DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Lloyd Stevenson, Ted Stevenson,
Oakley Woody, & Frank W. Phillips
d/b/a Stevenson Mine
Spruce Pine, North Carolina

pertaining to Exploration Project Contract No. Idm-E902, Docket No. DMEA-3908, including Amendment Nos. 1 and 2, and a Termination Agreement dated January 7, 1957, for the months of February 1956 to September 1956, inclusive, covering a project for the exploration of mica on property, known as the Joe Stevenson or W. C. Burleson Mine located in Mitchell 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 correspondence, and a determination of the reasonableness and propriety of the costs.

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

(a) the Monthly Reports were supported by documentary proof of the costs incurred under the contract; and
(b) the administrative cost to the Government of an audit would be excessive in relation to the estimated amount of possible further disallowances thereunder.

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

Total cost as billed by Contractor		$5,582.11
Exceptions (schedule attached):		
By DMEA Finance Officer	$ -0-	
Herewith	406.46	406.46
Total Accepted Cost		$5,175.65

The contract calls for a 75 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Three thousand eight hundred eighty-one and 74/100 Dollars

$3,881.74

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

April 9, 1957

E. D. Talbert, Auditor

SCHEDULE OF EXCEPTIONS

Idm-X902 STEVENSON MINE DMEA-3908

(A) Supplies delivered on September 14, 1956, the last day of project work:

Explosives Supply Company, Inc.:	
Invoice E-2355 (explosives)	$ 38.73
Tri-County Oil Company, Inc.:	
Delivery Ticket E-19381 (gasoline)	32.34

(B) Gasoline and oil, apparently duplicate charges of deliveries claimed on Tri-County Oil Company delivery invoices, not included in amount of "paid" receipt of Mitchell Lumber Company (delivery agent of Operator) submitted in response to Certifying Officer's letter of 9/17/56:

Mitchell Lumber Company:		
Invoice 19823	5/13/56	66.71
" 18660	2/4/56	33.01
" 19811	5/14/56	15.00

(C) Documented costs underclaimed on forms MF-104, as follows:

July, 1956	-2.50
August, 1956	-2.43
September, 1956	-1.70

(D) Costs claimed for toolhouse and magazines not supported by documentation (exclusive of $7.00 for hasps, hinges, locks and roofing erroneously charged to Operating Matls. & Supplies) 116.00

(E) Costs claimed for installation of electric pumping facilities not authorized under the contract:

Johnson Electric Company, Inc.:	
Invoices 5/11/56 and 5/31/56	24.87
Spruce Pine Electric Company:	
Invoices 5/9/56 and 5/31/56	19.90

(F) Costs claimed for equipment repairs not authorized by the contract:

Mitchell Distributing Company, Inc.:		
Invoice K-1521	3/31/56	.40
" K-2072	5/14/56	24.29
" K-2480	6/18/56	26.90

(G)	F.I.C.A. (Social Security) taxes claimed on partners' (Oakley Woody, Lloyd Stevenson, and Ted Stevenson) wages, such being personal taxes and not allowable costs	47.51
	Sub-total	439.03
(H)	Reinstatement of excess costs, disallowed by Field Team letter 9/19/56 to Operator, the total acceptable costs of $5,173.65 not being in excess of the contractual maximums for sinking and drifting for work performed, i. e., 90' @ $53.30 and 80' @ $40.00, respectively, or $5,865.00	-32.57
		$406.46

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DMEA
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DATE	INITIALS	CODE

TERMINATION AGREEMENT

It is agreed this 7th day of January, 1957, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Lloyd Stevenson, Ted Stevenson, Oakley Woody, and Frank W. Phillips, partners, d/b/a Stevenson Mine, hereinafter called the " Operator," parties to that Exploration Project Contract Idm-E902, Docket No. DMEA-3008, dated December 5, 1955, hereinafter called the "Contract," that:

1. Effective September 19, 1956, the Contract and all obligations of the parties thereunder, except as otherwise herein expressly provided, shall be and are hereby terminated.

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

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

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

5. All rights of the Government provided for in the Contract with respect to a certification of discovery or development, percentage royalty and liens for its payment, records, audit, and recovery of any overpayment, are preserved.

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

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

THE UNITED STATES OF AMERICA

By C. C. Mitkendorf
Administrator, Defense Minerals
Exploration Administration

Andrews 12/26/56
Dunigan
"Appd. Sol. Off."
Anderson
Lowry
Selfridge
Chambers

STEVENSON MINE

By Loyd Stevenson
Lloyd Stevenson, partner

By Ted Stevenson
Ted Stevenson, partner

By Oakley Woody
Oakley Woody, partner

By Frank W. Phillips
Frank W. Phillips, partner

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EXPLORATION PROJECT CONTRACT

Lloyd & Ted Stevenson
c/o Frank W. Phillips
Spruce Pine, N. C.

DMEA-3908, Idm-E902 - Mica

AMENDMENT No.2

It is agreed this 10th day of September, 1956, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Lloyd Stevenson, Ted Stevenson, Oakley Woody, Frank W. Phillips, partners, parties to Exploration Project contract Idm-E902 (Docket No. DMEA-3908) dated December 5, 1955, that the contract is further amended to read as follows:

1. The time for completion of the work, specified in Article 3, and Amendment No. 1, is extended to October 11, 1956, instead of June 11, 1956 as stated in Amendment No. 1.

2. Article 8, b, 2 is changed to read,"if the Government makes a certification of discovery or development, within a period of eleven years from the date of the contract, or until the total net amount contributed by the Government without interest is fully repaid, which ever occurs first."

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be required to contribute, the agreed unit cost of any item, nor the aggregate total amount under any category in exhibit "A" of the contract.

STEVENSON MINE

By Frank W. Phillips
(Partner)

By Lloyd Stevenson
(Partner)

BY Oakley Woody

By Ted Stevenson
(Partner)

UNITED STATES OF AMERICA

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

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EXPLORATION PROJECT CONTRACT

Docket No. DMEA-3908, Contract No. Idm-E 902

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JUN 18 1956

Lloyd Stevenson, Ted Stevenson, Oakley Woody
and Frank W. Phillips, partners, d/b/a
STEVENSON MINE

AMENDMENT NO. 1

Contract Idm-E 902, Docket No. DMEA-3908, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Stevenson Mine, dated December 5, 1955, is hereby amended as follows:

> Article 3 is amended to read "The Operator ..... on or before September 11, 1956 shall either have completed the work ....." instead of June 11, 1956 as originally stated in the contract.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be required to contribute, the agreed unit cost of any item, nor the aggregate total amount under any category in exhibit "A" of the contract.

Dated: June 11, 1956

THE UNITED STATES OF AMERICA

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

STEVENSON MINE

By Frank W. Phillips
(Partner)

By Loyd Stevenson
(Partner)

By Ted Stevenson
(Partner)

By Oakley Woody
(Partner)

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MF-200
(Revised June 1954)

Docket No. DMEA 3908

Commodity Mica

Contract No. Idm-E 902

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

EXPLORATION PROJECT CONTRACT[1]

It is agreed this DEC 5 1955 day of ....., 195..., between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2] Lloyd Stevenson, Ted Stevenson, Oakley Wood, and Frank W. Phillips, partners, d/b/a Stevenson Mica, whose mailing address is c/o Frank W. Phillips, Spruce Pine, 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-200), the attached Exhibit "A," Annex I, and map

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

ARTICLE 2. *Operator's property rights.*—(a) The land which is the subject of this contract (hereinafter called "the land") is in the State of North Carolina, County of Mitchell, 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 17 of Deeds, page 190, official records of said County; and

(2) The Operator's right, title, or interest (whether as owner, lessee, or otherwise) is subject only to the following claims, liens, or encumbrances: None

(c) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above, and (if the Operator does not hold the legal title) the Consent to Lien of any holder of the legal title

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

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

(d) The Operator shall preserve and maintain his right, title, and interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. Until the lapse of the time within which the Government may make a certification of discovery or development without any such certification having been made, and after any such certification has been made, the Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof. If the Government makes no certification of discovery or development within the time limited in Article 8, it shall thereafter have no claim against the land or any production therefrom except for any production referred to in Article 8(b) (1).

ARTICLE 3. *The exploration project.*—The project is a search for indicated or undeveloped deposits of mica. The work to be performed is described in Exhibit "A." The Operator on or before FEB 10 1956 shall commence the work, and on or before June 21, 1956 (unless the Operator's obligation to prosecute the work is terminated—see Article 10) shall either have completed the work or shall have incurred allowable costs (see Article 6) in a sum not less than the estimated total allowable cost set forth in Exhibit "A."

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

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

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

ARTICLE 5. *Contribution by the Government.*—The estimated total allowable cost of the project, set forth in Exhibit "A," is the sum of $6,716.00. The Government shall contribute 75 percent of the allowable costs as they are incurred in a total sum not in excess of $5,037.00: *Provided,* That until the Operator has rendered to the Government his final report, and any final auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last

voucher or vouchers such sums as it sees fit not in excess of 10 percent of the estimated total cost of the work or not in excess of the amount of the Government's contribution to the cost of property which is or may become subject to disposal as provided in Article 9(c), whichever is greater. The Government will make its contribution on the basis of the monthly vouchers referred to in Article 7(b), but all payments by the Government are provisional only, subject to audit, until the account between the Operator and the Government is finally audited and settled. "Costs incurred" mean costs that have been paid or have become due and payable, or that in the opinion of the Government have become an obligation. The Government may make payments directly to independent contractors and suppliers for the account of the Operator rather than to the Operator.

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

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

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

CATEGORY (2)—PERSONAL SERVICES.

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

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

Subcategory (c)—Labor.

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

CATEGORY (4)—OPERATING EQUIPMENT.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

ARTICLE 7. *Reports, accounts, audits.*—(a) *Operator's records.*—The Operator shall keep suitable records and accounts of the work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. If the Government elects to audit said records and accounts relating to the exploration work by certified public accountant, it may do so as a cost of the work to which the Operator shall contribute. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine any pertinent books, documents, papers, and records of the Operator. All of the Operator's vouchers and records and accounts relating thereto and the Government's payments thereof remain subject to adjustment until final audit by the Government. If work under this contract is carried on in conjunction with any other operations, or if labor, supervision, services, materials, supplies, equipment, facilities, or other requirements for carrying on the work are also used in connection with other operations, the costs shall be segregated and accounted for on a basis and by methods and accounts that are satisfactory to and approved by the Government.

(b) *Progress reports and vouchers.*—The Operator shall provide the Government with five copies of monthly progress reports in three sections as follows: (1) Operator's Monthly Report and Voucher showing detailed costs incurred during the reporting period; (2) Operator's Unit Cost and Progress Report showing the various types of work performed during the reporting period and costs incurred for each type of work; and (3) a Narrative Report of the work performed during the reporting period including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground. (Forms for reporting under (1) and (2) above will be provided by the Government.)

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

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

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

ARTICLE 8. *Repayment by Operator.*—(a) *Certification.*—If the Government considers that a discovery or development from which production may be made has resulted from the work, the Government, at any time not later than six months after a sufficient final report and final account (see Article 7) has been rendered, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

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

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

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

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

One and one-half (1½) percent of amounts ("gross proceeds" or "value") not in excess of eight dollars ($8.00) per ton of production in the form in which sold, held, or used, plus one-half (½)

percent for each additional full fifty cents ($0.50) by which such amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such amounts.

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

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

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

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

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

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

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

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

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

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

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

ARTICLE 10. *Termination of the Government's obligations.*—(a) If in the opinion of the Government operations at any time have failed to achieve anticipated results that indicate the probability of making a worthwhile discovery, and in the opinion of the Government further operations are not justified, the Government may give the Operator written notice thereof, and thereupon: (1) the Government shall be free of all obligation to contribute to costs not then incurred other than such as may be allowable under the provisions of the contract as necessary and incidental to winding up, reporting, and accounting; and (2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting.

(b) If in the opinion of the Government the Operator is in any manner in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon: (1) the Government shall be relieved of all obligation to contribute to costs not incurred when the notice was given, other than such as may be allowable by the provisions of the contract as necessary and incidental to winding up, reporting, and accounting; and (2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting. The remedy provided for the Government in this paragraph "(b)" is in addition to any other remedy provided in this contract, and in addition to any other remedy the law may provide for breach of contract.

(c) The giving of any notice by the Government under the provisions of this Article 10 shall not affect the Government's rights as provided for in the contract with respect to a percentage royalty, and such rights shall be fully preserved.

ARTICLE 11. *Notices to be given by the Government* may be delivered to the Operator, or may be sent by registered mail addressed to the Operator at his mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 12. *Officials not to benefit.*—No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 13. *Changes and added provisions.*—

The Government will contribute only to the necessary and reasonable costs of the project, but not in excess of 75% of: $9.30 per foot for shaft sinking and $10 per foot for drifting.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By C. Mittendorf
Administrator, Defense Minerals
Exploration Administration

STEVENSON MINE
(Operator)

Floyd L. Stevenson (Partner)
By Ted L. Stevenson (Partner)
Oakley Woody (Partner)
Frank W. Phillips (Partner)

Indrt 11/21/55
Dwyer
"Appd. Sol. Off."
Anderson
Hook
Chambers
Selfridge

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

.....

[CORPORATE SEAL]

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

EXPLORATION PROJECT CONTRACT
STEVENSON MINE
DOCKET NO. [redacted]A-3908

ANNEX I

The land referred to in Article 2 of the contract form is known as the Joe Stevenson (W. C. Burleson) Mine and is situate in Cane Creek Township on the headwaters of Cane Creek on the northeast side of White Rock Ridge, 1.7 miles southeast of Hawk, North Carolina, in Mitchell County, and is more fully described as follows:

> From a point marked "X" on the map referred to in Exhibit "A," and running north 200 feet to the point of beginning, thence west 800 feet, thence south 400 feet, thence east 1600 feet, thence north 400 feet, thence west 800 feet to the point of beginning, containing 15 acres, more or less.

EXPLORATION PROJECT CONTRACT
STEVENSON MINE
DOCKET NO. DMEA-3908

EXHIBIT A

Description of the Work

Exploration for concentrations of strategic mica shall be performed in the area indicated on the map, entitled W. C. Burleson Mica Mine, Mitchell County, North Carolina DMEA-3908-mica, attached hereto and made a part hereof, as follows:

1. Divert stream water and clean out existing open cut and 35-foot incline and install a separate raceway in the incline.

2. Construct:

(a) A toolhouse, minimum dimensions 7 feet by 8 feet by 10 feet.
(b) A powder storage magazine, minimum dimensions 4 feet by 3 feet by 2½ feet.
(c) An exploder storage magazine, minimum dimensions 2 feet by 1½ feet by 1 foot.

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

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

3. From the bottom of the rehabilitated incline, sink a 2-compartment inclined shaft, following the hanging wall of the pegmatite as closely as possible, for a distance of not more than 50 feet.

4. From the bottom or near the bottom of the inclined shaft, explore the pegmatite by driving not more than 100 feet of drifts and/or crosscuts.

The inclined shaft, and the drifts and/or crosscuts shall be timbered as necessary, and shall have maximum cross-sectional dimensions of 5 feet by 7 feet in the clear of timber.

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

Estimated Costs of the Project

(In addition to the maximum set forth in the contract form, an asterisk indicates maximum.)

Category (1)	Independent Contracts - None	
Category (2)	Personal Services	
	(a) Supervision - None	
	(b) Technical Services - None	
	(c) Labor	
	Miners @ $1.50/hour*	
	Hoistman @ $1.25/hour*	
	Laborers @ $1.00/hour*	$ 3,350.00
Category (3)	Operating Materials and Supplies	1,542.50
Category (4)	Operating Equipment	
	(a) Rental	
	1 Compressor, 1 drill, 1 pump @ $240/mo.	1,020.00
	1 Hoist @ $50/mo.	212.50
	1 Jackleg @ $10/mo.	25.00
Category (5)	Initial Rehabilitation and Repairs	
	(a) Initial rehabilitation and repairs of existing buildings, fixtures, and installations - None	
	(b) Initial rehabilitation and repairs of operating equipment - None	
Category (6)	New buildings, fixtures, and installations	
	Toolhouse, powder magazine, and exploder magazine 1/	116.00

Category (7) Miscellaneous - The only allowable items of cost under this heading shall be:

Compensation insurance, Unemployment Insurance and Social Security	$ 450.00
Estimated Total Cost of Project	$6,716.00
Government Participation at 75%	$5,037.00

1/ The Government retains no interest in the salvage value of these buildings.

MF-203
Revised March 24, 1955

RECEIVED
FEB - 6 1956

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

CONSENT TO LIEN

RECEIVED
NOV - 4 1955

To the United States of America:

Referring to that certain land in the County of MITCHELL, State of NORTH CAROLINA, described as follows:1/ A certain mica mine in Cane Creek Township and on the Head Waters of Cane Creek, known as the Joe Stevenson mica mine, 600 feet each way from the branch, running with the mica vein and 400 feet wide, so as to include all the mica vein. It is understood and agreed between the grantees herein named that Frank Phillips is to furnish all the equipment gas and explosives for the successful operation of said mine and is to have a one half interest in this lease and a one half interest in the net proceeds derived from the operation thereof.

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

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

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

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

1/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated ~~[illegible]~~, and recorded in book 17 page 109 official records of said county." If (b) is used, the book and page of recordation cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

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

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

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

5. Added provision: _____

_____

_____

_____

_____

_____

_____

_____

Dated this 28 day of October, 1955.

Witness:
R. P. Greene Jr.

Arthur L. Stevenson [Seal]

Electa Stevenson [Seal]

_____ [Seal]

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

_____

[Corporate Seal]

Mr. and Mrs. Arthur Stevenson

Re: Docket No. [illegible]-3[illegible]-Mica
Lloyd Stevenson, Ted Stevenson,
Oakley Woody and Frank A. Phillips
Joe Stevenson (W.C.Burleson) Mine
Mitchell County, North Carolina
Contract No. Idm-5[illegible]02

Dear Mr. and Mrs. Stevenson:

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

This correspondence relates to the Consent to Lien signed by you on October 28, 1955.

Sincerely yours,

C. O. Mittendorf

Administrator

Enclosure

WCAnderson:rsi 11/14/57
Copy to: Admr. R. File
Mr. Chambers
Operating Committee
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

600

NOV 18 1957

Mr. Frank A. Phillips
Stevenson Mine
Spruce Pine, North Carolina

Re: Docket No. [illegible]-3308-Mica
Lloyd Stevenson, Ted Stevenson,
Oakley Moody and Frank W. Phillips
Joe Stevenson (W.C. Harleson) Mine
Mitchell County, North Carolina
Contract No. Ide-3902

Dear Mr. Phillips:

Reference is made to your terminated exploration 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 [illegible] exploration program and participation therein are fully appreciated.

