare a mutual termination agreement of the contract as of December 31, 1955, however, the Field Team's recommendation on termination would be appreciated.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (LGH)
LGHouk:ms 3/19/56
Copy to: Docket
Operating Committee
Mr. Chambers
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Admr. R. File

Approved:

/s/ Robert W. Geehan (LGH)
Member, Bureau of Mines

W. P. Williams (LGH)
Member, Geological Survey

R.C.4

Talbert

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

MAR 12 1956

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

Re: Docket No. DMEA-3720 (Mica)
Alvin White, Lee White and
Miss Florence Harris
Jackson County, North Carolina
Contract No. IDM-2105

Dear Mr. Lawrence:

Returned herewith are the original Forms MF-104 and MF-104A, the Operator's narrative report and various supporting documents, covering the December 1955 operations of the referenced project, as forwarded to Mr. Fisher by your memorandum of March 6, 1955.

These documents have been reviewed by Mr. Fisher and the costs claimed ($172.62) for the month of December 1955 have been found to be acceptable. However, the issuance of a Report of Review in lieu of a final audit is being held in abeyance pending a determination as to whether the project will be terminated or amended to provide additional funds for completion of the work.

It is suggested that payment of this December 1955 Form MF-104 be withheld until either release of a Report of Review or the start of work under an authorizing amendment.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

Enclosure

EDTalbert/wb 3-12-56

Copy to: Docket
Admr. Reading File
Helen R. Miller
Mr. Houk
Mr. Chambers
Mr. Fisher

R.C.H.

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

WASHINGTON 25, D. C.

RECEIVED
FEB - 2 1956

January 31, 1956

Memorandum

To: Helen Miller, Ass't Administrative Officer, Region V

From: Executive Officer, DMEA - Region V - Knoxville, Tenn.

Subject: Royalty payment on - Idm-8805, DMEA-3720, Alvin & Lee White, Coward Mine, Jackson County, N. C.

Transmitted are bill-of-sales in the amount of ~~$361.77~~, 361.79 and a check for 5 per cent in the amount of $18.09 for mica sold from the subject mine.

Robert A. Laurence

ZM.
cet
Mittendorf
Lynch
Shirley
Files

Copy

RECEIVED
FEB - 2 1956

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

Authorization No. 1202A Acceptance No. 166 Date: 8-18-55

Seller: Alvin White, Ingalls, N.C.

Mine: Coward Mine
Jackson County, N.C.

DMEA No. 3720, Idun E 805

| Quality of Mica | HALF TRIM | | | FULL TRIM | | |
|---|---|---|---|---|---|---|
| | Pounds | Price/Lb. | Amount | Pounds | Price/Lb. | Amount |
| Good Stained & Better Grades No. 3 & larger | | | | | | |
| No. 4 and 5 | | | | | $70.00 | |
| No. 5½ and 6 | | | | .22 | $40.00 | 8.80 |
| Stained | | | | | | |
| No. 3 and larger | | $12.00 | | 3.66 | $15.00 | 54.90 |
| No. 4 and 5 | | $ 5.00 | | | $18.00 | |
| No. 5½ and 6 | | $ 3.00 | | .50 | $ 8.00 | 4.00 |
| Heavy Stained | | | | | | |
| No. 3 & larger | | $ 8.00 | | 5.70 | $ 5.00 | 28.50 |
| No. 4 and 5 | | $ 4.00 | | | $13.00 | |
| No. 5½ and 6 | | $ 2.00 | | .12 | $ 6.00 | .72 |
| LOT TOTALS | | ////// | | .82 | $ 3.00 | 2.46 |
| TOTAL | | ///// | | 11.02 | ////// | |
| | | | | | ///// | 99.38 |

C O P Y

PURCHASE RECORD

Plumtree, N. C. Dec. 20, 1955

THE TAR HEEL MICA COMPANY

Bought from : Charles White

| | | |
|---|---|---|
| 58 lbs. punch--small | .05¢ | $2.90 |
| 12-21-55. 1425 lbs. scrap | | 21.37 |
| | | $24.27 |

copy

RECEIVED
FEB - 2 1956

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

Authorization No. 1202A Acceptance No. 210 Date: 8-30-55

Seller: Alvin White, Ingalls, N.C.

Mine: Coward
Jackson County, N.C.

DMEA No. 3720, Idwt. 865

| Quality of Mica | HALF TRIM | | | FULL TRIM | | |
|---|---|---|---|---|---|---|
| | Pounds | Price/Lb. | Amount | Pounds | Price/Lb. | Amount |
| Good Stained & Better Grades No. 3 & larger | | | | | $70.00 | |
| No. 4 and 5 | | | | .06 | $40.00 | 2.40 |
| No. 5½ and 6 | | | | 3.56 | $15.00 | 53.40 |
| Stained | | | | | | |
| No. 3 and larger | | $12.00 | | | $18.00 | |
| No. 4 and 5 | | $ 5.00 | | .12 | $ 8.00 | .96 |
| No. 5½ and 6 | | $ 3.00 | | 7.12 | $ 5.00 | 35.60 |
| Heavy Stained | | | | | | |
| No. 3 & larger | | $ 8.00 | | | $13.00 | |
| No. 4 and 5 | | $ 4.00 | | .06 | $ 6.00 | .36 |
| No. 5½ and 6 | | $ 2.00 | | .45 | $ 3.00 | 1.35 |
| LOT TOTALS | | ////// | | 11.37 | ////// | |
| TOTAL | | ///// | | | ///// | 94.07 |

Copy

RECEIVED
FEB - 2 1956

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

Authorization No. 1202A Acceptance No. 418 Date: 10-18-55

Seller: Alvin White, Angales, N.C

Mine: Coward
Jackson County, N.C.

DMEA No. 3720, Adm E-805

| Quality of Mica | HALF TRIM | | | FULL TRIM | | |
|---|---|---|---|---|---|---|
| | Pounds | Price/Lb. | Amount | Pounds | Price/Lb. | Amount |
| Good Stained & Better Grades No. 3 & larger | | | | | $70.00 | |
| No. 4 and 5 | | | | | $40.00 | |
| No. 5½ and 6 | | | | .12 | $15.00 | 4.80 |
| Stained | | | | 2.31 | $18.00 | 34.65 |
| No.3 and larger | | $12.00 | | | $8.00 | |
| No. 4 and 5 | | $5.00 | | | $5.00 | |
| No. 5½ and 6 | | $3.00 | | .56 | $13.00 | 4.48 |
| Heavy Stained | | | | 7.31 | $6.00 | 36.55 |
| No. 3 & larger | | $8.00 | | | $3.00 | |
| No. 4 and 5 | | $4.00 | | | | |
| No. 5½ and 6 | | $2.00 | | | | |
| LOT TOTALS | | ////// | | 10.30 | ////// | |
| TOTAL | | ///// | | | ///// | 80.40 |

80.48

Copy

RECEIVED
FEB - 2 1956

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

Authorization No. 1202A Acceptance No. 777 Date: 1-26-56

Seller: Alvin White, Ingalls, N.C.

Mine: Coward DMEA No. 5720, Idnt 805

Jackson County, NC

| Quality of Mica | HALF TRIM | | | FULL TRIM | | |
|---|---|---|---|---|---|---|
| | Pounds | Price/Lb. | Amount | Pounds | Price/Lb. | Amount |
| Good Stained & Better Grades No. 3 & larger | | | | | $70.00 | |
| No. 4 and 5 | | | | | $40.00 | |
| No. 5½ and 6 | | | | 1.95 | $15.00 | 29.25 |
| Stained | | | | | | |
| No.3 and larger | | $12.00 | | | $18.00 | |
| No. 4 and 5 | | $ 5.00 | | | $ 8.00 | |
| No. 5½ and 6 | | $ 3.00 | | 5.46 | $ 5.00 | 27.30 |
| Heavy Stained | | | | | | |
| No. 3 & larger | | $ 8.00 | | | $13.00 | |
| No. 4 and 5 | | $ 4.00 | | | $ 6.00 | |
| No. 5½ and 6 | | $ 2.00 | | 2.34 | $ 3.00 | 7.02 |
| LOT TOTALS | | ////// | | 9.75 | ////// | |
| TOTAL | | ///// | | | ///// | 63.57 |

Docket Copy
Surname:
Houk
Talbot
Selfridge
Hyldman
Mittendorf

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

JAN 6 1956

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

Subject: Docket No. DMEA-3720 - Mica
Alvin White, et al.
Coward Mine
Jackson County, North Carolina
Contract No. Idm-E805

Dear Mr. Laurence:

Reference is made to the subject long form contract and the denial of additional funds to partially complete the proposed project.

In January Mr. C. E. Fisher will make an audit of the work completed to date. It is believed that the audit may make some disallowances; therefore, it is suggested that no further payments be made until after the audit.

At the time the contract was written, we considered this marginal target could be explored with the $4,940.00 allocated for the work. Our present thinking, based on the progress of the work and the results achieved, is that we would not be justified in granting additional funds to complete the proposed program. In other words the target, in our opinion, does not justify any additional funds. It is noted from your memorandum of December 13, 1955, that you would not recommend any additional funds beyond the $632.00, and are substantially in agreement with this office. Our final decision on this matter must necessarily be delayed until after the audit.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee (GCS)

Approved:

/s/ Robert W. Geehan (GCS)
Member, Bureau of Mines

Thor H. Kiilsgaard (GCS)
Member, Geological Survey

LGHouk:gad 1/5/56
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

INTERIM REPORT

RECEIVED
JAN 13 1956

DMEA-3720, Idm-E805 (mica) COWARD MINE

OPERATOR: Alvin White, Ingalls Rural Station, Newland, N. C.;
Lee White, Route #2, Spruce Pine, N. C.; and
Miss Florence Harris, Dillsboro, N. C.

LOCATION: One airline mile due west of Cullowhee, Jackson Co., N. C.

Winze sinking has been completed to a total depth of 35 feet. Turnoff has been made at this level, and an advance of 9 feet of drift has been made in a N30°W direction. The present face shows a biotite gneiss inclusion, in the roof area, flanked by zones of small mica and quartz. Along the hanging wall contact a similar condition exists with considerable small quartz-mica concentrations as far as observable. No one was present at the mine at the time of this inspection, and it is not known how much strategic mica was recovered from the drift. Mica in place appeared to be of good quality, though ruled rather badly. Another visit will be made to the mine in the near future.

L. E. Shirley

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

S. C. Bergman

S. C. Bergman and A. R. Taylor, Geologists
U. S. Geological Survey

January 5, 1956

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

RECEIVED AUG 1 - 1956

Month of DEC, 1955 Docket No. DMEA 3720 Contract No. 805
Operator's Name Alvin White Minerals MICA
Address INGALLS RURAL STA NEWLAND NC.
Contract Amount, $ 4940. Government Participation: 75% Amount, $ 3705.

| ITEMS OF COSTS | FOR OPERATOR'S USE | | | FOR GOVERNMENT USE ONLY | | |
|---|---|---|---|---|---|---|
| | Monthly Total | Totals Previously Reported | Totals To Date | Approved Monthly Total | Approved Totals Previously Reported | Approved Totals To Date |
| (1) Independent Short Form Contracts: | | | | | | |
| Drilling | | | | | | |
| Bulldozing | 50.00 | 50.00 | 50.00 | | | |
| Crosscutting | | | | | | |
| Drifting | | | | | | |
| (2) Labor and Supervision: | | | | | | |
| Labor | 99.60 | 2500.10 | 2599.70 | | | |
| Supervision | | | | | | |
| Technical Services | | | | | | |
| (3) Operating Mat'ls. and Supplies: | | | | | | |
| Timber | | | | | | |
| Explosives | 38.24 | 238.24 | 276.98 | | | |
| ~~Pipe~~ F | | | | | | |
| Track FUEL + OIL | 30.93 | 208.52 | 239.45 | | | |
| SUPPLIES OTHER | 3.35 | 323.53 | 326.88 | | | |
| (4) Operating Equipment: | | | | | | |
| Rental | | 910.00 | 910.00 | | | |
| Purchase | | | | | | |
| Depreciation | | | | | | |
| (5) Initial Rehabilitation and Repairs | | | | | | |
| (6) New Bldgs., Improvements, etc. | | 116.00 | 116.00 | | | |
| (7) Miscellaneous: | | | | | | |
| Repairs to Equipment | | | | | | |
| Sampling and Analysis | | | | | | |
| Payroll Taxes | | 50.30 | 50.30 | | | |
| Liability Insurance | | | | | | |
| (8) Contingencies (specify): | | | | | | |
| TOTALS | 172.62 | 4396.69 | 4569.31 | | | |

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 1-9-56 *Payee Alvin White

Per _____ Title OPERATOR

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

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

(Instructions on reverse)

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

$137.56

Signature Helen R. Mueller
(Authorized Certifying Officer)

Date AUG 13 1956 Vou. No. 27
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E-805 in accordance with the terms of the contract.

Signature N. J. Lynch Title Mining Eng. Date 8/10/56

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lamanna Title EXECUTIVE OFFICER DMEA REGION V Date AUG 10 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
AUG 1 7 1956

# OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of DEC 1955 Docket No. DMEA 3720 Contract No. 805
Operator's Name Alvin White Minerals MICA
Address INGALLS RURAL STA NEWLAND 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 | | | 10 | | | | | |
| Crosscutting | | | | | | | | |
| Raising | | | | | | | | |
| Shafts | | | | | | | | |
| Winzes | Ft | 172.62 | 3 | 4403.31 | 45 | 97.85 | | |
| Drilling: Core | | | | | | | | |
| Churn | | | | | | | | |
| Auger | | | | | | | | |
| Stripping | | | | | | | | |
| Trenching | | | | | | | | |
| Test Pits | | | | | | | | |
| Roads and Trails | | | | 50.00 | | | | |
| Total Distributed Costs | | | | | | | | Total Costs Authorized by Contract |
| Operating Equipment Purchased | | | | | | | | |
| Initial Rehabilitation and Repairs | | | | | | | | |
| New Buildings, Improvements, etc. | | | | 116.00 | | | | |
| Total Costs | | | | 4569.31 | | | | |

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

Date 1-7-56 Operator Alvin White

Per Title OPERATOR

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

Remarks:

(Instructions on reverse)

(For Government use only)

N. J. Lynch
Bureau of Mines
8/10/56

## 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

DMEA 3720

COWARD MINE CULLOHEE N.C.

TIME FOR DEC. 1955

RECEIVED
AUG 1 7 1956

| | ALVIN WHITE | ROY PEARSON | HOMER ROGERS | MILLARD TATE |
|---|---|---|---|---|
| WEEK ENDING 12-10-55 | 29 HRS | 29 HRS | 21.5 HRS | 21.5 HRS |
| RATE | 1.35 | 1.35 | 1.00 | 1.00 |
| AMMOUNT | 39.15 | 39.15 | 21.50 | 21.50 |

alvin White

DMEA 3720

COWARD MINE Cullohee N.C.
REPORT FOR DEC. 1955

RECEIVED
AUG 1 7 1956

WEEK ENDING 12-10 1955

STARTED WORK ON WEDNESDAY DRILLED 11 holes IN Bottom USED 36 sticks POWDER GOT PARTLY MUCKED OUT. DRILL MAN 8 hrs MUCKERS 4.5 hrs

THURSDAY FINISHED MUCKING OUT DRILLED REST OF DAY 13 hrs FOR DRILL MAN 9 hrs FOR MUCKERS

FRIDAY FINISHED 15 holes IN HEADING FOR LEVEL TUNNEL USED 56 JOINTS POWDER PULLED ABOUT 2 FEET 8 hours FOR DRILL MAN AND MUCKERS. DIDN'T GET ALL MUCK OUT.

