☑ Audited

☐ Certified

RK ANALYSIS SHEET - DMEA PROJEC

Analysis as of October
Incl. Voucher for Sept.

☐ Actual Cost

☑ Agreed Unit C

Name A.T. Garland & Linzie Daniels

Docket No. 2726

State North Carolina

Commodity Mica

Idm-E No. 813

OPERATION	AUTHORIZED Units	AUTHORIZED Cost	COMPLETED Units	COMPLETED Cost	NET COST
Drifting & Crosscutting	100	3500 00	25	835.00	835.00
Raising					
Shafts	80	3600.00	39	1755.00	1755.00
Winzes					
Drilling (Specify)					
Surface Excavation		100.00 192 00		70.00 192.00	262.00
Underground Excavation					
Roads and Trails					
Operating Equipment Purchased					
Surface Rehabilitation & Repairs		50.00		50.00	50.00
Underground Rehabilitation					
New Building, Improvements, etc.		114.00		114.00	114.00
Other (Specify)					
Totals		7556.00		3056.00	3056.00

Prepared by James Hoyle

71626

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NOV - 2 1955

October 31, 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region V

Subject: Termination Agreement - Idm-B813, DMEA-3726, (mica)
A.T. Garland and Linzie Daniels, Operators. N. C.

Transmitted are three signed copies of the subject termination agreement.

The usual distribution of the other copies has been made by this office.

Robert A. Laurence

ZM.
cc:
Lynch
Shirley
Finance Office
Files

DIVISION COPY

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NOV - 3 1955

EXPLORATION PROJECT CONTRACT
TERMINATION AGREEMENT
DMEA-3726 (mica)

It is agreed this 26th day of October 1955, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and A. T. Garland and Linzie Daniels, partners, hereinafter called the "Operators," parties of that certain Exploration Project Contract Idm-8613, Docket No. DMEA-3726, dated 9th day of June 1955, hereinafter called the "Contract," that:

1. Effective October 5, 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 only to the fixed unit costs of work performed prior to said effective date.

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

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

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

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

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

A. T. Garland
A. T. Garland, Partner

Linzie Daniels
Linzie Daniels, Partner

THE UNITED STATES OF AMERICA

By: Robert A. Laurence
Executive Officer,
Defense Minerals Exploration
Field Team, Region V

Hopkins

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

A. T. Garland and Linsie Daniels

Newland, North Carolina

pertaining to Exploration Project Contract No. Idm-F 613, Docket No. DMEA-3726, for the months of June 1955 to September 1955, inclusive, covering a project for the exploration of mica on property, known as the Lawhern Mine located in Yancey County, North Carolina.

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

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

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

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

Total cost as billed by Contractor		$3,056.00
Exceptions:		
By DMEA Finance Officer	$ -0-	
Herewith	-0-	-0-
Total Accepted Cost		$3,056.00

The contract calls for a 75 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Two thousand two hundred ninety-two and no/100 Dollars

$2,292.00

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

E. D. Talbert

E. D. Talbert, Auditor

October 17, 1955

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

June 20, 1955

Memorandum

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

From: Acting Executive Officer, DMEA Field Team, Region V

Subject: Contract Idm-E813, Docket No. DMEA-3726 (Mica)
Assignment of Contract - A. T. Garland and
Linzie Daniels, partners, Newland, North Carolina

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

V. J. Lynch

VJL:m
Enclosures 3
cc
Operating Committee (1)
Lynch
Files

D[illegible]ision copy

RECEIVED

JUN 2 2 1955

MF-200A
(Revised June 1954)

Docket No. DMEA 3726

Commodity Mica

Contract No. Idm-E 813

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

It is agreed this 9th 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] A. T. Garland and Linnie Daniels, partners,

whose mailing address is Newland, North Carolina,

hereinafter called the "Operator," as follows:

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

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 Yancey, 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] recorded in Book 114, page 42, 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 of the land (lessor, seller, optionor, etc.), are attached, as follows: Owner's Consent to Lien.

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

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

ARTICLE 3. *The exploration project.*—The project is a search for indicated or undeveloped deposits of mica. The work to be performed is described in Exhibit "A." The Operator on or before AUG 1 1955 shall commence the work, and on or before February 27, 1956 (unless the Operator's obligation to complete the work is terminated—see Article 8) shall complete the work.

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

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

ARTICLE 5. *Contribution by the Government.*—A fixed cost for each unit of work to be performed (per foot of drifting, per foot of drilling, per hour of operations, etc.) is hereby agreed upon, and is set forth in Exhibit "A" in connection with the estimated total cost of the project in the sum of $7,556.00 The Government will contribute 75 percent of the fixed unit costs as work is performed, in a total sum not in excess of $5,667.00: *Provided,* That until the Operator has rendered to the Government his final report, and any final auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of 10 percent of the estimated total cost of the work. The Government will make its contribution on the basis of the monthly vouchers referred to in Article 6(b), but all payments by the Government are provisional only, subject to audit, until the account between the Operator and the Government is finally audited and settled. To the extent that excesses over fixed unit costs or any excess over the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such excesses for his own account without contribution by the Government. The Government may make payments directly to independent contractors and suppliers for the account of the Operator rather than to the Operator.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

ARTICLE 11. *Changes and added provisions.*—

Executed in sextuplicate the day and year first above written.

A. T. Garland and Linnie Daniels
(Operator)

By A. T. Garland (Partner)

By Linnie Daniels (Partner)

THE UNITED STATES OF AMERICA

By O. Mitchell Dodge
Administrator, Defense Minerals
Exploration Administration

Appd. Sol. Off.

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—70618-1

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JUN 2? 1955

EXPLORATION PROJECT CONTRACT
A. T. GARLAND and LINZIE DANIELS
DOCKET NO. DMBA-3726

ANNEX I

The land referred to in Article 2 of the contract is described as follows:

BEGINNING on a wild cherry near the top of the hill, a corner in the old Gibbs line and running thence N. 70° and 50 minutes East 176 feet with Gibbs line to a poplar at a spring; thence S. 76° E. 376 feet crossing the road to a birch at Calloway branch; thence due E. 396 feet up the hill to a stake in the old Byrd line; thence N. 65° E. 346.5 feet with the Byrd line to a water oak stump on the ridge in the Dellinger line; thence N. 25° W. 198 feet down the ridge to a stake; thence N. 3° E. 165 feet down the ridge to a stake; thence N. 15° W. 528 feet to a buckeye in the Northwest Utilities Company's dam in Cane River; thence S. 30° W. 280.5 feet up Calloway Branch to a lynn on the W. bank; thence N. 84° W. 1194 feet crossing the road and up the ridge to a stake on top of a ridge; thence S. 2° 30 minutes W. 920 feet with the old line to a stake in Arthur Gibbs corner thence N. 78° E. 346.5 feet to the point of BEGINNING, containing 26.3 acres.

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JUN 23 1955

EXPLORATION PROJECT CONTRACT
A. T. GARLAND AND LINKIE DANIELS
DOCKET NO. DMEA-3726

EXHIBIT "A"

Description of the Work

The work shall be conducted at two separate locations and shall be performed in four successive stages. The locations of the work are shown on the attached map entitled "Sketch of Lawhorn Mine, Yancey Co., N.C. DMEA-3726 (mica)." The Operator shall perform Stages I and IV, and shall perform so much of the work under Stages II and III as is approved in advance by the Government.

A. Prospect #1 and Prospect #2

Stage I

1. With a D-6 bulldozer or equivalent, cut a trench 20 feet wide, and 6 feet deep along the strike of the pegmatite for a distance of approximately 250 feet.

Stage II

1. Sink four test pits on the most promising pegmatite exposures. The pits shall be 6 feet deep and have minimum cross-sectional dimensions of 4 feet by 4 feet.

Stage III

1. Sink a 40-feet inclined shaft in the pegmatite at the best exposure. The shaft shall have two compartments, and minimum cross-sectional dimensions of 5 feet by 7 feet in the clear of timber.

2. From a point 5 feet above the bottom of the shaft, drive 50 feet of drifts in the pegmatite.

B. Prospect #3

Stage IV

1. Construct the following:

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

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

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

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

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

2. Clean out 8 feet of muck from floor of opencut.

3. Sink a 40-foot incline shaft in the pegmatite. The shaft shall have two compartments and minimum cross-sectional dimensions of 5 feet by 7 feet in the clear of timber.

4. From a point 5 feet above the bottom of the shaft, drive 50 feet of drifts in the pegmatite.

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

All work shall be timbered as necessary.

All drifts shall be 5 feet by 7 feet in the clear of timber.

Fixed Unit Costs
(The unit costs include all costs whatsoever necessary for the completion of the project.)