Sincerely yours,

C. O. Mittendorf

Administrator

WCAnderson:rsi 11/14/57
Copy to: Admr. R. File
Mr. Chambers
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. and Mrs. Arthur Stevenson
Operating Committee

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

Re: Docket No. DMA-3908-Mica
Lloyd Stevenson, Ted Stevenson,
Oakley Woody and Frank W. Phillips
Joe Stevenson (N.C.Burleson) Mine
Mitchell County, North Carolina
Contract No. Idm-E902

Dear Mr. Laurence:

Enclosed is a letter to be forwarded to the signers of the Consent to Lien under the subject contract.

Kindly complete the address and forward, retaining your copies and returning the remaining copies.

Sincerely yours,

W. S. Martin
ACTING Chairman, Operating Committee

Approved:

Frank D. Lamb
Member, Bureau of Mines

W. P. Williams
Member, Geological Survey

Enclosure

WCAnderson:rsi 11/14/57
Copy to: Admr. R. File
Mr. Chambers
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Operating Committee
Mr. Houk

November 13, 1957

Project Summary Report

By: Walter C. Anderson, Division of Nonmetallic Minerals

1. Docket No. DMEA-3908-Mica
Contract No. Idm-E902
Joe Stevenson (W. C. Burleson) Mine
Mitchell County, North Carolina

Application: Form MF-103 (April 1952) received July 22, 1955.

Work Proposed By Applicant:

50 feet of shaft @ $50.00/ft.	$2,500.00
100 feet of drift @ $35.00/ft.	3,500.00
Total amount requested	$6,000.00

Operators: Lloyd Stevenson, Ted Stevenson, Frank W. Phillips, partners.
c/o Frank W. Phillips, Spruce Pine, North Carolina

Operator's Property Rights: Five year mining lease on the Stevenson Property consisting of 15 acres, dated September 1, 1955. Consent to Lien, dated October 28, 1955.

2. Contract: Form MF-200 (June 1954) dated December 5, 1955.

Work Authorized: Long form (actual costs).
Rehabilitate 35 feet of shaft, 50 feet of additional shaft, and 100 feet of drifts and/or crosscuts.

Estimated Costs:

Toolhouse, powder & exploder magazine	$116.00
Labor	3,350.00
Operating material and supplies	1,542.50
Operating equipment (rental)	1,257.50
Unemployment compensation, insurance & social security	450.00
Estimated total cost of project	$6,716.00
Government participation @ 75%	$5,037.00

Amendments:
No. 1 - 6/11/56 - Extended completion date from 6/11/56 to 9/11/56
No. 2 - 9/10/56 - Extended completion date from 9/11/56 to 10/11/56, and time for repayment of Government contribution in event of certification from 10 to 11 years.

Work Completed:

Toolhouse, powder & exploder magazines(dissallowed)	($116.00)
50 feet of shaft @ $49.12/ft.	2,456.00
80 feet of drifts @ $33.98/ft.	2,719.65
Total accepted cost	$5,175.65
Government participation @ 75%	$3,881.74

Contract work started January 31, 1956 and terminated by mutual Agreement, short of completion, on September 19, 1956.

Field Team Final Report received October 28, 1957. Operator's Final Report received March 28, 1957. No equipment purchased under contract.

3. Audit: Report of Review issued April 9, 1957.

Total cost as billed by Operators	$5,582.11
Exceptions	406.46
Total accepted cost	$5,175.65
Government participation	$3,881.74

4. Comments:

How Conducted: All of the work in which the Government participated, although poorly supervised, was acceptable.

Operation: Cooperation from the Operators was poor. Safety regulations were not followed.

Engineering: Reporting by Operators was poor. Accounts under long-form contract were poorly kept and not accurate. Final report was not submitted until six months after completion of contract, and then only after considerable prodding by the Field Team.

Geologic Premise: The premise that the down-dip extension of the pegmatite would contain mica-bearing structures was wrong, as no concentrations of mica of any size were intercepted by the shaft or drifts.

Geologic Criteria upon which work was based:

1. Pegmatite: Tabular in form, twisty, alternating from steep to relatively flat dips, mica concentrations occurring in flat portions. Objective of project was to penetrate the flat portions by shaft sinking and then drift along the strike. It appears that work under a prior contract Idm-E430 (DMEA-2524) was discontinued before the above-cited target was reached. About 10 feet thick, exposed along strike for 165 feet, and consists in order of abundance, plagioclase, microcline, quartz, muscovite, biotite, apatite, sericite, and garnet. Also contains country-rock projections. Generally concordant. Three types of country rock: hornblende gneiss, mica-garnet gneiss, and biotite gneiss.

2. Mica: Mostly ruby, some green which is mostly scrap, flat and usually free splitting. Some ruling and haircracks.

3. Past Production:

Geologic Criteria developed during project:

1. Pegmatite: Description of pegmatite above applies to that followed by the exploration work. The search for similar structures in the down-dip projection found what appears to be a bottoming condition.

2. Mica: Reddish-brown, mostly flat and free splitting, not abundant, of poorer quality, being badly cracked, reeved, and stained. No concentration of mica of any size.

Production during operation, 43.79 lbs. trimmed sheet,
value $532.99
Royalty paid 26.65

Future Possibilities: Practically no potential exists in lower part of pegmatite, which appears to be a bottoming structure.

Recommendations: The Division of Nonmetallic Minerals and the Commodity Members of the Geological Survey and Bureau of Mines concur in the Field Team's recommendation not to certify.

Walter C. Anderson
Division of Nonmetallic Minerals

WCAnderson:rsi 11/13/57
Copy to: Admr. R. File
Mr. Houk

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DMEA
RECEIVED NOV 14 1957
DATE | INITIALS

November 13, 1957

Memorandum

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

From: W. P. Williams, U. S. Geological Survey

Subject: Review of Final Field Team Report, DMEA #908, Idm-E902, (mica), Ted Stevenson, Joe Stevenson Mine, Mitchell County, North Carolina

The examining team report that the Operator terminated work under the subject contract before completion of the work. The lower part of the pegmatite in which the work was done, however, has the indications of a bottoming structure. For that reason there appears to be no reason to induce the Operator to do more work.

Inasmuch as work under the contract did not result in the discovery of strategic-grade mica reserves, I am in agreement that a certification of discovery need not be issued the Operator by the Government.

W. P. Williams

cc: DMEA (3)
W. F. Dietrich, 3061
Director's reading
Branch reading
Chron. file
Docket file
WPWilliams/mm
G-Mi-11-13-57

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

October 30, 1957

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DATE	INITIALS	CODE

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-3908 (mica)

Applicant: Ted Stevenson, et al.

Name and Location of Property: Joe Stevenson Mine, Mitchell County, N. C.

Contract Number: Idm-E 902

Date of Field Team Final Report: 10/24/57

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 10/29/57

Field Team Recommendation: Recommend that no certification be issued.

Comments:

1. This mine has been worked intermittently since about 1900.

2. Unfavorable exploration was conducted under DMEA 2524 in 1953.

3. Possibility for discovery of a worthwhile deposit of strategic mica is considered poor.

4. Expenditures -

Total approved	$6,716.00
Total cost	5,175.65
Gov't. share of the cost	3,881.74
Value of production during operation	532.99
Royalty paid	23.65

Recommendation:

I concur with the recommendation of the field team that no certification be issued.

Signed
W. F. Dietrich

10/29

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RECEIVED OCT 28 1957
DATE | CODE

October 24, 1957

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: DMEA-3908, Idm-E902(mica) Ted Stevenson, et al.
Joe Stevenson Mine, Mitchell County, N.C.
Field Team Final Report.

Attached are three copies of the final report on the subject exploration project.

We agree with the Examiners' conclusion that certification cannot be recommended.

Robert A. Laurence
Executive Officer, DMEA
Region V

S. A. Feitler for V. J. Lynch
Member, Bureau of Mines

RAL/zm
cc
Lynch
Files
Shirley

Reviewed by
DMEA OPERATING COMMITTEE

_____
(date)

EXTRA COPY
DMEA
RECEIVED OCT 28 1957
DATE 3 OODE

UNITED STATES
Department of the Interior

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT

DMEA 3908, Idm-E902, JOE STEVENSON MINE
Mitchell County, North Carolina
(mica)

S. C. Bergman, Geologist
Geological Survey

L. E. Shirley, Mining Engineer
Bureau of Mines

October 24, 1957

Reviewed by
DMEA OPERATING COMMITTEE

_____
(date)

FINAL REPORT

DMEA-3908, Idm-E902 (mica) Joe Stevenson (W.C.Burleson)
Mitchell County, N. C.

Operator: Ted Stevenson, Lloyd Stevenson, Oakley Wood and Frank W. Phillips, Partners. c/o Frank Phillips, Spruce Pine, North Carolina

SUMMARY

The Joe Stevenson or W. C. Burleson pegmatite is a large contorted tabular-shaped structure, which has been mined intermittently since about 1900 in stopes which plunge moderately to the south-southwest along mica-bearing convolutions of the hanging wall contact. A previous contract in 1953 (DMEA-2524), resulted in a 49-foot shaft about 75 ft northeast of the present shaft, which the Operator abandoned without completing. The present contract explored the downdip extent of the pegmatite with no interceiption of mica-bearing structures or concentrations of any size, and with the recovery of only a small amount of block muscovite. Fifty feet of vertical and inclined shaft were sunk from the bottom of an existing shaft and a total of 80 ft of drift driven to the northeast and southwest. Cooperation from the Operators in providing safe access was poor as were his attempts to keep accounts straight under the long-form actual cost contract. No certification of discovery can be recommended by the Examiners.

INTRODUCTION

Location

The mine is located on the northeast slopes of White Rock Ridge, 1.38 airline miles S45°E of the road intersection at Hawk, Mitchell County, North Carolina. The site is in the southwest 1/9th of the Carver Gap, N. C.-Tenn. Quad(208-SE)Ed.1934,1:24,000.

Previous Work

A World War II, USGS map and report by James R. Wolfe, Jr. (March 1945) summarizes the known mine history and geology. According to this report, the mine was discovered and first worked about 1900 by Bailey Burleson and a Mr. McGlossum. Considerable amounts of mica were recovered in 1930 or 1931 by Joe Stevenson and Jesse Ledford and in 1932 Jesse McKinney, Frank and Ed Fortner.

In 1939 and 1940, the mine was worked by Ed Vance and Will Green with only a moderate and uneconomic recovery of muscovite. During World War II, the mine was profitably worked from 1942 to 1944 by Dewey Buchanan, and Jack, Lee and Jessie McKinney, and from 1944 to early 1945 by Acme Mines, Inc. (Mrs. Ogburn Spoon). The report lists an incomplete wartime production of 776.77 lbs of sheet, valued at $4,528.87, but totals are reported from the Colonial Mica Corp. records of 12,964.88 lbs valued at $20,789.52. Production figures prior to World War II are not available. Very little activity took place between 1945 and late 1952 when Otis L. and Ira Buchanan deepened an existing 15 foot incline to 49 feet under DMEA-2524, Idm-E430. The site is about 75 ft northeast of the present contract shaft. The Operators abandoned the project after completing 34 ft of inclined shaft. The subject contract work was begun in the bottom of an existing 52-ft deep vertical shaft at the northeast end of the stope area.

Contract Work

The contract work was started January 31, 1956, and terminated short of completion on September 19, 1956. Progress on the work was very slow because of equipment failure and the miners tendency to farm, fish, etc., rather than mine. Cooperation from the Operator in providing shaft access as repeatedly requested, was poor. The Operator was notably lax in keeping accurate accounts and records necessary for satisfying the requirements of the long-form actual cost contract, and practically every voucher submitted

had to be returned for correction.

The contract provided for construction of a toolhouse and exploder and powder magazines, pumping and rehabilitation of the open cut and 35-foot incline, sinking 50 ft of shaft and driving 100 ft of drifts and/or crosscuts. Rehabilitation was completed and thirteen ft of new vertical shaft was sunk in the pegmatite until the shallow-dipping pegmatite footwall was intercepted. A 12-foot percussion drill hole in the shaft bottom was entirely in country rock. The structure at that point had broken up into several shallow southeast-dipping pegmatite apophyses (see map section). The upper apophysis, which was rich in muscovite, was followed 13-ft downdip until it terminated abruptly. A test hole in the floor of the incline indicated the continuation of the lower apophysis which contained green muscovite. Since the lower part of the vertical shaft was now backfilled, it was decided to sink through the intervening section of country rock and follow the lower structure. Eleven feet of vertical shaft and 13 feet of incline to the southeast on the lower pegmatite completed the authorized 50 feet of shaft work. From the bottom of the shaft, level work included 4 ft of drift in the incline section, 28 ft of S55°W, 28 ft N50°E, 14 ft N76°E, and 12 ft N20°W, cutting the pegmatite from hanging to footwall contact (see map). The Operator reports a recovery of somewhat less than 500 lbs of block muscovite from the contract work.

GEOLOGY

ite is a large contorted tabular structure which concordantly emplaced in a biotite gneiss with garnetiferous quartz-muscovite-biotite gneiss and hornss and schist. The foliation strikes generally east to with dips of 45 to 85° south and southeast, except where and conformable to the contorted pegmatite contacts. In the stope area, pegmatite is from 8 to 20 ft thick, strikes N70 to 90°E and dips from horizontal in the upper parts to vertical in the lower parts. In the contract shaft, pegmatite becomes slightly overturned to the north-northwest, abruptly changing to a 15° to 32° southeast dip in the lower shaft section. In the lower part of the shaft, pegmatite branches into a series of southeast-dipping apophyses, 2 to 4 feet thick, with the intervening tails of country rock projecting into the pegmatite proper. Some of these tails of gneiss have been broken off and now are thin isolated inclusions in the pegmatite. The extreme changes in dip reflect a high and variable stress condition during the intrusion of pegmatite, which resulted in a very "sloppy", asymmetrical, and sometimes anomalous dragfolding of the pegmatite margins. An extreme development of this folding is present in the roof of the old stope areas. Most of the contortions plunge moderately to the west-southwest, although a few plunge anomalously to the east-northeast. The structure appears to have developed in a highly mobile or plastic state. The overhanging contorted contacts have in many cases localized thin discontinuous mica-rich wall zones. The search for similar structures in the down-dip projection of pegmatite has found only what appears to be a bottoming condition. The

division of the downward projection of the structure into thin tapering fingers is shown on the accompanying cross-section.

At least four or more zones have been identified in pegmatite exposed in the stope areas. The zones are discontinuous and elongate in the axis of the convolutions, merging and becoming progressively simpler in the dip direction and away from the hangingwall structures. Massive granular white quartz on the dump suggests the presence of a massive quartz core in the upper stopes, but no suggestion of a core is present in the lower parts of the pegmatite. Most of the pegmatite is composed of an intermediate to centrally located, perthite-quartz-plagioclase zone or zones. The perthite is medium to medium-coarse grained with minor interstitial quartz (some graphic textures) and relatively fine-grained plagioclase. A few isolated books of muscovite and films of biotite are found in this zone. A discontinuous lens-like wall zone up to 4 feet in thickness is found at or near the hangingwall contact as well as occasionally near the footwall contact and hear the contacts with inclusions. Much of this zone is localized by the overhanging convolutions of the contact and is composed of medium-grained white to bluish-white plagioclase, interstitial smoky quartz, sheet muscovite and considerable accessory garnet and coarsely crystalline bright apatite which exhibits a dark-red fluorescence under the short wave ultraviolet. A discontinuous contact zone up to 1 1/2 ft thick, along the hangingwall contact is composed of a fine-grained aggregate of plagioclase and quartz, or quartz-muscovite and garnet. The pegmatite below the stope areas and in the vertical section is almost devoid of contact and wall zone material until it branches and flattens abruptly in the lower shaft.

The upper branch, on which incline work was started, is composed almost entirely of medium-grained plagioclase-quartz-muscovite, the lower branch of a mixture of plagioclase-perthite, and minor quartz-muscovite. Muscovite from near the hangingwall is a clear reddish-brown color and mostly flat and free-splitting. Muscovite from near the footwall is not as abundant and is a brownish-green color. It is substantially poorer in quality, being badly cracked, reeved and stained. The hangingwall muscovite was seen in books up to 6-inches across and 2-inches thick, with some cracking, ruling, isolated reeving and bending, as well as a moderate amount of fine oxide intergrowth. Occasional to rare intergrowths of quartz, garnet, and apatite were noted. A considerable amount of secondary fine-grained sericite is present along fractures and crystal interfaces in the plagioclase. In the stopes near the surface a traverse with a shortwave ultraviolet light revealed a considerable amount of secondary, uraniferous hyalite opal which fluoresces a brilliant apple-green color.

Records at the GSA Depot in Spruce Pine, indicate sales between May 18, 1956 and March 19, 1957 totaling 43-.74 lbs of trimmed sheet, valued at $532.99. This is an average of $12.19 per pound of sheet, with goodstained or better material ranging from 20.68% to 46.95% of each sale. This, as far as is known, represents all the muscovite trimmed from an estimated 500 lbs of block recovered during the contract work.

CONCLUSIONS AND RECOMMENDATIONS

The contract work was completed without making a significant discovery of strategic muscovite. Practically no potential exists in the lower part of the pegmatite which has all the indications of a bottoming structure. The only possibility for further exploration in this pegmatite appears to be along the plunge projection to the west-southwest, of structures exposed in the old stope area. On the basis of the completed contract work, no recommendation for certification can be made.