IN ADDITION TO ABOVE WE HAVE WORKED A TOTAL OF 248 MAN hours Which has ADVANCED THE TUNNEL 8 OR 9 FT. THE ONLY ITEM OF EXPENSE ENTERED AGAINST THIS IS THE GAS + OIL BILL FOR 18.93 DATED 12/29.

Alvin White

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

December 23, 1955

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: Analysis of project work and denial of request for additional funds - Docket No. DMEA-3720 - Mica
Alvin White, et al.
Coward Mine
Jackson County, North Carolina
Contract No. Idm-E805

In a report of examination dated April 18, 1955, the Field Team, Region V, recommended an exploration project on the subject property to consist of the following work and estimated costs:

| | | |
|---|---|---|
| 1. | Construct 450 feet of access road | $50.00 |
| 2. | Construct toolhouse and 2 magazines | 113.00 |
| 3. | Crib old works and clean muck from 8-foot sump | 50.00 |
| 4. | Sink 40 feet of incline winze on the pegmatite | 1,800.00 |
| 5. | Drive 80 feet of drift from winze | 2,800.00 |
| | Estimated total cost of project | $4,813.00 |

The Executive Officer agreed with the recommendation for an exploration contract as outlined in the report and also suggested that this might be an appropriate project for using actual-cost basis instead of unit costs. Accordingly, a contract was prepared and executed that authorized the above work with the following estimated costs and respective categories.

Category 1. Independent contracts
Bulldozing access road, 5 hours @ $10.00/hr. $50.00
(The price per hour includes transporting bulldozer and all costs of bulldozing whatsoever)

Category 2. Personel services
(a) Supervision - none
(b) Technical services - none
(c) Labor (the rate per hour includes liability insurance and Social Security)
Miners @ $1.50/hr.
Hoistmen @ $1.25/hr.
Laborers @ $1.00/hr.
Total $2,650.00

Category 3. Operating materials and supplies
Miscellaneous, other than for bulldozing $1,208.00

Category 4. Operating equipment
Rental:
1 compressor, drill and pump @ $230.00/mo.
1 jackleg @ $10.00/mo.
1 hoist @ $50.00/mo. $ 916.00

Category 5. Initial rehabilitation and repairs - none

Category 6. New buildings, fixtures and installations
(Exclusive of mine workings)

| | |
|---|---|
| 1 toolhouse | $76.00 |
| 1 powder magazine | 26.00 |
| 1 exploder magazine | 14.00 |
| | $116.00 |

Category 7. Miscellaneous - none

| | |
|---|---|
| Estimated total cost of project | $4,940.00 |
| Government participation @ 75 % | $3,705.00 |

The contract specified the work was to begin on or before July 15, 1955, and to be completed December 15, 1955. The status of the project as of November 30, 1955, is as follows:
Work:

| Authorized | Completed | Cost | Cost/ ft. | Work remaining | Unused funds |
|---|---|---|---|---|---|
| Road construction $50.00 | yes | $50.00 | --- | --- | ---- |
| Rehabilitation $50.00 | yes | 370.00 | --- | --- | excess ($320.00) |
| New buildings $116.00 | yes | 116.00 | --- | --- | ---- |
| Winze 40 feet | 32 ft. | 3,860.69 | $120.64 | 8 ft. | $543.31 |
| Drifting 80 feet | none | --- | | 80 ft. | ---- |
| Total | | $4,396.69 | -120.64 | | $543.31 |

In a letter dated December 13, 1955, the Field Team recommended approval of an amendment to extend time for completion to February 29, 1956, and to provide additional funds in the amount of $632.00 for cost of installing blower ($32.00), rental of equipment one additional month ($280.00), and funds expended in excess of estimate ($320.00).

With regard to equipment rental, it should be noted that the application stated the applicant would furnish air compressor, drill steel, 4 carbide bits, pipeline, steel rail, mine car, air hose, hoist, 2 picks and 2 shovels. Although the contract as recommended by the Field Team, Region V, was set up to furnish funds for rental of compressor and hoist, and purchase of other items.

The Nonmetallic Minerals Division recommends that the requests for additional funds by the Field Team, Region V, be denied for the following reasons:

1. The gross inefficiency of the Operators as revealed by the analysis of the costs of the work indicates that additional funds are not justified.
2. It is quite obvious that the amount requested will not be sufficient to enable the Operators to complete the work.
3. Performance being sub-standard for the area.
   Standard advance/day and cost 2 feet $45.00
   Operators advance/day and cost 6 feet $120.64
4. It appears that the target has been fully explored because the small amount of mica found in the pegmatite in the winze is not confined to a particular zone, but is well distributed in all zones. ?
5. Quantity of mica found to date in the winze is insufficient to be classed as a significant discovery.

Costs might have been lower by using Operators' equipment, compressor and hoist at depreciation rates. Underestimate of rehabilitation cost is probably an excusable error.

James Hopkins
Nonmetallic Minerals Division

Supplementary Data

Geological Premise:

The premise that a pegmatite which had yielded considerable quantities of mica in the upper workings would be equally productive below the lowest level was not proven by the project work.

Geological criteria upon which work was based:

Pegmatite has been explored over strike length of 185 feet and a vertical range of 85. Mica occurs well-distributed through all of the wall zone. Mica is abundant but of poor quality. Profit possible under high market price such as now exists. Mica averaged 60% stained or better. Production and sale to Colonial Mica Corp. valued at $2,205.48.

Greenish-brown books as much as 8-inches wide were exposed. Pegmatite is conformable to gneissic foliation. It has been badly faulted during a late stage in the consolidation of the pegmatite. Was implaced along a fault. Has split into two arms in upper levels. Operation would only be marginal, but higher prices for mica might mean a profit could be expected.

Geological criteria developed by the project.

Pegmatite composed of feldspar, samll quartz, and scattered muscovite mica. Mica is very scant -- about 500# produced. Pegmatite thinned with depth. No improvement of pegmatite or mica quality and quantity with depth.

Recommendations:

All authorized work was not completed and the main target was not reached. However, work done indicated that further work was not justified. Completion date was December 15 when funds were exhausted. ~~Denial of~~ additional funds to complete the project was not recommended. Request for

James Hopkins
Nonmetallic Minerals Division

DOCKET FILE
Surname:

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

DEC 23 1955

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

Subject: Docket No. DMEA-3720 - Mica
Alvin White, et al.
Coward Mine
Jackson County, North Carolina
Contract No. Idm-1805

Dear Mr. Laurence:

Reference is made to your memorandum to the Operating Committee dated December 13, 1955, recommending a time extension to February 29, 1956, and to allow $632.00 additional expenditures.

The recommendation for allowance of $632.00 to complete a portion of the work but not sufficient to complete the project is not in our opinion justified. Based upon the work accomplished to date it appears that the quality and quantity of mica is not likely to improve, therefore, it is felt that additional funds are not justified. However, you may amend the contract to allow additional time to continue work until the funds are exhausted.

In answer to your statement, "We do not think there is anything in the contract which authorizes us to make deductions from the monthly voucher because of slow progress and high unit costs" please read Article 6 of the contract, first paragraph, "The allowable costs of the work to which the Government shall contribute are limited to those that are direct, reasonable, and necessary", and also note the Operating Committee Memorandum No. 11, dated October 17, 1952. The cost of the shaft work from July to November 30, 1955, shows the average cost to be $120.64 per foot with the following breakdown:

| | |
|---|---|
| Labor | $68.14 |
| Explosives | 7.44 |
| Fuel | 6.51 |
| Equipment rental | 28.44 |
| Steel and supplies | 10.11 |
| | $120.64 |

Your letter to Mr. White dated December 13, 1955, made some disallowances which are normal operating costs (bit sharpening, etc.) Please note Circular 31 of April 7, 1953. Please send this office a copy of the rental agreement in order that we may evaluate its conditions.

The application states the Operators own the equipment yet the Field Team recommended a rental allowance. In the future please have the Field Team set up a depreciation or use allowance for the equipment rather than a rental.

We realize it is distasteful to disallow funds for work that the Operator claims is reasonable and necessary but with which we do not agree as being allowable costs. The Government should not participate in costs incurred when work on the exploration project is not being performed.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (GCS)

Approved:

/s/ Robert W. Geehan (GCS)

Member, Bureau of Mines

Thor H. Kiilsgaard (GCS)

Member, Geological Survey

LGHouk:gad 12/22/55

Copy to: Admr. R. File
Docket
Operating Committee
Mr. Dietrich, ~~5222~~ 3061
Mr. Kiilsgaard, 5222
Mr. Houk
Mr. Hopkins

DOCKET FILE
Surname:
Houk
J. Chambers
Selfridge
Johnson
Mittendorf

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

DEC 19 1955

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

Subject: Docket No. DMEA-3720 - Mica
Alvin White, Lee White and
Florence Harris
Coward Mine
Jackson County, North Carolina
Contract No. Idm-E805

Dear Mr. Laurence:

Reference is made to our telephone conversation of December 7, 1955, on the subject of long form contracts.

When the monthly vouchers and bills are received, the Field Team should approve only those costs that are reasonable and necessary for the completion of the project. Excessive costs for any unusual condition should be supported by a detailed statement from the operators giving the reasons and a cost breakdown showing the number of employees, hours worked, and cost of supplies and equipment used. The statement from the operators should be incorporated in the Field Team's justification for approving these costs. The justification should accompany the current MF-104.

Please impress on the operators that they must complete the work in the allotted time unless they wish to pay rental out of their own pockets. The contract does not provide for payment of rental during recess periods. The long form contract is set up on a basis of an estimated daily advance for drifting and for shaft sinking. If the operators fail to meet these quotas because of inefficient operation or layoffs, they should be advised that expenses incurred in these cases will not be allowed.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (2/B)

Approved:

/s/ Robert W. Gaborn (2/B)
Member, Bureau of Mines

Thor H. Kiilsgaard (2/B)
Member, Geological Survey

LGHouk:ad 12/14/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

R.C.S.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 25, CE BLDG.
KNOXVILLE 2, TENN.

RECEIVED
DEC 21 1955

December 19, 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA- Region V

Subject: DMEA-3720, Idm-E805 (mica) Coward Mine. Our memo of Dec. 13.

In our memo of December 13, third paragraph, the heading of the third item should read: "Used thru 11/55" instead of "unused" as was incorrectly written.

Robert A. Laurence

Robert A. Laurence

INTERIM REPORT

RECEIVED
DEC 27 1955

DMEA-3720, Idm-E805 (mica) COWARD MINE

Operator: Alvin White, Ingalls Rural Station, Newland, N. C., Lee White, Route 2, Spruce Pine, N. C., and Miss Florence Harris, Dillsboro, North Carolina.

Location: One airline miles due west of Cullowhee, Jackson County, N. C.

Inclined shaft sinking has been completed to a depth of about 35 feet and turn off from the shaft bottom has been made to the northwest. Negligible progress has been made on the drift to date. The Operator had washed down both ends of the shaft and the pegmatite was fully exposed for inspection. The footwall contact strikes N. 30° W. and dips 72° SW. At the 18-foot level in the incline, a biotite gneiss inclusion begins in the pegmatite from the footwall and gets up to 16 inches thick near the shaft bottom. Rich mica zones occur principally on the hanging wall and are 2 inches thick in places.

The Operators were advised to continue the drift to the northwest in an effort to produce strategic mica in sufficient quantities to place the mine on a "pay-as-you-go" basis, since the funds provided by contract are nearly exhausted.

Recent progress on this contract is satisfactory.

Inspected: December 15, 1955.

L. E. Shirley

L. E. Shirley, Mining Engineer
Bureau of Mines

and

SCB

S. C. Bergman and A. R. Taylor, Geologists
Geological Survey

g

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

RECEIVED
DEC 15 1955

December 13, 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: DMEA Field Team, Region V - Knoxville

Subject: DMEA-3720, Idm-E 805 (mica) Alvin & Lee White and Florence Harris, Coward Mine, Jackson County, N. C.

This job is still short of completion, although the specified time has elapsed and most of the money has been spent. Progress has been slow, due to a number of reasons, not entirely the inefficiency of the Operators.

Although we realized in October that this Operator could not complete the job within the specified maximum amounts, we did not think there was anything in the contract which authorized us to make deductions from the monthly vouchers because of slow progress and resulting high unit costs.

Including the November voucher as submitted, following are amounts authorized and used:

| Category | Authorized | Unused thru 11/55 |
|---|---|---|
| I | 50.00 | 50.00 |
| II | 2,650.00 | 2,515.66 |
| III | 1,208.00 | 869.90 |
| IV | 916.00 | 910.00 |
| VI | 116.00 | 116.00 |
| Totals | 4,940.00 | 4,461.56 |

According to Mr. Shirley, the cost of re-conditioning the adit, cribbing off old works in the Painter adit and cleaning out the 8-foot sump, was underestimated at $50.00 in the original examination report; actual cost was $370.00. This is broken down thus:

Reconditioning approximately 200 feet of adit, including cleaning out muck at the portal and on the floor, and necessary timbering.

| | |
|---|---|
| 1 - miner, 5 shifts at $1.50 per hour | $60.00 |
| 2 - laborers, 10 shifts at $1.00 per hour | 160.00 |

Cribbing off old works including cleaning existing 8-foot sump; additional timbering and bulkheading not originally anticipated $150.00

$370.00

In addition, the following additional costs are probably justified.

Labor on installation of blower and air line
2 - laborers, 2 shifts at $1.00 per hour $32.00

Rental of equipment, one additional month resulting from unanticipated delays .... 280.00

Therefore, we recommend approval of an amendment to extend time for completion to February 29, 1956, and to provide an additional $632.00 for the items indicated above. It is obvious that this will not be sufficient to enable the Operator to complete the project, but we do not think any additional expenses can be recommended. It is probable that the Operator will not have enough money to complete the job, even with this addition.

This job is one of the best examples of why the short-form unit-cost contract, is preferable.

If you agree with the recommendation, please prepare the amendment and send it to us for transmittal to the Operator.

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

Wm. A. Beck
Wm. A. Beck, Acting Member
Bureau of Mines

December 7, 1955

Mr. L. G. Houk calling Mr. R. A. Laurence, Knoxville, Tennessee

Re: Docket No. DMEA-3720 - Mica
Alvin White, Lee White and Florence Harris
Coward Mine
Jackson County, North Carolina
Contract No. Idm-E805

Mr. Houk: I have been talking over with Mr. Frank Johnson this question of spending all the money on these long form contracts and not completing the work. He says that on long form contracts we only pay what is reasonable and necessary. In looking over the October voucher they got two feet and their labor costs were $68.89. Their rental amounted to $50 a foot and their supplies $121. They must have bought some very expensive supplies to get two feet of sinking and cost $62 a foot just for supplies.

Mr. Laurence: They were putting up an air duct. They had some very bad air in there.

Mr. Houk: Interior winze. Is the target worthwhile?

Mr. Laurence: Yes. I think it is. I don't think it is worth putting an enormous amount of money into.

Mr. Houk: Will they complete the work at their own expense?

Mr. Laurence: It is doubtful.

Mr. Houk: I see it started off $100 a foot, then $80 a foot and $215 per foot. What is November?

Mr. Laurence: $134.00. They made more progress then on the fellows last visit.

Mr. Houk: What is reasonable?

Mr. Laurence: About in line with the contract.

Mr. Houk: $50.00?

Mr. Laurence: Yes. I don't mean they will get it down to that because of that tremendous backlog.

Mr. Houk: Any mica?

Mr. Laurence: I will look at the interim report. They have gotten some. Occasional mica of a fair quality is being produced. Shirley expects it to be better on the drift. They are getting some mica. The target looks as good as to begin with.

Mr. Houk: Apparently we did not set up enough money for rehabilitation. We set up $50 and it cost $683. It is ten times what we set up. On that score in future contracts we will put those on an independent contract form. Rehabilitation on long form has always gotten us into trouble. We have three contracts for execution.