Prospect #1 and Prospect #2

Stage I

Bulldozer 10 hours @ $10.00/hr.	$100.00

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Stage II

Excavate four test pits @ $48.00 per pit 1/		$192.00

Stage III

Sink 40 feet of shaft @ $45.00/ft.	$1,800.00	
Drive 50 feet of drifts @ $35.00/ft.	1,750.00	3,550.00

Prospect # 3

Stage IV

Construct:		
Toolhouse 1/	75.00	
Powder Magazine 1/	25.00	
Exploder Magazine 1/	14.00	
Clean out 8 feet of muck from floor of opencut 1/	50.00	
Sink 40 feet of shaft @ $45.00/ft.	1,800.00	
Drive 50 feet of drifts @ $35.00/ft.	1,750.00	3,714.00
Estimated Total Cost of Project		$7,556.00
Government Participation @ 75%		$5,667.00

1/ The completed work constitutes the unit.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
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MAR 16 1955

MF-203
(Revised July 1, 1954)

OWNER'S CONSENT TO LIEN

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

In a lease dated 10 March 1955 recorded in Book 110 page 42 official records of said County.

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

2/ A. R. Garland, Marion, North Carolina
Mario Fedele, Marion, North Carolina

hereinafter called the "Operator"; and

WHEREAS, under the provisions of said contract the Government is entitled to a percentage royalty on production and to other rights and equities which do or may conflict with or be adverse to the rights of the undersigned:

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

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

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

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

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

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

(OVER)

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

4. Changes and added provisions In Paragraph 2 the words "the period fixed in the contract or any amendment thereof has" are substituted for "ten years have."

Dated this 20th day of March, 1951.

E. W. Lawhorn [Seal] Route 1, Burnsville, N.C.

L. F. Lawhorn [Seal] Route 1, Burnsville, N.C

Denny Lawhorn [Seal]

Mr. A. T. Garland
Garland Motor Company
Newland, North Carolina

Re: Docket No. DMEA-3726-Mica
A. T. Garland & Linzie Daniels
Lawhern Mine
Yancey County, North Carolina
Contract No. Idm-5813

Dear Mr. Garland:

Reference is made to your terminated contract with the Government.

We sincerely regret that the work performed did not result in a certification of discovery or development under the provisions of the contract. In the absence of such certification, the Government 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 project. Your attention, however, is called to the provisions of the contract which require the operator to keep and preserve certain records for the period indicated.

Your interest in the DMEA exploration program and participation therein are fully appreciated.

Sincerely yours,

L. G. Weissmann

Administrator

LGHouk:rsi 4/23/57
Copy to: Admr. R. File
Mr. Chambers
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

600

APR 24 1957

Mr. and Mrs. L. F. Lawhern
Route 1
Burnsville, North Carolina

Re: Docket No. DRE-3726-Mica
A. T. Garland & Linsie Daniels
Lawhern Mine
Yancey County, North Carolina
Contract No. Idm-2813

Dear Mr. and Mrs. Lawhern:

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

This correspondence relates to the Owner's Consent to Lien signed by you on March 10, 1955.

Sincerely yours,

C. O. Mittendorf

Administrator

LGHouk:rsi 4/23/57
Copy to: Admr. R. File
Mr. Chambers
Mr. Killagaard, 5222
Mr. Dietrich, 3061
Mr. Houk

April 23, 1957

Project Summary Report

By: Lawrence G. Houk

1. Docket No. DMEA-3726 - Mica
Contract No. Idm-E813
Lawhern Mine
Yancey County, North Carolina

Application: Form MF-103 (April 1952) dated February 7, 1955.
Work proposed by applicant:
None given.

Operator: A. T. Garland and Linzie Daniels
Newland, North Carolina

Operators property rights: Ten year lease dated March 10, 1955 on the Lawhern Property consisting of 26.3 acres.
Owner's Consent to Lien dated March 10, 1955.

2. Contract: Form MF-200A (June 1954), dated June 9, 1955.
Work authorized:

Stage I	
Bulldoze 10 hrs. @ $10.00/hr.	$100.00
Stage II	
Excavate four test pits @ $48.00 per pit	192.00
Stage III	
Sink 40 feet of shaft @ $45.00/ft.	1,800.00
Drive 50 feet of drifts @ $35.00/ft.	1,750.00
Stage IV	
Construction: Toolhouse, Powder and Exploder Magazines	114.00
Clean out 8 feet of muck from floor of opencut	50.00
Sink 40 feet of shaft @ $45.00/ft.	1,800.00
Drive 50 feet of drifts @ $35.00/ft.	1,750.00
Estimated total cost of project	$7,556.00
Government participation 75%	$5,667.00

Amendments: None
Work completed:

7 hours bulldozing	$70.00
Four test pits	192.00
Rehabilitation	50.00
New Buildings	114.00
39 feet shaft sinking	1,755.00
9 feet drifting	875.00
Total accepted cost	$3,056.00
Government participation 75%	$2,292.00

Contract work began June 20, 1955 and was terminated by mutual consent effective October 5, 1955.
Field Team Final Report received November 2, 1955.
Operator's Final Report, waived.
Production $243.06 for a sale of 29.81 pounds of mica for which royalty was paid in the amount of $12.15.
No equipment was purchased under the contract.

3. Audit: Report of Review issued October 17, 1955

Accepted cost	$3,056.00
Government participation 75%	$2,292.00

4. Certification of discovery - none issued.

5. Comments:

How conducted: Satisfactorily

Operation: Fair

Geological premise: Neither pegmatites exhibit possibilities for large reserves but have promise of considerable strategic quality.

Geological criteria upon which work was based: Large books of mica reported- sales of $200.00 and $500.00 from each pegmatite.

Criteria developed during project: Pegmatite thinned along the strike and with depth. Approximately 1100 pounds of run of mine mica produced from the work, sold for $243.06, actually 29.81 pounds. Poor quality.

Future possibilities: Poor

Recommendation: None

LGHouk:rsi 4/23/57
Copy to: Admr. R. File
Mr. Houk

July 5, 1956

Memorandum

To: Finance Officer, Region V - Morris, Tennessee

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

Subject: Royalty Payment - Idm-E813, DMEA-3726 (mica) A.T. Garland, Lawhern Mine -Mason County, N. C.

Transmitted is a copy of a letter received from Mr. A. T. Garland, and a check for 5% royalty in the amount of $12.15 for the sale of $243.06 worth of mica sold from the subject mine.

Robert A. Laurence

IM,
cc:
Lynch
Mittendorf
Shirley
Files

RECEIVED
JUL 9 - 1956

DMEA-3726
TEME-813

C
O
P
Y

GARLAND MOTOR CO. Inc.
Newland, N. C.
June 26, 1956

Mr. Robert A. Lawrence
Executive Officer, DMEA
Field Team, Region V
Knoxville, Tennessee

Dear Mr. Lawrence:

Enclosed you will find my check in the amount of $12.15 which covers 5% on loan for the Lawhern Mine. This was all of the pattern which was salable that we got while we had the loan.

We have made some sales from the Johnson mine. Mr. Lacy is keeping books on this mine and he will mail you checks for that mine.

Yours very truly,

/s A. T. Garland

Copied by zm.
cc:
Laurence
Lynch
Mittendorf
Finance Office

FORM APPROVED BY COMP. GEN. U.S. NOVEMBER 18, 1954

GENERAL SERVICES ADMINISTRATION

MICA PURCHASE DEPOT - Spruce Pine, N. C.

DATE 11-15-55

ACCEPTANCE NUMBER AR4-531

WARRANTY, ACCEPTANCE AND INVOICE - RUBY

ISSUED UNDER CERTIFICATE OF AUTHORIZATION NUMBER PS-4-1465A

LOT NUMBER SPAR-531

RECEIPT AND WEIGHT TICKET NUMBER

WARRANTY

The undersigned, a participant in the Mica Program, warrants that the mica included in this lot of mica is of domestic origin, is not material owned previously by the Government, was not purchased from others prior to December 14, 1951, and is owned by the person or firm whose name appears below (herein referred to as 'Seller').