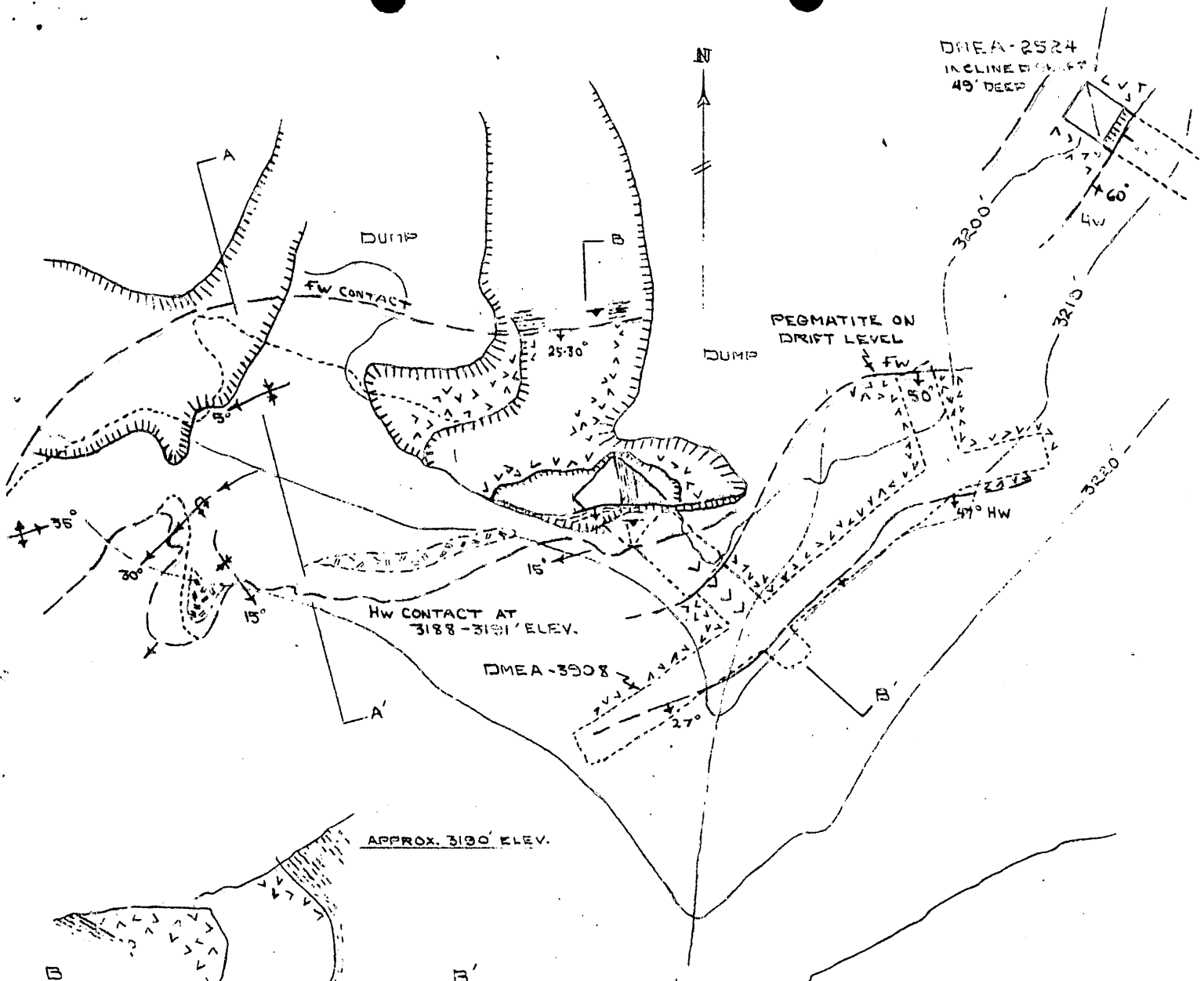
EXPENDITURES

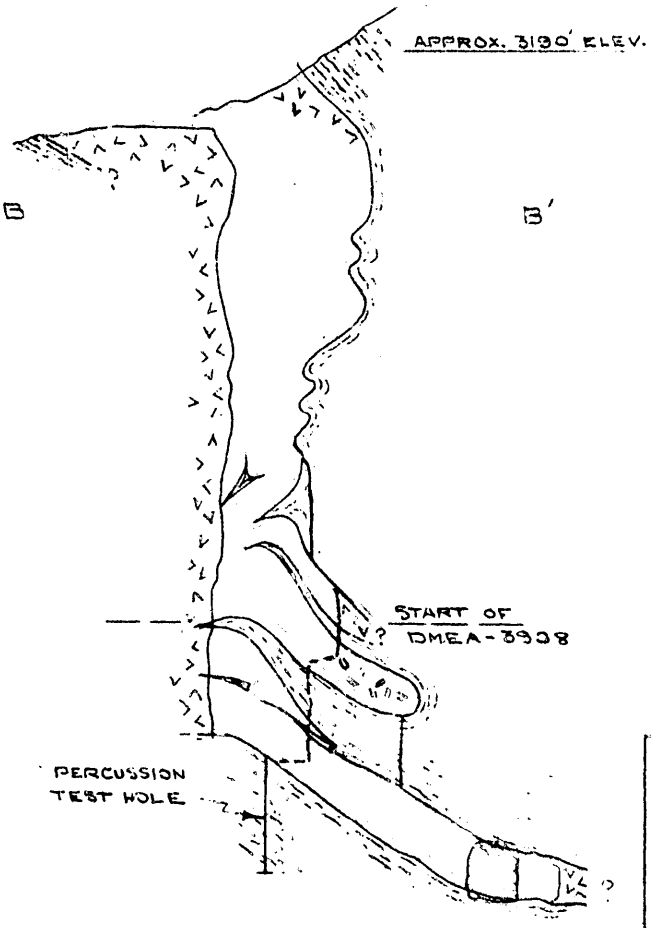
(a)	Total approved	$6,716.00
(b)	Total cost of project	5,175.65
(c)	Gov. share of cost	3,881.74
(d)	Gov. share unexpended	1,155.26
(e)	Value of production	532.99
(f)	Royalty paid to date	26.65

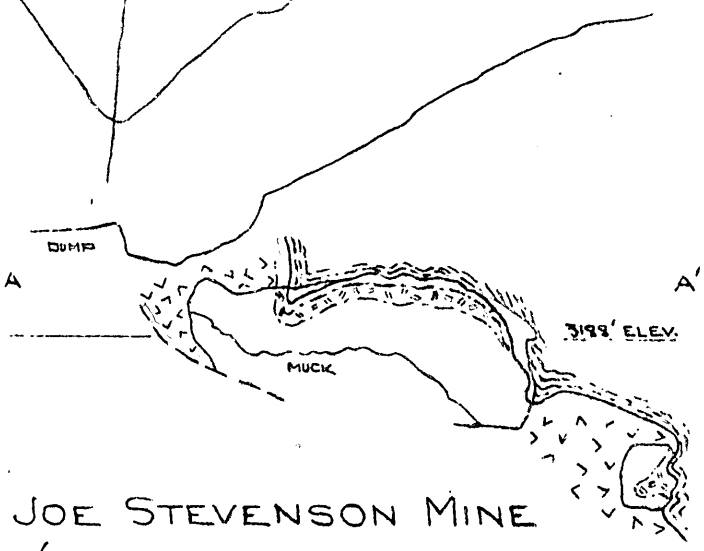
S. C. Bergman, Geologist
Geological Survey

L. E. Shirley, Mining Engineer
Bureau of Mines

z







JOE STEVENSON MINE
(W. C. BURLESON MINE)
MITCHELL COUNTY, N. C.
DMEA-3908 (MICA)

- OLIG-PERTHITE-QTZ PEGMATITE
- BIOTITE GNEISS
- MUSCOVITE RICH ZONE
- CONTACT BOUNDED UNDERGROUND WORKINGS
- EXCAVATION

SCALE: 1" = 20'

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

EXTRA COPY
DMEA
RECEIVED AUG 15 1957

DATE	INITIALS	CODE
8/16	Hook	600

August 13, 1957

Mr. Oakley Woody

Hawk, North Carolina

Re: DMEA-3908, Idm-E902-mica
Stevenson, Woody & Phillips
Stevenson Mine, Mitchell County,
North Carolina

Dear Mr. Woody:

The information requested in your letter of August 9, giving total approved expenses under the cited exploration contract, is as follows:

Total cost as billed by Operator....	$5,582.11
Exceptions, from final review in lieu of on-site audit.....	406.46
Total accepted cost	$5,175.65
Government contribution @ 75%.....	$3,881.74

The final voucher claimed a total amount of $564.34, but because of unauthorized expenditures, only $157.81 could be approved. The Government contributed $118.36, as its 75% share, but the check was reduced by $26.65 for unpaid royalty due on mica sales; therefore, the final check mailed to Mr. Frank M. Phillips on April 17, 1957 was in the amount of $91.71.

Very truly yours,

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

RAL/zm
cc
Opr. Com.-2
Lynch
Shirley
Files

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

April 29, 1957

Memorandum

To: Helem Miller, Finance Officer, DMEA-Region V

From: Executive Officer, DMEA - Region V - Knoxville

Subject: DMEA-3908, Idm-E902 (mica) Stevenson Mine, Mitchell County, North Carolina

Reference is made to my memo of April 22.

Attached herewith are settlement sheets from the GSA Depot for sales from the subject mine totalling $532.99.

Robert A. Laurence

RAL/zm
cc
Mittendorf
Lynch
Files

$532.99 for
$ 66.64 royalty due

GENERAL SERVICES ADMINISTRATION

FINAL SETTLEMENT

MICA PURCHASING DEPOT, SPRUCE PINE, N. C.

DATE PURCHASED: 3-29-57

ACCEPTANCE NO.: [redacted] (a)

CERTIFICATE AUTHORIZATION NO.: [redacted]

LOT NO.: SP [redacted] (a)

VOUCHER NO.:

	TOTAL WGT (LBS)	LBS. - G. S.	LBS. - STAINED	LBS.-HY. STAINED	TOTAL VALUE
PROCESSED FOR PAYMENT	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
PROCESSED - NO PAYMENT					
THINS					
BLACK - DOTS SPOTS STAIN					
UNDERSIZED					
PROCESS - GAIN LOSS	[redacted]				
TOTAL LBS. PURCHASED	[redacted]				

FOR USE OF CERTIFYING OFFICER

LESS: INITIAL PAYMENT - VOUCHER NO. SCH. NO. [redacted]

BALANCE DUE GOVERNMENT ☐ SELLER ☒ [redacted]

SELLER'S NAME AND ADDRESS

[redacted]

NAME OF MINE AND LOCATION

[redacted]

APPROVED [redacted]

DEPOT SUPERINTENDENT DATE

Form R4-T36, May 1956

GENERAL SERVICES ADMINISTRATION

FINAL SETTLEMENT

MICA PURCHASING DEPOT, SPRUCE PINE, N. C.

DATE PURCHASED: [redacted]

ACCEPTANCE NO. [redacted] (a)

CERTIFICATE AUTHORIZATION NO. [redacted]

LOT NO. SP [redacted] (a)

VOUCHER NO.

	TOTAL WGT (LBS)	LBS. - G. S.	LBS. - STAINED	LBS.-HY. STAINED	TOTAL VALUE
PROCESSED FOR PAYMENT	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
PROCESSED - NO PAYMENT					
THINS					
BLACK - DOTS, SPOTS, STAIN					
UNDERSIZED					
PROCESS - GAIN, LOSS	.10				
TOTAL LBS. PURCHASED	[redacted]				

FOR USE OF CERTIFYING OFFICER

LESS: INITIAL PAYMENT - VOUCHER NO. SCH. NO. [redacted]

BALANCE DUE GOVERNMENT ☐ SELLER ☒ [redacted]

SELLER'S NAME AND ADDRESS

[redacted] W. Thompson
Spruce Pine, N. C.

NAME OF MINE AND LOCATION

[redacted]

APPROVED

[redacted]

DEPOT SUPERINTENDENT DATE

Form R4-736, May 1956

GENERAL SERVICES ADMINISTRATION

FINAL SETTLEMENT

MICA PURCHASING DEPOT, SPRUCE PINE, N. C.

DATE PURCHASED: 8-31-66

ACCEPTANCE NO.: A36-396

CERTIFICATE AUTHORIZATION NO.: EPS-4-1896A

LOT NO.: SP AR-396

VOUCHER NO.:

	TOTAL WGT (LBS)	LBS. - G. S.	LBS. - STAINED	LBS.-HY. STAINED	TOTAL VALUE
PROCESSED FOR PAYMENT	16.91	7.96	6.80	2.39	245.07
PROCESSED - NO PAYMENT					
THINS					
BLACK - DOTS SPOTS STAIN					
UNDERSIZED					
PROCESS - GAIN ~~LOSS~~	.15				
TOTAL LBS. PURCHASED	17.06				

FOR USE OF CERTIFYING OFFICER

LESS: INITIAL PAYMENT - VOUCHER NO. SCH. NO. 169.61

BALANCE DUE GOVERNMENT [ ] SELLER [X] 75.46

SELLER'S NAME AND ADDRESS

Stevenson Mining Company
Route 1, Box 238
Bakersville, N. C.

NAME OF MINE AND LOCATION

Stevenson

APPROVED

R. McKinney 9-14-66

DEPOT SUPERINTENDENT

Form R4-T36, May

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

April 22, 1957

Memorandum

To: Finance Officer, Region V - DMEA

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

Subject: Royalty Payment - Idm-E902, DMEA-3908, Stevenson Mine, Mitchell County, North Carolina.

Transmitted is a check for the amount of $26.65 for 5 percent royalty to be credited to subject contract.

Robert A. Laurence

as
cc
Mittendorf
Lynch
Files

Form 6-46

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Norris, Tennessee
April 18, 1957
(Bureau field office)

The enclosed check is in settlement of your invoice No. See Reverse, dated

Bureau of Mines order
Contract
No. Idm-E902

Dated 12/5/55

Defense Minerals Exploration Administration
Room 1
Post Office Building
Knoxville, Tennessee

C. A. WOOD
Regional Disbursing Officer
TREASURY DEPRTMENT
SYMBOL 1428

APR 19 1957
407883

16—57674-1 GPO

April 18, 1957

Memorandum

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

From: Administrative Assistant, Electrotechnical Experiment Station, Norris, Tennessee

Subject: Monthly reports and vouchers

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

Idm-F902 Stevenson Mine
Docket No. DMEA-3908
8th and final payment - month of September '56
Amount $118.36 (of this amount $91.71 to the Operator and $26.65 to DMEA for royalty due on mica sales)

Idm-B990 American Zinc Company of Tennessee
Docket No. DMEA-4209
8th payment - month of March
Amount $11,375.88

Idm-F1032 Tungsten Mining Corporation
Docket No. DMEA-4216
4th payment - month of March
Amount $12,858.83

Idm-F1041 Carolina Mining Company
Docket No. DMEA-4387
1st payment - month of March
Starting Date: 3/14/57
Amount $303.00

DMEA DEPT
DMEA
RECEIVED APR 22 1957
DATE | INITIALS | CODE

Helen R. Miller

Attachments
/hhm
Copies to R. A. Laurence
V. J. Lynch
Norris files
Day files

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K- 63

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of September, 1956 Docket No. DMEA 3908 Contract No. Idm-E-902
Operator's Name Frank W. Phillips Minerals mica
Address Spruce Pine, N. C.
Contract Amount, $ 6,716.00 Government Participation: 75 % Amount, $ 5037.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	330.12	2315.75	2645.87			
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe	38.75	577.82	616.55			
Track						
Gas	64.68	272.80	337.48			
other supplies	91.71	496.76	588.47			
(4) Operating Equipment:						
Rental						
Purchase	32.50	1225.00	1257.50			
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.	[illegible]	116.00	116.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes	6.60	46.30	62.01			
Liability Insurance						
(8) Contingencies (specify):						
		-32.57	-32.57			
TOTALS	564.34	5017.84	5582.11	157.81	5017.84	5175.65

RECEIVED APR 22 1957 D.M.E.A.

*Voucher scheduled as follows:
To Operator: $91.71
To DMEA: 26.65
(the amount of $26.65 covers royalty due on sales of mica in amount of $532.99, on which payment has not been received)

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

Date 1-6-57 *Payee Stevenson Mine

Per Frank W. Phillips 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:

$ 118.36 *

Signature Helen R. Miller
(Authorized Certifying Officer)

Date APR 18 1957 Vou. No. 171 $91.71
(See other side) 172 $26.65

(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-902 in accordance with the terms of the contract.

Signature V. J. Lynch Title U. S. BUREAU OF MINES Date APR 18 1957

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION V Date APR 10 1957

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

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of September 1956 Docket No. DMEA 3908 Contract No. Idm-E-902

Operator's Name Frank W. Phillips Minerals mica

Address Spruce Pine, N. C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting	ft.	564.34	7.5	2801.11	80	35.01		
Crosscutting								
Raising								
Shafts	ft.			2665.00	50	53.30		
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS				5466.11				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				116.00				
TOTAL COSTS				5582.11				

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

Date 1-6-57 Operator Frank W. Phillips

Per Frank W. Phillips Title partner

REMARKS:

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

(Instructions on reverse)

(For Government use only)

RECEIVED
APR 22 1957
D.M.E.A.

MINING ENGINEER
U. S. BUREAU OF MINES

INSTRUCTIONS

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

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

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

GPO 872894

NARRATIVE — 1956 REPO

, 27: 4 hours drilling, 4 hours mucking. 9 six-foot holes.

Aug. 28: 3 hours drilling 8 sixfoot holes, 2 four-foot holes. 5 hours mucking.

Aug. 29: 2½ hours drilling 7 six-foot holes, 5½ hours mucking. Vein full of little fine mica, some chubs.

Aug. 30: 3 hours drilling 11 six-foot holes, 3½ hours mucking. Began to rain so we knocked off early.

Aug. 31: 1½ hours drilling 9 six-foot holes, 4½ hours mucking. Knocked off early Light lime giving trouble.

Sept. 4: 4 hours drilling 11 six-foot holes. 4 hours mucking.

Sept. 5: Did not work at mine.

Sept. 6: 1½ hours drilling 8 six-foot holes. 2½ hours mucking. Had trouble with drill and light line, worked on them. Vein looks the same, fine mica showing.

Sept. 7: 4 hours drilling 12 six-foot holes, 4 hours mucking.

Sept. 10: 6 hours drilling 10 six-foot holes, 2 four-foot holes. 1 hour mucking, 1 hour sharpening steel.

Sept. 11: 5 hours drilling 11 six-foot holes, 3 hours mucking

Sept. 12: 4 hours drilling 9 six-foot holes, Hoist broke down

Sept. 13: 8 hours drilling 12 six-foot holes.

Sept. 14: 2 hours drilling 6- four foot holes. 6 hours mucking.

EXTRA COPY
DMEA
RECEIVED APR 22 1957

DATE	INITIALS	CODE

I certify that the above account is correct.