Mr. Laurence: The C & D (DMEA-3994) we sent out. The Joe Stevenson Mine (DMEA-3908) does not have anything on unit maximums.

Mr. Houk: The total amount of the contract is a maximum. If the work is not completed for that sum the operator is required to finish on his own. Mr. Johnson says you should use your judgment there. When I first talked to you,this $121 for supplies, it did not occur to me that it was for a blower. What cost $121.00?

Mr. Laurence: I will have to go back to the invoices to see that.

Mr. Houk: Do they appear reasonable?

Mr. Laurence: Lynch and Teague go over those invoices pretty thoroughly. That one came in at a time when I was not here. Lynch and Teague go over them carefully.

Mr. Houk: We are just supposed to pay them for an efficient operation. These fellows are not efficient. They seem to be shooting a lot.

Mr. Laurence: That is pretty much true we are over there only once in every two weeks. It is difficult to keep them on the beam and if we say we are going to hold their money they walk off the job. Remember that one in Georgia, and then Twiggs and Glenn. Some of them just quit. I still say GAO is costing us money on these long form contracts. On the short form they did know that they had money coming in at the end of the month.

Mr. Houk: I am thinking of putting in a phrase that the Government will contribute to the project 75% to a $35 per foot maximum.

Mr. Laurence: The Joe Stevenson Mine (DMEA-3908) just came in this morning. I have not sent it out yet.

Mr. Houk: Hold it until we get something definite on it. Anything left on the Conley? (DMEA-3740).

Mr. Laurence: On the Conley only $130 for labor is left and $6 for rental.

Mr. Houk: They ate up the money on rental.

Mr. Laurence: (On the Coward) They have $340 for miscellaneous. We are going to hold back some equipment money. Repairs on a rental pump we are not supposed to pay. We have apparently paid them some driblets we should not have paid. The rental money is gone and the labor money $130 left. They told Shirley they would continue with the work but they are anxious to know about getting them some more money.

Mr. Houk: You will have to make a recommendation on that.

Mr. Laurence: I can't see how we can recommend more money.

Mr. Houk: They worked four days in a month - that is not our fault. It is hard to keep labor we realize that. I would hate to break the line on them then everybody will want a long form contract. Now the necessity to put in an air line. We might excuse it on the fact that we overlooked it. We did not anticipate, and we could pay for that, but to pay $80 or $90 for labor per foot it seems to me we would be sticking our necks out. Will you make a recommendation that certain items be paid for. We could add to it. The crib and old workings, cleaning up the sump they spent $630. If it was reasonable and necessary we may be able to get that. Their other costs are not too bad. Although expensive. $13 a foot, $8 and $9 a foot are high for explosives. The Conley is close to them. The Conley costs are not too bad.

Mr. Laurence: The only thing is the time extension costs, then another months rental.

Mr. Houk: Time extensions do not cost too much, rental $60 to $80. I cannot give you a firm answer Frank Johnson will say he will require the people to complete the job.

Mr. Laurence: I will have to get Shirley to look at those receipts, and we will recommend as much money as Shirley feels is necessary.

Mr. Houk: I would impress on the men that where these fellows work 22 to 27 days a month their costs are generally reasonable. The first month they work 22 days and only get four feet, the second month they work 15 days and fet ten feet.

Mr. Laurence: We strung out Charlie Hensley 18 months for a job that should have been completed in four months, but on these long form contracts we will have to crack down on inefficient operators right off.

Mr. Houk: I think what we should do is avoid giving inefficient operators long forms.

Mr. Laurence: This is one Teague thought would be a better operator.

Mr. Houk: Let us see what I can find out and I will write you a letter on this telephone conversation.

Mr. Laurence: I will get Shirley to get me the actual costs for that air line and as much for rehabilitation as appears to be reasonable.

Mr. Houk: Have Shirley impress on those fellows that this contract was set up on a 2 foot per day basis. Unless they maintain that they will have to complete the contract at their own expense. I will try to get this straightened out and get a letter off to you.

Mr. Laurence: I would like to see the job finished and give them what they are reasonably entitled to. However, we cannot penalize the efficient operators for the inefficient ones.

LGHouk:gad 12/7/55
Copy to: Docket
Mr. Houk

December 7, 1955

Mr. R. A. Laurence calling Mr. L. G. Houk from Knoxville, Tennessee

Docket No. DMEA-3720 - Mica
Alvin White, Lee White and Florence Harris
Coward Mine
Jackson County, North Carolina
Contract No. Idm-E805

Mr. Laurence: .....

Mr. Houk: .....

Mr. Laurence: ....On the Coward Mine contract there is nothing said about maximum unit costs that I can see.

Mr. Houk: It is not in there as such.

Mr. Laurence: As they go along they go slower than the schedule. The result is that they have used up the total amount of the contract which comes out $37.00 per foot.

Mr. Houk: I have the contract now.

Mr. Laurence: Here we are faced with the fact that if we tell these fellows there is no more money they will quit. They want to know and our boys want to give them an answer next week when they inspect the contract.

Mr. Houk: They had 2 feet in October.

Mr. Laurence: Yes, that is right. They did not make too much. Only 2 feet. That is when they were shut down part of the time and I forget what difficulties they had. Pressure broke down. One thing and another ran the cost up. Maybe we should not have paid them for October or for the equipment rental. This is going to come up on more ~~kk~~ of them than this one. We have already had it on the Conley Mine. Until the November voucher comes in I cannot tell you what will come up. I will not know until I get the November voucher if the equipment rental is used up.

Mr. Houk: I will have to call you back on this.

Mr. Laurence: My thinking is that it is not fair to the other fellow operators to give these more money to finish.

Mr. Houk: The idea was to give a long form contract in which we would get a complete breakdown of all the bills so we would know how much they are costing. The idea was a long form contract with a maximum of so much per foot. There will probably be more rescissions of contracts with demand for money back. They are going to make those contracts stick.

Mr. Laurence: Good idea,if we had been tougher on the first ones it would have been better.

These people operate on a shoe string. They do not have the funds to keep going.

Mr. Houk: That is why I have been infavor of pseudo certifications. That is putting off the day but it is fairer than demanding the money back.

Mr. Laurence: Some cases demand the money others pseudo certification.

Mr. Houk: We have to treat them all alike. They say Rex Boone had a right to quit. I said too late now.

Mr. Laurence: The fellows are going to have some kind of an answer when they go out there next week. We think it may come up on the Conley. The expiration date is November 25. We have written a time extension.

Mr. Houk: Do we have voucher and bills?

Mr. Laurence: On everything we have approved. One small item for equipment repairs for $29 we feel it should come out of operating equipment.

Mr. Houk: Machinery rental.

Mr. Laurence: I will have to locate the vouchers.

Mr. Houk: $105.00 rental.

Mr. Laurence: Hoist, jackleg and compressor. I am not sure what repairs items are on. Maybe that should not have been paid it is only $29.00.

Mr. Houk: Ok. Is that the only thing.

Mr. Laurence: That and the same thing will be up on the Conley.

Mr. Houk: I will get you an answer on DMEA-3720. I will either call you back or get a letter off to you this afternoon.

Mr. Laurence: As long as I get it in by Friday it will be ok. They are going out on Monday and Ill reach them somewhere during the week.

Mr. Houk: I will try to call you back.

LGHouk:gad 12/7/55
Copy to: Docket
Mr. Houk

C

INTERIM REPORT

RECEIVED
DEC 19 1955

DMEA-3720, Idm-E805 (mica) COWARD MINE

OPERATOR: Alvin White, Ingalls Rural Station, Newland, N. C.; Lee White, Route #2, Spruce Pine, N. C.; and Miss Florence Harris, Dillsboro, N. C.

LOCATION: One airline mile due west of Cullowhee, Jackson Co., N. C.

Winze sinking continues on this contract and is now at 32 feet. Considerable progress has been made in the past two weeks compared to that made at previous intervals. A new crew has been employed recently, and no equipment breakdowns have occurred. Material encountered is pegmatite composed of feldspar, small quartz, and scattered muscovite mica. Mica recovery during winze sinking has been limited because of necessary heavy blasting.

The operator was advised to continue sinking until another visit can be made.

Mr. V. J. Lynch, Bureau of Mines member of the Field Team, accompanied the Examiners on this visit to the mine.

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

S. C. Bergman and A. R. Taylor, Geologists
U. S. Geological Survey

December 1, 1955

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

RECEIVED DEC 16 1955

Month of Nov., 1955 Docket No. DMEA 3730 Contract No. 805
Operator's Name Alvin White Minerals MICA
Address Ingalls Rural Sta. Newland N.C.
Contract Amount, $ 4940.00 Government Participation: 75% Amount, $ 3705.00

| ITEMS OF COSTS | FOR OPERATOR'S USE: Monthly Total | Totals Previously Reported | Totals To Date | FOR GOVERNMENT USE ONLY: Approved Monthly Total | Approved Totals Previously Reported | Approved Totals To Date |
|---|---|---|---|---|---|---|
| (1) Independent Short Form Contracts: | | | | | | |
| Drilling | | | | | | |
| Bulldozing | | 50.00 | 50.00 | | 50.00 | 50.00 |
| Crosscutting | | | | | | |
| Drifting | | | | | | |
| (2) Labor and Supervision: | | | | | | |
| Labor | 778.12 | 1737.54 | 2515.66 | 762.56 | 1737.54 | 2500.10 |
| Supervision | | | | | | |
| Technical Services | | | | | | |
| (3) Operating Mat'ls. and Supplies: | | | | | | |
| Timber | | | | | | |
| Explosives | 46.73 | 191.51 | 238.24 | 46.73 | 191.51 | 238.24 |
| Pipe AIRDUCT | | 26.11 | 26.11 | | 26.11 | |
| ~~Track~~ FUEL | 74.42 | 134.10 | 208.52 | 74.42 | 134.10 | 208.52 |
| SUPPLIES OTHER | 58.94 | 243.38 | 302.32 | 58.94 | 238.48 | 323.53 |
| TOTAL | 180.09 | 595.10 | 775.19 | 180.09 | | 770.29 |
| (4) Operating Equipment: | | | | | | |
| Rental | | | | 110.00 | 800.00 | 910.00 |
| Purchase | | | | | | |
| Depreciation | | | | | | |
| (5) Initial Rehabilitation and Repairs | | | | | | |
| (6) New Bldgs., Improvements, etc. | | 116.00 | 116.00 | | 116.00 | 116.00 |
| (7) Miscellaneous: | | | | | | |
| Repairs to Equipment | 14.80 | 29.60 | 44.40 | | | |
| Sampling and Analysis | | | | | | |
| Payroll Taxes | 15.56 | 34.75 | 50.31 | 15.56 | 34.74 | 50.30 |
| Liability Insurance | | | | | | |
| (8) Contingencies (specify): | | | | | | |
| TOTALS | 1098.57 | 3362.99 | 4461.56 | 1068.21 * | 3328.48 | 4396.69 |

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 12-5-55 *Payee Alvin White
Per _____ Title OPERATOR

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

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

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:
$ 775.28
Signature Helen R. Miller (Authorized Certifying Officer)
Date DEC 13 1955 Vou. No. 127
(See other side)

(1068.21 less disallowance on Aug., Sept., Oct., and Nov., vouchers in amt. of 34.50 = 1033.71, see letter attached

(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. TDME-805 in accordance with the terms of the contract.

Signature Alfred R. Taylor Title Geologist, USGS Date Dec. 9, 1955

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lemmon Title EXECUTIVE OFFICER ~~DMEA REGION V~~ Date DEC 12 1955

# 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
DEC 16 1955

# OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Nov. 1955 Docket No. DMEA 3720 Contract No. 805

Operator's Name Alvin White Minerals Mich.

Address Ingalls Rural Sta. Newland 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 | | | | 3860.69 | | 120.64 | | |
| Winzes | FT | 1098.57 | 10 | 4293.56 | 32 | 134.24 | 120 | |
| Drilling: Core | | | | | | | | |
| Churn | | | | | | | | |
| Auger | | | | | | | | |
| Stripping | | | | | | | | |
| Trenching | | | | | | | | |
| Test Pits | | | | | | | | |
| Roads and Trails | | | | 50.00 | | | | |
| TOTAL DISTRIBUTED COSTS | | | | 4345.56 | | | | TOTAL COSTS AUTHORIZED BY CONTRACT |
| Operating Equipment Purchased | | | | | | | | |
| Initial Rehabilitation and Repairs | | | | | ← 320.00 | | | |
| New Buildings, Improvements, etc. | | | | 116.00 | | | | |
| TOTAL COSTS | | | | 4461.56 | | | | |

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

Date 12-5-55 Operator Alvin White

Per _____ Title OPERATOR

REMARKS:

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

(Instructions on reverse)

(For Government use only)

Alfred R. Taylor
Geologist

## 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

DMEA 3720

RECEIVED
DEC 16 1955

COWARD MINE CULLOHEE N.C.
NARRATIVE REPORT FOR NOV. 1955

WEEK ENDING 11-12
VERRY POOR PROGRESS, TROUBLE GETING WATER OUT. USED CASE OF POWDER. ONLY MADE 2 FEET. PUMP HAD TO BE REPAIRED.

WEEK ENDING 11-19
FIRST ROUND OF holES FAILED TO PULL PUTTING BOTTOM IN VERRY BAD SHAPE. HARD TO GET BOTTOM BACK IN SHAPE TO DRILL ROUND. LET DRILL MAN GO. GOT TWO GOOD ROUNDS AFTER CLEANING UP FAILURE.

WEEK ENDING 11-26
PROGRESS FAIR TROUBLE With COMPRESSOR. GOT THREE GOOD ROUNDS DOWN AND CLEANED.

WEEK ENDING 12-3
PROGRESS GOOD PULLED AND CLEANED TWO GOOD ROUNDS GOT THIRD ROUND DOWN.
This month PRODUCED ABOUT 150 POUNDS OF MICA OF All GRADES. VEIN HARDER AND LESS MICA. MEASUREMENT TO THIS REPORT 32 FEET.

DEC 16 1955

P. O. Box 217
December 13, 1955

Mr. Alvin White
Ingalls Rural Station
Newland, North Carolina

Re: Idm-E-805, DMEA-3720

Dear Mr. White:

An adjustment of $64.86 has been made on your November voucher, reducing your approved monthly total to $1033.71. It is necessary to delete the following items from your August, September, October and November vouchers, because the contract does not allow for repairs and maintenance of operating equipment, etc.:

**August Voucher**

| | | |
|---|---|---|
| 8/1/55 | Western Auto Supply Company<br>Spindle Belt Set and fuel pump | $ 4.90 |
| 8/8/55 | Painter & Company<br>Sharpen drill steel | 3.00 ✓ |
| 8/23/55 | Hooper Motor Company<br>Steam clean air tank | 2.90 ✓ |
| 7/23/55 | Explosive Supply Company<br>Bits sharpened | 0.75 ✓ |
| | | 11.15 |

**September Voucher**

| | | |
|---|---|---|
| 9/13/55 | Mitchell Distributing Company<br>Repair Ingersoll-Rand Pump | 1.75 |

**October Voucher**

| | | |
|---|---|---|
| 10/4/55 | Mitchell Distributing Company<br>Vanes and housing gaskets | 3.40 |
| 10/19/55 | Johnson Electric Company<br>Pulley and batteries | 8.27 |
| 10/26/55 | Marion Machine Company<br>Bronze bushings and lathe time | 6.18 |
| | | 3.75 |
| | | 24.60 |

October Voucher cont.

| | | |
|---|---|---|
| 10/20/55 | Center Machine Company<br>Repair forge and pipe | 3.75 |

November Voucher

| | | |
|---|---|---|
| 11/28/55 | Mitchell Distributing Company<br>Repair Ingersoll-Rand Pump | 14.80 |
| | In addition to the above, your labor (November Voucher) in the total amount of $778.12 includes payroll taxes, therefore the additional amount of $15.56 claimed under "Payroll Taxes" must be deleted from your voucher | 15.56 |
| | Total | $ 64.86 |

Your voucher is being processed today in the amount of $775.28, which represents 75% of the approved monthly total in amount of $1033.71. The approved totals to date are as follows:

| | |
|---|---|
| Bulldozing | $ 50.00 |
| Labor | 2,500.10* |
| Explosives | 238.24 |
| Fuel Oil | 208.52 |
| Supplies, other | 321.53 460.29 |
| Rental of Equipment | 500.00 |
| New Bldgs., Improvements, etc. | 116.00 |
| Payroll Taxes | 50.30* |
| Total | 4,396.69 |

*Combined ($2500.10 plus $50.30) represents total Gross Salaries

Very truly yours,

Helen R. Miller
Administrative Assistant

Copies to V. J. Lynch
R. A. Laurence
Jay L. Chambers, DMEA, Washington Office (2 copies)
Files
Day files

INTERIM REPORT

DMEA-3720, 1dm-E805 (mica) COWARD MINE

OPERATOR: Alvin White, Ingalls Rural Station, Newland, N. C.; Lee White, Route #2, Spruce Pine, N. C.; and Miss Florence Harris, Dillsboro, N. C.