NAME AND ADDRESS OF SELLER (Type or print)	SELLER OR PERSON AUTHORIZED TO SIGN THIS WARRANTY FOR SELLER
NAME: A. T. Garland	SIGNATURE: A. T. Garland
STREET ADDRESS:	NAME (Type or print): A.T. Garland
CITY, ZONE AND STATE: Newland, N. C.	TITLE (Type or print): Owner

EVALUATION AND SETTLEMENT DATA

PROGRAM A - BLOCK OR FILM MICA - RUBY

QUALITY	HALF TRIM			FULL TRIM		
	POUNDS	PRICE PER LB.	AMOUNT	POUNDS	PRICE PER LB.	AMOUNT
GOOD STAINED AND BETTER						
GRADES NO. 3 AND LARGER					$70.00	
GRADES NO. 4 AND 5				.81	$40.00	32.40
GRADES NO. 5½ AND 6				7.91	$15.00	118.65
STAINED						
GRADES NO. 3 AND LARGER		$12.00			$18.00	
GRADES NO. 4 AND 5		$ 5.00		.50	$ 8.00	4.00
GRADES NO. 5½ AND 6		$ 3.00		13.12	$ 5.00	65.60
HEAVY STAINED						
GRADES NO. 3 AND LARGER		$ 8.00			$13.00	
GRADES NO. 4 AND 5		$ 4.00			$ 6.00	
GRADES NO. 5½ AND 6		$ 2.00		7.47	$ 3.00	22.41
TOTALS						
LOT TOTALS				29.81		243.06

PROGRAM B - HAND-COBBED MICA - RUBY

TOTALS					$ 0.30	

ACCEPTANCE

Subject to the terms and conditions of the Mica Regulation dated March 12, 1952 (17 F.R. 2279), and any revisions and amendments thereof, establishing the Government's Purchase Programs for Domestic Mica, the Government accepts the number of pounds of mica (as hereinabove identified), delivered by the Seller to the Government for which payment in the total amount set forth hereinabove will be made by the Government.

GENERAL SERVICES ADMINISTRATION

BY (Type name): Ed S. Burleson

SIGNATURE: Ed S. Burleson

TITLE: Buyer

INVOICE

TO: General Services Administration, Region IV

FOR: Mica delivered as indicated above

$ 243.06

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

SELLER (Type name): A. T. Garland (Lauren Mine)

DATE: 11-15-55

BY (Signature): A. T. Garland

NAME AND TITLE (Type): A. T. Garland, Owner

GSA WASH DC 55-6826

GSA FORM 1013 JANUARY 1955

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

RECEIVED
JUN 15 1956

June 13, 1956

Mr. A. T. Garland
Garland Motor Company
Newland, North Carolina

Re: DMEA-3726, Idm-E813 (Mica)
A. T. Garland and Linzie Daniels
Lawhern Mine, Yancey County, N.C.

Dear Mr. Garland:

According to the Government Purchasing Depot at Spruce Pine, a sale of 29.81 lbs. of mica worth $243.06 from the Lawhern mine was made on November 15, 1955.

According to Article 7b of the subject exploration contract, royalty is due the Government on all minerals mined or produced from the land, regardless of any certification of discovery or development from the date of the contract until the lapse of time within which the Government may make such certification. This period is from June 9, 1955 to April 27, 1956. Thus the above sale is subject to the 5 percent royalty.

Please send your check, payable to the Defense Minerals Exploration Administration, accompanied by a copy of the sales slip, to this office in order that we may close our records on this contract. Payment should be for $12.15 on the November 15 sale, plus 5% of the value of any sales of mica (sheet, punch, scrap, etc.) produced from the Lawhern mine between June 9, 1955 and April 27, 1956, regardless of the sale date.

Very truly yours,

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

RAL/mg
cc
Operating Committee (2)
Lynch
Shirley
files

RAL/sm
cc: Opr. Com.-2
Lynch
Files
Shirley

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM WASHINGTON 25, D. C. POSTOFFICE BLDG.
KNOXVILLE 2, TENN.
June 13, 1956

RECEIVED
JUN 15 1956

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Production from Completed Uncertified Projects.

Reference is made to your letter of May 23, requesting information on production and royalties due from several uncertified projects:

Following is all the information we have been able to obtain from a check of the Spruce Pine Depot records and from the Operators:

Docket No.	Date of sale	Lbs.	Value
DMEA-3726	11/15/55	29.81	$243.06
DMEA-3801	none		
DMEA-3815	none		
DMEA-3926	none		
DMEA-3930	none		

In most of these cases the small amount of mica recovered during the project was not good enough to make a sale. It appears that royalty is due only on DMEA-3726, Idm-E813, from which $12.15 is due.

V. J. Lynch, Member
Bureau of Mines

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

600

MAY 21 1956

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

Dear Mr. Lawrence:

Reference is made to the following uncertified projects which have been completed or terminated, but no closing letters can be written because of incomplete information on the production and the royalties which may be due the Government:

Docket No. ERSA	Contract No. IAE	Production during Project	Value of Production	Royalties Due	Royalties Paid	End of Certification (6 mos. from date Final Report)
3726	E413	1100 lbs.	Unknown	?	None	April 27, 1956
3801	E836	100 lbs.	Unknown	?	None	March 27, 1956
3815	E848	40 lbs.	Unknown	?	None	April 30, 1956
3926	[illegible]	200 lbs.	$112.00	$5.60	None	Aug. 14, 1956
3930	[illegible]	250 lbs.	$175.00 (about)	$8.75	None	June 30, 1956

In order to close out these contracts it will be appreciated if you will take whatever action you deem necessary for collection of the unpaid royalties.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

/s/ Robert W. Geehan

Member, Bureau of Mines

Thor H. Kiilsgaard

Member, Geological Survey

JHopkins:ms 5/17/56

Copy to: Docket(5)
Operating Committee
Mr. Chambers
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk(5)
Admr. R. File

IN REPLY REFER TO:

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

RECEIVED
MAR - 8 1956

March 7, 1956

Re: DMEA 3726, Idm-E813
A. T. Gerland & Linzie Daniels
Lerthern Mine
Yancey Co., N. C.
$7,756.00 - Mica

Memorandum

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

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

Subject: Review of Final Field Team Report.

An expenditure of $7,756.00 was approved in the referenced contract.

Work done consists of stripping, deepening of an incline, and drifting. The work cost $3,056.00.

About 1,100 pounds of mine-run mica was recovered, but the quality and quantity are not such as to warrant further work. The examiners and the Field Team recommend that no certification be made.

I concur with that recommendation.

N. E. Nelson

N. E. Nelson

NENelson:iml
G-3/7/56

cc: Director's reading, 4212
Branch reading, 4212
DMEA (3)
Docket file
W. F. Dietrich, 3061

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

November 14, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-3726 (mica)

Applicant: A. T. Garland & L. Daniels

Name and Location of Property: Lenhern Mine, Yancey Co., N. C.

Contract Number: Idm-E 813

Date of Field Team Report: 10/27/55

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 11/8/55

Field Team Recommendation: Recommend no certification of discovery.

Comments:

1. Exploration disclosed that the pegmatite was thin and discontinuous and that the mica was of inferior quality.

2. Mica was recovered during DMEA exploration; however it was all stained by included biotite and much of it was "tied."

Recommendation: I concur with the recommendation of the field team for no certification of discovery.

Signed

W. F. Dietrich

RECEIVED
NOV 14 1955

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

RECEIVED
NOV - 2 1955

October 31, 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: DMEA Field Team - Region V - Knoxville

Subject: Final Report, DMEA-3726, Idm-E813 (mica) A. T. Garland and Linzie Daniels, Newland, N.C. Lawhern Mine, Yancey Co., N.C.

Enclosed are 4 copies of the Field Team Final Report on the subject contract. We agree that certification of discovery should not be issued.

We do not consider that an Operator's final report will add any significant information, and therefore are willing to waive that requirement.

Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION V

V. J. Lynch, Member
Bureau of Mines

RAL/sm.
cc:
Lynch
Shirley
Files

11-7-55

RECEIVED
NOV - 7 1955

FINAL REPORT
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FIELD TEAM, REGION V

DMEA-3726, Idm-E813, LAWHERN MINE (mica)
Yancey County, N. C.
(mica)

By

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

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

October 27, 1955

11-7-55

RECEIVED
NOV - 8 1955

FINAL REPORT ON THE
LAWHERN MINE - DMEA-3726, Idm-E813
(mica)

Operators: A. T. Garland and Linzie Daniels, Newland, North Carolina

Location: On the south side of Cane River, 2.08 airline miles S. 58° W. of Burnsville, Yancey County, North Carolina

Exploration was conducted on two pegmatites on this property. Neither pegmatite showed sufficient strategic mica to warrant additional work, thus the contract was terminated. No certification of discovery is recommended.

Work began June 20, 1955, and was terminated by mutual consent October 4, 1955. At Prospects # 1 and 2, a trench was cut along the pegmatite, showing discontinuous pods and lenses between the two openings. This trench is about 200 feet long. After trenching was completed, four test pits were sunk on the pegmatite. From 6 inches to 2 feet of pegmatite are exposed in each pit. Little mica was recovered and it was of inferior quality.