Frank W Philipps partner

	August					September													
	27	28	29	30	31	4	5	6	7	10	11	12	13	14	17	Total Hrs.	Gross	Tax	Net
Ted Stevenson	8	8	8	6½	6	8		4	8	8	8	8	8	8		96.5	120.62	2.40	118.22
Lloyd Stevenson	8	8	8	6½	6	8		4	8	8						64.5	64.50	1.28	63.22
Charles Buchanan	8	8	8	6½	6	8		4	8	8	8	8	8	8		96.5	96.50	1.92	94.58
Junior Reid				6½	6			4								16.5	16.50	.32	16.18
Joe Stevenson											8	8	8	8		32	32.00	.64	31.36

$330.12

I certify that the above time record is correct:

Frank W Phillips partner

STEVENSON MINE DMEA 3908 Idm- E 902

Materials and cost of Tool House and magazine:

Lumber ----------	$65.00
Roofing ----------	5.50
Hinges, hasps, locks ----------	6.25
Nails, screws and bolts --------	3.75
Labor to build ----------	35.50
	$116.00

EXTRA COPY
D M E A
RECEIVED APR 22 1957

DATE	INITIALS	CODE

I certify that the above cost of tool house and magazine is correct.

Frank W Philli operator

RECEIVED
MAR 25 1957
Bureau of Mines
Knoxville, Tenn.

APR 9 - 1957

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

Re: Docket No. DMEA-3906 (Mine)
Stevenson Mine
Mitchell County, N. C.
Contract No. Ldm-3982

Dear Mr. Lawrence:

In accordance with your memorandum of April 5, 1957, to E. D. Talbert, the DMEA auditor to whom the referenced project was assigned for review in lieu of a final audit, a Report of Review has been completed to include all exceptions as listed in his letter of January 23, 1957, to the regional Finance Officer.

The original and two copies of the Report of Review are enclosed. If you concur with the facts as stated therein, one copy should be retained in your files and the original and one copy should be forwarded to the Finance Officer. If you do not concur, please return the original and both copies to this Division with your comments.

Our records indicate that the Operator heretofore has been paid an aggregate of $3,763.38 and, inasmuch as the Report of Review certifies payment of $3,881.74 as being valid and proper, there remains a balance of $118.36 due the Operator. It has been noted, however, that the Operator's final report states that $142.61 was received from a sale of mica on May 18, 1956, $215.07 was realized from a subsequent sale, and additional production, as then estimated, had an estimated value of $150.00. Our records do not disclose receipt of the Government's percentage royalty on these amounts.

Accordingly, unless the royalty due has been received, it is suggested that the amount of such royalty be deducted from the balance of $118.36 due the Operator for the Government's contribution to project costs. In such case, the Finance Officer should be requested to issue two checks, i. e., one payable to Defense Minerals Exploration Administration for the amount of the royalty due and one payable to the Operator for the net balance due.

The Finance Officer's files on this project, which were submitted to this Division by memorandum of March 28, 1957, are being returned to Mrs. Miller with a copy of this letter.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

Enclosure

FDTalbert/wb 4-9-57

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

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

EXTRA COPY
DMEA
RECEIVED APR 8 1957

DATE	INITIALS	CODE
		600

April 5, 1957

Memorandum

To: E. D. Talbert, DMEA Auditor, Contract Administration and Audit Division, Washington, D. C.

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

Subject: DMEA-3908, Idm-E902 (Mica), Stevenson Mine, Mitchell Co., N. C.

Reference is made to your letter of April 2 to Mrs. Helen R. Miller.

We have repeatedly tried to explain to this Operator the need for proper documentation. We doubt that he can now supply documentation to cover the construction of the toolhouse and magazines, and we think that writing to the Operator would only cause more delays and would produce nothing.

Therefore, we recommend that a Report of Review in lieu of final audit be issued with all the excepting listed in the Tentative Schedule of Exceptions sent by you on January 23, 1957. We will then recommend approval of the Final voucher in accordance with that review.

Robert A. Laurence
Executive Officer, DMEA

V. J. Lynch, Member
Bureau of Mines

RAL/as
cc
Opr. Com. 2
Finance Office
Lynch
Shirley
Files

APR 2 - 1957

Mrs. Helen R. Miller
Administrative Assistant
Bureau of Mines, Region V
P. O. Box 217
Morris, Tennessee

Re: Docket No. DSA-3908 (Kien)
Stevenson Mine
Mitchell County, North Carolina
Contract No. Idm-2902

Dear Mrs. Miller:

By memorandum dated March 28, 1957, addressed to Mr. Chambers, you enclosed your applicable files and requested the issuance of a Report of Review in lieu of a final audit of the referenced project. However, a Report of Review issued on the basis of your present submission necessarily would include all of the exceptions listed in the Tentative Schedule of Exceptions enclosed with my letter to you under date of January 23, 1957.

The Operator's affidavit that the cost of the toolhouse and magazines was $116.00 (the exact amount of the contractual maximum for contribution by the Government) is not acceptable documentary evidence. To relieve all or a part of this exception it will be necessary for the Operator to submit a certified transcript of the applicable payroll and either the original or certified exact copies of all pertinent invoices or delivery tickets.

This is the normal documentation requirement for evidence of actual costs incurred. In this case it is especially necessary because of instances of duplication of costs claimed by this Operator. For example, charges for roofing, hasps, hinges, and locks included in the $116.00 for Category (6) were claimed also under Category (3). Possibly the same applies to lumber costs. Also, within Category (3) gas and oil charges of $114.72 were duplicated.

It is suggested that you discuss this matter with the Executive Officer and determine whether the Field Team desires to request further documentation for Category (6) or to let the indicated exception of $116.00 stand, together with all other exceptions listed in my January 23 letter. Pending further advice from you the issuance of a Report of Review and return of your files will be held in abeyance.

Sincerely yours,

EDTalbert/wb
April 1, 1957

(Signed) E. D. Talbert

E. D. Talbert
DSA Auditor

Copy to: Docket
Admr. Reading File
R. A. Laurenzo, Reg. V
Mr. Hauk
Mr. Chambers
Mr. Talbert

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

FILE COPY
DMEA
RECEIVED APR 1 1957

DATE	INITIALS	CODE
4/2	[illegible]	600

March 27, 1957

Memorandum

To: Jay L. Chambers, Chief Contract Admin. ~~and Audit~~ Div.

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

Subject: Completion of DMEA-3908, Idm-E902 (mica)
Frank W. Phillips, Spruce Pine, N.C.
Stevenson Mine, Mitchell County, N.C.

Work on the subject contract has been completed.

The following units of work have been acceptably performed, as verified by our field examiners:

1. Construction of toolhouse, powder and explosive magazines.

2. Shaft sinking--50 feet

Drifting ---80 feet

An adequate final geological and engineering report has been received.

There was no salvagable material on hand as of the completion date of September 15, 1956, other than that previously disallowed.

Final report of review is now in order.

VJL/zm

Robert A. Laurence

cc
Finance Officer
Lynch
Shirley
Files
Oper. Com.-2

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

EXTRA COPY
DMEA
RECEIVED MAR 28 1957

DATE	INITIALS	CODE

March 26, 1957

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: DMEA-3908 Idm F902 (Mica) Stevenson Mine, c/o F. W. Phillips, Spruce Pine, N. C., Stevenson Mine, Mitchell County, N. C. Operator's Final Report.

Here, at long last, are four copies of the Operator's final report on the subject contract. They have also submitted a certified statement of costs of building the tool house and magazines, which is being attached to the final MF104.

Robert A. Laurence
Executive Officer, DMEA
Region V

V. J. Lynch, Member
Bureau of Mines

RAL/as
cc
Opr. Com. 2
Laurence
Lynch
Shirley

EXTRA COPY
DMEA
RECEIVED MAR 28 1957

DATE	INITIALS	CODE

STEVENSON MINE DMEA 3908 16m- E 902

Operators Final Report

Work began on this mine February 20, 1956 with three men operating the mine irregularly, due to farm work and gardening. Some small scattering mica was found at around 15' - 20' depth.

First Sale was made May 18, 1956 to U. S. Mica Depot for $142.01.

Shaft was sunk to a depth of 50' before drifts were started. At this depth water was getting too heavy for dipping and in order to use an electric pump, we had a power line run tom the mine for which we had to make an advance payment of $246.25 to Carolina Power and Light Co.

A North-West drift was driven first, picking up a few small scattered blocks of mica which was sold to U. S. Mica Depot for $245.07. Then a South-West drift was driven and some mica was found in this drift which has not been trimmed, but has an estimated value of around $150.00.

This heading was driven into a slate wall and 10' test holes in the wall driven in different directions did not show any vein material and contract was terminated at this point. We stopped operating this mine because it was proving to be a loss.

Total feet of shaft -- 50

Total feet of drift -- 80

I certify that the above narrative is correct.

Frank W Phillips Operator

RECEIVED
MAR 25 1957
Survey

EXTRA COPY
D M E A
RECEIVED MAR 28 1957

DATE	INITIALS	CODE

STEVENSON MINE DMEA 3908 Idm- B 608

Operators Final Report

Work began on this mine February 20, 1956 with three men operating the mine irregularly, due to farm work and gardening. Some small scattering mica was found at around 15' - 20' depth.

First Sale was made May 18, 1956 to U. S. Mica Depot for $142.01.

Shaft was sunk to a depth of 50' before drifts were started. At this depth water was getting too heavy for digging and in order to use an electric pump, we had a power line run to the mine for which we had to make an advance payment of $246.35 to Carolina Power and Light Co.

A North-East drift was driven first, picking up a few small scattered blocks of mica which was sold to U. S. Mica Depot for $245.07. Then a South-East drift was driven and some mica was found in this drift which has not been trimmed, but has an estimated value of around $150.00.

This heading was driven into a slate wall and 10' test holes in the wall driven in different directions did not show any vein material and contract was terminated at this point. We stopped operating this mine because it was proving to be a loss.

Total feet of shaft -- 50

Total feet of drift -- 80

I certify that the above narrative is correct.

Frank W Phillips Operator

RECEIVED
MAR 25 1957
U. ... ...ved
Colorado Mining
Denver, Colo.

EXTRA COPY
D M E A
RECEIVED MAR 28 1957

DATE	INITIALS	CODE

GOVERNMENT MINE MINE 3908 Idn- B 908

Operators Final Report

Work began on this mine February 20, 1956 with three men operating the mine irregularly, due to farm work and gardening. Some small scattering mica was found at around 15' - 20' depth.

First Sale was made May 18, 1956 to U. S. Mica Depot for $142.61.

Shaft was sunk to a depth of 50' before drifts were started. At this depth water was getting too heavy for dipping and in order to use an electric pump, we had a power line run to the mine for which we had to make an advance payment of $246.25 to Carolina Power and Light Co.

A North-East drift was driven first, picking up a few small scattered blocks of mica which was sold to U. S. Mica Depot for $245.07. Then a South-West drift was driven and some mica was found in this drift which has not been trimmed, but has an estimated value of around $150.00.

This heading was driven into a slate wall and 10' test holes in the wall driven in different directions did not show any vein material and contract was terminated at this point. We stopped operating this mine because it was proving to be a loss.

Total feet of shaft -- 50

Total feet of drift -- 60

I certify that the above narrative is correct.

Frank W Pilcher Operator

RECEIVED
MAR 25 1957
U. S. Geologic Survey
Geologic Division
Knoxville, Tenn.

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

EXTRA COPY
DMEA
RECEIVED MAR 4 1957

DATE	INITIALS	CODE
3/5	[illegible]	600

February 28, 1957

Stevenson Mine Co.
c/o Mr. Frank Phillips
Spruce Pine, N.C.

Re: DMEA-3908, Idm-E902-Mica
Stevenson Mine
Mitchell County, N.C.

Dear Mr. Phillips:

This is to remind you that we cannot approve your final voucher for payment until we receive your final report, and acceptable documentation for the construction of the toolhouse and magazines.

I understand that Mr. Beck explained this to you when he was in Spruce Pine during the first week of February.

Please send your report as soon as possible so that we can release your voucher.

Very truly yours,

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

RAL/zm
cc
Lynch
Opr. Com-2
Files

Mr. Houk

JAN 23 1957

Mrs. Helen H. Miller
Administrative Assistant
Bureau of Mines, Region V
P. O. Box 217
Morris, Tennessee

Re: Docket No. [illegible]-2906 (Lice)
Stevenson Mine
Mitchell County, North Carolina
Contract No. Ibm-1902

Dear Mrs. Miller:

Enclosed is your Certifying Officer's file, which you submitted by memorandum dated January 15, 1957, requesting the issuance of a Report of Review in lieu of a final audit covering the referenced project.

The findings of the review are indicated in the attached audit review summary and schedule of exceptions. These findings are tentative, being subject to possible adjustment for:

(a) the allowance of additional costs (not to exceed $ 109.00), upon submission of acceptable documentation by the Operator, for the construction of the toolhouse and magazine;

(b) any inventory of materials and supplies on hand as of September 14, 1956, the last day of work on the project (but exclusive of the deliveries on that day of explosives and gasoline disallowed by this review); and

(c) an assessment against the Operator if he fails to submit a final geological and engineering report and such requirement is not waived.

By copy of this letter, together with a copy each of the tentative audit review summary and schedule of exceptions, the Executive Officer, DMA Field Team, Region V, is being advised of these audit findings and requested to take such action as may be required for the determination and submission of the information indicated in the above paragraph.

Issuance of a formal Report of Review in lieu of a final audit will be held in abeyance pending settlement of these matters and receipt by this auditor of the communication from the Executive Officer required by a memorandum, subject: Instructions on the Release

of Audits and Reports of Review, dated January 9, 1957, copies of which were forwarded by the Operating Committee's letter of January 17, 1957, to the Executive Officer for compliance.

No exceptions have been taken in this case to some inappropriate certifications to the copies of payrolls and invoices, viz., "I certify that the above time record is correct", "I certify that the above time is correct for the Stevenson Mine for the month of July, 1956", "I certify that this time record is correct", and "I certify that the above bill is correct and just and that payment therefor has not been received". For your future guidance, however, you are advised that:

(a) Exact copies of payrolls should be endorsed over the Operator's signature with "Certified true copy" and transcripts of payrolls (or combinations of time and pay records) should be endorsed "Certified true transcript"; and

(b) Original invoices, receipts, delivery tickets, etc., need not be certified, but copies thereof should be endorsed "Certified true copy".

Sincerely yours,

E. D. Talbert
Bill Auditor

Attachment

EDTalbert/wb
January 22, 1957

Copy to: Docket
Admr. Reading File
Mr. Laurence, Region V
Mr. Houk
Mr. Chambers
Mr. Talbert

Tentative Audit Review Summary

Idm-1902, DMA-3908, Stevenson Mine

	Totals Dept. MF-104	Corrected Distribution	Exceptions		Accepted Costs
(2) Labor & Supervision:					
Labor	$2,645.87	$2,645.87	-		$2,645.87
(3) Operating Materials & Supplies:					
Timber	-	87.11	-		87.11
Explosives	616.55	711.30	38.73	(A)	672.57
Fuel & Lubricants	337.48	416.84	147.06	(A)(B)	269.78
Drill Steel & Bits	-	181.57	-4.93	(C)	186.50
Other Supplies (Tools & Hdwe.)	588.47	42.32	-1.70	(C)	44.02
(4) Operating Equipment, Rental	1,257.50	1,257.50	-		1,257.50
(6) New Bldgs., Fixtures & Installations:					
Toolhouse & Magazines	116.00	123.00	116.00	(D)	7.00
Electric Dumping Facilities	-	44.77	44.77	(E)	-
(7) Miscellaneous:					
Repairs to Equipment	-	51.59	51.59	(F)	-
Payroll Taxes	52.81	52.81	47.51	(G)	5.30
Excess Costs	-32.57	-32.57	-32.57	(H)	-
Totals	$5,582.11	$5,582.11	$406.46		$5,175.65

Tentative Schedule of Exceptions

IDM-3902, DTA-3908, Stevenson Mine

(A) Supplies delivered on September 14, 1956, the last day of project work:

Explosives Supply Company, Inc.:	
Invoice E-2355 (explosives)	$ 38.73
Tri-County Oil Company, Inc.:	
Delivery Ticket E-19381 (gasoline)	32.34

(B) Gasoline and oil, apparently duplicate charges of deliveries claimed on Tri-County Oil Company delivery invoices, not included in amount of "paid" receipt of Mitchell Lumber Company (delivery agent of Operator) submitted in response to Certifying Officer's letter of 9/17/56:

Mitchell Lumber Company:	
Invoice 19823 5/15/56	66.71
" 18660 2/4/56	33.01
" 19811 5/14/56	15.00

(C) Documented costs undercharged on forms EF-104, as follows:

July, 1956	-2.50
August, 1956	-2.43
September, 1956	-1.70

(D) Costs claimed for toolhouse and magazines not supported by documentation (exclusive of $7.00 for hasps, hinges, locks and roofing erroneously charged to Operating Matls. & Supplies) 116.00

(E) Costs claimed for installation of electric pumping facilities not authorized under the contract:

Johnson Electric Company, Inc.:	
Invoices 5/11/56 and 5/31/56	24.87
Spruce Pine Electric Company:	
Invoices 5/9/56 and 5/31/56	19.90

(F) Costs claimed for equipment repairs not authorized by the contract:

Mitchell Distributing Company, Inc.:	
Invoice K-1521 3/31/56	.40
" K-2072 5/14/56	24.20
" K-2480 6/18/56	26.90

(G)	F.I.C.A. (Social Security) taxes claimed on partners' (Oakley Woody, Lloyd Stevenson, and Ted Stevenson) wages, such being personal taxes and not allowable costs	47.51
	Sub-total	439.03
(H)	Reinstatement of excess costs, disallowed by Field Team letter 9/19/56 to Operator, the total acceptable costs of $5,175.65 not being in excess of the contractual maximums for sinking and drifting for work performed, i. e., 50' @ $53.30 and 80' @ $40.00, respectively, or $5,865.00	-32.57
		$406.46

Mrs. Helen M. Miller
Administrative Assistant
Bureau of Mines, Region V
P. O. Box 217
Morris, Tennessee

JAN 23 1957

Re: Docket No. [illegible] (Acr)
Stevenson Inc
Mitchell County, North Carolina
Contract No. [illegible]

Dear Mrs. Miller:

Enclosed is your Certifying Officer's [illegible], which you submitted by memorandum dated January 15, 1957, requesting the issuance of a Report of Review in lieu of a final audit covering the referenced project.

The findings of the review are detailed in the attached audit review summary and schedule of exceptions. These findings are tentative, being subject to possible adjustment for:

(a) the allowance of additional costs (not to exceed $ 100.00), upon submission of acceptable documentation by the operator, for the construction of the toolhouse and magazine;

(b) any inventory of materials and supplies on hand as of September 1, 1956, the last day of work on the project (but exclusive of the deliveries on that day of explosives and gasoline disallowed by this review); and

(c) an assessment against the operator if he fails to submit a final geological and engineering report and such requirement is not waived.