LOCATION: One airline mile due west of Cullowhee, Jackson County, N. C.

Winze sinking continues slowly on this contract and is now at 22 feet. No apparent change in strike, dip or thickness of the body was noted. Dump material examined indicates the presence of a quartz core, and the operator states that occasional mica of fair quality is being produced.

A shallow sump has been shot out near the loading platform to collect the water coming in from old works before it enters the shaft. The foreman stated that another crew of miners had been hired in an effort to effect better progress.

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

S. C. Bergman
S. C. Bergman and A. R. Taylor, Geologists
U. S. Geological Survey

November 17, 1955

18 to 9

RECEIVED
NOV 25 1955

INTERIM REPORT

DMEA-3720, Idm-E805 (mica) COWARD MINE

OPERATOR: Alvin White, Ingalls Rural Station, Newland, N. C.; Lee White, Route #2, Spruce Pine, N. C.; and Miss Florence Harris, Dillsboro, N. C.

LOCATION: One airline mile due west of Cullowhee, Jackson County, N. C.

Winze sinking has resumed after a short delay caused by improper ventilation to the working area, and total depth reached is now at 20 feet. The winze contained water, and the bottom was not examined. The operator stated that normal sinking operations would begin during the coming week.

L. E. Shirley

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

K. H. Teague S. C. Bergman A. R. Taylor

K. H. Teague, S. C. Bergman, and A. R. Taylor
Geologists
U. S. Geological Survey

November 3, 1955

RECEIVED
NOV 14 1955

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

Budget Bureau No. 42-R1036.5

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K- 5

RECEIVED
NOV 21 1955

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

Month of Oct. 1955 Docket No. DMEA 3720 Contract No. F 805
Operator's Name Alvin White Minerals Mica
Address Ingalls Rural Sta. Newland N.C.
Contract Amount, $4940.00 Government Participation: 75% Amount, $3705.00

| ITEMS OF COSTS | FOR OPERATOR'S USE: Monthly Total | Totals Previously Reported | Totals To Date | FOR GOVERNMENT USE ONLY: Approved Monthly Total | Approved Totals Previously Reported | Approved Totals To Date |
|---|---|---|---|---|---|---|
| (1) Independent Short Form Contracts: | | | | | | |
| Drilling | | | | | | |
| Bulldozing | | 50.00 | 50.00 | | 50.00 | 50.00 |
| Crosscutting | | | | | | |
| Drifting | | | | | | |
| (2) Labor and Supervision: | | | | | | |
| Labor | 137.79 | 1599.75 | 1737.54 | x137.79 | 1599.75 | 1737.54 |
| Supervision | | | | | | |
| Technical Services | | | | | | |
| (3) Operating Mat'ls. and Supplies: | | | | | | |
| Timber | | | | | | |
| Explosives | 0 | 191.51 | 191.51 | | 191.51 | 191.51 |
| Pipe AIR DUCT | 26.11 | 0 | 26.11 | 26.11 | | 26.11 |
| ~~Track~~ FUEL | 22.00 | 112.10 | 134.10 | 22.00 | 112.10 | 134.10 |
| SUPPLIES other | ~~121.33~~ 100.93 | 123.80 | 245.13 | 121.33 | 122.05 | 243.38 |
| | | | | 129.44 | | 55.1 |
| (4) Operating Equipment: | | | | | | |
| Rental | 105.00 | 695.00 | 800.00 | 105.00 | 695.00 | 800.00 |
| Purchase | | | | | | |
| Depreciation | | | | | | |
| (5) Initial Rehabilitation and Repairs | | 197.83 | 197.83 | | | |
| (6) New Bldgs., Improvements, etc. | | 116.00 | 116.00 | | 116.00 | 116.00 |
| (7) Miscellaneous: | | | | | | |
| Repairs to Equipment | 21.60 | 8.00 | 29.60 | 21.60 | 8.00 | 29.60 |
| Sampling and Analysis | | | | | | |
| Payroll Taxes | 2.76 | 31.99 | 34.75 | x 2.75 | 31.99 | 34.75 |
| Liability Insurance | | | | | | |
| (8) Contingencies (specify): | | | | | | |
| | 20.90 (deducted) | | | | | |
| TOTALS | 436.59 | 3125.98 | 3562.57 | 436.59 | 2926.40 | 3362.99 |

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

Date 11-8-55 *Payee Alvin White

Per Lee White Title PARTNER

*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:

$ 327.44

Signature Nelson R. Miller
(Authorized Certifying Officer)

Date NOV 14 1955 Vou. No. 904
(See other side)

109.15

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

Signature Kepton H. Teague Title Geologist U.S.G.S Date 11-10-55

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature V. J. Lynch ACTING Title EXECUTIVE OFFICER DMEA REGION V Date NOV 10 1955

# 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
NOV 21 1955

# UNITED STATES
# DEPARTMENT OF THE INTERIOR

## DEFENSE MINERALS EXPLORATION ADMINISTRATION

# OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Oct 1955 Docket No. DMEA 3720 Contract No. F 805
Operator's Name Alvin White Minerals MICA
Address Ingalls Rural Sta. Newland 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 | | | | | | | | |
| Winzes | Ft | 436.59 | 2 | 2564.21 | 22 | 116.55 | 120 | |
| Drilling: Core | | | | | | | | |
| Churn | | | | | | | | |
| Auger | | | | | | | | |
| Stripping | | | | | | | | |
| Trenching | | | | | | | | |
| Test Pits | | | | | | | | |
| Roads and Trails | | [illegible] | $0.00 | | | | | |
| TOTAL DISTRIBUTED COSTS | | | | | | | | TOTAL COSTS AUTHORIZED BY CONTRACT |
| Operating Equipment Purchased | | | | | | | | |
| Initial Rehabilitation and Repairs | | | | | | | | |
| New Buildings, Improvements, etc. | | 116.00 | 116.00 | | | | | |
| TOTAL COSTS | | | | | | | | |

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

Date 11-8-55 Operator Alvin White

Per Lee White Title PARTNER

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

(Instructions on reverse)

REMARKS:

(For Government use only) Kefton H. Teague, Geologist

## 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

DMEA 3920

COWARD MINE Culloden W.C.
OCT 1955

RECEIVED
NOV 21 1955

10-13 PUMPED WATER Got 3 holes

10-14 MUCKED OUT USING BLOWER AT TOP OF WINZE

10-15 Got 4 holes MUCKED UP but not VERY GOOD

10-24 PUMPED WATER Run 2 holes

10-25 MUCKED out STARTED DRILLING COMPRESSOR BROKE DOWN

HAVE BLOWER AT HEAD OF WINZE NOT VERY SATISFACTORY. MEN STILL DON'T GET SUFFICIENT FRESH AIR. WE HAVE PURCHASED A POWER BLOWER TO BE INSTALLED.

DMFA 3720

# TIME AT COWARD MINE
## OCT. 1955

| WEEK ENDING | ALVIN WHITE | FLOYD WARREN | GURNEY BUCHANAN | |
|---|---|---|---|---|
| 10-15-55 | 26 HRS | 26 HRS | | |
| 10-29-55 | 19.5" | 19.5" | 19.5 HRS | |
| RATE | 1.35 HR | 1.10 HRS | 1.35 HR | |
| AMMOUNT | 61.42" | 50.05" | 26.32" | |
| Total | | | | 137.79 |

Hopkins

INTERIM REPORT

DMEA-3720, Idm-E305 (mica) COWARD MINE

OPERATOR: Alvin White, Ingalls Rural Station, Newland, N. C.; Lee White, Route #2, Spruce Pine, N. C.; and Miss Florence Harris, Dillsboro, N. C.

LOCATION: One airline mile due west of Cullowhee, Jackson County, N. C.

Winze sinking continues slowly on this contract and is now at 22 feet. No apparent change in strike, dip or thickness of the body was noted. Dump material examined indicates the presence of a quartz core, and the operator states that occasional mica of fair quality is being produced.

A shallow sump has been shot out near the loading platform to collect the water coming in from old works before it enters the shaft. The foreman stated that another crew of miners had been hired in an effort to effect better progress.

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

S. C. Bergman and A. R. Taylor, Geologists
U. S. Geological Survey

November 17, 1955

500

INTERIM REPORT

DMEA-3720, Idm-8805 (mica) COWARD MINE

OPERATOR: Alvin White, Ingalls Rural Station, Newland, N. C.; Lee White, Route #2, Spruce Pine, N. C.; and Miss Florence Harris, Dillsboro, N. C.

LOCATION: One airline mile due west of Cullowhee, Jackson County, N. C.

Winze sinking has resumed after a short delay caused by improper ventilation to the working area, and total depth reached is now at 20 feet. The winze contained water, and the bottom was not examined. The operator stated that normal sinking operations would begin during the coming week.

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

K. H. Teague, S. C. Bergman, and A. R. Taylor
Geologists
U. S. Geological Survey

November 3, 1955

RECEIVED
NOV 14 1955

INTERIM REPORT

DMEA-3720, Idm-E805 (mica) COWARD MINE

RECEIVED
OCT 28 1955

OPERATOR: Alvin White, Ingalls Rural Station, Newland, N. C.
Lee White, Route #2, Spruce Pine, N. C.; and Miss Florence Harris, Dillsboro, N. C.

LOCATION: One airline mile due west of Cullowhee, Jackson Co., N. C.

Winze sinking is at a standstill temporarily because of improper ventilation to the working area. On the last previous visit to the Spruce Pine area, the operator contacted the field examiners and informed them that the mine was not working because of the above reason and that an air blower was being procured. No one was present at the mine at the time of this visit. The winze has been sunk to a total depth of 19 feet in pegmatite. An effort will be made to contact the operator on the next visit to the area.

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

K. H. Teague, S. C. Bergman, and A. R. Taylor
Geologists, U. S. Geological Survey

October 21, 1955

INTERIM REPORT

DMEA-3720, Idm-E805 (mica) COWARD MINE

OPERATOR: Alvin White, Ingalls Rural Station, Newland, N. C.;
Lee White, Route #2, Spruce Pine, N. C.; and
Miss Florence Harris, Dillsboro, N. C.

LOCATION: One airline mile due west of Cullowhee, Jackson County, North Carolina

Winze sinking continues slowly on this contract, and is now at 16.5 feet. The pegmatite in the bottom is 3.7 feet thick and contains a 1 foot quartz core. Mica can be observed in place, but production is scant. The operator was advised to continue sinking.

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

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

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

September 22, 1955

RECEIVED
OCT 28 1955

INTERIM REPORT

DMEA-3720, Idm-E805 (mica) COWARD MINE

OPERATOR: Alvin White, Ingalls Rural Station, Newland, N. C.
Lee White, Route #2, Spruce Pine, N. C.; and Miss Florence Harris, Dillsboro, N. C.

LOCATION: One airline mile due west of Cullowhee, Jackson Co., N. C.

Winze sinking is at a standstill temporarily because of improper ventilation to the working area. On the last previous visit to the Spruce Pine area, the operator contacted the field examiners and informed them that the mine was not working because of the above reason and that an air blower was being procured. No one was present at the mine at the time of this visit. The winze has been sunk to a total depth of 19 feet 2.5 on line in pegmatite. An effort will be made to contact the operator on the next visit to the area.

L. E. Shirley

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

K. H. Teague

K. H. Teague, S. C. Bergman, and A. R. Taylor
Geologists, U. S. Geological Survey

October 21, 1955

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
225

# OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of SEPT 1955 Docket No. DMEA 37 RECEIVED Contract No. E-805
Operator's Name Alvin White OCT 7 - 1955 Minerals MICA
Address INGALLS RURAL STA. NEWLAND
Contract Amount, $ 4940.00 Government Participation: 75 % Amount, $ 3705.00

| ITEMS OF COSTS | FOR OPERATOR'S USE: Monthly Total | Totals Previously Reported | Totals To Date | FOR GOVERNMENT USE ONLY: Approved Monthly Total | Approved Totals Previously Reported | Approved Totals To Date |
|---|---|---|---|---|---|---|
| (1) Independent Short Form Contracts: | | | | | | |
| Drilling | | | | | | |
| Bulldozing | | 50.00 | 50.00 | | 50.00 | 50.00 |
| Crosscutting | | | | | | |
| Drifting | | | | | | |
| (2) Labor and Supervision: | | | | | | |
| Labor | 526.54 | 1073.21 | 1599.75 | 526.54 | 1073.21 | 1599.75 |
| Supervision | | | | 10.53 | | |
| Technical Services | | | | 537.07 | | |
| (3) Operating Mat'ls. and Supplies: | | | | | | |
| Timber | | | | | | |
| Explosives | 54.90 | 136.61 | 191.51 | 54.90 | 136.61 | 191.51 |
| ~~Pipe~~ FUEL | 32.00 | 80.10 | 112.10 | 32.00 | 80.10 | 112.10 |
| Track | | | | | | |
| SUPPLIES OTHER | 49.25 | 74.75 | 123.80 | 47.50 | 74.75 | 122.05 |
| SERVICE | 1.75 | 6.25 | 8.00 | 1.75 | 6.25 | 8.00 |
| (4) Operating Equipment: | | | | | | |
| Rental | 210.00 | 485.00 | 695.00 | 210.00 | 485.00 | 695.00 |
| Purchase | | | | | | |
| Depreciation | | | | | | |
| (5) Initial Rehabilitation and Repairs | | | | | | |
| (6) New Bldgs., Improvements, etc. | | 116.00 | 116.00 | | 116.00 | 116.00 |
| (7) Miscellaneous: | | | | | | |
| Repairs to Equipment | | | | | | |
| Sampling and Analysis | | | | | | |
| Payroll Taxes | 10.53 | 21.46 | 31.99 | 10.53 | 21.46 | 31.99 |
| Liability Insurance | | | | | | |
| (8) Contingencies (specify): | | | | | | |
| TOTALS | 884.97 | 2043.18 | 2928.15 | 883.22 | 2043.18 | 2926.40 |

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

Date 10-3-55 *Payee Alvin White

Per _____ Title OPERATOR

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

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

(Instructions on reverse)

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

$ 662.42

Signature Helen R. Miller
(Authorized Certifying Officer)

Date OCT 5 1955 Vou. No. 64
(See other side)

3

220.80

(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 805 in accordance with the terms of the contract.