Stage III was not undertaken at Prospects 1 and 2 and no additional work is justified.

At Prospect No. 3, Stage IV of the contract was undertaken. Work conducted consisted of the construction of a toolhouse and two magazines, cleaning out 8 feet of muck from an existing incline, deepening incline an additional 39 feet, and driving 25 feet of drift N. 30° E. from the incline.

On the outcrop at Prospect No. 3, the pegmatite is in excess of 6 feet thick. In the incline it gradually thins and at the bottom of the incline is only 12-18 inches thick. In the drift at a point 4 feet from the incline the pegmatite thickens to about 4 feet, but again thins to less than two feet and stays rather constant to the present face. This pegmatite trends N. 30° E. and dips uniformly 70° N. W. It is conformable to the biotite-kyanite gneiss wall rock.

A little mica occurs throughout all the pegmatite, but not in sufficient quantity or quality to justify further work. About 1100 pounds of mine-run mica was obtained from all work. Books up to 8 inches across were recovered; however, all mica is stained by included biotite and much of it is "tied."

Expenditures;

(a) Total approved	$7756.00 ← should be $7556.00 good
(b) Total cost of project	3056.00
(c) Government's share of cost	2292.00
(d) Government's share unexpended	3375.00
(e) Value of production	unknown

Work was conducted in a satisfactory manner. No equipment was purchased for the project.

October 27, 1955

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

L. L. Shirley, Mining Engineer
U. S. B. M.

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
PAYMENTS K- 27

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of September, 1955 Docket No. DMEA 3726 Contract No. Idm-B 813
Operator's Name A. T. Garland & Linsie Daniels Minerals Mica
Address Newland, North Carolina
Contract Amount, $ 7,556.00 Government Participation: 75 % Amount, $ 5,667.00

RECEIVED OCT 13 1955

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		192.00	192.00			
Bulldozing		70.00	70.00			
Crosscutting						
Drifting	315.00	560.00	875.00			
Shaft		1,755.00	1,755.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs		50.00	50.00			
(6) New Bldgs., Improvements, etc.		75.00	75.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Powder Magazine		25.00	25.00			
Exploder Magazine		14.00	14.00			
(8) Contingencies (specify):						
TOTALS	$315.00	$2,741.00	$3,056.00	315.00	2741.00	3056.00

I certify that the above bill is correct and just and that payment therefor has not been received.
Date Sept. 4, 1955 Payee A. T. Garland & Linsie Daniels

Per A. T. Garland & Linsie Daniels 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:

$ 236.25

Signature Helen R. Miller
(Authorized Certifying Officer)

Date 1955 Vou. No. 77

(See other side)

78.75

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E813 in accordance with the terms of the contract.

Signature Keyton H. Teague Title Geologist, U.S.G.S. Date 10/10/55

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Laurence Title EXECUTIVE OFFICER DMEA REGION V Date OCT 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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
OCT 13 1955

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of September 1955 Docket No. DMEA 3726 Contract No. Idu-R 813
Operator's Name A. T. Garland & Linzie Daniels Minerals Mica
Address Newland, North Carolina

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting	Ft.	$315.00	9'	$ 875.00	25'	$35.00	50'	$35.00
Crosscutting								
Raising								
Shafts	Ft.			1,755.00	39'	45.00	40'	45.00
Winzes								
Drilling: Core 4 Test Pits Each				192.00	4	48.00	4	40.00
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
7 Hrs. Bulldozing	Hr.			70.00	7	10.00	10	10.00
Total Distributed Costs		315.00		2,892.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs				50.00				
New Buildings, Improvements, etc.				75.00				
Powder & Exploder Magazine				39.00				
Total Costs		$315.00		$3,056.00				

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

Date Sept. 4, 1955 Operator A. T. Garland & Linzie Daniels

Per A. T. Garland Linzie Daniels 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) Kepton 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

RECEIVED
OCT 13 1955

OPERATOR'S

MONTHLY REPORT OF PROGRESS

FOR SEPTEMBER 1955

DMEA-3726
Idm-E 813

Work Accomplished

We complete 9' of drift during the month, making a total of 25' in all. Stayed in slate and vein all the way, but got no mica.

Sept. 1 - 2: Drilled, shot and mucked. Two men working.

Sept. 5 - 9: Did not work.

Sept. 12 - 16: Did not work.

Sept. 19 - 23: Drilled, shot and mucked. In slate and vein. Two men working.

Sept. 26 - 30: Drilled, shot and mucked. In slate and vein all the way. Two men working. 9' of drift completed.

OCT 2 4 1955 600

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

Subject: Docket No. DMEA-3726 - Mica
A. G. Garland and Linzie Daniels
Lawhern Mine
Yancey County, North Carolina
Contract No. Idm-E813

Dear Mr. Laurence:

Reference is made to your memorandum, dated October 11, 1955, requesting permission to terminate the subject contract by mutual consent.

Approval is granted to terminate the subject contract effective October 4, 1955, in accordance with the provisions of DMEA Circular No. 33, June 30, 1954, employing the form "No. 6 Termination Agreement (All contract forms DF-200, MI-200 A)".

Please do not omit any of the appropriate provisions of this form.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee

Approved:

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

Thor H. Kiilsgaard
Member, Geological Survey

P.S. Item 3 was omitted from the Termination Agreement form prepared for Contract Idm-E836 (Docket No. DMEA-3801).

JHopkins:gad 10/17/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Hopkins

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

600

RECEIVED
OCT 13 1955

October 11, 1955

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: DMEA-3726, Idm-E813 (mica) A. T. Garland and Linzie Daniels
Lawhorn Mine, Yancey County, N. C.

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

We request permission to terminate the contract by mutual agreement, effective October 4, 1955. Certification will not be recommended.

Tell them not to
Omit cuts as
they [illegible]

V. J. Lynch, Acting
EXECUTIVE OFFICER
DMEA REGION V

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

RAL/sm
cc:
Spinkey
Files

RECEIVED
OCT 13 1955

INTERIM REPORT

DMEA-3726, Idm-E813 (mica) LAWHERN MINE

OPERATOR: A. T. Garland and Linzie Daniels, Newland, N. C.

LOCATION: On the south side of Cane River, 2.08 airline miles S58°W of Burnsville, Yancey Co., N. C.

Drifting has been in progress on this contract. The Field Examiners recommend that no additional work be performed and that the contract be terminated due to the absence of strategic mica in the pegmatite.

Exploration completed was in three stages at two locations. Stage I consisted of trenching by bulldozer at Prospect No. 2, and Stage II consisted of sinking test pits on pegmatite exposed by Stage I. Test pitting completed did not show the presence of strategic mica in commercial quantities, and the pegmatite narrowed or thinned with depth. Work was stopped, and no additional exploration was recommended in the form of Stage III. At Prospect No. 3, Stage IV of the contract was activated and exploration completed consisted of cleaning out 8 feet of muck from the floor of an existing opencut, sinking 39 feet of inclined shaft on the pegmatite, and driving 25 feet of drift from the shaft bottom in a N30°E direction. A toohouse and magazines were built, the shaft was timbered where necessary, and ladders were installed to the bottom of the shaft. All work was conducted satisfactorily.

INTERIM REPORT

DMEA-3726, Idm-E813 (mica) LAWHERN MINE

OPERATOR: A. T. Garland and Linzie Daniels, Newland, North Carolina

LOCATION: On the south side of Cane River, 2.08 airline miles S58°W of Burnsville, Yancey Co., North Carolina

Drifting continues on this contract and is now at 18 feet. The present face exhibits a pegmatite body about 2 feet thick, composed of feldspar, quartz, muscovite, and biotite mica. The body is narrowing, and is thinner in the floor area than previously observed. All drift work to date has been conducted from the shaft bottom in a N30°E direction. The operator was advised to continue the drift until another inspection can be made.

Progress has been hampered by insufficient ventilation to the working area. Ventilation equipment has been procured, and will be put in use in the near future. The operator was advised to extend the exhaust on the air compressor, so that exhaust fumes will not enter the air intake.

Mr. V. J. Lynch, Bureau member of the Field Team, 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 19, 1955

INTERIM REPORT

RECEIVED
SEP 16 1955

DMEA 3726, Idm-E813 (mica) LAWHERN MINE

OPERATOR: A. T. Garland and Linzie Daniels, Newland, North Carolina

LOCATION: On the south side of Cane River, 2.08 airline miles S58°W of Burnsville, Yancey County, North Carolina

Drifting continues on this contract in a N30°E direction, and is now at 16 feet. The drift work has followed a pegmatite varying in thickness from 4 feet to 2 feet. The body dips 70°SW and is composed of feldspar, scattered quartz, biotite mica, and muscovite mica. Approximately 1100 pounds of "mine-run" block has been recovered from all work completed to date.