By copy of this letter, together with a copy each of the tentative audit review summary and schedule of exceptions, the Executive Officer, [illegible] Field Office, Region V, is being advised of these audit findings and requested to take such action as may be required for the determination and submission of the information indicated in the above paragraph.

Issuance of a formal Report of Review in lieu of a final audit will be held in abeyance pending settlement of these matters and receipt by this auditor of the communication from the Executive Officer required by a memorandum, subject: Instructions on the Informal

of Audits and Reports of Review, dated January 7, 1957, copies of which were forwarded by the Operating Committee's letter of January 17, 1957, to the Executive Officer for compliance.

No exceptions have been taken in this case to some inappropriate certifications to the copies of payrolls and invoices, viz., "I certify that the above time record is correct", "I certify that the above time is correct for the Stevenson line for the month of July, 1956", "I certify that this time record is correct", and "I certify that the above bill is correct and just and that payment therefor has not been received". For your future guidance, however, you are advised that:

(a) Exact copies of payrolls should be endorsed over the Operator's signature with "Certified true copy" and transcripts of payrolls (or combinations of time and pay records) should be endorsed "Certified true transcript"; and

(b) Original invoices, receipts, delivery tickets, etc., need not be certified, but copies thereof should be endorsed "Certified true copy".

Sincerely yours,

E. D. Talbert
Chief Auditor

Attachment

EDTalbert/kb
January 22, 1957

Copy to: Docket
Adm. Reading File
Mr. Laurence, Region V
Mr. Houk
Mr. Chambers
Mr. Talbert

Tentative Split Order Survey

[illegible] 902, [illegible]-2008, Stevenson Line

	Totals Cont. [illegible]-704	Corrected Distribution	Exceptions		Accepted Costs
(2) Labor & Supervision:					
Labor	[illegible],645.57	[illegible],645.57	-		[illegible],645.57
(3) Operating Materials & Supplies:					
Timber	-	57.11	-		57.11
Explosives	610.55	721.30	38.73	(1)	682.57
Fuel & Lubricants	337.40	410.51	147.08	(1)(7)	263.78
Drill Steel & Bits	-	161.57	-4.93	(1)	166.50
Other Supplies (Tools & Misc.)	525.47	42.32	-31.70	(1)	11.02
(4) Operating Equipment, Rental	1,257.50	1,257.50	-		1,257.50
(6) Tax Bldgs., Fixtures & Installations:					
Toilhouse & Lagainses	115.00	122.00	110.00	(1)	7.00
Electric Pumping Facilities	-	11.77	11.77	(1)	-
(7) Miscellaneous:					
Repairs to Equipment	-	41.59	41.59	(1)	-
Payroll Taxes	58.51	58.51	55.63	(1)	2.88
Excess Costs	-32.57	-32.57	-32.57	(1)	-
Totals	5,522.11	5,522.11	406.46		5,175.65

Tentative Schedule of Exceptions

[illegible], [illegible], Stevenson Line

(A) Supplies delivered on September 12, [illegible], the first day of project work:

Explosives Supply Company, Inc.:

Invoice [illegible]-[illegible] (explosives) [illegible] 28.73

Tri-County Oil Company, Inc.:

Delivery Ticket [illegible]-19351 (gasoline) [illegible]2.3[illegible]

(B) Gasoline and oil, apparently duplicate charges of deliveries claimed on Tri-County Oil Company delivery invoices, not included in amount of "paid" receipt of Mitchell Timber Company (Delivery Agent of Operator) submitted in response to Certifying Officer's letter of 9/17/56:

Mitchell Timber Company:

Invoice 19623	5/15/56	66.71
" 19660	2/1/56	32.01
" 19811	5/24/56	15.00

(C) Documented costs unauthorized on forms [illegible]-[illegible], as follows:

July, 1956	-2.50
August, 1956	-2.73
September, 1956	-1.70

(D) Costs claimed for toolbox and magazines not supported by documentation (exclusive of $7.00 for hasps, hinges, locks and roofing erroneously charged to Operating Mtls. & Supplies) 116.00

(E) Costs claimed for installation of electric pumping facilities not authorized under the contract:

Johnson Electric Company, Inc.:

Invoices 5/11/56 and 5/31/56 [illegible]1.67

Spruce Line Electric Company:

Invoices 5/9/56 and 5/31/56 [illegible]7.00

(F) Costs claimed for equipment repairs not authorized by the contract:

Mitchell Distributing Company, Inc.:

Invoice F-1521	3/31/56	[illegible].00
" F-2072	5/14/56	2[illegible].20
" F-2[illegible]0	6/18/56	2[illegible].00

RECEIVED
SEP 2 3 1953

INTERIM REPORT

DMEA-3908, Idm-E902 (mica) STEVENSON MINE

Operator: Lloyd and Ted Stevenson, c/o Frank Phillips, Spruce Pine, North Carolina
Location: 1.7 miles southeast of Hawk, Mitchell County, North Carolina

Drifting has been in progress on this contract. The Field Examiners are of the opinion after this inspection that sufficient level work has been done to adequately explore this body and recommend that the contract be terminated by mutual consent of both parties. Scant mica production of very poor quality has resulted to date, with less than 500 pounds of mine-run block mica having been reported.

Work completed other than rehabilitation, toolhouse construction and magazine construction consisted of deepening an existing inclined shaft an additional 50 feet and driving 86 feet of drift. In addition to drift already reported, 12 feet of crosscut has been driven in a N20°W direction and wall was intercepted; no mica production resulted from this work completed during the past two weeks.

Certification of this contract will not be recommended due to lack of apparent reserves of strategic mica. This job was not conducted in an efficient or safe manner and cooperation from the operators was hard to obtain.

Mr. Milford L. Skow, Commodity-Industry Analyst, Branch of Ceramic and Fertilizer Materials, Washington, D. C., accompanied the Examiners on this visit to the mine.

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

A. R. Taylor, Geologist
S. C. Bergman, Geologist
U. S. Geological Survey

September 18, 1956

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-

OPERATOR'S MONTHLY REPORT AND VOUCHER

RECEIVED SEP 24 1956

Month of July, 1956 Docket No. DMEA 3808 Contract No.
Operator's Name Frank W. Phillips Minerals mica 902
Address Spruce Pine, N.C.
Contract Amount, $ 6,716.00 Government Participation: 75 % Amount, $ 5,037.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	461.50	1459.50	1921.00	461.50	1,464.25	1,925.75
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives	300.94	233.66	534.60	300.94	233.66	534.60
Pipe						
Track						
other supplies	228.70	219.89	448.59	264.35	329.39	593.74
gas	35.65	109.50	145.15			
(4) Operating Equipment:						
Rental		1225.00	1225.00		1225.00	1,225.00
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.		116.00	116.00			
(7) Miscellaneous:						
Repairs to Equipment					116.00	116.00
Sampling and Analysis						
Payroll Taxes	9.22	29.26	38.48	9.22	29.26	38.48
Liability Insurance						
(8) Contingencies (specify):						
				-32.57		-32.57
				1003.44		4401.00
TOTALS	1036.01	3392.83	4428.84	1036.01	3,397.56	4,433.57

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

Date 8-14-56 *Payee Stevenson Mine

Per Frank W. Phillips 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:

752.58
$ 4770.01

Signature Helen R. Miller
(Authorized Certifying Officer)

Date SEP 21 1956 Vou. No. 47

(See other side)

6 250.86

(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 902 in accordance with the terms of the contract.

Signature W. M. Beck Title Mining Engr. USBM Date SEP 13 1956

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION V Date SEP 13 1956

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
SEP 24 1956

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of ..... 195.... Docket No. DMEA ..... Contract No. .....
Operator's Name Guy C. 1959 Minerals WOR
Address Frank W. Phillips, Prude Pine, Ariz. Mina

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	ft.							
Raising		1038.01	28½	4812.94	40½			
Shafts								
Winzes	ft.				54	65.64		
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Total Distributed Costs		1038.01	28½	6712.94				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				116.00				
Total Costs				6828.94				

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

Date 8-14-56 Operator Frank W. Phillips
Per Frank W. Phillips Title partner

Remarks:

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

(Instructions on reverse)

(For Government use only)

Under "Costs to Date" operator has lumped the cost of shaft sinking and drifting.
See letters to Operator by R.A. Lawrence dated 9/19/56 & Helen Miller's of 9/17/56

W. A. Beck

INSTRUCTIONS

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

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

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

GPO 872894

RECEIVED
SEP 24 1956

Stevenson Mine

Narrative for July 1956

We had very good progress this month. The equipment all worked well and our holes pulled good. With 60 hours of drilling we were able to keep enough muck to work on. We got about 150 pounds of small block mica that should bring close to $400.00 per ton.

Operator Frank W. Phillips
(signed)

I certify that the above time is correct for the Stevenson Mine for the Month of July 1950

signed Frank W. Phillips

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

September 19, 1956

Mr. Frank W. Phillips

Spruce Pine, North Carolina

Re: DMEA-3908, Idm-E902 -Mica
Stevenson Mine
Mitchell County, N.C.

Dear Mr. Phillips:

Please note that Article 13 of the contract provides a maximum of $53.30 per foot for shaft sinking and $40 per foot for drifting. Your July MF-104A gives only a single unit cost of $45.64, and it is impossible to determine, from your data, what the unit costs for shaft and drift are. Also you indicate that 54 feet of shaft have been completed, although the contract authorizes only 50 feet; our records indicate that only 50 feet have been done.

Thus, the maximum amount we can approve for 50 feet of shaft sinking and 28.5 feet of drifting is:

$2,665.00	(shaft)
1,620.00	(drift)
$4,285.00	(total)

The previously approved totals for shaft and drift came to $3,281.56. If the $1,036.01 claimed for this month's work is added to that, it comes to $4,317.57. Therefore, it is necessary to deduct the difference, or $32.57 from the approved total for this voucher. Payment will therefore be approved for $752.58.

On your next form MF-104A, please separate unit costs for shaft sinking and drifting. Please correct the total on your voucher to show, in the "Totals previously reported" column, the following:

Labor.....$1,925.75

Payroll taxes.... 38.48

Contingencies:

Reduction for excess over maximum allowable -$32.57

Total..... $4,401.00

All other items in your total column are correct as shown on your July voucher.

Sincerely yours,

Robert A. Laurence
Executive Officer, EMEA
Region V

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

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

RECEIVED
SEP 20 1956

September 18, 1956

Mr. Frank W. Phillips

Spruce Pine, North Carolina

Re: DMEA-3908, Idm-E902 (mica)
Lloyd Stevenson, et al
Stevenson Mine, Mitchell County,
North Carolina

Dear Mr. Phillips:

Enclosed are six copies of Amendment No.2, extending time for completion of the contract to October 11, 1956. In your telephone call September 10 to Mr. L. E. Shirley, you indicated that 14 feet of drifting remained to be done, and one month should be adequate for this.

Please note that the amendment provides for an extra year added to the time for royalty repayments. We are now required to do this on all contracts which are extended more than 3 months beyond the original completion date. Amendment No. 1 extended this for 3 months, and the present amendment makes a total of 4 months' extra time.

Please have all four partners sign all six copies, keep the Operator's Copy and return all the others to me. If any part of it is not acceptable to you, please return all copies unsigned, with proposed changes for our consideration. However, without an executed amendment, we will be unable to pay for any work done after September 11, 1956.

Also, please send me the present mailing address of the landowners, Arthur and Electra Stevenson.

Very truly yours,

Robert A. Laurence
Executive Officer, DMEA
Region V

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

RECEIVED
SEP 14 1956

INTERIM REPORT

DMEA-3908, Idm-E902 (mica) STEVENSON MINE

Operator: Lloyd & Ted Stevenson, c/o Frank Phillips, Spruce Pine, N.C.

Location: 1.7 airline miles southwest of Hawk, Mitchell County, NC.

This contract is progressing satisfactorily. A total of 42 feet (28' N 50° E, 14 feet N 75° E) of drift has been driven to the northeast. Total drift is now 74 feet.

The heading at the 42-foot point exhibits fime-grained mixed sodic-feldspar and quartz barren of muscovite. Both walls have been followed to about the 30 foot point where the pegmatite apparently bulges and becomes much thicker, with an increase in muscovite. Drill holes (six ft long) near the 30 ft point toward the footwall have been entirely in pegmatite. The pegmatite narrows in the heading to about 5 feet.

The Operator was advised to crosscut to the footwall along the 5 -ft thick muscovite zone from the 30 ft point in the hope of picking up a producing zone. In the meantime the Operator will drive, at his own expense, a drift from a level about 15-feet from the shaft bottom to the southwest.

Inspected: September 4, 1956.

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

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INTERIM REPORT

DMEA-3908, Idm-E902, STEVENSON MINE (mica)

Operator: Lloyd and Ted Stevenson, c/o Frank Phillips, Spruce Pine, N. C.

Location: 1.7 airline miles southeast of Hawk, Mitchell County, N. C.

Drifting continues and now totals 64 ft. From the bottom (50-ft point of new work) of the new incline or at the 102-ft level (not vertical) 4 ft of drift has been driven S. 40° E. as incline extension, 28 ft has been driven S. 55° W., and 32 ft has been driven on the hanging wall N. 50° E. (general direction).

The Operator was advised to continue drifting to the northeast on the hanging wall. A few crystals of (3 x 4 inch wide) ruled greenish-brown muscovite were observed at the 32-ft point in the northeast drift. Progress is satisfactory.

Inspected: August 21, 1956

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

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

August 22, 1956

Mr. Frank W. Phillips

Spruce Pine, North Carolina

Re: DMEA-3908, Id#-E902 (Mica)
Stevenson mine, Mitchell Cty.,N.C.

Dear Mr. Phillips:

Your July voucher has been received.

Please send us a narrative report on the month's work which tells what has been accomplished (see instruction C on reverse of Form MF-104, also enclosed sample narrative). The narrative should give such data as thickness of vein, amount and quality of mica recovered, if any, etc.

We will approve this voucher for payment, but future vouchers which contain inadequate narratives will be held until satisfactory information is received.

Very truly yours,

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

RAL/mg
Enclosure
cc - Operating Committee (2)
Lynch
Shirley
Files

RECEIVED
AUG 13 1956

INTERIM REPORT

DMEA-3908, Idm-E902 (mica) STEVENSON MINE

Operator: Lloyd and Ted Stevenson, c/o Frank Phillips, Spruce Pine, N.C.

Location: 1.7 miles southeast of Hawk, Mitchell County, N.C.

Drifting continues on this contract and how totals 58 feet. Work completed since the last field examination (July 25, 1956) has consisted of extending the northeast drift an additional 13.5 feet in a N 58° E direction. This opening is being driven along the hanging wall of the pegmatite. Only a small amount of mica has been encountered in recent work.

The Operator was advised to continue drifting to the northeast.

Recent progress on this contract has been satisfactory.

Mr. Robert A Laurence, Executive Officer, DMEA, Region V, accompanied the Field Examiners on this visit to the mine.

Inspected: August 7, 1956

S. C. Bergman and D. H. Amos, Geologists
Geological Survey

z

RECEIVED
AUG - 1 1956

INTERIM REPORT

DMEA-3908, Idm-E902 (Mica) STEVENSON MINE

Operator: Lloyd and Ted Stevenson, c/o Frank Phillips, Spruce Pine, North Carolina

Location: 1.7 miles southeast of Hawk, Mitchell County, North Carolina

Drifting continues on this contract and now totals 44.5 feet. Four feet have been driven S40°E as incline extension which intercepted the hanging wall, 28 feet have been driven S55°E and this area is now back-filled with muck, and 12.5 feet have been driven N50°E. Drift work will continue for the present to the northeast in pegmatite composed of quartz, feldspar, scattered muscovite mica in small, thick blocks, and accessory garnet.

Several minor timbering needs in the shaft and the provision of ladders to the drift area were discussed with the operator. Drift progress on this contract has improved recently.

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

A. R. Taylor, Geologist
U. S. Geological Survey

July 25, 1956

Form MF-104 (Rev.)
April 1952)

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
JUL 20 1956

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of June, 19[illegible] Docket No. DMEA 8508 Contract No.
Operator's Name Frank H. Phillips Minerals 908
Address Spruce Pine, N. C. miles
Contract Amount, $ 6,716.00 Government Participation: 75 % Amount, $ 5,037.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	406.25	1053.25	1459.50			
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives	95.52	140.34	235.86			
Pipe						
Track						
other supplies	30.75	189.14	219.89			
gas	28.49	81.01	109.50			
(4) Operating Equipment:						
Rental	600.00	625.00	1225.00			
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.		116.00	116.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes	8.12	21.16	29.28			
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	1,169.93	2,225.90	3,395.83	1166.93	2230.63	3397.56

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

Date ..... *Payee Stevenson Mine

Per Frank H. Phillips Partner 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:

$ 875.20

Signature Helen R. Muller
(Authorized Certifying Officer)

Date JUL 18 1956 Vou. No.
(See other side)

291.73

(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. F-902 in accordance with the terms of the contract.

Signature S. C. Bergman Title Geologist USGS Date 7/16/56

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. J. Lynch Title ACTING EXECUTIVE OFFICER DMEA REGION V Date JUL 16 1956

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
JUL 20 1956

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of June 195 Docket No. DMEA 3908 Contract No.
Operator's Name Frank W. Phillips Minerals SOE
Address Spruce Pine N. C. mica

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	foot		12		12			
Crosscutting								
Raising								
Shafts	foot	1,269.93	25	3,270.68	54	49.65		
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Total Distributed Costs		1,269.93		3,270.68				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.		[illegible]		116.00				
Total Costs				3,386.68				

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

Date 7-12-56 Operator Stevenson Mine Frank W. Phillips

Per Frank W. Phillips 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.

Remarks:

(Instructions on reverse)

(For Government use only)

S. C. Bergman - Geologist USGS
7/16/56

INSTRUCTIONS

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

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

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

GPO 872894

RE
JUL

Stevenson Mine Work Detail for June 1956

Work progressed satisfactorily for the days worked.
Having trouble with air compressor and are having repair work done on this piece of equipment.
28 hours of drilling was done.
For the month of June drifting was done for 12 feet.

INTERIM REPORT

DMEA-3908, Idm-E902 (mica) STEVENSON MINE

Operators: Lloyd and Ted Stevenson, c/o Frank Phillips, Spruce Pine, N. C.

Location: 1.7 miles southeast of Hawk, Mitchell County, N. C.