Signature V. J. Lynch Title Mining Eng. Date 10/4/55

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION V Date OCT 4 1955

# 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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
OCT 7 - 1955

# OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of SEPT 1955 Docket No. DMEA 3720 Contract No. F-805
Operator's Name Alvin White Minerals MICA
Address INGALLS RURAL STA. NEWLAND N.C.

| OPERATION | UNIT | COSTS THIS MONTH | UNITS THIS MONTH | COSTS TO DATE | UNITS TO DATE | UNIT COSTS TO DATE | AUTHORIZED BY CONTRACT | |
|---|---|---|---|---|---|---|---|---|
| | | | | | | | Units | Unit Costs |
| Drifting | | | | | | | | |
| Crosscutting | | | | | | | | |
| Raising | | | | | | | | |
| Shafts | | | | | | | | |
| Winzes | Ft | 884.97 | 6 | 2127.62 | 20 | 106.38 | 120 | |
| Drilling: Core | | | | | | | | |
| Churn | | | | | | | | |
| Auger | | | | | | | | |
| Stripping | | | | | | | | |
| Trenching | | | | | | | | |
| Test Pits | | | | | | | | |
| Roads and Trails | | | | | | | | |
| TOTAL DISTRIBUTED COSTS | | | | | | | | TOTAL COSTS AUTHORIZED BY CONTRACT |
| Operating Equipment Purchased | | | | | | | | |
| Initial Rehabilitation and Repairs | | | | | | | | |
| New Buildings, Improvements, etc | | | | | | | | |
| TOTAL COSTS | | 884.97 | 6 | 2127.62 | | | | |

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 10-3-55 Operator Alvin White

Per Title OPERATOR

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

(Instructions on reverse)

REMARKS:

(For Government use only)

W. Lynch
Mining Eng.
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

ALVIN WHITE DMEA 3720

CONARD MINE CULLOHEE NC

NARRATIVE REPORT

SEPT. 1955

RECEIVED
OCT 7 - 1955

SEPT 1st to 3rd PROGRESS OK. 21 holes. 72 Joints POWDER
WORKED 26 hrs.

SEPT. 6-10 EVERY THING WEN GOOD, 28 holes. 106 Joints POWDER
WORKED 40 hrs. OK

SEPT 12-17 MON. AND TUE. GOOD DAYS. WED. JUMPER BIT CHIPPED
RUINED 2nd STEEL ONLY GOT 2 holes. 18 holes
FOR THREE DAYS, 56 Joints POWDER.
MEN CAME OUT TIRED AFTER SHORT MUCKING
PERIODS. WORKED 31.5 hrs, QUIT ON ACCOUNT OF
STEEL.

SEPT 19-24 TUE. PUMPED hole MUCKED. WED. 8 holes, THU. ONLY
GOT hole MUCKED OUT, MEN COMPLAINING WIT
HEAD ACHE. COULDN'T STAND LONG PERIODS. FRIDAY
7 holes. ONLY 15 holes FOR WEEK, 50 Joints
POWDER. VERRY SLOW THIS WEEK. WORKED 39 hrs

SEPT 26-30 TUE WORKED 8 hrs ONLY 3 holes. MEN TOO
ILL TO FINISH MUCKING hole OUT. THE WEATHER
HUMID. WILL FIX COMPRESSOR INTAKE TO GET AIR
AT DISTANCE FROM COMPRESSOR, SOME FUMES PROBLY
BEING PUMPED IN. MAY HAVE TO INSTALL FAN
OR ABANDON MORE DEPTH. ONLY ABOUT 200 LBS
MICA FOR PERIOD NONE SOLD

Alvin White

10-3-55

INTERIM REPORT

DMEA-3720, Idm-E805 (mica) COWARD MINE

RECEIVED OCT 2 1955

OPERATOR: Alvin White, Ingalls Rural Station, Newland, N. C.;
Lee White, Route #2, Spruce Pine, N. C.; and
Miss Florence Harris, Dillsboro, N. C.

LOCATION: One airline mile due west of Cullowhee, Jackson County, North Carolina

Winze sinking continues slowly on this contract, and is now at 16.5 feet. The pegmatite in the bottom is 3.7 feet thick and contains a 1 foot quartz core. Mica can be observed in place, but production is scant. The operator was advised to continue sinking.

4.5 1/2 [illegible]

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

L. E. Shirley

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

K. H. Teague

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

September 22, 1955

RECEIVED
SEP 10 1955

INTERIM REPORT

DMEA 3720, Idm-E805 (mica) COWARD MINE

OPERATOR: Alvin White, Ingalls Rural Station, Newland, North Carolina
Lee White, Route #2, Spruce Pine, North Carolina, and
Miss Florence Harris, Dillsboro, North Carolina

LOCATION: One airline mile due west of Cullowhee, Jackson County, North Carolina

Winze sinking continues slowly on this contract, and is now at 12 feet. Not enough progress has been made in the past two weeks to show any appreciable change in material encountered. Mica recovery has not increased, but is still obtained in small amounts. About 400 pounds of "mine-run" block has been recovered to date. All of the mica is being processed, and a recent sale of 22 pounds has been made to the GSA Depot, Spruce Pine, North Carolina.

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

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

September 8, 1955

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

Budget Bureau No. 42-R1036.5

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

RECEIVED
SEP 12 1955

# OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of AUG, 1955 Docket No. DMEA 3720 Contract No. F-805
Operator's Name Alvin White Minerals MICA
Address INGALLS RURAL STA. NEWLAND N.C.
Contract Amount, $4940.00 Government Participation: 75 % Amount, $3705.00

| ITEMS OF COSTS | FOR OPERATOR'S USE: Monthly Total | Totals Previously Reported | Totals To Date | FOR GOVERNMENT USE ONLY: Approved Monthly Total | Approved Totals Previously Reported | Approved Totals To Date |
|---|---|---|---|---|---|---|
| (1) Independent Short Form Contracts: | | | | | | |
| Drilling | | | | | | |
| Bulldozing | | 50.00 | 50.00 | | | |
| Crosscutting | | | | | | |
| Drifting | | | | | | |
| (2) Labor and Supervision: | | | | | | |
| Labor | 420.40 | 652.81 | 1073.21 | | | |
| Supervision | | | | | | |
| Technical Services | | | | | | |
| (3) Operating Mat'ls. and Supplies: | | | | | | |
| Timber | 103.84 | | | | | |
| Explosives | 81.04 | 55.57 | 136.61 | | | |
| Pipe | | | | | | |
| ~~Track~~ SERVICE | 6.25 | | 6.25 | | | |
| STEEL ETC | 74.55 | | 74.55 | | | |
| FUEL | 42.00 | 38.10 | 80.10 | | | |
| (4) Operating Equipment: | | | | | | |
| Rental | 210.00 | 275.00 | 485.00 | | | |
| Purchase | | | | | | |
| Depreciation | | | | | | |
| (5) Initial Rehabilitation and Repairs | | | | | | |
| (6) New Bldgs., Improvements, etc. | | 116.00 | 116.00 | | | |
| (7) Miscellaneous: | | | | | | |
| Repairs to Equipment | | | | | | |
| Sampling and Analysis | | | | | | |
| Payroll Taxes | 8.41 | 13.05 | 21.46 | | | |
| Liability Insurance | | | | | | |
| (8) Contingencies (specify): | | | | | | |
| TOTALS | 842.65 | 1200.53 | 2,043.18 | 842.65 | 1200.53 | 2043.18 |

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 9-5-55 *Payee Alvin White

Per _____ Title _____

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

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

(Instructions on reverse)

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

$ 631.99

Signature Helen R. Miller
(Authorized Certifying Officer)

Date SEP 9 1955 Vou. No. 52
(See other side)

210.66

(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. IdmE805 in accordance with the terms of the contract.

Signature Chauncey H. Lennes Title Geologist-USGS Date SEP 8 1955

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION V Date SEP 8 1955

# 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
SEP 12 1955

# OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of AUG 1955 Docket No. DMEA 3720 Contract No. E-805
Operator's Name ALVIN WHITE Minerals MICA
Address INGALLS RURAL STA, NEWLAND 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 | | | | | | | | |
| Winzes | Ft | 842.65 | 10 | 1,242.65 | 14 | 88.76 | 120 | |
| Drilling: Core | | | | | | | | |
| Churn | | | | | | | | |
| Auger | | | | | | | | |
| Stripping | | | | | | | | |
| Trenching | | | | | | | | |
| Test Pits | | | | | | | | |
| Roads and Trails | | | | | | | | |
| Total Distributed Costs | | 842.65 | +0 | 1242.65 | | | | Total Costs Authorized by Contract |
| Operating Equipment Purchased | | | | | | | | |
| Initial Rehabilitation and Repairs | | | | | | | | |
| New Buildings, Improvements, etc | | | | | | | | |
| Total Costs | | 842.65 | | 1242.65 | | | | |

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 9-5-55 Operator ALVIN WHITE

Per _____ Title _____

Remarks:

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

(Instructions on reverse)

(For Government use only)

Henry H. Amos
Geologist USGS
Sept. 8, 1955

## 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

Narrative Report - August 1955 - COWARD MINE

RECEIVED
SEP 12 1955

8-2-55 Worked in shaft - difficulty with bits fouling.

8-3-55 Worked in shaft - had to have bits sharpened.

8-4-55 Worked in shaft - lost one bit due to threads.

8-5-55 Worked in shaft - lost one bit and fouled another.

Recovered 200 pounds mica all types this week.

8-8-55 No work done this week.

8-15-55 Fixed platform to dump muck from.

8-16-55 Finished platform and hung blocks - spent 3 hours in shaft.

8-17-55 Worked in shaft - new chizel bits worked better - less fouling.

8-18-55 Worked in shaft - made good progress.

8-19-55 Worked in shaft - made good progress.

Recovered 50 pounds mica all types this week.

8-22-55 Worked in bunk house and on road-3 hours not charged on report.

8-23-55 Moved hoist, boiled air tank with lye - still not clean so had to take to shop and have steam cleaned.

8-24-55 Worked in shaft.

8-25-55 Worked in shaft - trouble with water feed to drill.

8-26-55 Worked in shaft 7 hours - progress fair.

Shaft sunk for the month approximately 10'.

Mica recovered for the month approximately 275 pounds -

| | | | |
|---|---|---|---|
| 8-18 | Good Stained | 3.88 lbs. | 63.70 |
| | Stained | 6.20 " | 32.50 |
| | Heavy Stained | .94 " | 3.18 |
| Mica sold August - 30 | | | |
| | Good Stained | 3.62 " | 55.80 |
| | Stained | 7.24 " | 36.56 |
| | Heavy Stained | .51 " | 1.71 |

C

RECEIVED
SEP - 2 1955

INTERIM REPORT

DMEA-3720, Idm-E805 (mica) COWARD MINE

OPERATOR: Alvin White, Ingalls Rural Station, Newland, N. C.; Lee White, Route #2, Spruce Pine, N. C.; and Miss Florence Harris, Dillsboro, N. C.

LOCATION: One airline mile due west of Cullowhee, Jackson County, North Carolina

Winze sinking continues on this contract and is now at 11 feet. No appreciable change was noted in pegmatite encountered, and the amount of mica recovered from sinking has not varied much. The character of the material requires heavy blasting, and much of the mica recovered is damaged. Twenty-nine feet of winze remains to be sunk under contract.

L. E. Shirley

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

K. H. Teague D. H. Amos

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

August 25, 1955

INTERIM REPORT

DMEA 3720, Idm-E805 (mica) COWARD MINE

OPERATORS: Alvin White, Ingalls Rural Station, Newland, N. C.; Lee White, Spruce Pine, N. C., Route #2

LOCATION: One airline mile due west of Cullowhee, Jackson County, North Carolina

Winze sinking continues slowly on this contract and is now at 7 feet. All of the work has been conducted in pegmatite, which exhibits a thickness of 3.5 feet in the present bottom, and is apparently thinning with depth. Some mica was observed in place in the bottom, and approximately 100 pounds of mine-run block has been recovered in total winze work. The operator was advised to continue sinking until another visit can be made.

A loading platform has been completed recently near the winze opening which has expedited the handling of muck. The operator will install ladders from this platform to the winze bottom as soon as practical.

L. E. Shirley

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

RECEIVED
AUG 2 1 1955

K. H. Teague D. H. Amos

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

August 11, 1955

RECEIVED
AUG 2 2 1955

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 K- 15

# OPERATOR'S MONTHLY REPORT AND VOUCHER

RECEIVED AUG 29 1955

Month of July, 1955 Docket No. DMEA -3720 Contract No. E-805
Operator's Name Alvin White Minerals Mica
Address Ingalls Rural Station, Newland, N. C.
Contract Amount, $ 4,940.00 Government Participation: 75 % Amount, $ 3,705.00

| ITEMS OF COSTS | FOR OPERATOR'S USE: Monthly Total | Totals Previously Reported | Totals To Date | FOR GOVERNMENT USE ONLY: Approved Monthly Total | Approved Totals Previously Reported | Approved Totals To Date |
|---|---|---|---|---|---|---|
| (1) Independent Short Form Contracts: | | | | | | |
| Drilling | | | | | | |
| Bulldozing | 50.00 | | 50.00 | 50.00 | | 50.00 |
| Crosscutting | | | | | | |
| Drifting | | | | | | |
| (2) Labor and Supervision: | | | | 652.81 | | 652.81 |
| Labor | 727.12 | | 727.12 | ~~727.12~~ | | ~~727.12~~ |
| Supervision | | | | | | |
| Technical Services | | | | | | |
| (3) Operating Mat'ls. and Supplies: | | | | | | |
| Timber | | | | | | |
| Explosives | 55.57 | | 55.57 | 55.57 | | 55.57 |
| Pipe | | | | | | |
| Track | | | | | | |
| Gasoline | 38.10 | | 38.10 | 38.10 | | 38.10 |
| | | | | | | 93.67 |
| (4) Operating Equipment: | | | | | | |
| Rental | 275.00 | | 275.00 | 275.00 | | 275.00 |
| Purchase | | | | | | |
| Depreciation | | | | | | |
| (5) Initial Rehabilitation and Repairs | | | | | | |
| (6) New Bldgs., Improvements, etc. | 168.71 | | 168.71 | 116.00 | 52.71 | 116.00 |
| (7) Miscellaneous: | | | | | | |
| Repairs to Equipment | 33.00 | | 33.00 | — | 33 | — |
| Sampling and Analysis | | | | 13.05 | | 13.05 |
| Payroll Taxes | 14.54 | | 14.54 | ~~14.54~~ | | ~~14.54~~ |
| Liability Insurance | 72.71 | | 72.71 | ~~72.71~~ | | ~~72.71~~ |
| (8) Contingencies (specify): | | | | | | |
| | | | | 1200.53 | | 1200.53 |
| TOTALS | 1,434.75 | | 1,434.75 | 1349.04 | | ~~1349.04~~ |

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 8/4/55 *Payee Alvin White
Per _____ Title Operator

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

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

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:
$ 900.40* ~~[illegible]~~
Signature Helen R. Miller
(Authorized Certifying Officer)
Date AUG 25 1955 Vou. No. 38
(See other side)

337.26

* See letter attached

(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 Kepton H. Teague Title Geologist, U.S.G.S. Date 8/18/55

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature V. J. Lynch ACTING Title EXECUTIVE OFFICER DMEA REGION V Date AUG 18 1955

# 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

RECEIVED
AUG 29 1955

## DEFENSE MINERALS EXPLORATION ADMINISTRATION

## OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of July 1955. Docket No. DMEA - 3720 Contract No. Ex 80.5
Operator's Name Alvin White Minerals Mica
Address Ingalls Rural Sta. Newland 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 | | | | | | | | |
| Winzes | H. | 400.00 | 4 | 400.00 | 4 | 100.00 | | |
| Drilling: Core | | | | | | | | |
| Churn | | | | | | | | |
| Auger | | | | | | | | |
| Stripping | | | | | | | | |
| Trenching | | | | | | | | |
| Test Pits | | | | | | | | |
| Roads and Trails | 450' | 5000 | 1 | 5000 | | | | |
| Cut old works clean out sump | | 868.75 | | 868.75 | | | | |
| Total Distributed Costs | | | | | | | | Total Costs Authorized by Contract |
| Operating Equipment Purchased | | | | | | | | |
| Initial Rehabilitation and Repairs | | | | | | | | |
| New Buildings, Improvements, etc | | 116.00 | | 116.00 | | | | |
| Total Costs | | 1,434.75 | | 1,434.75 | | | | |

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

Date 8-4-1955 Operator Alvin White

Per _____ Title _____

Remarks:

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

**(Instructions on reverse)**

**(For Government use only)** Kefton H. Teague, Geologist

Deductions of $52.71 from New Buildings and $33.00 from Misc. repair brings the total spent during the month to $1349.04

## 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

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

RECEIVED
AUG 29 1955

August 18, 1955

Mr. Alvin White
Ingalls Rural Station
Newland, N. C.