The operator was advised to continue drifting in the present direction until another visit can be made.

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

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

SEP 9 1955

~~August 9, 1955~~

-104 (Rev.)
-1052)

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K- 18

OPERATOR'S MONTHLY REPORT AND VOUCHER

RECEIVED
SEP - 9 1955

Month of August, 1955 Docket No. DMEA 3726 Contract No. Idm-E 813
Operator's Name A. T. Garland & Linzie Daniels Minerals Mica
Address Newland, North Carolina
Contract Amount, $ 7556.00 Government Participation: 75 % Amount, $ 5667.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling @ $48.00 4 Test Pits		$192.00	$192.00		192.00	192.00
7 Hrs. Bulldozing @ $10.00		70.00	70.00		70.00	70.00
Crosscutting						
Drifting @ $35.00 Ft.	$560.00		560.00	560.00		560.00
Shaft @ $45.00 Ft.	450.00	1,305.00	1,755.00	450.00	1305.00	1755.00
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs			50.00		50.00	50.00
(6) New Bldgs., Improvements, etc.			75.00		75.00	75.00
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Powder Magazine			25.00		25.00	25.00
Exploder Magazine			14.00		14.00	14.00
(8) Contingencies (specify):						
TOTALS	$1,010.00		$2,741.00	1010.00	1731.00	2741.00

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

Date Sept. 2, 1955 *Payee A. T. Garland & Linzie Daniels

Per A. T. Garland Linzie Daniels 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:

$ 757.50

Signature Helen R. Miller (Authorized Certifying Officer)

SEP 7 1955

Date Vou. No. 45

(See other side)

4

252.50

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm E-813 in accordance with the terms of the contract.

Signature Kenneth H. Amos Title Geologist USGS Date Sept. 6, 1955

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION V Date SEP 6 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.

MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
SEP - 9 1955

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of August 1955 Docket No. DMEA 3726 Contract No. Idm-E 813
Operator's Name A. T. Garland & Linzie Daniels Minerals Mica
Address Newland, North Carolina

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 @ $35.00	Ft.	$560.00	16'	$560.00	16'	$35.00	50'	$35.00
Crosscutting								
Raising								
Shafts @ $45.00	Ft.	450.00	10'	1,755.00	39'	45.00	40'	45.00
Winzes								
4 Test Pits @ $48.00								
Drilling: Core	Each			192.00	4	48.00	4	48.00
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
7 Hrs. Buldozing @ $10.00	Hr.			70.00	7	10.00	10	10.00
TOTAL DISTRIBUTED COSTS		$1,010.00		2,577.00 ~~$2,741.00~~				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs				50.00				
New Buildings, Improvements, etc.				75.00				
Powder & Exploder Magazines				39.00				
TOTAL COSTS		$1,010.00		$2,741.00				

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

REMARKS:

Date Sept. 2, 1955 Operator A. T. Garland & Linzie Daniels

Per A. T. Garland Linzie Daniels 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)

(For Government use only) Harvey H. Amos
Geologist, USGS
Sept. 6, 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

OPERATOR'S

MONTHLY REPORT OF PROGRESS

AUGUST 1955

DMEA-3726

Idm-E 813

Work Accomplished

We have completed 10' of shaft during the month, making a total of 39' of shaft. Also completed 16' of Drift. Stayed on vein all the way and got 425 lbs. of mica, making a total of approxamitely 1,025.00 lbs. in all.

Daily Notes:

August 1-5 Four men working full time. Drilled shot and mucked. Shaft in slate and hard material. Got approx. 200 lb. of mica.

8-12 Three men working. Repeated drilling shooting and mucking. Got 125 lb. of mica.

15-19 Three men working. Drilled shot and mucked. Got 50 lb. of mica.

22-26 Three men working and continued to make progress. drilled shot and mucked. Starting to drift and got 50 lb. of mica.

29-31 Completed 39' of shaft in all, and 16' of drift. Still on vein and making satisfactory progress.

September 6, 1955

Mr. A. T. Garland

Newland, North Carolina

Re: DMEA-3726, Idm-E813 (mica)
Lawhern Mine

Dear Mr. Garland:

Enclosed is a pencil copy of your August Operator's Monthly Report and Voucher, as it should have been made out.

Please change your copy of the August report to conform with this copy and use the totals for your next report.

The Field Team Examiners on their next visit to your mine, will be glad to explain to you the proper way to fill out the MF-104 and MF-104A forms.

Very truly yours,

Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION V

VJL/mm
cc:
Lynch
Finance Office-3
Shirley
Files

RECEIVED
SEP - 2 1955

INTERIM REPORT

DMEA-3726, Idm-E813 (mica) LAWHERN MINE

OPERATOR: A. T. Garland and Linzie Daniels, Newland, N. C.

LOCATION: On the south side of Cane River, 2.08 airline miles S58°W of Burnsville, Yancey Co., N. C.

Incline shaft sinking has been completed to a total depth of 39 feet. Drift work is underway, and an advance of 4 feet has been made in a N30°E direction. The pegmatite body, as exhibited in the drift, is 4 feet thick and is composed of feldspar, scattered quartz, thin films of biotite mica, and scattered blocks of muscovite mica. About 300 pounds of mine-run block has been recovered from work performed during the past two weeks.

The operator was advised to scale the hanging wall and drift areas after shooting. Drifting will continue to the northeast until another visit can be made.

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

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

August 22, 1955

INTERIM REPORT

DMEA-3726, Idm-3813 (mica) LAWHERN MINE

OPERATOR: A. T. Garland and Linnie Daniels, Newland, N. C.

LOCATION: On the south side of Cane River, 2.08 airline miles 358°W of Burnsville, Yancey Co., N. C.

Prospect No. 3 - Incline shaft sinking continues on this contract and is now at 31 feet. The body remains thin and averages about 12 inches, with an occasional "roll" that thickens to 18 inches. The pegmatite has not changed in composition, and continues to be rich in muscovite mica. Recovery has averaged about 75 pounds of mine-run block per shift for the past week's work. Most of the mica contains stain, and none has been sold to date. Progress on this contract is satisfactory.

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

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

August 8, 1955

COPY

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

Budget Bureau No. 42-R1036.5

PAID ON VOUCHER / SCHEDULE
OF PAYMENTS NO. 8

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

Month of July, 1955 Docket No. DMEA 3726 Contract No. Idm-E 813
Operator's Name A. T. Garland & Linzie Daniels Minerals Mica
Address Newland, N. C.
Contract Amount, $ 7556.00 Government Participation: 75 % Amount, $ 5667.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling @ $48.00 4 Test Pits		$192.00	$192.00		192.00	192.00
7 Hrs Bulldozing @ $10.00		70.00	70.00		70.00	70.00
Crosscutting						
Drifting						
Shaft @ $45.00 Ft.	$1305.00		1305.00	1,305.00		1,305.00
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs			50.00		50.00	50.00
(6) New Bldgs., Improvements, etc.			75.00		75.00	75.00
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Powder Magazine			25.00		25.00	25.00
Exploder Magazine			14.00		14.00	14.00
(8) Contingencies (specify):						
TOTALS	$1305.00		$1731.00	1,305.00	426.00	1,731.00

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

Date July 30, 1955 Payee A. T. Garland & Linzie Daniels

Per A. T. Garland Linzie Daniels 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:

$ 978.75

Signature Helen R. Miller
(Authorized Certifying Officer)

Date Vou. No.
(See other side)

326.25

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E 813 in accordance with the terms of the contract.

Signature Keyton H. Teague Title Geologist, U.S.G.S. Date 8/2/55

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION V Date AUG 2 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)

COPY

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
AUG - 5 1955

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of July 195~~X~~55 Docket No. DMEA 3726 Contract No. Idm-E 813
Operator's Name A. T. Garland & Linzie Daniels Minerals Mica
Address 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 $45.00	Ft.	$1305.00	29'	$1305.00	29'	$45.00	40'	$45.00
Winzes								
Drilling: Core								
4 Test Pits @ $48.00 Churn	Each			192.00	4	48.00	4	48.00
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
7 Hrs. Bulldozing @ $10.00	Hr.			70.00	7	10.00	10	10.00
Total Distributed Costs		$1305.00		$1567.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs				50.00				
New Buildings, Improvements, etc.				75.00				
Powder & Exploder Magazines				39.00				
Total Costs		$1305.00		$1731.00				

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

Date July 30, 1955 Operator A. T. Garland & Linzie Daniels

Per A. T. Garland & Linzie Daniels 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)

Kepton 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

RECEIVED
AUG - 5 1955

OPERATOR'S
MONTHLY REPORT OF PROGRESS

July 1955

DMA-3726
Idn - 1813

Work Accomplished:

We have completed 29' of shaft during the month and have stayed on the vein all the way. Got 200 lbs. of mica at 13' and 400 lb. in the next 16' making approximately 600 lb. of mica in all. We now have 2' of vein showing in shaft and test holes showing more.