Drifting with the pegmatite to the southwest totals 28 feet. Mica recovery from drifting has been very poor. Progress for the past month has been slow due to equipment failures.

The Operator was instructed to continue drifting.

Inspected: July 11, 1956

A. L. Peyton, Mining Engineer
Bureau of Mines

S. C. Bergman, Geologist
Geological Survey

INTERIM REPORT

DMEA-3908, Idm-E902 (mica) STEVENSON MINE

Operators: Lloyd and Ted Stevenson, c/o Frank Phillips, Spruce Pine, N. C.

Location: 1.7 miles southeast of Hawk, Mitchell County, North Carolina

The Operator drifted 12 feet with the pegmatite to the southwest. Mica recovery from the drifting was very poor in quality and quantity. The Operator was instructed to drift to the northeast.

Progress is satisfactory.

Inspected: June 20, 1956

A. L. Peyton, Mining Engineer
Bureau of Mines

S. C. Bergman, Geologist
Geological Survey

RECEIVED

JUN 22 1956

P. O. Box 217
June 20, 1956

Memorandum

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

From: Administrative Assistant, Electrotechnical Experiment Station, Bureau of Mines, Region V, Morris, Tennessee

Subject: Monthly reports and vouchers

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

√Idm-E-902 Stevenson Mine
Docket No. DMEA-3908
4th payment - month of May
Amount $239.84

Idm-E-936 The New Jersey Zinc Company
Docket No. DMEA-4119
1st payment - month of May
Amount $3599.00

Idm-F-937 The New Jersey Zinc Company
Docket No. DMEA-4126
1st payment - month of May
Amount $1540.00

Helen R. Miller

Attachments
/hm
Copies to R. A. Laurence
V. J. Lynch
Morris files
Day files

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

Budget Bureau No. 42-R1036.5

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

RECEIVED
JUN 22 1956

Month of May, 1956 Docket No. DMEA 3903 Contract No.
Operator's Name Frank W. Phillips Minerals Mica
Address Spruce Pine, N C.
Contract Amount, $ 6,716.00 Government Participation: 75 % Amount, $ 5,037.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent / Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	193.00	861.50	1054.50			
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives	8.67	131.47	140.34			
Pipe						
Track						
other supplies gas	69.06	120.08 / 81.01	189.14 / 81.01			
(4) Operating Equipment:						
Rental	45.00	580.00	625.00			
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.		116.00	116.00			
(7) Miscellaneous:						
Repairs to Equipment		~~77.55~~	~~77.55~~			
Sampling and Analysis						
Payroll Taxes	3.86	17.30	21.16			
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	319.79	1907.36	2227.15	319.79	1906.09	2225.88

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

Date 6-12-56 *Payee Stevenson Mine

Per Frank W. Phillips 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:

$ 239.84

Signature Helen R. Miller
(Authorized Certifying Officer)

Date JUN 26 1956 Vou. No.

(See other side)

79.95

(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-902 in accordance with the terms of the contract.

Signature C. L. Peyton Title Mining Engineer Date JUN 18 1956

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature V. J. Lynch Title ACTING EXECUTIVE OFFICER DMEA REG. ON V Date JUN 18 1956

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

RECEIVED
JUN 22 1956

Month of May 1956 Docket No. DMEA 3008 Contract No. 902
Operator's Name Frank W. Phillips Minerals mica
Address Spruce Pine, N C

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts	feet	319.79	6	~~[illegible]~~	41	51.49		
Winzes				2111.15				
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		319.79		2111.15				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				116.00				
TOTAL COSTS				2227.15				

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

Date 6-12-56 Operator Frank W. Phillips

Per Frank W. Phillips 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.

REMARKS:

(Instructions on reverse)

(For Government use only)

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

INSTRUCTIONS

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

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

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

GPO 872894

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.5

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-

OPERATOR'S MONTHLY REPORT AND VOUCHER

A

Month of _____, 195____ Docket No. DMEA _____ Contract No. _____

Operator's Name August 6 5908 Minerals Idaho-EDOC

Address Frank W. Phillips Alice

Contract Amount, $ Spruce Pine, N.C. Government Participation: ____% Amount, $

6,716.00 75 5,037.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	390.00	1925.75	2315.75	390.00	1925.75	2315.75
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives	43.22	534.60	577.82	43.22	534.60	577.82
Pipe						
Track						
gas	127.65	145.15	272.80	127.65	145.15	272.80
other	48.17	448.59	496.76	48.17	448.59	496.76
(4) Operating Equipment:						
Rental					1225.00	1225.00
Purchase	32.50	1225.00	1257.50			
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.					116.00	116.00
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance	7.80	38.48	46.30	7.80	38.48	46.30
(8) Contingencies (specify):						
TOTALS	649.34	3276.57	4925.93	616.84	4401.00	5017.84

RECEIVED DEC 3 1956 D.M.E.A.

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

Date 11-30-56 *Payee Stevenson Mine

Per Frank W. Phillips Title

*When a voucher is signed or receipted in the name of a company or partnership, 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:

$ 462.63

Signature Helen R. Miller
(Authorized Certifying Officer)

Date NOV 29 1956 Vou. No. 84

(See other side)

154.21

(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 902 in accordance with the terms of the contract.

Signature V. J. Lynch Title U. S. BUREAU OF MINES Date NOV 29 1956

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION V Date NOV 29 1956

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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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".

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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.

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Budget Bureau No. 42-R1151.2

RECEIVED DEC 3 1956 D.M.E.A.

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

Month of August 195 Docket No. DMEA 3908 Contract No. 1A-2902

Operator's Name Frank W. Phillips Minerals

Address Spruce Pine, N. C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	ft.	649.34	32	4966.93	72½			
Crosscutting								
Raising								
Shafts	ft.				50			
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		649.34	32	4966.93				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs				116.00				
New Buildings, Improvements, etc.								
TOTAL COSTS				5082.93				

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

Date 11-20-56 Operator Frank W. Phillips

Per Frank W. Phillips 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.

REMARKS:

(Instructions on reverse)

(For Government use only)

V. J. Lapuch
MINING ENGINEER
U. S. BUREAU OF MINES

INSTRUCTIONS

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

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

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

GPO 872894

RECEIVED
DEC 3 1956
D.M.E.A.

NARRATIVE FOR STEVENSON MINE FOR AUGUST 1956

August. 1--- 3 hours drilling 7 six ft. holes. 5 hrs. mucking, no mica showing
" 2--- 4 " " 9 " " " 4 " " " " "
" 3--- 4 " " 8 " " " , 2 four ft. holes, 4 hrs. mucking
" 6--- 1 hour sharpening steel, 6 hours drilling 10 six ft. holes, 1 hr. muck
" 7--- 4½ hrs. mucking. 4 hrs. drilling 9 six ft. holes, had trouble with lig
" 8--- 6 hours mucking, had trouble with drill, drilled 2 hrs. Vien looks the same as last week, with just very small mica showing.
" 11--- 6 hours mucking and cleaning out, worked on drill 2 hrs.
" 13--- 5 hours drilling 11 six ft. holes, 3 hrs, mucking.
" 14--- 5 " " 9 " " " " " , trouble with light
" 15--- 2½ " " 7 " " " 7½ " "
" 20--- 4 hours " 3 four ft. holes, 5 six ft. holes, 4 hrs. mucking
" 21--- 3 " " 6 six ft. holes, 2 four foot holes. 5 hrs. mucking
" 22--- 8 " mucking. little mica showing in vein
" 23--- 3 " " had trouble with light line , worked on it, vein looks the same, knocked off early, raining.
" 24--- 2½ hrs. drilling, 5½ hrs mucking. Drilled 7 six ft. holes
" 25--- 4 hrs, mucking, quit early, raining, vein full of little mica

I certify that the above is correct.

Frank W. Phillips

Frank W. Phillips, partner

Frank W. Phillips

RECEIVED
DEC 3 1956
D.M.E.A.

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

WASHINGTON 25, D.C.

RECEIVED NOV 26 1956 D.M.E.A.

November 23, 1956

Memorandum

To: Operating Committee, DMEA - Washington

From: Acting Executive Officer, DMEA - Region V

Subject: Idm-E902, DMEA-3908, Frank W. Phillips, et al.
Spruce Pine, N.C. Stevenson Mine, Mitchell Co.,NC.C
Amendment No.2.

Transmitted are three signed copies of the subject amendment No.2, received in this office today.

The usual distribution of the other copies has been made.

V. J. Lynch

ZM

Lynch
Finance Office
Shirley
Files

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

RECEIVED
OCT 22 1956

October 19, 1956

A

Memorandum

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

From: Field Team, Region V, Knoxville, Tennessee

Subject: Docket No. DMEA-3908, Contract Idm-E902 (Mica)
Lloyd Stevenson, et al.
Stevenson Mine, Mitchell County, North Carolina

Reference is made to your letter of October 17, 1956:

We have not received the signed Amendment No. 2, and have written to the Operator asking for it.

As this project was about 95% complete when the field examiners recommended termination, on September 18, we did not think a termination agreement was required. If it is your opinion that one should be prepared, please do so, making the effective date September 19, 1956. It will still be necessary to have amendment No. 2, to authorize work done after September 11.

Robert A. Laurence
Executive Officer

V. J. Lynch
Member, Bureau of Mines

RAL/mg
cc - Operating Committee (3)
Mr. V. J. Lynch
Mr. L. E. Shirley
File

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

RECEIVED
OCT 22 1956

October 19, 1956

Memorandum

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

From: Field Team, Region V, Knoxville, Tennessee

Subject: Docket No. DMEA-3908, Contract Idm-5902 (Mica)
Lloyd Stevenson, et al.
Stevenson Mine, Mitchell County, North Carolina

Reference is made to your letter of October 17, 1956:

We have not received the signed Amendment No. 2, and have written to the Operator asking for it.

As this project was about 95% complete when the field examiners recommended termination, on September 18, we did not think a termination agreement was required. If it is your opinion that one should be prepared, please do so, making the effective date September 19, 1956. It will still be necessary to have amendment No. 2, to authorize work done after September 11.

Robert A. Laurence
Executive Officer

V. J. Lynch
Member, Bureau of Mines

RAL/mg
cc - Operating Committee (3)
Mr. V. J. Lynch
Mr. L. E. Shirley
File

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

RECEIVED
OCT 22 1956

October 19, 1956

Memorandum

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

From: Field Team, Region V, Knoxville, Tennessee

Subject: Docket No. DMEA-3908, Contract Idm-8902 (Mica)
Lloyd Stevenson, et al.
Stevenson Mine, Mitchell County, North Carolina

Reference is made to your letter of October 17, 1956:

We have not received the signed Amendment No. 2, and have written to the Operator asking for it.

As this project was about 95% complete when the field examiners recommended termination, on September 18, we did not think a termination agreement was required. If it is your opinion that one should be prepared, please do so, making the effective date September 19, 1956. It will still be necessary to have amendment No. 2, to authorize work done after September 11.

Robert A. Laurence
Executive Officer

V. J. Lynch
Member, Bureau of Mines

RAL/mg
cc - Operating Committee (3)
Mr. V. J. Lynch
Mr. L. E. Shirley
File

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

RECEIVED
OCT 22 1956

October 19, 1956

A

Mr. Frank W. Phillips

Spruce Pine, North Carolina

Re: DMEA-3908, Idm-E902 (Mica)
Lloyd Stevenson, et al.
Stevenson Mine
Mitchell County, North Carolina

Dear Mr. Phillips:

On September 18, I sent you six copies of an amendment to the subject contract, to be signed by you and your partners. Please return this, with all the necessary signatures, as soon as possible.

Without this amendment, fully executed, we will be unable to contribute to the cost of any work done after September 11, 1956.

Sincerely yours,

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

RAL/mg
cc - Operating Committee (2)
Mr. V. J. Lynch
Mr. L. E. Shirley
File

OCT 17 1956

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

Re: Docket No. DMEA-3908-mica
Lloyd Stevenson, Ted Stevenson,
Oakley Woody and Frank W. Phillips
Joe Stevenson (W. C. Burleson) Mine
Mitchell County, North Carolina
Contract No. IAm-2902

Dear Mr. Lawrence:

Reference is made to the Field Examiners' Interim Report of September 18, 1956, recommending termination of the subject contract by mutual agreement.

We note in your letter of September 18, 1956, to the operator, that Amendment No. 2 extending the time for completion of the contract to October 11, 1956, is pending.

We will defer processing the requested Termination Agreement until we hear from you on the status of this amendment. At the same time please indicate the effective date of termination that should be used.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

P. F. Yopes

Member, Bureau of Mines

Thor H. Kiilsgaard

Member, Geological Survey

WCAnderson:ms 10/15/56
Copy to: Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Admr. R. File

June 19, 1956

Memorandum

To: Mr. C. O. Mittendorf, Administrator

From: Lawrence G. Houk, Chief
Nonmetallic Minerals Division

Subject: Amendment No. 1 - Docket No. DMEA-3908-mica
Lloyd Stevenson, et al.
Stevenson Mine
Mitchell County, North Carolina
Contract No. Idm-E902

The Nonmetallic Minerals Division concurs in Amendment No. 1 to the subject contract as written and executed in the field. This amendment extends the completion date from June 11, 1956, to September 11, 1956.

Amendment No. 1 is necessary because the operator was unable to complete the project in the specified time and it is in the Government's interest to complete this exploration project.

151

Walter C. Anderson
Nonmetallic Minerals Division

WCAnderson:ms 6/19/56
Copy to: Mr. Houk
Mr. Anderson
Admr. R. File

June 15, 1956

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Amendment No. 1. Idm-E902, DMEA-3908, Stevenson Mine, c/o Frank W. Phillips, Spruce Pine, N. C.

Transmitted are three signed copies of the subject Amendment. The usual distribution of the other copies has been made by this office.

Robert A. Laurence
Executive Officer, DMEA
Region V

A. L. Peyton for V. J. Lynch
Member, Bureau of Mines

ZM.

cc:
Lynch
Finance
Shirley
Files

600

June 19, 1956

Memorandum

To: Mr. C. O. Mittendorf, Administrator

From: Laurence G. Houk, Chief
Nonmetallic Minerals Division

Subject: Amendment No. 1 - Docket No. DMEA-3908-mica
Lloyd Stevenson, et al.
Stevenson Mine
Mitchell County, North Carolina
Contract No. Idm-E902

The Nonmetallic Minerals Division concurs in Amendment No. 1 to the subject contract as written and executed in the field. This amendment extends the completion date from June 11, 1956, to September 11, 1956.

Amendment No. 1 is necessary because the operator was unable to complete the project in the specified time and it is in the Government's interest to complete this exploration project.

/s/

Walter C. Anderson
Nonmetallic Minerals Division

WCAnderson:ms 6/19/56
Copy to: Mr. Houk
Mr. Anderson
Admr. R. File

INTERIM REPORT

RECEIVED
JUN 18 1956

DMEA-3908, Idm-E902, STEVENSON MINE
(mica)

Operator: Lloyd and Ted Stevenson, c/o Frank Phillips, Spruce Pine, N.C.

Location: 1.7 miles SE of Hawk, Mitchell County, N. C.

The Operator has completed the incline shaft footage called for in the contract and is ready to start drifting with the pegmatite. About 200 pounds of mine run muscovite recovered in the last 10 feet shows a slight improvement in quality. The drift footage will be used in exploring both directions from the shaft.

Progress is satisfactory.

Inspected: June 5, 1956

A. L. Peyton, Mining Engineer
Bureau of Mines

S. C. Bergman, Geologist
Geological Survey

g

June 15, 1956

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Amendment No. 1. Idm-E902, DMEA-3908, Stevenson Mine, c/o Frank W. Phillips, Spruce Pine, N. C.

Transmitted are three signed copies of the subject Amendment. The usual distribution of the other copies has been made by this office.

Robert A. Laurence
Executive Officer, DMEA
Region V

A. L. Peyton for V. J. Lynch
Member, Bureau of Mines

ZM.

cc:
Lynch
Finance
Shirley
Files

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

RECEIVED
JUN 13 1956

June 11, 1956

Stevenson Mine
c/o Mr. Frank W. Phillips
Spruce Pine, North Carolina

Re: DMEA-3908, Idm-E902 (mica)
Stevenson Mine
Mitchell County, North Carolina

Dear Mr. Phillips:

Enclosed are six copies of an amendment which will provide an additional three months for completion of the drifting at the Stevenson Mine. If it meets with your approval, please have all six copies signed by all four partners; keep the Operator's Copy and return all the others to me. If it does not have your approval, please return all copies unsigned, together with suggested changes for our consideration.

Please note that the original cost estimates in the contract were based upon completion in approximately 4½ months (about 2 months for sinking and 2½ months for drifting). Therefore, we can only contribute to costs up to the total amounts so estimated and it is therefore very definitely in your interest to complete the drifting within the specified time to avoid paying for equipment rental, labor, etc., above those maximums. Please note also that, according to Article 13 of the contract, we cannot contribute to any costs which average in excess of $53.30 per foot for shaft sinking and $40.00 per foot for drifting.

Very truly yours,

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

RAL/mg
Enclosures 6
cc
Operating Committee (2)
Lynch
Files

A

INTERIM REPORT

DMEA-3908, Idm-E902, STEVENSON MINE
(mica)

RECEIVED
JUN - 5 1956

Operator: Lloyd and Ted Stevenson, c/o Frank Phillips, Spruce Pine, N. C.

Location: 1.7 miles SE of Hawk, Mitchell County, N. C.

The Operator has installed new pumping facilities, dewatered the shaft and advanced 6 feet in the past two weeks. The pegmatite has flattened out to a near horizontal position with an improvement in the mica content. The Operator was instructed to continue on the pegmatite.

Inspected: May 23, 1956

A. L. Peyton, Mining Engineer
Bureau of Mines

S. C. Bergman, Geologist
Geological Survey

Stevensen Mine Work Detail for March 1956

Work progressed satisfactorily except for the following:
March 8 - 9 Pump broke down and had to be repaired
March 21 and 23 Difficulty with Air compressor

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

Budget Bureau No. 42-R1036.5

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

RECEIVED MAY 21 1956

Month of April, 1956 Docket No. DMEA 5908 Contract No. 6 902
Operator's Name Frank W. Phillips Minerals mica
Address Spruce Pine, N C
Contract Amount, $ 6,716.00 Government Participation: 75 % Amount, $ 5,037.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	199.25	662.25	861.50	198.00 ~~194.04~~	662.25	856.29
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives		131.37	131.47		131.47	131.47
Pipe						
Track						
other supplies		120.08	120.08		120.08	120.08
gas	66.71	14.30	81.01	66.71	14.30	81.01
(4) Operating Equipment:						
Rental	80.00	500.00	580.00	80.00	500.00	580.00
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.		116.00	116.00		116.00	116.00
(7) Miscellaneous:						
Repairs to Equipment	22.55		22.55	~~22.55~~		22.55
Sampling and Analysis						
Payroll Taxes	3.98	13.32	17.30	3.96	13.32	17.28
Liability Insurance						
(8) Contingencies (specify):						
				348.67		
TOTALS	372.49	1557.42	1929.91	~~367.26~~	1557.42	1924.68

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

Date 5-14-56 *Payee Stevenson Mine

Per Frank W. Phillips 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 $ 261.50 ~~271.44~~

Signature Helen R. Miller (Authorized Certifying Officer)

Date MAY 28 1956 Vou. No. 229

(See other side)

91.82

(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-902 in accordance with the terms of the contract.