Re: Contract Idm-E805 (mica)
DMEA3720 Coward Mine

Dear Mr. White:

It was necessary to make the following deductions from your July Operators Monthly Report and Voucher, form MF-104, to conform to the contract:

| | |
|---|---|
| New Buildings | $52.71 |
| Misc. Repairs | 33.00 |
| Total | $85.71 |

This makes a total of $1,349.04 spent during July. Please change your copy of form MF-104 to conform to the above figures.

Very truly yours,

V. J. Lynch, Acting
Executive Officer, DMEA
Field Team, Region V

VJL
ZM

cc:
Finance Office-3
Lynch
Shirley
Files

File No. - 3720

[illegible]
[illegible]

Month of July 1955

RECEIVED
AUG 29 1955

Alvin Tibbs, Inc. Date [illegible] Plan [illegible]

Placed [illegible] of concentrated [illegible] [illegible] labor on road [illegible] ditch and installing [illegible] culvert in [illegible]
Constructing buildings and [illegible] [illegible]

Timberman offold mill was the [illegible] due to the [illegible] of timber [illegible] and difficulty in [illegible] it [illegible]. This [illegible] with operating head [illegible] which required [illegible] [illegible] [illegible] hours.

The rest of the time was spent on cutting the [illegible] [illegible] working on [illegible].

Approximately [illegible] line of [illegible] [illegible] [illegible] [illegible] [illegible] and [illegible] [illegible] this month.

Alvin White
Ingalls Rural Station
Newland, North Carolina
August 24, 1955

RECEIVED
AUG 29 1955

Re: DMEA-3720 - E805 Mica

Dear Mr. Lynch:

In reply to your letter of August 22, following is the time worked to July 31, 1955.

| | | |
|---|---|---|
| Alvin White | 175.5 hours at $1.35 hr. | $ 236.925 |
| Ray Ingram | 136.5 hours at $1.35 hr. | 244.275 |
| Charles White | 168.5 hours at $1.10 hr. | 185.350 |
| Thomas White | 168.5 hours at $0.90 hr. | 151.650 |
| | 649.0 | |
| | | 818.200 |
| | Social Security | 16.36 |
| | | 834.56 |
| Time Spent on Road and Bunk House: Less | | 107.50 |
| | | $ 727.06 |

| | | |
|---|---|---|
| Alvin White | 32 hrs at $1.35/hr. | $43.20 |
| Charles White | 32 hrs at $1.10/hr. | 35.20 |
| Thomas White | 30 hrs at $0.90/hr. | 27.00 |
| | 94 | |
| | | 105.40 |
| Social Security | | 2.10 |
| | | $ 107.50 |

These figures show a difference of 6 cents but this is the correct amount to the best of my knowledge. No insurance was used in this report as we were not covered during this period. I will file for insurance as soon as I receive the check for July.

I am verry sorry to have caused so much inconvenience:

Respectfully yours,

/s/ Alvin White

C
O
P
Y

P. O. Box 217
August 25, 1955

RECEIVED
AUG 29 1955

Mr. Alvin White
Ingalls Rural Station
Newland, North Carolina

Dear Mr. White:

Reference is made to Mr. V. J. Lynch's letter to you dated August 18th, regarding deductions made from your July Operators Monthly report and voucher, Form MF-224. In addition to the $85.71 deleted from your July report and voucher, the following deductions have been made:

Item (2) Labor and Supervision

| | |
|---|---|
| Labor | $74.31 |

Item (7) Miscellaneous

| | |
|---|---|
| Payroll Taxes | 1.49 |
| Liability Insurance | 72.71 |
| $ 148.51 | Total deletions |

Under Item (2) an error was made in computing salary payment for Ray Ingram. Your records show a total of 136.5 hours work at the rate of $1.35/hour in the total amount of $184.275 - the correct amount is $184.28. Under item (7), Payroll Taxes, you claim a total of $14.54 - the correct total is $13.05, and under Insurance, you claim a total of $72.71, whereas you have stated that "No insurance was used in this report as we were not covered during this period".

The voucher is being passed for payment in the amount of $900.40, which represents 75% of the total of $1200.53.

Sincerely,

Helen M. Miller
Administrative Assistant

/hbm
Copies to R. A. Laurence
V. J. Lynch
Jay L. Chambers
Morris files
Day files

RECEIVED
AUG - 8 1955

INTERIM REPORT

DMEA-3720, Idm-E805 (mica) COWARD MINE

OPERATOR: Alvin White, Ingalls Rural Station, Newland, N. C.
Lee White, Route #2, Spruce Pine, N. C., and
Miss Florence Harris, Dillsboro, N. C.

LOCATION: One airline mile due west of Cullowhee, Jackson County, North Carolina

Winze sinking is underway on this contract and is now at 4 feet. Other work completed consists of access road construction, construction of toolhouse and magazines, cribbing off of old works in the vicinity of the proposed winze, and preparation for hoisting from the winze. Material encountered in the winze has been pegmatite containing mica which is bent and stained. Suggestions were made concerning necessary additional cribbing near the winze opening which is allowing loose muck to work into the winze. Sinking will continue as outlined. A discussion was held with the operator concerning the Independent form of contract.

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

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

July 29, 1955

INTERIM REPORT

RECEIVED
JUL 25 1955

DMEA-3720 Idm-E805 (mica) COWARD MINE

OPERATOR: Alvin White, Ingalls Rural Station, Newland, N. C.; Lee White, Route #2, Spruce Pine, N. C.; and Miss Florence Harris, Dillsboro, N. C.

LOCATION: One airline mile due west of Cullowhee, Jackson County, North Carolina

Winze sinking is not underway as yet on this contract. Work completed to date consists of construction of an access road and a tool house. At the time of this visit, miners were cutting timbers for use in cribbing off old works in the Painter adit. Timbering of old works, and dewatering, and cleaning out the 8 foot sump is expected to get underway during the current week. Another visit to the mine will be made in the near future.

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

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

July 11, 1955

RECEIVED
JUL - 5 1955

INTERIM REPORT

DMEA-3720, Idm-E805, COWARD MINE (mica)

Operators: Alvin White, Lee White and Miss Florence Harris, c/o Alvin White, Ingalls Rurual Station, Newland, N. C.

Location: One airline mile due west of Cullowhee, Jackson County, N. C.

The Operators began to move in equipment on June 28, 1955.

Todate no work has been done on the contract.

Date of Inspection: June 29, 1955.

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

z

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D.C.
KNOXVILLE 2, TENN.

RECEIVED
JUN 29 1955

June 27, 1955

Memorandum

To: Operating Committee - DMEA - Washington

From: DMEA Field Team, Region V, Knoxville, Tennessee

Subject: Signed Contract: Idm-E805, DMEA-3720 (mica) White, White & Harris, partners. R#2 c/o Alvin White, Newland, N. C.

Enclosed are the Government, Division and Docket Copies of the subject contract, signed by all three partners. The usual distribution of the other copies has been made.

As suggested by Mr. Houk in a telephone conversation on June 15, we have corrected the error on the first page of the contract form, so that the figures agree with the totals given on the last page of exhibit "A".

Robert A. Laurence
Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION V

V. J. Lynch
V. J. Lynch, Member
Bureau of Mines

Docket Copy
Surname:

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

600

June 16, 1955

Memorandum

To: Mr. Robert E. Adams

From: Lawrence G. Houk

Subject: Docket No. DMEA-3720 - Mica
Alvin White, et al.
Coward Mine
Jackson County, North Carolina
Contract No. Idm-E805

Mr. Robert A. Laurence, Executive Officer, DMEA Field Team, Region V, informs me that the total amount of the contract and the Government participation in Article 5 of the Contract do not correspond with the total amount of the contract and Government participation in Exhibit A. Exhibit A is correct. Please change the obligated funds in this case - the total from $4,816 to $4,940, and the Government participation from $3,612 to $3,705. Mr. Laurence will correct the error in the field.

LGHouk:gad 6/16/55
Copy to: Admr. R. File
Docket
Mr. Houk

June 15, 1955

Mr. L. G; Houk telephoning Knoxville, Tennessee, Region V.

Inasmuch as Mr. Laurence had gone for the day Mr. Houk talked with Mr. Victor Lynch.

Re: Docket No. DMEA-3720 - Mica
Alvin White, et al.
Coward Mine
Jackson County, North Carolina

Mr. Houk: I have just talked with Mr. Laurence and he pointed out that the total estimated cost of the project $4,940.00 and the Government participation at 75% $3,705.00 as shown in Exhibit A of the subject contract did not correspond with Article 5 on the reverse side of the first page of the printed form of the contract. I have talked it over with Mr. Rubin, Legal, and he states that if all copies of the contract can be obtained Mr. Laurence may correct the figures shown in Article 5 of the contract form to conform to Exhibit A. If he can not obtain the Operator's copy it will be necessary to write a simple amendment which Mr. Laurence has authority to do. In which case the amendment will state in Article 5 of the contract the figures $4,816.00 and $3,612.00 are to be deleted, and $4,940.00 and $3,705.00 are to be substituted, respectively.

Mr. Lynch: Even though it is signed we can get all of the copies back.

Mr. Houk: That is all right it is an obvious error and Legal says it is ok.

Docket No. DMEA-3720 - Mica June 15, 1955
Alvin White, et al.
Coward Mine
Jackson County, North Carolina

Mr. Laurence telephoned Mr. Houk that an error had been detected in the first sheet of the contract. It was a typing error and he asked how to go about rectifying it. He was told to get all copies of the contract and change them to conform to Exhibit A.

The Nonmetallic Minerals Division then checked with Legal and Mr. Rubin suggested the procedure outlined in the telephone conversation made to Mr. Lynch.

Docket Copy
Surname:

Hopkins
Hook
Selfridge
Zgabrowski

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

JUN - 2 1955

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

Subject: Docket No. DMEA-3720 - Mica
Alvin White, et al.
Coward Mine
Jackson County, North Carolina

Dear Mr. Laurence:

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

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

Please have Earl Sutton sign the Owner's Consent to Lien before presenting the contract to the applicants.

Please bring to the attention of the Operators that this is an actual cost contract and they must keep copies of their payrolls and vouchers of purchases and get receipts for all cash payments not made by check.

This contract automatically makes maximums of Category I, "Independent Contracts", Supervision and Technical Services under Category II, and the totals but not the individual items under Categories V and VI.

R.C.S.

After execution of the contract, the copies are to be distributed in the usual manner. Copies of memoranda from E. L. Newcomb of the Geological Survey, dated May 4, 1955, and from W. F. Dietrich of the Bureau of Mines, dated May 9, 1955, are enclosed.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (JHB)

Approved:

J. H. Hedges

Member, Bureau of Mines (JHB)

Thor H. Kiilsgaard

Member, Geological Survey (JHB)

Enclosures 10

JHopkins:gad 5/26/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

Rubin
Houk

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

MAY 23 1955.

Memorandum

To: The Administrator, DMEA
Attention: L. G. Houk

From: Acting Assistant Solicitor, Defense Minerals

Subject: Docket No. DMEA-3720 (Mica), Alvin White, Lee White and Florence Harris, partners,

There is attached hereto in proper legal form for execution a contract covering the above-identified project, subject to a Consent to Lien executed by Earl Sutton, a lessor.

J. L. Hofflund

J. L. Hofflund
Acting Assistant Solicitor,
Defense Minerals

Attachments

HCRubin:gjb 5/20/55

Copy to: DMEA Docket
Sol. Docket
L. G. Houk
H. C. Rubin
J. L. Hofflund
Chron. File

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 10 1955

May 9, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-3720 (mica)

Applicant: White and Harris

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

Date of Field Team Report: 4-27-55

Date Rec'd. by Br. of Ceramic and Fertilizer Materials: 5-4-55

Field Team Recommendation:

1. Approval of contract.

Comments:

1. This deposit appears to have possibilities for the development of strategic mica.

2. Proposed exploration outlined by the field team is consistent with good engineering practices and estimated costs are in line with other DMEA projects.

Recommendation:

I concur in the field team recommendation for approval of an exploration project in the amount of $4,813.

W. F. Dietrich

W. F. Dietrich

IN REPLY REFER TO:

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

Defense Minerals Administration
RECEIVED
MAY 4 - 1955

May 4, 1955

Re: DMEA-3720
White & Harris
(Coward Mine)
Jackson Co., N.C.
$4,813 - Mica

Memorandum

To: L. G. Houk, Defense Minerals Exploration Administration

From: E. L. Newcomb, U. S. Geological Survey

Subject: Review of Field Team examination report

The Field Team has recommended an exploration contract be approved. The project will consist of a 40 foot winze and an 80 foot drift.

The objective of the program is to explore below the Painter adit for additional amounts of mica. Although past production has been rather poor quality mica, there is a good chance that a substantial quanity of mica will be found and that a part of these reserves may be of strategic grade mica.

I recommend the proposed winze from the Painter adit and the drift in pegmatite be approved for a contract.

E. L. Newcomb
E. L. Newcomb

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
HOWARD POST OFFICE BLDG.
KNOXVILLE 2, TENN.

April 28, 1955

Memorandum

To: Operating Committee - DMEA - Washington

From: Executive Officer, DMEA - Region 5, Knoxville, Tenn.

Mica: DMEA-3720 (mica) Alvin and Lee White and Florence Harris, Coward Mine, Jackson County, N. C.

Enclosed herewith are four copies of the Owner's Consent to Lien for the subject application. The applicant submitted only these four copies. As the applicant and owner live some distance apart, it will be inconvenient to get the two additional copies without delay. Will it be acceptable to use these four and make photostatic copies for the Field Team and Finance Office copies of the contract, if a contract is authorized?

Also enclosed are four copies of an assignment of two one-fourth shares of the lease from Alvin White to the other two partners.

Robert A. Laurence

Robert A. Laurence

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

April 27, 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: Field Team, DMEA - Region 5, Knoxville, Tennessee

Subject: Field Examination Report, DMEA-3720 (mica) Alvin and Lee White, and Florence Harris, applicants - Coward Mine, Jackson County, N. C.

Enclosed are four copies of the subject examination report and six extra copies of the map.

We agree with the recommendation for an exploration contract as outlined in the report. It is further suggested that this might be an appropirate project for using the actual-cost basis instead of unit costs, as discussed with Mr. Houk on his recent visit.

Robert A. Laurence
Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION V

V. J. Lynch
V. J. Lynch
Member, Bureau of Mines

Reviewed by
DMEA OPERATING COMMITTEE
5-4-55
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

# FIELD EXAMINATION REPORT BY REGION V

ON

# DMEA-3720, COWARD MINE (mica)
Jackson County, N. C.

By

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

and

V. J. Lynch, Mining Engineer
U. S. Bureau of Mines

April 18, 1955

5-4-55

FIELD EXAMINATION REPORT
On

DMEA-3720 (mica) COWARD MINE

Applicants: Alvin White, Lee White and Miss Florence Harris,
c/o Alvin White, Ingalls Rural Station, Newland, N. C.