Daily Notes:

July 1 - Four men working full time. Drilled shot and mucked. Shaft in slate and hard material vein showing.

July 5-8 Continued down shaft. Repeated drilling, shotting and mucking operations. Still on vein.

July 11-15 Drilled shot and mucked. Got 200 lbs. mica.

July 18-22 Continued to make progress. Drilled, shot and mucked.

July 25-29 Got 400 lbs of mica. Completed 29' of shaft and on vein all the way.

W. Garland
Virgil Daniels

Form MF-104 (Rev. April 1952)

RECEIVED
FIELD OFFICE USBM
KNOXVILLE TENNESSEE

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.5

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-6

RECEIVED JUL 29 1955

OPERATOR'S MONTHLY REPORT AND VOUCHER

1955 JUL 8 PM 7:42

Month of June, 1955 Docket No. DMEA 3726 Contract No. Idm-E 813

Operator's Name A. T. Garland & Linzie Daniels Minerals Mica

Address Newland, N. C.

Contract Amount, $ 7556.00 Government Participation: 75 % Amount, $ 5667.00

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 @ $48.00 4 Test Pits	$192.00		$192.00			
7 hrs Bulldozing @ $10.00	70.00		70.00			
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs	50.00		50.00			
(6) New Bldgs., Improvements, etc.	75.00		75.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Powder Magazine	25.00		25.00			
Exploder Magazine	14.00		14.00			
(8) Contingencies (specify):						
TOTALS	$426.00		$426.00	426.00		

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

Date 7-7-55 *Payee A. T. Garland & Linzie Daniels

Per A. T. Garland & Linzie Daniels 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:

$ 319.50

Signature Helen R. Miller
(Authorized Certifying Officer)

Date JUL 27 1955 Vou. No.

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm E 813 in accordance with the terms of the contract.

Signature [illegible] Beck Title Mining Engr. USBM Date JUL 27 1955

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title EXECUTIVE OFFICER DMEA REGION V Date JUL 27 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.

FIELD OFFICE USBM
KNOXVILLE TENNESSEE

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

1955 JUL 8 PM 7 : 4

RECEIVED
JUL 29 1955

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of June 1955 Docket No. DMEA 3726 Contract No. Idm-E-813
Operator's Name A. T. Garland & Linzie Daniels Minerals Mica
Address 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								
Drilling: Core 4 Test Pits @ $48.00	Each	$192.00		$192.00	4	$48.00	4	$48.00
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
7 hrs. Bulldozing @ $10.00	Hr.	70.00		70.00	7	10.00	10	10.00
Total Distributed Costs		$262.00		$262.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs		50.00		50.00				
New Buildings, Improvements, etc.		75.00		75.00				
Powder & Exploder Magazines		39.00		39.00				
Total Costs		$426.00		$426.00				

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

Remarks:

Date 7-7-55 Operator A. T. Garland & Linzie Daniels

Per A. T. Garland Linzie Daniels 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)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 872894

Mr Kerrone
Mr Hopkins

INTERIM REPORT

RECEIVED
AUG - 8 1955

DMEA-3726, Idm-E813 (mica) LAWHERN MINE

Operator: A. T. Garland and Linzie Daniels, Newland, N. C.

Location: On the South side of Cane River, 2.08 airline miles S58°W of Burnsville, Yancey Co., N. C.

Prospect No. 3 - Incline shaft sinking continues on this contract and is now at 20 feet. A narrow pegmatite, about 12 inches in thickness has been followed for the last 7 feet of work. The pegmatite is composed of feldspar, quartz and small to medium-sized blocks of muscovite mica, most of which is clear and contains less stain than mica previously examined. An estimated 600 pounds of block mica has been recovered to date. The body is enclosed by a mica-kyanite country rock that has not been subjected to weathering.

The operator was advised to bulkhead off or remove loose muck from existing openings near the surface and the present works. Progress on this contract is satisfactory.

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

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

July 25, 1955

RECEIVED
JUL 25 1955

INTERIM REPORT

DMEA-3726 Idm-E813 (mica) LAWHORN MINE

OPERATOR: A. T. Garland and Linzie Daniels, Newland, N. C.

LOCATION: On the south side of Cane River, 2.06 airline miles S58°W of Burnsville, Yancey Co., N. C.

Prospect No. 2. Test pitting has been completed at this location without finding workable pegmatite, and no additional exploration appears justified. Four test pits have been sunk on a body, trending N15-20°E and dipping steeply SW, which appears to be thinning or pinching with depth. The bottoms of the four pits show a maximum thickness of 12 inches of pegmatite. Small amounts of badly stained mica was recovered during pitting, having little or no commercial value.

Prospect No. 3. Incline shaft sinking is underway at this location, and is now at 13 feet. Some fair quality mica in blocks up to 6 x 8 inches has been recovered from this work. This body appears to thin with depth and varies from 5 feet at the incline portal to 6 to 12 inches in the present bottom. The operators were instructed to stop sinking, if test holes reveal that the pegmatite is not continuous. Sufficient pegmatite exists for some lateral work.

Progress on this contract has been good.

Mr. R. A. Laurence, Executive Officer of DMEA, Region V, accompanied the examiners on this visit to the mine.

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

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

July 14, 1955

RECEIVED
JUL - 8 1955

INTERIM REPORT

DMEA-3726, Idm-E813, LAWHERN MINE (mica)

Operators: A. T. Garland and Linzie Daniels, Ptners. Newland, N. C.

Location: On the south side of Cane River, 2.08 airline miles S. 58° W of Burnsville, Yancey County, N. C.

Work began on this contract June 20, 1955. A toolhouse and powder magazine have been constructed. The pegmatite at Prospects 1 and 2 has been stripped along its strike for about 200 feet under Stage I of the contract. This required 7 machine hours with a bulldozer. Two of the four test pits outlined in Stage II have been completed. One pit about 40 feet south of Prospect No. 2 revealed the pegmatite to be only about 6 inches thick. The other pit located about 30 feet north of Prospect No. 2 showed the pegmatite to be about 1½ feet thick. A few books of mica most of which is stained was recovered from the pit. The location of two additional pits was sited by the Field Examiners; one about 70 feet north of Prospect No. 2 and the other about 120 feet north of Prospect No. 2. If these do not show more prosmising pegmatite, Stage III of the contract will not be undertaken. Work has not begun at Prospect No. 3.

Progress and the work completed to date are satisfactory.

Date of Examination: June 29, 1955.

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

JUN - 9 1955 60C

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

Subject: Docket No. DMEA-3726 - Mine
A. T. Garland and Lizzie Daniels
Laughrn Mine
Yancey County, North Carolina

Dear Mr. Lawrence:

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 fill in the starting date in Article 3 before the contract is signed by the Operators.

After execution of the contract, the copies are to be distributed in the usual manner. Copies of memoranda from N. K. Nelson of the Geological Survey, dated May 6, 1955, and from W. F. Dietrich of the Bureau of Mines, dated May 17, 1955, are enclosed.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee

Approved:

J. H. Hedges
Member, Bureau of Mines

Thor H. Kiilsgaard
Member, Geological Survey

Enclosures 10

JHopkins:gad 5/27/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

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

Defense Minerals Administration
RECEIVED

May 17, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-3726 (mica)

Applicant: A. T. Garland & L. Daniels

Name and Location of Property: Lawhern Mine
Yancey County, North Carolina

Date of Field Team Report: 4-29-55

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 5-6-55

Field Team Recommendation:

1. Approval of exploration.

Comments:

1. Two pegmatites are exposed.
2. Both pegmatites appear to be potential areas for strategic mica.
3. Exploration on Southeast Pegmatite is proposed to be conducted in 3 stages at a total estimated cost of $3,842, and on Northwest Pegmatite in 1 stage at an estimated cost of $3,713.

Recommendation:

I concur in the field team recommendation for an exploration project on both pegmatites as outlined above.

Signed
W. F. Dietrich

IN REPLY REFER TO:

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

May 6, 1955

Re: DMEA-3726
Garland & Daniels
Burnsville, Yancey
Co., N. C.
$7,555.00 - Mica

Memorandum

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

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

Subject: Review of Field Team report

The conclusions and recommendation of the Field Team are not too well supported by the information given in the report.

In the work to date approximately 250 yards of rock appear to have been broken and $700.00 worth of mica recovered, a yield of $3.00 per yard or $1.50 per ton.