Signature Alfred R. Taylor Title Geologist Date May 17, 1956

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature V. J. Lynch Title ACTING EXECUTIVE OFFICER DMEA REGION V Date MAY 17 1956

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

RECEIVED
MAY 21 1956

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Apr 11 195 Docket No. DMEA 3508 Contract No. 908
Operator's Name Frank W. Phillips Minerals Mica
Address Spruce Pine, 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				1813.92				
Winzes	foot	372.49	7	[illegible]	36	51.63		
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Total Distributed Costs		372.49	7	1813.92			Total Costs Authorized by Contract	
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				116.00				
Total Costs		372.49		1929.92				

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

Date 5-14-56 Operator Frank W. Phillips

Per Frank W. Phillips Title partner

Remarks:

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

(Instructions on reverse)

(For Government use only)

Alfred R. Taylor
Geologist, USGS

INSTRUCTIONS

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

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

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

GPO 872894

Stevenson Mine Work Detail for month of April

RECEIVED
MAY 21 1956

April 4 through 12 Drilling and working on shaft.
Having trouble with water coming into mine, spending much time using pump to take care of water.
April 14 -- 28 pumping water, no drilling done during this time

Dave STEEL CO.
ASHEVILLE, N. C.

Oregonia BRIDGE CO.
LEBANON, OHIO

RECEIVED
MAY 21 1956

P. O. Box 217
May 18, 1956

Mr. Frank N. Phillips
Stevenson Mine
Spruce Pine, North Carolina

Re: Contract Ida-3902
Docket No. DMEA-3908

Dear Mr. Phillips:

Reference is made to your MF-104 and 104A voucher and report covering the month of April 1956. The following adjustments are being made on your voucher:

Labor:	$1.25 adjustment	--	Payroll shows a total of 56 hours for Oakley Woody - you claim 57 hours, therefore approved total is $196.00 instead of $199.25
Miscellaneous:	$22.55	--	Invoice in amount of $22.55 covering repairs made to sump pump has been deleted - contract does not cover this category.

Voucher is being processed in the amount of $261.50, which is seventy-five percent of $348.67.

Sincerely,

Helen R. Miller
Administrative Assistant

/hbm
Copies to R. A. Laurence
W. J. Lynch
DMEA-Washington
Morris files
Day files

RECEIVED
MAY 18 1956

INTERIM REPORT

DMEA-3908, Idm-E902 (mica), STEVENSON MINE

Operator: Lloyd and Ted Stevenson, c/o Frank Phillips, Spruce Pine, N.C.

Location: 1.7 miles southeast of Hawk, Mitchell County, N. C.

No inspection made, shaft filled with water. Operator is installing electric pumping facilities. Shaft will be dewatered as soon as power line is completed.

Inspected: May 9, 1956

A. L. Peyton, Mining Engineer
Bureau of Mines

S. C. Bergman, Geologist
Geological Survey

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of [redacted], 195..... Docket No. DMEA ..... Contract No. .....
Operator's [redacted] [redacted] [redacted] Minerals [redacted]
Address [redacted] [redacted]
Contract Amount, $ [redacted] Participation: ..... % Amount, $ [redacted]

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	[redacted]	[redacted]	[redacted]			
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives		[redacted]	[redacted]			
Pipe						
Track						
[redacted]	[redacted]	[redacted]	[redacted]			
[redacted]	[redacted]		[redacted]			
(4) Operating Equipment:						
Rental	[redacted]		[redacted]			
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.		[redacted]	[redacted]			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes	[redacted]	[redacted]	[redacted]			
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	[redacted]	[redacted]	[redacted]	1073.13	484.29	1557.42

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

Date [redacted] *Payee [redacted]

Per [redacted] Title [redacted]

RECEIVED MAY 3 - 1956

*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:

$ 804.25

Signature Helen R. Miller
(Authorized Certifying Officer)

Date MAY 1 1956 Vou. No. .....

(See other side)

268.28

(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-902 in accordance with the terms of the contract.

Signature Alfred R. Taylor Title Geologist Date APR 27 1956

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature V. J. Lynch Title ACTING EXECUTIVE OFFICER DMEA REGION V Date APR 27 1956

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of March 195 6 Docket No. DMEA 3908 Contract No. 903

Operator's Name Frank W. Phillips Minerals Mica

Address Spruce Pine, 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	feet	$1075.13	21	$1443.[illegible]	28	$51.44		
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		$1075.13	21	$1443.[illegible]				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				116.00				
TOTAL COSTS		$1075.13		$1557.4[illegible]				

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

Date 4/24/56 Operator Frank W. Phillips

Per Frank W. Phillips Title partner

REMARKS:

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

(Instructions on reverse)

(For Government use only) Alfred R. Taylor, Geologist USGS

RECEIVED MAY 8 - 1956

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

INTERIM REPORT

DMEA-3908, Idm-E902 - Mica, STEVENSON MINE

Operator: Lloyd and Ted Stevenson, c/o Frank Phillips, Spruce Pine, N. C.

Location: 1.7 miles southeast of Hawk, Mitchell County, N. C.

No inspection due to shaft being partially filled with water. Last measurement taken March 11, makes a total of 34 feet advance in shaft and/or incline.

Operator was instructed to dewater shaft and continue sinking.

April 25, 1956.

A. L. Peyton, Mining Engineer
Bureau of Mines

RECEIVED
MAY 3 - 1956

RECEIVED
APR 30 1956

INTERIM REPORT

A

DMEA-3908, Idm-E902 (mica) STEVENSON MINE

Operator: Lloyd and Ted Stevenson, c/o Frank Phillips, Spruce Pine, N. C.

Location: 1.7 miles southeast of Hawk, Mitchell County, N. C.

The Operator advanced 7 feet in the shaft during the past two weeks making a total of 34 feet of new shaft and of incline. Timbering manway is underway and about 50% complete. The Operator was instructed to continue sinking on pegmatite.

Progress is satisfactory.

Inspected: April 11, 1956

A. L. Peyton, Mining Engineer
Bureau of Mines

S. C. Bergman, Geologist
Geological Survey

RECEIVED
APR 9 - 1956

INTERIM REPORT

DMRA-3908, Idm-E902-Mica, STEVENSON MINE

Operator: Lloyd and Ted Stevenson, c/o Frank Phillips, Spruce Pine, N. C.

Location: 1.7 miles southeast of Hawk, Mitchell County, North Carolina

The Operator cut 14 feet of incline to the southeast along the pegmatite. At this point the pegmatite turns down. The pegmatite exposed at this depth is considerably smaller than in the old works above.

Timber for manway and shaft had not been installed at the time of this visit.

Inspected: March 28, 1956

A. L. Peyton, Mining Engineer
Bureau of Mines

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

INTERIM REPORT

DMEA#3908, Idm-B902 (mica) STEVENSON MINE

Operator: Lloyd and Ted Stevenson, c/o Frank Phillips, Spruce Pine, N. C.

Location: 1.7 miles southeast of Hawk, Mitchell County, North Carolina

The Operator has advanced 6 feet in shaft, making a total of 13 feet in new shaft work. A 12-foot hole drilled in bottom of shaft was in schist and or gneiss all the way. The Operator was instructed to start on pegmatite 6 feet above bottom of shaft and incline to the southeast, staying with the pegmatite. At this point the pegmatite changes from vertical to an incline to the southeast. About 300 pounds of mica recovered to date is fair quality.

The Operator has not complied with previous instructions to install timber and manway, says timber has not been delivered.

Inspected: March 14, 1956.

A. L. Peyton, Mining Engineer
Bureau of Mines

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

(A)

P. O. Box 217
March 22, 1956

Memorandum

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

From: Administrative Assistant, Electrotechnical Experiment Station, Region V, Bureau of Mines, Norris, Tennessee

Subject: Monthly report and voucher

We are enclosing two copies of the following monthly report and voucher:

Idm-E-902 Stevenson Mine
Docket No. DMEA-3908
1st payment - month of February
Starting Date: 2-1-56
Amount $366.78

Helen R. Miller

Attachments
/hbm
Copies to Norris files
R. A. Laurence
V. J. Lynch
Day files

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

Budget Bureau No. 42-R1036.5

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-
RECEIVED
MAR 26 1956

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

Month of _____, 195[illegible] Docket No. DMEA [illegible] Contract No. [illegible]
Operator's Name [illegible] Minerals [illegible]
Address [illegible]
Contract Amount, $ [illegible] Government Participation: [illegible] % Amount, $ [illegible]

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	$202.26		$202.26	207.00		
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives	131.47		131.47	131.47		
Pipe						
Track						
Other supplies	30.45		30.45	30.45		
(4) Operating Equipment:						
Rental	0					
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.	116.00		116.00	116.00		
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes	4.12		4.12	4.12		
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$ 489.04		$ 489.04	489.04		489.04

I certify that the above bill is correct and just and that payment therefor has not been re[illegible]

Date _____ *Payee _____

Per _____ Title _____

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

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

(Instructions on reverse)

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

$ 366.78

Signature Helen R. Miller
(Authorized Certifying Officer)

Date MAR 22 1956 Vou. No. _____
(See other side)

Frank W. Phillips Partner 132.26

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

Signature S. C. Benjamin Title Geologist, USGS Date 3/21/56

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature V. J. Lynch ACTING Title EXECUTIVE OFFICER DMEA REGION V Date MAR 21 1956

MONTHLY REPORT OF OPERATOR

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

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(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.

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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
MAR 26 1956

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of _____ 195____ Docket No. DMEA _____ Contract No. _____

Operator's Name [illegible] Minerals [illegible]

Address [illegible]

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	foot	$375.04	7	$375.04	7	$53.29		
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Total Distributed Costs		$375.04	7	$375.04				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.		$116.00						
Total Costs		$491.04						

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

Date 3/19/56 Operator [illegible]

Per [illegible] Title [illegible]

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

Remarks:

(Instructions on reverse)

(For Government use only)

S. C. Bergman
Geologist, USGS
3/21/56

INSTRUCTIONS

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

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

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

GPO 872894

Work Detail:

February 6 through 17 :

1. Pumped water from mine
2. Trimmed walls
3. Cleaned out muck

RECEIVED
MAR 26 1956

February 20 through 29 :

Drilled and mucked out a total of 7 ft. shaft.

No breakdowns.

No trouble other than water caused by heavy rains

Stevenson Mine

HIGH-EARLY STRENGTH
AIR-ENTRAINING
PORTLAND
MASONRY
CEMENTS

Cumberland Cements · Dominion Cements · Marquette Cements · Hawkeye Cements · Southern States Cements · Superior Cements

White..

CUMBERLAND PORTLAND CEMENT COMPANY
CHATTANOOGA BANK BUILDING · CHATTANOOGA 2, TENNESSEE

RECEIVED
MAR 1 2 1956

INTERIM REPORT

DMEA-3908, Idm-E902, STEVENSON MINE
(mica)

Operator: Lloyd and Ted Stevenson, c/o Frank Phillips, Spruce Pine, N. C.

Location: 1.7 miles southeast of Hawk, Mitchell County, North Carolina

The existing shaft has been dewatered and cleared of debris. Timbering and manway is not complete. Operator says timber hasbeen ordered and will be installed as soon as received. New shaft advance totals 7 feet. The new work is in pegmatite but no mica was observed. Operator was instructed to continue sinking.

Inspected: February 29, 1956

V. J. Lynch and A. L. Peyton, Mining Engineers
U. S. Bureau of Mines

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

RECEIVED
FEB 27 1956

INTERIM REPORT

(A)

DMEA-3908, Idm-E902 (mica) STEVENSON MINE

Operator: Lloyd and Ted Stevenson, c/o Frank Phillips, Spruce Pine, N.C.

Location: 1.7 miles southeast of Hawk, Mitchell County, N. C.

Construction of toolhouse and magazines is complete. Rehabilitation of existing incline is underway and should be completed within one week. The Operator was reminded as to the necessity for a safe manway, which is to be installed as soon as rehabilitation will permit.

Inspected: February 15, 1956

A. L. Peyton, Mining Engineer
Bureau of Mines

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

RECEIVED
FEB 13 1956

INTERIM REPORT

DMEA-3908, Idm-E902, (mica) STEVENSON MINE

Operators: Lloyd and Ted Stevenson, c/o Frank Phillips, Spruce Pine, N. C.

Location: 1.7 miles SE of Hawk, Mitchell County, North Carolina

The prospect was visited January 31, 1956, at which time all lumber and equipment had been moved to the work site. The Operators were in the process of building a hoist house. Pumping and shaft rehabilitation had not been started.

January 31, 1956

S. C. Bergman, Geologist
Geological Survey

L. E. Shirley, Mining Engineer
Bureau of Mines

A. R. Taylor, Geologist
Geological Survey

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

February 2, 1956

Memorandum

To: Operating Committee, DMEA - Washington

From: DMEA Field Team, Region V - Knoxville, Tenn.

Subject: Signed Contract - Idm-E902, DMEA-3908, Lloyd and Ted Stevenson, Oakley Woody, and Frank W. Phillips, d/b/a Stevenson Mine, c/o Frank W. Phillips, Spruce Pine, N. C.

Transmitted are three signed copies of the subject contract.

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

Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION V

V. J. Lynch, Member,
Bureau of Mines

ZM.
cc:
Lynch
Finance Office
Shirley
Files

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

DEC 19 1955

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

Re: Docket No. DMEA-3908 - Miss
Lloyd Stevenson, Ted Stevenson,
Oakley Woody and Frank W. Phillips
Joe Stevenson (N.C. Berlanson) Mine
Mitchell County, North Carolina

Dear Mr. Lawrence:

Reference is made to your telephone conversation of December 7, 1955, with Mr. L. C. Houk, on adding a provision under Article 13 of the long-form subject contract.

This letter is your authority to add the following statement in Article 13:

"The Government will contribute only to the necessary and reasonable costs of the project, but not in excess of 75% of $53.30 per foot for shaft sinking and $40 per foot for drifting."

This procedure is to avoid the loss of time of returning the contract to this office and rewriting it. Future long-form contracts will be written on a fixed-cost-per-foot basis waiving all the schedules except labor, supervision, supplies, and equipment rental.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

/s/ Robert W. Geehan

Member, Bureau of Mines

Thor H. Kiilsgaard

Member, Geological Survey

LCHouk/Pindritz/and 12/15/55
Copy to: DMEA Docket
Adm. R. File
Operating Comm.
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Dwyer
Mr. Indritz
chron
pending

DEC - 5 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-3908 - Mica
Lloyd Stevenson, Ted Stevenson,
Oakley Woody and Frank W. Phillips
Joe Stevenson (W.C.Burleson) Mine
Mitchell County, North Carolina

Dear Mr. Laurence:

Please find herewith the original and five copies of a contract covering the subject exploration project which have been signed by the Administrator for the Government with effective date as shown. Two extra copies of "Exhibit A" are enclosed for the use of the Field Team.

If the contract meets with your approval present it to the Operators for approval and signature. 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 bring to the attention of the Operators that this is an actual cost contract and they must keep copies of their payrolls and vouchers of purchases and get receipts for all cash payments not made by check. The original of the monthly Forms MF-104 must be supported by appropriate documentary evidence of the costs claimed.

This contract automatically makes maximums of the totals shown in Categories IV and VI but not the individual items in Category VI. Other maximums are shown by an asterisk.

After execution of the contract, the copies are to be distributed in the usual manner. Copies of memoranda dated September 13 and 15, 1955, by Mr. N. E. Nelson, USGS, and Mr. W. F. Dietrich, USBM, respectively, relating to the project are enclosed.

Approved:

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

Thor H. Kiilsgaard
Member, Geological Survey

Enclosures 12

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee

WCAnderson:gad 11/29/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

600

OCT 2 4 1955

Mr. Frank W. Phillips
Stevenson Mine
Spruce Pine, North Carolina

Re: Docket No. DMEA-3903 - Mica
Lloyd Stevenson, Ted Stevenson,
Oakley Woody and Frank W. Phillips
Stevenson Mine
Mitchell County, North Carolina

Dear Mr. Phillips:

On September 21, 1955, we wrote you a letter requesting that you submit a new lease and Consent to Lien, executed by the owner, covering an area of approximately five acres. We explained that these documents must contain an adequate land description, i. e., the bearings and distances of the boundary lines which enclose the property and, also refer to a permanent and identifiable landmark, natural or artificial, such as the center of a shaft, adit portal, building, benchmark, etc. To date we have not received a reply to our letter and we assume that you no longer desire to proceed with the application.

We wish to cooperate with you in the matter of allowing ample time to obtain this information but if this requested data are not received by December 1, 1955, we will then remove the application from the active file and consider the matter closed.

Sincerely yours,

Frank E. Johnson

Acting Administrator

WCAnderson:gad 10/24/55
Copy to: Admr. R. File
Docket
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Anderson

600

SEP 21 1955

Mr. Frank W. Phillips
Stevenson Mine
Spruce Pine, North Carolina

Re: Docket No. RMEA-3908 - Mica
Lloyd Stevenson, Ted Stevenson,
Oakley Woody and Frank W. Phillips
Stevenson Mine
Mitchell County, North Carolina

Dear Mr. Phillips:

Reference is made to your application for Government assistance to explore the subject property.

On August 9, 1955, you and Messrs. John Phillips, Oakley Woody and Ted Stevenson accompanied the Government examiners on the inspection of the Stevenson Mine. At that time the examiners requested that you submit a new lease and Owner's Consent to Lien covering an area of approximately five acres. To date, we have not received these documents. These documents must contain an adequate land description, i.e., the bearings and distances of the boundary lines which enclose the property and, also refer to a permanent and identifiable landmark, natural or artificial, such as the center of a shaft, adit portal, building, benchmark, etc.