Mica at this place is of rather poor quality due to severe ruling; however, it is generally abundant. All mineable pegmatite has been removed above the Painter Adit (see sketch). Any future production from this deposit must come from below the lowest adit. Exploration assistance is recommended, to be conducted from a winze sunk from the lowest level.

This deposit was examined on April 18, 1955. Messrs. Alvin White and son accompanied the examiners on the inspection which required two hours.

The Coward Mine is one airline mile due west of Cullowhee, Jackson County, North Carolina. It lies on the northeastern side of and near the head of an un-named tributary of Long Branch.

Good access is available to within 150 yards of the mine. Beyond that point only a sled road is present. An estimated 5 hours of bulldozer time can prepare adequate access to the mine.

Two of the applicants have a good deal of mining experience and are competent to conduct the proposed work.

The applicants hold the property under lease, the area of which is adequate for the proposed work. The portal of the Painter Adit is 50-feet east of the poplar tree which is in the west line of the property. (see legal description). Sufficient working and dumping space are available.

Much of the following report is from a U. S. G. S. Manuscript Report prepared in 1945:

"The mine is owned by David Sutton. It has been worked over a period of 50 years by Jule Painter, Dr. John Painter, and the Wilson brothers, and Messrs. Garrett and Henson. From October 9, 1943 until March 1, 1944 it was operated by O. T. Painter. A. B. Burkes of Cullowhee leased the property on June 3, 1944 and operated it intermittently until March 1945.

The workings consist of a series of open cuts and short drifts

Reviewed by
DMEA OPERATING COMMITTEE
5-4-55
(date)

near the top of the hill, two intermediate-level crosscuts, and a lower adit (Painter Adit) 117 feet long that opens into an overhand stope. The stopes from the Painter Adit were worked by O. T. Painter, but Mr. Burkes confined his operation to the higher open cuts and drifts. The southeast intermediate crosscut did not intersect the pegmatite body, probably because it was not driven far enough. The northwestern intermediate crosscut was caved near the face following the collapse of the connecting drifts from the Central Cut.

The pegmatite body, which strikes N. 35° W. and dips on the average 83° SW., has been explored over a strike length of 185 feet and a vertical range of 85 feet. A few feet beyond the southeast end of the Central Cut the body appears to split into two arms. The northeast arm is 1 to 2 feet thick, strikes N. 50° W. and dips 70° SW. The southwestern strikes N. 25° W., dips 75°-85° SW., and is 2 to 3 feet thick. The undivided part of the pegmatite body appears to have been implaced along a fault, for the gneissic foliation along the footwall contact is conformable and strikes northwest and dips steeply southwest. However, along the southwest (hanging wall) side the foliation strikes northeast and dips steeply northwest. Near the body the foliation swings abruptly toward the north. This may indicate a movement of the hanging wall to the southeast. The country rock is a very fine-grained biotite-quartz gneiss containing narrow bands of hornblende.

In the back of the stope from the Painter Adit the pegmatite body is irregular in shape, pinching and swelling. A thin quartz core associated with masses of blocky microcline, occurs in the thicker parts. The flanking zones consist of a medium-grained intergrowth of quartz and plagioclase with numerous and large scattered books of muscovite. In the upper workings the body is poorly zoned with a quartzose central part surrounded by a medium-to coarse-grained aggregate of quartz, kaolinized feldspar, and muscovite. The northeastern arm of the body is rich in kaolinized feldspar with minor amounts of quartz and abundant muscovite and is not zoned.

The accessory minerals are biotite, garnet, pyrite, pyrrhotite, apatite, and allanite. Biotite and garnet are most abundant near the contacts with the gneiss and may be partly the result of contamination by the gneiss. The sulphides are also common along the walls, and veinlets of pyrite cut across the foliation of the gneiss. Apatite is rare and occurs in crystals as much as one inch long. Allanite occurs in plagioclase as dark, lustrous blades. A vivid green flaky mineral coating may be torbernite. Light green sericite is abundant along the shear planes which cut across the feldspar cleavage.

Mica occurs in the wall zone, but is concentrated neither along the core nor along the contacts with the gneiss. Rather it is well distributed throughout all of the zone. Greenish-brown books as much as 8-inches wide are exposed. The mica is badly ruled, somewhat warped, and crumpled. Some books contain black dendritic specks in abundance. Ruling appears to be more abundant in mica from the stope than in mica that occurs in the higher parts of the pegmatite. The abundant shears in the feldspar, the disruption of the gneiss foliation along the hanging-wall side of the body, and the unusually heavy ruling in the mica may indicate movement during a late stage in the consolidation of the pegmatite.

Due to the general poor quality of the mica, chiefly because of the heavy ruling, the mine is a marginal mica deposit. It can be worked at a small profit by an efficient operator only under high prices for mica."

Amount of total production from this mine is unknown. Colonial Mica Corporation's records indicate sales up to March 1, 1944 for World War II production of $2,205.48. This mica averaged about 60% stained or better. The mine was worked until March 1945, but this last production is not known.

Only a shallow sump (8 feet deep) has been sunk lower than the level of the Painter Adit. If additional reserves of mica are present at this deposit, they occur below this level. The examiners recommend the following exploration project: Construct access road, toolhouse and two magazines; crib off old works and clean muck from 8-foot sump; sink 40 feet incline winze on pegmatite from head of Painter Adit; and drive 80 feet of drift from winze.

Estimated cost of proposed project:

| | | |
|---|---|---|
| Construct 450 feet of access road - | | |
| Bulldozer, 5 hrs. @ $10/hr. (D-6 or equivalent) | $50.00 | |
| Toolhouse | 75.00 | |
| Powder Magazine | 25.00 | |
| Exploder Magazine | 13.00 | |
| Crib-off old works and clean out 8-foot sump | 50.00 | |
| | | $ 213.00 |

Sink 40-foot winze on pegmatite (24 shifts)

Labor:

| | | |
|---|---|---|
| 1 - Miner @ $1.50/hr. | $288.00 | |
| 1 - Hoistman @ $1.25/hr. | 240.00 | |
| 2 - Laborers @ $1.00/hr. | 384.00 | |
| **Equipment: (rental)** | | |
| Compressor, drill and pump @ $230/Mo. | 276.00 | |
| Hoist @ $50/Mo. | 60.00 | |
| **Supplies:** | | |
| Explosives | 150.00 | |
| Timber, 1,000 b.f. @ $60/M | 60.00 | |
| Drill steel | 80.00 | |
| Gasoline and oil | 80.00 | |
| Small tools | 75.00 | |
| Miscellaneous | 25.00 | |
| Insurance and Social Security | 82.00 | |
| | | $1,800.00 |
| **Drive 80 feet of drift from winze ( 40 shifts)** | | |
| **Labor:** | | |
| 1 - Miner @ $1.50/hr. | 480.00 | |
| 1 - Hoistman @ $1.25/hr. | 400.00 | |
| 2 - Laborers @ $1.00/hr. | 640.00 | |
| **Equipment: (rental)** | | |
| Compressor, pump, drill and jackleg @ $240/Mo. | 480.00 | |
| Hoist @ $50/Mo. | 100.00 | |
| **Supplies:** | | |
| Explosives | 240.00 | |
| Drill steel | 120.00 | |
| Gasoline and oil | 160.00 | |
| Small tools | 50.00 | |
| Miscellaneous | 50.00 | |
| Insurance and Social Security | 80.00 | |
| | | $2,800.00 |
| Estimated Total Cost of Project..... | | $4,813.00 |

Examined:
April 18, 1955

K. H. Teague and D. H. Amos, Geologists
U. S. G. S.

V. J. Lynch, Mining Egnineer
U. S. B. M.

z

DEPARTMENT OF THE INTERIOR
Bureau of Mines Administration
RECEIVED
MAY 2 - 1955

April 25, 1955

I hereby assign to Miss Florence Harris of Dillsboro, N. C. one-fourth interest in a lease from Davie Sutton of Cullowhee, N.C. dated January 17, 1955 and one-fourth interest in a government exploration loan for mining property included in this lease.

I also hereby assign one-fourth interest in said lease and said loan to Mr. Lee White of Ingalls, N. C., leaving the remaining one-half interest to Alvin White of Ingalls, N.C.

This agreement made on April 25, 1955 in consideration of $1.00 and other valuables.

Alvin White

Witness:

R B James

Kenneth R. McKinney
Notary Public (Mitchell County)
My Comm. Expires 8/11/55

Docket Copy
Surname:
Hopkins
Houk
Selfridge
E. Johnson

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

600

MAR 29 1955

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

Subject: Docket No. DMEA-3720 - Mica
Alvin White, et al.
Coward Mine
Jackson County, North Carolina

Dear Mr. Laurence:

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

Copies of memoranda from E. L. Newcomb of the Geological Survey, dated March 17, 1955, and from W. F. Dietrich of the Bureau of Mines, dated March 23, 1955, are enclosed for your information.

We are returning four copies of Owner's Consent to Lien which are to be corrected in accordance with the instructions in the Operating Committee Minutes No. 469, dated January 21, 1955. If a contract is recommended please make the corrections and have them initialed by the owners. Two additional executed copies will be required.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (JHB)

Approved:

J. H. Hedges (JHB)
Member, Bureau of Mines

/s/ R. D. Trace (JHB)
Member, Geological Survey

Enclosures 8

JHopkins:gad 3/25/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

R.C.S.

Docket Copy
Surname:

Hyp
Houk
Hodges
Tyra
Selfridge

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

600

MAR 29 1955

Mr. Alvin White
Ingalls Rural Station
Newland, North Carolina

Re: Docket No. DMEA-3720 - Mica
Alvin White, et al.
Coward Mine
Jackson County, North Carolina

Dear Mr. White:

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

The Regional Office will contact you at an early date if an examination is to be made. Any assistance that you may give the members of the field team during the examination will be appreciated.

Sincerely yours,

C. O. Mittendorf (for)

Administrator

JHopkins:gad 3/25/55
Copy to: Admr. R. File
Docket
Operating Committee
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

R.C.G.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 5 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

March 22, 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region 5 - Knoxville, Tenn.

Subject: Description of Property - DMEA-3720, Alvin White, appli.

Transmitted is a land description on the subject application mailed to your office March 11.

Robert A. Laurence

Robert A. Laurence

Alvin White
Ingalls Rur. Sta.
Newland N.C.
Description of property as it appears on deed refered to in MF 203
and lease on Coward mine in Jackson Co. N.C.

Beginning at a stake on the South bank of Road; and running thence N. 89 W. 9 poles to a stake in the center of said Road thence N. 46 degs. 15' W. 32 poles to a stake in the center of a branch; thence up and with said branch as follows: N. 65½ W. 2.8 poles to a stake; N. 63 degs. 45' W. 13.6 poles to a stake; N. 55 degs. 15' W. 11½ poles to an alder on the N. E. bank of said branch; at the forks of said branch; thence up and with the right hand prong of said branch as follows: N. 14 degs. 15' W. 15.8 poles to a black walnut; N. 11½ W. 23 poles to a poplar; thence N. 25 degs. 45' W. 11.3 poles to a black oak (said black oak is N. 60 W. 1.4 poles from a spring): thence N. 30 E 4.6 poles to a stake, formerly a large hickory corner in the N. boundry line; thence with said boundry line as follows: S. 46 degs. 9' E. 40 poles to a stake; S. 84 degs 9' E. 10 poles to a black oak; and S. 66 degs. 9' E. 12 poles to a stake, formerly a red oak, corner in said boundry line; thene S. 35 degs. 45' E 60½ poles to the beginning, containing 12.7 acres, more or less.

RECEIVED
MAR 24 1975

Alvin White
Ingalls Rur. Sta.
Newland N.C.

Description of property as it appears on deed refered to in MF2037
and lease on Coward mine in Jackson Co. N.C.

[illegible] point at a stone on the [illegible] bank of pond
[illegible] running thence N. 91 W 9 poles to a stake in
the center of said pond; thence N. 46 degs.
15' W. 32 poles to a stake in the center of
a branch; thence up and with said branch
[illegible]: N. 65½ W. 2.8 poles to a stake;
N. 63 degs. 45' W. 15.6 poles to a stake;
N. 41½ W. 4 poles to a stake; S. 77 W. 4.6
poles to a stake; and N. 55 degs. 15' W
[illegible] poles to an alder on the N.E. bank of
said branch: At the forks of said branch;
thence up and with the right hand prong
of said branch as follows: N. 14 degs. 15' W.
15.3 poles to a black walnut; N. 11½ W. 2.3
poles to a poplar; thence N. 35 degs. 45' W.
[illegible] poles to a black oak (said black oak is N.
[illegible] W. 1.4 poles from a spring): thence N. 30 E.
[illegible] poles to a stake formerly a large [illegible]
[illegible] in the N. boundary line; thence with said
boundary line as follows: S. 46 degs. 1' E. 46 poles
to a stake; S. 39 degs. 1' E. 46 poles to a black oak
and a stake; S. 46 degs 9' E. 10 poles to a stake, formerly
a pine; thence with said boundary line: thence
S 35 [illegible] 45 E. [illegible] poles to the beginning.
[illegible] 12.7 [illegible] more or less.

Alvin White
Ingalls Rur. Sta.
Newland N.C.

Description of property as it appears on deed refered to in MF 203 and lease on Coward mine Jackson Co.N.C.

Begining at a stake on the South bank of road and running thence N. 89 W 9 poles to a stake in the center of said road; thence N. 46 deqs. 15' W. 32 poles to a stake in the center of a branch; thence up and with said branch as follows: N. 65½ W. 2.8 poles to a stake; N. 63 deqs. 45' W. 13.6 poles to a stake; N. 79½ W. 4 poles to a stake; S. 79 W. 4.6 poles to a stake; and N. 55 deqs. 15' W 11½ poles to an alder on the N. E. Bank of said branch: at the forks of said branch; thence up and with the right hand prong of said branch as follows: N. 14 deqs. 15' W 15.8 poles to a black walnut; N. 11½ W. 23 poles to a poplar; thence N. 25 deqs. 45' W. 11.3 poles to a black oak (said black oak is N. 60 W. 1.4 poles from a spring): thence N. 30 E. 4.6 poles to a stake, formerly a large hickory corner in the N. boundry line; thence with said boundry line as follows: S. 46 deqs. 9' E. 40 poles to a stake; S. 84 deqs. 9' E. 10 poles to a black oak and S. 66 deqs. 9' E. 12 poles to a stake, formerly a red oak, corner in said boundry line; thence S. 35 deqs. 45' E. 60½ poles to the beginning. Containing 12.7 acres more or less.

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

March 23, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-3720 (mica)

Applicant: Alvin White

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

Date Application Rec'd. by Branch of Ceramic & Fert. Mtls.: 3-15-55

Comments:

1. From the limited information presented, it is difficult to determine if an exploration program is justified or if the proposed plan would be the best method of exploring this property.

2. Proposed exploration is not explicit and the estimate of expenditures should be made on a unit-cost basis.

3. Although it would be desirable for the applicant to furnish more complete information, it appears that a visit by an examiner would furnish more useful data.

Recommendation:

It is recommended that the field team visit this mine when in that vicinity to ascertain if an exploration project is justified. If so, the field team and applicant should agree on a definite plan of exploration on a unit-cost basis.

W F Dietrich

W. F. Dietrich

IN REPLY REFER TO:

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

March 17, 1955

Re: DMEA-3720
White, White & Harris
(Coward Mine)
Jackson Co., N. C.
$2,260 - Mica

Memorandum

To: L. G. Houk, Defense Minerals Exploration Administration

From: E. L. Newcomb, U. S. Geological Survey

Subject: Review of application

The operator does not specify what exploration work would be done. Apparently he intends to gain access to the old workings and then plan his exploration work.