At prospect No. 3 the best of the three, from approximately 80 yards $500.00 worth of mica is reported to have been recovered and sold, a yield of $6.20 a yard and $3.10 per ton.

In the proposed work approximately 216 yards of material will be broken, and about 500 yards more or less developed.

Perhaps all work should be done on No. 3 prospect. If the results are much better than now indicated they will be, then do work on No. 1-2.

N. E. Nelson

N. E. Nelson

NENelson:hlm
G-5/6/55

Copy to: Director's reading, 4212
Branch reading, 4212
DMEA (3)
Docket file
W. F. Dietrich, 3061 Interior

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
MAY 2 - 1955

April 29, 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: Field Team, DMEA - Region V - Knoxville

Subject: Field Examination Report on - DMEA-3726, Garland & Daniels - (mica) Lawhern Mine, Burnsville, Yancey County, N. C.

Transmitted are four copies of the subject report with six extra copies of the map.

We are in agreement with the examiners' recommendations for exploration on this project to be accomplished in stages.

V. J. Lynch, Acting
EXECUTIVE OFFICER
DMEA REGION V

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

ZM.
cc:
Lynch
Shirley
Files

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FIELD TEAM EXAMINATION REPORT
REGION V

On

DMEA-3726, LAWHERN MINE
(mica)
Yancey 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 22, 1955

FIELD EXAMINATION REPORT
On
DMEA-3726, LAWHERN MINE (mica)

Applicants: A. T. Garland and Linzie Daniels, Newland, North Carolina

Three small openings have been made on this property, two on one pegmatite and one on the other. A small amount of strategic mica has been obtained from both places. Exploration assistance is recommended on both pegmatites.

The deposits were examined on April 22, 1955. Messrs. A. T. Garland, Linzie Daniels, and a Mr. Beam, accompanied the examiners on the inspection which required two hours.

This property is along the south side of Cane River, near the R. E. A. power dam, 2.08 airline miles S. 58° W. of Burnsville, Yancey County, North Carolina. An all weather access road extends to the deposits.

Both applicants have had mica mining experience. At present they are mining a property in Cleveland County, N. C. They are financially responsible.

The applicants' lease covers an area of approximately 40 acres. The northernmost prospect is about 200 feet south of Cane River which is the north property line. The southermost prospect is 375 feet north of the south property line. Adequate area is covered by the lease for the proposed exploration project.

Two pegmatites, more or less parallel, are known on this property. They are about 400 feet apart and will be described separately.

South Pegmatite. Prospect No. 1.

This pegmatite trends about N. 10° E. and dips 60-70° NW. Two small openings have been made in it. The northern opening is as an inclined open cut which has a slight overhang on the south. The cut is 30 feet long, 20 feet deep on the uphill side and 10 feet deep on the downhill side. It is on a pegmatite which is about 18 inches thick. The pegmatite is conformable to the foliation of the mica-garnet gneiss wall rock. In one place where a sharp fold occurs, the pegmatite follows the fold. This fold plunges about 10° N. E.; the pegmatite may have a similar plunge.

T he sill-like pegmatite is composed primarily of quartz. Some feldspathic pegmatite occurs along the borders of the quartz core. This portion of the pegmatite contains quartz, soda feldspar, muscovite, biotite, and garnet, listed in order of abundance. Some of the muscovite and biotite

are intergrown. Books of mica up to 8 inches across are reported to have been obtained from this place. Mica is not particularly abundant. It is hard, ruby-colored, and free splitting. Some of it contains biotite spots and is cracked. The applicants report that approximately $200 worth of mica has been sold recently from this opening to the Spruce Pine Depot.

Prospect No. 2.

About 120 feet southwest of the above open cut, another old open cut, 30 feet long and 15 feet deep, has been sunk on apparently the same pegmatite. At this opening the pegmatite has a maximum thickness of 4 feet and averages 2.5 feet in thickness. Composition is similar to the other exposure, except less quartz and more soda feldspar is present. Also some coarse-bladed kyanite occurs as small segregations. The mica appears to be of ~~the~~ better quality than that obtained from the Northern opening.

Northwest Pegmatite. Prospect No. 3

Only one opening has been made on this pegmatite. This opening is an open cut which has a 17-foot drift to the northeast from the bottom of the cut. It is 18 feet deep and 15 feet long. The opening is on a pegmatite which averages 5 feet in thickness. The pegmatite trends N. 25° E., dips 75-80° NW. and is conformable to the mica-kyanite gneiss wall rock. It is poorly zoned, with mica occuring in a one-foot zone along both contacts, with occasional scattered blocks in the quartz core. The pegmatite is composed of a poorly defined quartz core, flanked by one-foot zones which contain quartz, soda feldspar, muscovite, biotite, garnet and kyanite. Mica books in relatively large sizes occur in the wall zones, although the blocks are relatively thin. The mica is ruby-colored, hard, clear, free splitting, and flat. Sizes up to 7 - 8 inches across are present. The applicants report that approximately $500 worth of mica has been sold recently from this opening.

Little more than prospecting has been done on these pegmatites. Even though neither of them exhibit possibilities for large reserves, they do have promise of containing considerable mica of strategic quality. Exploration assistance is recommended on both pegmatites. On the southeast one the exploration should be staged. The following exploration program is recommended:

Southeast Pegmatite.
Stage I

Strip overburden from pegmatite between the two openings (Prospect No. 1 and No. 2) and extend trench 100 feet southwest from the southern pit (Prospect No.2) on this pegmatite.

Stage II

Sink four, 6-foot test pits on most promising exposures, if any.

Stage III

Sink 40-foot shaft on pegmatite at best exposure and drive 50 - feet of level from shaft.

Northwest Pegmatite. Prospect No. 3

Construct:

Toolhouse, powder and exploder magazines.
Clean out 8 feet of muck from floor of open cut.
Sink a 40-foot incline on pegmatite and drive 50 feet of level.

Estimated Cost:

Southeast Pegmatite
Stage I.

Bulldoze 250 foot trench along pegmatite,		
Bulldozer (D-6 or equivalent) 10 hrs. @ $10/hr.		$100.00
Stage II.		
Four 6-foot test pits @ $8.00/ft.		192.00
Stage III		
Sink 40-foot inclined shaft (30 shifts)		
Labor:		
1 - Miner @ $1.50/hr.	$360.00	
1 - Hoistman @ $1.25/hr.	300.00	
1 - Laborer @ $1.00/hr.	240.00	
Equipment (rental):		
Compressor and drill @ $220/Mo.	330.00	
Hoist @ $50/Mo.	75.00	
Supplies:		
Explosives	125.00	
Timber, 1000 b.f. @ $60/M	60.00	
Gasoline and oil	80.00	
Drill steel	75.00	
Small tools	75.00	
Miscellaneous	25.00	
Insurance and Social Security	55.00	$1,800.00

Drive 50 feet of level (25 shifts)

Labor:		
1 - Miner @ $1.50/hr.	$300.00	
1 - Hoistman @ $1.25/hr.	250.00	
2 - Laborers @ $1.00/hr.	400.00	
Equipment (rental).		
Compressor, drill and jackleg @ $230/Mo.	287.50	
Hoist @ $50/Mo.	62.50	
Supplies:		
Explosives	160.00	
Gasoline and oil	100.00	
Drill steel	75.00	
Small tools	50.00	
Miscellaneous	15.00	
Insurance and Social Security	50.00	$1,750.00
Estimated total costs Stages I - III		$3,842.00

Northwest Pegmatite.

Toolhouse	75.00	
Powder magazine	25.00	
Exploder magazine	~~13.00~~	$94.00
Clean out 8 ft. of muck from floor of open cut	50.00	
Sink 40-foot incline shaft on pegmatite (same cost as above)	1800.00	$3704.00
Drive 50 feet of level (same as above)	1750.00	~~$3,713.00~~
Estimated Cost for both pegmatites		**$7,555.00**

$7,556.00
$5667.00

Inspected: April 22, 1955.