According to an unpublished report in our files which was written in 1945, the Coward mine has been intermittently worked over a period of 50 years. Old workings consist of several open cuts and short drifts, two intermediate level crosscuts and a lower adit (Painter adit). A mica-bearing pegmatite, which strikes N. 35 W. and dips 83 SW, has been explored about 185 feet along the strike and for a vertical distance of 85 feet. The average thickness is about 5 feet, but the body splits into two arms toward the southeast which are each about 2 feet thick.

In the lower workings the pegmatite is zoned with a quartz core, but the upper part of the pegmatite is unzoned. The zoned pegmatite and the northeastern arm of the split pegmatite are reported to contain abundant amounts of muscovite. Mica is not confined to a particular zone, but is well distributed in all of the zones. Books up to 8 inches wide were reported to be exposed. They are greenish-brown, badly ruled and frequently warped.

In 1945 the deposit was considered to be marginal, because of the poor quality of the mica.

The past production probably is available in part in the Colonial Mica Corp. records at Knoxville.

I recommend the application be referred to the Field Team for their review based on information in their files. A field examination should be made, if they believe the property may warrant DMEA exploration assistance.

E. L. Newcomb

E. L. Newcomb

March 15, 1955
Subject: DMEA 3720
Re: Exploration Assistance
Coward Mine

Mr. Alvin White
Ingalls Rural Station
Newland, North Carolina

Dear Messrs. White and Miss Harris:

The receipt of your application dated March 10, 1955 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA 3720 and referred to the Nonmetallic Minerals Division.

Kindly identify all future correspondence relating to your application by this docket number.

Sincerely yours,

Robert E. Adams, Chief
Operations Control and
Statistics Division

60932

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

March 11, 1955

Mr. Alvin White
Ingalls Rural Station
Newland, North Carolina

Dear Mr. White:

Your application for aid in exploring for strategic mica at the Coward Mine in Jackson County, N. C., has been received, and forwarded to our Washington office, in accordance with established procedures. You will be notified in advance if a field examination is to be made.

Both the lease and the Owner's Consent to Lien refer only to lands conveyed in a deed without describing the land. Can you peovide me with a description of the land included in the lease, by metes and bounds?

Very truly yours,

Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION V

RAL/zm

c :

Opr. -2

Lynch

Shirley

Files

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON POST OFFICE BLDG.~~
KNOXVILLE 2, TENN.

March 10, 1955

Memorandum

To: Operating Committee, DMEA - Washington

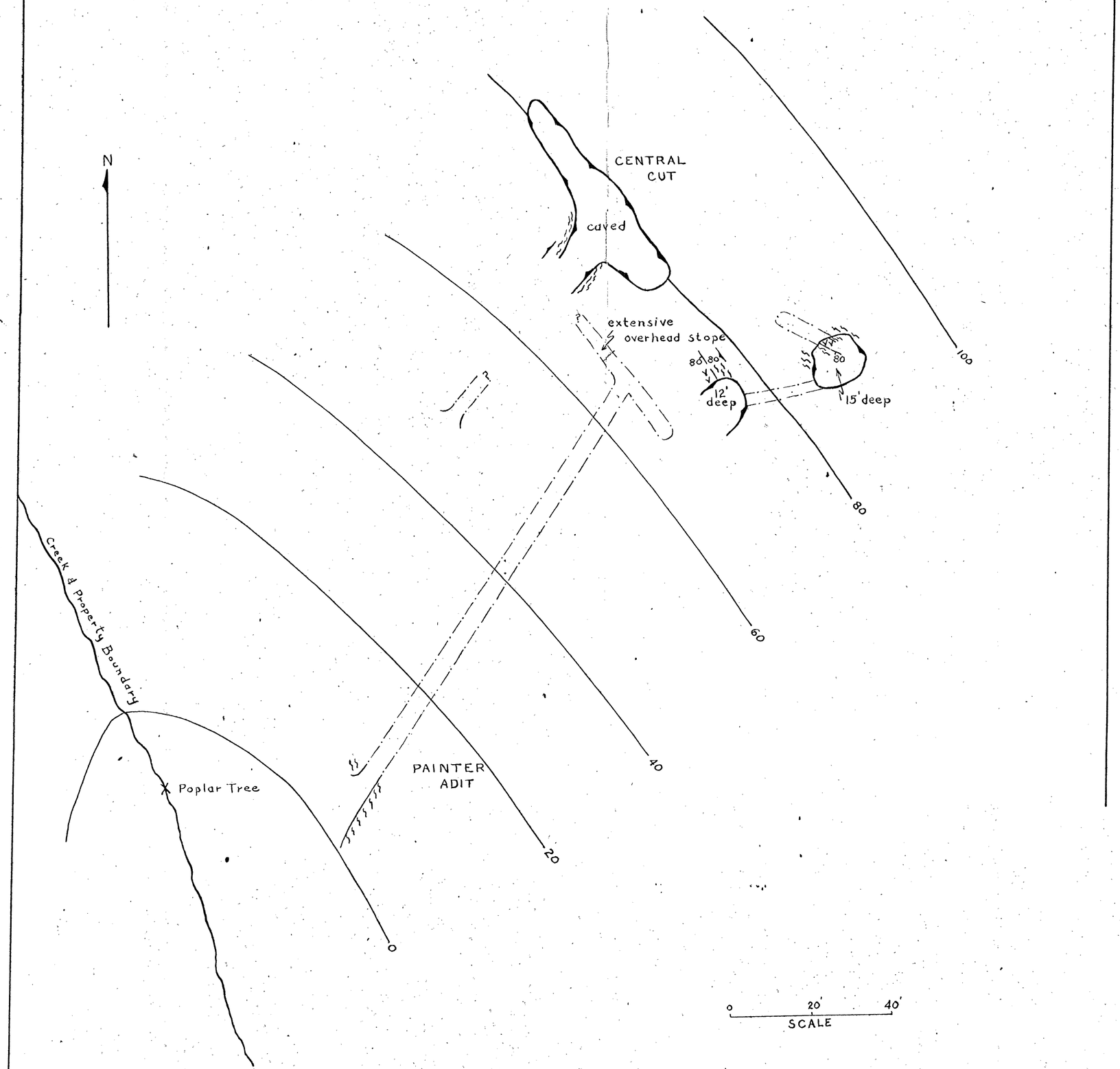
From: Executive Officer, DMEA - Region V - Knoxville, Tenn.

Subject: Application from Alvin White, Ingalls, N. C. Coward Mine, Jackson County, North Carolina (mica)

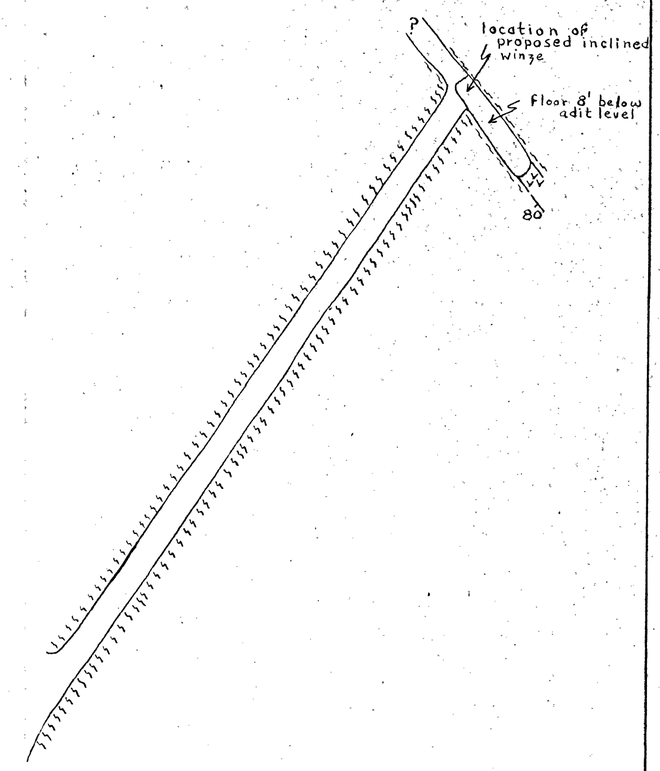
Enclosed are the original and ~~two~~ three copies of the subject exploration application, received in this office today.

Robert A. Laurence

Robert A. Laurence




SKETCH OF
COWARD MINE
JACKSON CO., N.C.




PLAN OF PAINTER ADIT

~ biotite gneiss
v v pegmatite
strike & dip of foliation
strike & dip of contact
— contact
cut
-·- outline of underground workings

DMEA-3720 (mica)

April 18, 1955

Alvin and Lee White and Florence Harris  Coward Mine, Jackson County, N.C.

Docket No. DMEA 3720

| | Description of Work | Days Worked | Total Hours | Lost Time | Cause | Feet Advance | Rehabilitation | Labor Total | Labor per ft | Explosives Total | Explosives per ft | Fuel Total | Fuel per ft | Rental Total | Rental per ft | Shop & Other Total | Shop & Other per ft | Total | Cost Foot |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| July 1955 | Bulldozing | | 26 hrs | | | | 50.00 | | | | | | | | | | | 50.00 | |
| | Rehabilitation | 22 | 300 hrs | — | | | 370.00 | (370.00) | | | | | | | | | | 370.00 | |
| | New Buildings | | 75 hrs | | | | 116.00 | | | | | | | | | | | 116.00 | |
| | Sinking Winze | | (?) hrs | | | 4 | | 295.86 | (73.96) | 55.57 | (13.89) | 38.10 | (4.52) | 275.00 | (68.75) | | | 664.53 | (116.13) |
| August | Sinking Winze | 14 | 92 hrs | 112 hrs | Various Breakdown Ventilation | 10 | | 1128.91 | (112.89) | 81.04 | (8.10) | 42.00 | (4.20) | 210.00 | (21.00) | 74.53 | (7.33) | 836.40 | (83.64) |
| September | Sinking Winze | 18½ | 136.5 hrs | 39.5 | Various Breakdown Ventilation | 6 | | 537.07 | (89.51) | 54.90 | (9.15) | 32.00 | (5.33) | 210.00 | (35.00) | 47.50 | (8.20) | 881.47 | (147.20) |
| October | Sinking Winze | 4 | 45.5 hrs | ? | Poor Ventilation | 2 | | 140.54 | (70.54) | — | — | 22.00 | (11.00) | 105.00 | (52.50) | 142.54 | (83.27) | 410.08 | (192.04) |
| November | Sinking Winze | 18 | ? | ? | Pump, Compressor Trouble | 10 | | 778.12 | (77.80) | 46.23 | (4.62) | 74.42 | (7.44) | 110.00 | (11.00) | 58.14 | (4.41) | 1068.21 | (106.82) |
| | Total Days | 76½ | | | | | | | | | | | | | | | | | |
| | In Winze | 54½ | | | | | | | | | | | | | | | | | |
| | Advance per day = .6 foot | | | | | | | | | | | | | | | | | | |
| | Totals | | | | | 32 | | $2180.40 | (68.14) | 238.24 | (7.44) | 208.52 | (6.51) | 910.00 | (28.44) | 323.53 | (10.11) | 3860.69 | (120.64) |

Note: The figures circled in red are costs per foot.

Cause of Delays appear to have been lack of Experience & Knowhow.
Quantity of Powder used would naturally cause Poor Ventilation

Surface Exp, Rehabilitation New Bldgs 536.00
Total Expended $4396.69
Unexpended 12/1/55 543.31

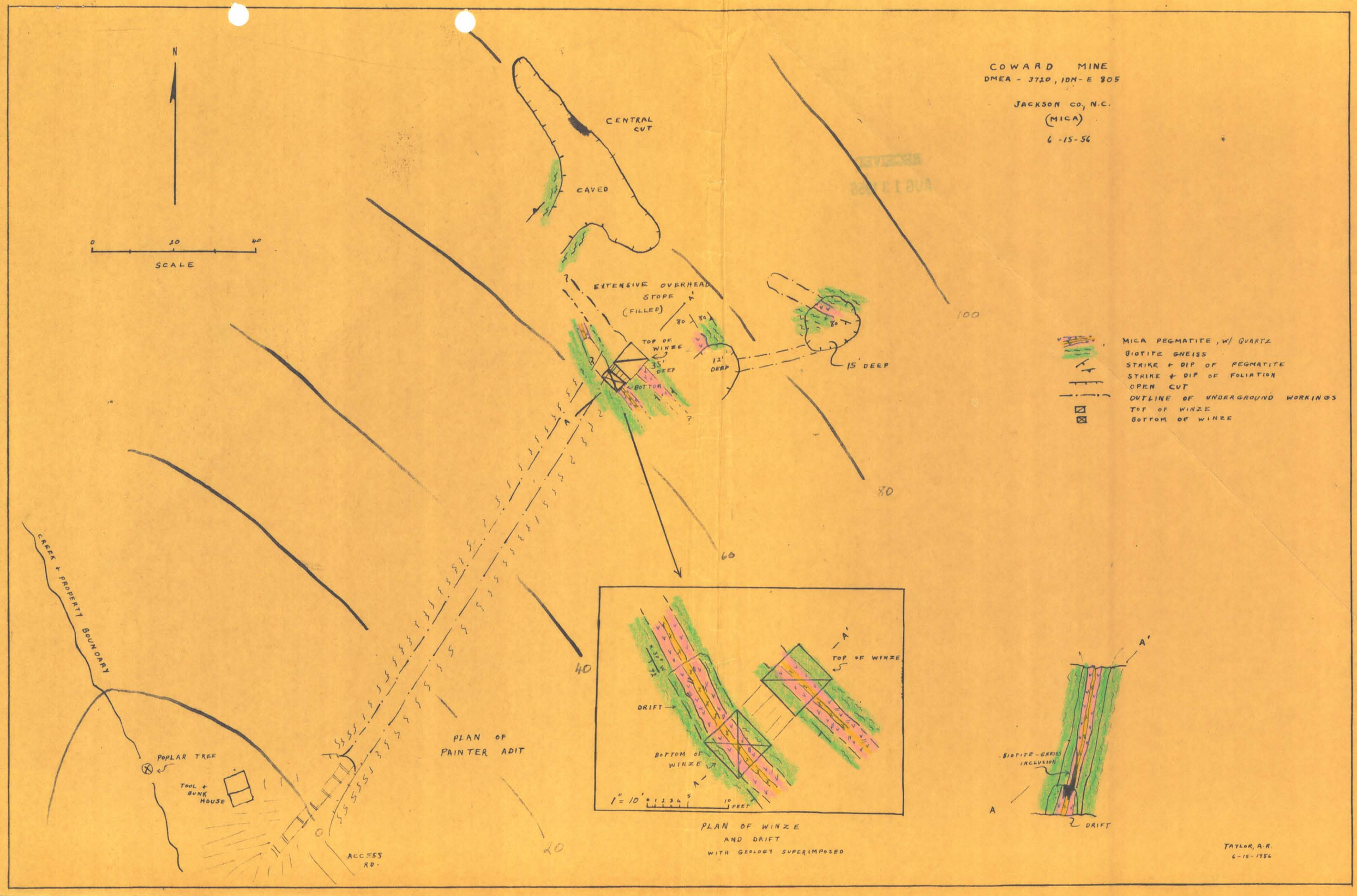
Resume of Costs:

| | |
|---|---|
| Labor per foot | $68.14 |
| Explosives " " | 7.44 |
| Fuel " " | 6.51 |
| Equipment Rental | 28.44 |
| Shop & Other Supplies | $10.11 |
| Total | $120.64 |

COWARD MINE
DMEA - 3720, IDM-E 805

JACKSON CO., N.C.
(MICA)

6-15-56




TAYLOR, A.R.
6-15-1956