Geo 3/4

K. H. Teague and D. H. Amos, Geologists
U. S. Geological Survey
and
V. J. Lynch, Mining Engineer
U. S. Bureau of Mines

APR - 8 1955

Messrs. A. T. Garland and
Linnie Daniels
Newland, North Carolina

Re: Docket No. DMEA-3726 - Mica
A. T. Garland and Linnie Daniels
Lusbarn Mine
Yancey County, North Carolina

Gentlemen:

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. Lawrence, 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

Administrator

JHopkins:ad 4/4/55
Copy to: Admr. R. File
Docket
Operating Committee
Field Team, Region V
Mr. Killagnard, 5222
Mr. Dietrich, 3061
Mr. Houk

APR - 8 1955

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

Subject: Docket No. DMEA-3726 - Mica
A. T. Garland and Lincoln Daniels
Lenoxen Mine
Yancey County, North Carolina

Dear Mr. Lawrence:

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

Copies of memoranda by R. L. Newcomb of the Geological Survey, dated March 23, 1955, and W. F. Dietrich of the Bureau of Mines, dated April 4, 1955, are enclosed for your information.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

J. H. Hedges

Member, Bureau of Mines

Thor H. Kiilsgaard

Member, Geological Survey

Enclosures 4

JHopkins:ad 4/6/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

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

Department of the Interior
Defense Minerals Administration
RECEIVED
APR - 5 1955

April 4, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-3726 (mica)

Applicant: A. T. Garland & Linze Daniels

Name and Location of Property: Lowhern Mine
Yancey County, North Carolina

Date Application Rec'd. by Br. of Ceramic & Fertilizer Mtls.: 3/17/55

Comments:

1. The application, as submitted by the applicant, is inadequate to determine the location of the property, geologic features, proposed exploration, or amount desired to conduct exploration.

2. 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.

Signed

W. F. Dietrich

IN REPLY REFER TO:

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

March 23, 1955

Re: DMEA-3786
Garland & Daniels
(Lowhorn Mine)
Yancey Co., N. C.
Mica

Memorandum

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

From: E. L. Newcomb, U. S. Geological Survey

Subject: Review of application

The operator has not presented an exploration proposal and therefore there is no estimate of costs.

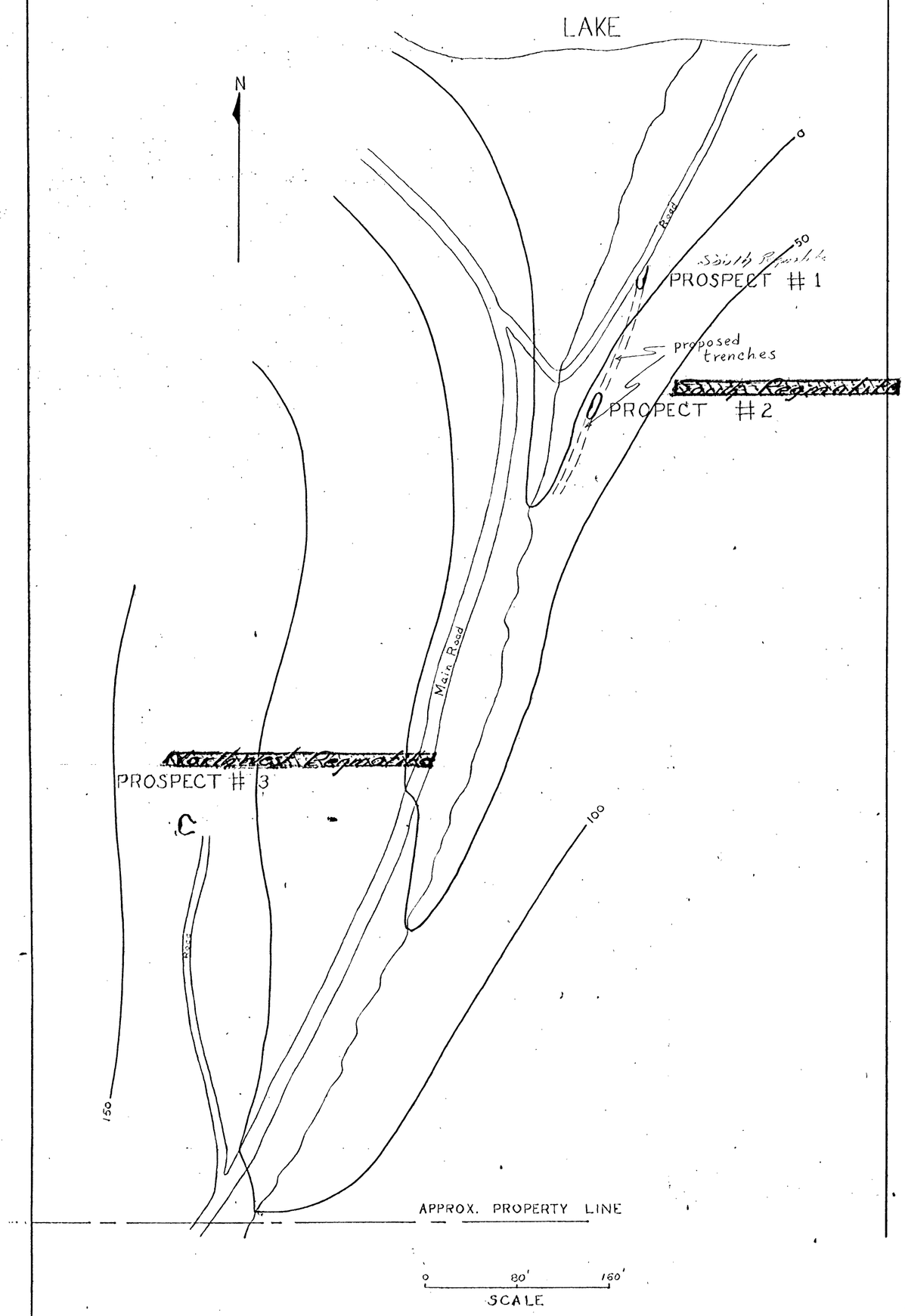
We do not have any information on this property. Apparently there has been some development on the property as two shipments have been sold to the Spruce Pine depot.

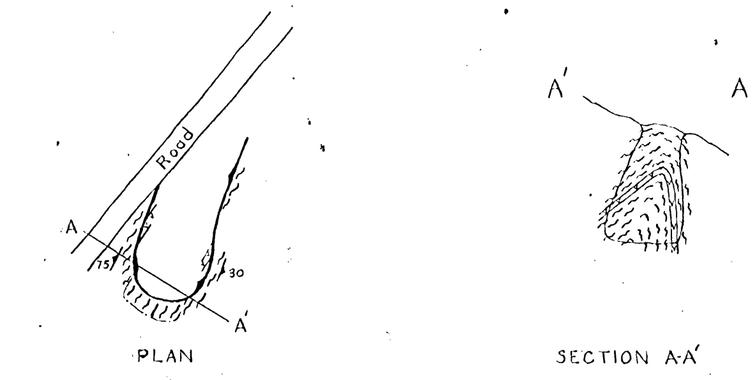
I recommend the application be referred to the Field Team for their review and recommendations. If they have favorable information, at Knoxville, the Field Team should examine the Lowhorn mine when they are next in the area.

E. L. Newcomb

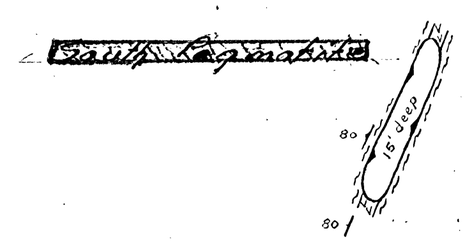
ELNewcomb:hlm
G-3/23/55

Copy to: Director's reading, 4212
Branch reading, 4212
DMEA (3)
Docket file
W. F. Dietrich, 3061 Interior



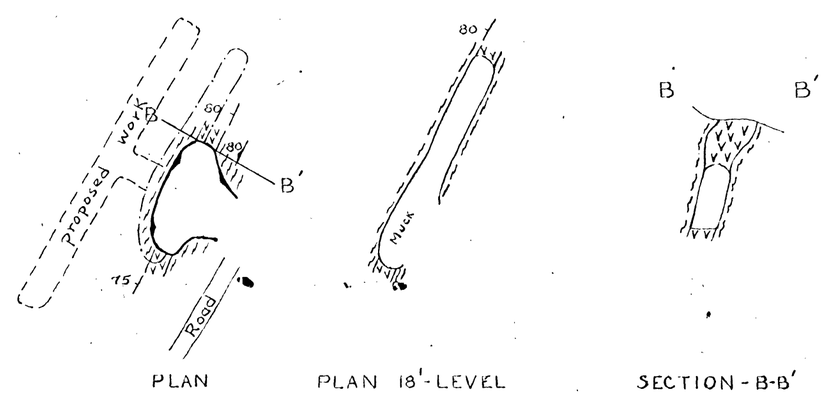


PROSPECT # 1



LEGEND
- mica gneiss
- pegmatite
- strike & dip of foliation
- strike & dip of contact
- contact
- cut
- outline of underground workings

PROSPECT #2



PROSPECT # 3

SKETCH OF
LAWHERN MINE
YANCEY CO., N.C.

DMEA-3726 (mica)

April 22, 1955