A prompt delivery of these documents will enable us to continue processing your application.

Sincerely yours,

Frederick L. Knouse, Acting Chief,
Nonmetallic Minerals Division

WCAnderson:gad 9/21/55
Copy to: Admr. R. File
Docket
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Anderson

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

RECEIVED
SEP 16 1955

September 15, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-3908 (mica)

Applicant: F. Stevenson, T. Stevenson, O. Woody, F. Phillips.

Name and Location of Property: Joe Stevenson Mine, Mitchell Co., N. C.

Date of Field Team Report: 8/9/55

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 9/13/55

Field Team Recommendation: Recommend a unit-cost exploration program at a cost of $6,714.00.

Comments:

1. The proposed program of exploration will determine value of ground in mine that previously has been reported as a producer of mica.

2. Proposed exploration outlined by the field team is consistent with good engineering practices and estimated costs are in line with other DMEA projects.

Recommendation: I concur with the field team's recommendation for a unit-cost exploration program.

SIGNED
W. F. Dietrich

IN REPLY REFER TO:

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

RECEIVED
SEP 14 1955

September 13, 1955

Re: DMEA 3905
Floyd Stevenson and others
Joe Stevenson (W. C. Burleson) Mine
Mitchell Co., N. C.
$6,714.00 - Mica

Memorandum

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

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

Subject: Review of Field Team report.

The work now proposed for this relatively large and twisty pegmatite, by the examiners, is one of three suggestions for exploration made by J. R. Wolfe, Jr. It appears to be the easiest way to explore the pegmatite and the location for the shaft is probably as good as any if the 49-foot shaft cannot be utilized.

Accepting the section on the 49-foot shaft which accompanies the Final Report on DMEA-2524 as reasonably factual, and not diagrammatic, a favorable "flat" in the hanging wall may be indicated. Presumably the possibility did not appeal to the operators under Idm-2430.

I concur with the acceptance recommendation of the Field Team.

N. E. Nelson

N. E. Nelson

NENelson:iml
G-9/13/55

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

N[illegible]00

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

REFERENCE SLIP

DATE 9/12

REFERRED TO:

1. GOC
2. ~~Mr Kramer~~
3. Mr Anderson
4.

FOR:

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

REMARKS: After you have reviewed this report file and discuss the proposed contract with me.

F. R. A.

Check (X) before the items needing attention.

9/13/55. Know a great that applicant should not take responsibility for forwarding work

ROBERT E. ADAMS

Initials of sender.

GPO 16—83915-1

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

September 8, 1955

Memorandum

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

From: Field Team, DMEA, Region V

Subject: Field Examination Report, DMEA-3908 (Mica)
Floyd Stevenson, Ted Stevenson, Oakley Woody, and Frank Phillips.
Joe Stevenson mine, Mitchell County, North Carolina

Enclosed are four copies of the subject report, and nine extra copies of the map.

We agree that additional work at this mine is warranted, and recommend approval of a unit-cost contract as outlined in the report.

As present information indicates that this plan is preferable to continuation of work abandoned by previous Operators under DMEA-2524, we do not think the new applicant should be required to assume liability for repayment of money paid under that contract.

Robert A. Laurence
Executive Officer

V. H. Lynch
Member, DMEA Field Team

RAL/mg
cc - DMEA
Mr. Lynch
Mr. Shirley
Files

Reviewed by
Operating Committee
9-14-55
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM, REGION V

On

DMEA-3908, JOE STEVENSON (W. C. Burleson) Mine
(Mica) Mitchell County, North Carolina

BY

K. H. Teague and R. H. Amos, Geologists
U. S. Geological Survey
and
L. E. Shibley, Mining Engineer
U. S. Bureau of Mines

August 9, 1955 Reviewed by Operating Committee 9-14-55 (date)

FIELD EXAMINATION REPORT
ON
BMEA-3908 (mica) JOE STEVENSON MINE, (W. C. Burleson Mine)

Applicants: Floyd Stevenson, Ted Stevenson, and Oakley Woody, Bakersville, N. C., and Frank Phillips, Spruce Pine, N. C. c/o Frank Phillips.

This is an old mine from which considerable production has been obtained in the past. Additional reserves of strategic mica are probably present.

The deposit was examined on August 9, 1955. Messrs. Frank Phillips, John Phillips, Oakley Woody, and Ted Stevenson accompanied the examiners on the examination which required two hours.

The Joe Stevenson (W. C. Burleson) Mine is on the northeast side of White Rock Ridge, 1.7 miles southeast of Hawk, Mitchell County, N. C. Access is possible at all times by car to within about 200 yards of the mine. A jeep can reach the mine at all times.

All applicants appear to be competent to conduct the proposed work. Area under lease as shown in the application is too small for the proposed project. The applicants were instructed to secure ~~and~~ an area of approximately 5 acres. This will require a new or an amended lease. Also new Owner's Consent to Lien were requested.

There are no facilities on the property. Much of the following description of the mine is taken from a manuscript report prepared in March 1945 by James R. Wolfe, Jr., of the U. S. G. S.

"The mine was discovered about 1900 and worked by Bailey Burleson and Mr. McGlossum.

"Joe Stevenson and Jess Ledford operated the mine in 1930 or 1931, and obtained a large amount of mica, probably from the stope crossed by section D-D'. The mine was reportedly rich in mica under the roll in the hanging wall shown in section D-D'.

"In 1932, Jesse McKinney, Frank Fortner, and Ed Fortner worked the mine for about three months, and though they obtained a considerable amount of mica the prices were too low for profitable production at that time. In 1939 and 1940 Ed Vance and Will Green worked the mine. They enlarged ~~and~~ then mined from the large middle cut. This venture met with only moderate success.

"Dewey Buchanan and Jack, Lee, and Jesse McKinney worked the mine from June 1942 until June 1944. Operations were profitable except during the last three months. The east end of the main stope was worked and

the 35-feet winze was sunk. Acme Mines, Inc., (Mrs. Ogburn Spoon) opened the mine on September 25, 1944 and worked until early in 1945.

"The principal workings form a large stope that is 45 feet wide and extends 125 feet west-southwest. It is divided into two levels by pillars and a left. The stope is inclined about 35° to the south-southeast and is worked from two inclines that rake across it at a lesser angle and trend midway between the strike and direction of dip of the pegmatite. A long pillar separates the two inclines into east and west parts, which open respectively into east and west cuts that extend along the strike of the pegmatite for about 50 and 70 feet. The workings are about 10 feet in average height, as measured normal to the dip.

"Just north of the main stope a small stope (10 x 27 feet) extends south-southwest from the center of the west cut. At the west end of the west cut is an incline to the small (north) stope below. A winze at the east end of the east cut is reported to have been sunk down the dip of the pegmatite for about 35 feet. It pitches 70° south, and is now flooded. About 25 feet northwest of the west cut is a small slumped prospect cut about 15 feet long, from which a short adit may have extended southeast."

During late 1942 Buchanan and Buchanan deepened an existing 15-feet pit to 49 feet on the extreme northeast end of the area. Little production resulted from this work (DMEA-2524, Idm-E430).

"The area around the mine is underlain by three types of country rock; hornblende gneiss, mica-garnet gneiss, and biotite gneiss, listed in order of decreasing distance from the pegmatite. Most of the outcrops consist of hornblende gneiss, alothough many loose blocks of mica-garnet gneiss lie on the hillside south of the cuts. The rock in immediate contact with the pegmatite is biotite gneiss.

"The country rock foliation strikes east with slight variations, and dips 45° to 85° south. This attitude is rather uniform, except where the foliation rolls over the top of the intrusive at the west end of the cuts. Here the rock strikes about north and dips 30° west.

"Numerous joints are present, the largest of which generally strike slightly east of south and dip 80° to 85° east."

"The pegmatite is a rather large, tabular body that strikes about east-northeast and generally dips moderately southeast. The strike is uniform, but the dip ranges from nearly horizontal to 60°. This variation is due to the step-like shape of the footwall, and to rolls and projections in the hanging wall (see sections). The pegmatite also has a steeper average dip in lower, south and southwest parts of the stope. The average dip of the country rock on the surface to the south is much steeper than the average dip of the pegmatite. Thus, at still lower

levels the intrusive may continue to dip as steeply as in the lower part of the workings. If this is true, the chances for encountering rich mica concentrations in a down-dip direction are lessened, as they seem to be concentrated chiefly in the more gently dipping part of the pegmatite.

"The pegmatite body is 10 to 15 feet thick, and has been exposed along the strike for 165 feet. It seems to be pinching down rapidly on the east end, but possibly thickens slightly on the west end. No rake or plunge can be observed. Numerous rolls in the hanging wall are generally parallel to the strike; their axes pitch gently, both to the northeast and to the southwest. Southwest pitches are more common.

"The pegmatite is generally concordant, although locally it cuts across the foliation of gneiss projections in the hanging wall. Contacts with the country rock are sharp. Small masses of quartz in the country rock may have been formed through the action of pegmatite solutions. Several tabular inclusions of biotite gneiss that are 1 to 2 feet thick and about 10 feet long strike parallel with the intrusive but dip 40° to 50° northwest, and hence directly across the intrusive. Their arrangement suggests that they represent country rock projections that were broken off during injection of the pegmatite and carried away in the moving material, leaving the bases of the projections still noticeable on the wall farther down dip (see sections A-A' and B-B'). Other thin, tabular inclusions lie parallel and close to the hanging wall (see the upper part of section A-A').

"The pegmatite contains the following minerals, listed in decreasing order of their abundance: plagioclase, microcline, quartz, muscovite, biotite, apatite, sericite, garnet, pyrite, and hyalite. Most of the plagioclase is white, but some is blue-gray in color and shows twinning. Quartz is fairly abundant in small particles throughout the pegmatite. Graphic granite occurs in the small north stope and blocks of massive gray quartz are present on the adjacent dump. A white, granular, sugary type of massive quartz is also on the dump. The biotite generally occurs as thin books and ruled strips about 2 inches wide. The apatite in the sugary quartz occurs as small, fractured, clear blue to blue-green crystals. A considerable amount of bright green sericite is present in the pegmatite, and is generally concentrated near garnet aggregates. Many pink and red garnets are present in some of the feldspar masses. Most are very small but some are as large as half an inch. All are fractured. Small flakes of pyrite are present. A little light green hyalite occurs as thin sheets on fracture surfaces in the massive gray quartz from the small north stope.

"The pegmatite may be divided into four or more zones. Along the hanging wall in most places is a border zone of fine-grained plagioclase-quartz pegmatite, generally 1 to 1½ feet thick. This zone is absent locally from the hanging wall and is not present in any of the limited footwall exposures. Where well developed, it includes many thin streaks

of fine-grained mica, quartz, and garnet that alternate with plagioclase-quartz pegmatite, and hence may be considered as a complex of several zones too thin to map separately. The resemblance of the thicker mica streaks to the thin, partly recrystallized ends of gneiss inclusions suggests a xenolithic origin for at least some of the material in such streaks.

"Below the border zone in may places is a discontinuous wall zone that consists mainly of coarser-grained plagioclase and quartz, with abundant scrap mica and a moderate amount of sheet (ruby) muscovite. This zone, generally 1 to 2 feet thick is as much as 4½ feet thick in a few places and lenses out entirely elsewhere. Locally it lies directly against the hanging wall or footwall (see section D-D'), but in other places it seems to be separated from the border zone or gneiss walls by portions of the intermediate zone. This apparently anomalous relation is well shown in one place (see section A-A') where the mica zone blends away from a point near the hanging wall and cuts directly across the pegmatite a little below three detached projections of the hanging-wall gneiss. It probably is related to masses of country rock not exposed in the present face.

"The main bulk of the pegmatite as now exposed is an intermediate zone consisting of plagioclase, microcline, and quartz of irregular but fairly coarse texture. It averages about 10 feet in thickness and in the center of the mine forms the entire cross section of the pegmatite. At the southwest end of the mine (see section A-A' and B-B') this rock type forms a thin layer along the border zone. A few isolated muscovite books of fair size are scattered throughout the intermediate zone.

"In the small north stope a coarsely crystalline mass of graphic granite about 7 feet thick occupies the center of the pegmatite. Green muscovite is associated with it. This probably constitutes an inner intermediate zone, but may be the core itself or a part of it. The abundant massive quartz on the dump may represent the true core. No definite core material was found in place, though patches of quartz on the northwest wall near section line A-A' may be remnants of such a core.

"Ruby mica is concentrated mainly in the discontinuous wall zone 1 or 2 feet below the hanging wall. The outer portion of the mine, where the pegmatite dipped gently, have been most productive, especially under broadly arched rolls of the hanging wall(see northwest ends of sections B-B', C-C', and D-D'). The steeper southwest and down-dip parts of the pegmatite were relatively lean. A less important sheet mica concentration occurs locally a little above the footwall along the flat bench in the upper part of the main stope (section B-B', and C-C'). At places within the intermediate zone mica is sufficiently concentrated to be minable. Some green mica occurs with the graphic granite.

"Most of the sheet mica produced is ruby, the green being mainly scrap. A moderate amount of the mica is stained by iron oxide, generally as small specks but also as films a quarter of an inch across. There are some garnet and quartz intergrowths across the mica cleavage planes. Moderate amounts of ruling and haircracks are present. The mica is flat and usually free splitting.

"The W. C. Burleson mica mine seems to have fair future possibilities. The mine has been profitably worked by a number of operators, though the last operation by Acme Mines, Inc. probably was conducted at a loss. This probably was the result of mining lean ore rather than inefficiency or difficulties in mining. As mentioned above, much of the mica was concentrated in that part of the pegmatite near the hanging-wall contact, and where the hanging wall formed a broad, flattened roll. Where the dip was steep, the mica was sparse. The dip of the hanging wall steepens, both down dip to the south and along the strike to the west, and the present headings are rather barren. The thickness of the pegmatite exposed in the headings suggests that a large part of the body is as yet unmined.

"The mica concentrations at the Burleson mine appear to be controlled by the structure of the pegmatite, particularly the hanging-wall structure; hence, one might expect to find more mica concentrations if other favorable structures could be found. The three best chances of finding a favorable structure probably would involve (1) the sinking of an inclined winze straight down the dip of the pegmatite, (2) driving west-southwest along the flat roll in the small northwest stope, or (3) the deepening of the inclined winze to the east.

"The winze might be sunk at the foot of the incline extending from the east cut (see the point where section C-C' crosses the south wall of the stope). In this lower part of the mine near section C-C', the hanging wall was reported to be "rolling back" so that it dipped northeast. By analogy to rolls at higher levels, this might indicate a steep roll in the hanging wall before a leveling roll to the southwest. The purpose in driving west-southwest in the northwest adit would be to determine whether the hanging-wall roll would broaden westward as it does eastward. If the roll does broaden to the west, a rich mica concentration might be found beneath the hanging wall. The mica is reported to be fairly rich in the lower east end of the main stope. The winze to the east was sunk to mine this area with more efficient haulage. However, the winze never was sunk far enough, owing to labor shortage. It might be deepened to furnish access to the reported mica-rich area below."

This mine's production during World War II was 12,964.88 pounds of mica which was sold to the Colonial Mica Corporation for $20,789.52.

The applicants and the examiners are in agreement that recommendation No. 3 above will be the least costly method to use in exploring the

deposit. Furthermore, if it is successful, muck can be handled most efficiently by this method. The examiners recommend the open cut (it is in rock) and 35-foot incline be dewatered, cleaned out, partitioned and ladders installed and deepened an additional 50 feet. The incline should follow the hanging wall contact. From the incline 100 feet of level is recommended. Also the small stream will need to be diverted around the open cut.

The above program is recommended rather than continuing work from the 49-foot shaft sunk under DMEA-2524 because it appears to offer more promise of making a significant discovery. Furthermore the bottom of the incline is deeper than the bottom of the 49-foot shaft.

Estimated Cost:

Divert stream, dewater and clean out existing open cut and 35-foot incline; Install a separate manway in incline $400.00

Construct:		
Toolhouse		76.00
Powder magazine		25.00
Exploder "		13.00

Deepen 35-foot incline 50 feet following hanging wall contact (35 shifts) 1.4'/shift

Labor:		
1 Miner @ $1.50/hr.	$420.00	
1 Hoistman @ $1.25/hr	350.00	
1 Laborer @ $1.00/hr.	280.00	
Equipment (rental)		
Compressor, drill & pump @ $240/Mo.	420.00	
Hoist @ $50/Mo.	87.50	
Supplies:		
Timber, 1 M. b. f. @ $65/M	65.00	
Explosives	225.00	
Drill steel	100.00	
Gasoline and oil	117.00	
Small tools and pipe	100.00	
Miscellaneous	170.50	
Compensation insurance	105.00	
Unemployment Ins. & Social Sec.	40.00	
Sales Tax	20.00	$2,500.00

Drive 100 feet of level (50 shifts)

Labor:

1 - Miner @ $1.50/hr.	$600.00	
1 - Hoistman @ $1.25/hr.	500.00	
2 - Laborers @ $1.00/hr.	800.00	

Equipment (rental)

Compressor, pump, drill and jacking @ $250/Mo	625.00	
Hoist @ $50/Mo.	125.00	

Supplies:

Explosives	300.00	
Drill steel	100.00	
Gasoline and oil	175.00	
Small tools and pipe	100.00	
Miscellaneous	90.00	
Compensation Insurance	190.00	
Unemployment Ins. & Social Sec.	75.00	
Sales tax	20.00	$3,700.00

Estimated Total Cost..... $6,714.00

Examined: August 9, 1955

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

and

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

AUG 10 1955

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

Subject: Docket No. DMEA-3908 - Mica
Lloyd Stevenson, Ted Stevenson,
Oakley Moody and Frank W. Phillips
Stevenson Mine
Mitchell County, North Carolina

Dear Mr. Laurence:

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

If the applicants plan to use the 25-foot shaft sunk under a previous contract (Idm-R430, DMEA-2524), or if the work done under the previous contract will benefit the proposed exploration work, the applicants should be advised that they will be required to assume the obligation to repay the Government's contribution which amounted to $1,125.00.

We are returning the applicants' lease, as it does not contain an adequate land description. The applicants should furnish a lease and six copies of Consent to Lien containing an adequate legal description of the land.

If your office recommends an exploration program approved by the applicants, please furnish the necessary information to draft a contract. In this connection, nine copies of a map showing the proposed work and pegmatite exposures in relation to the property lines will be required.

Copies of memoranda from Mr. N. L. Nelson of the Geological Survey, dated August 1, 1955, and from Mr. W. F. Dietrich of the Bureau of Mines, dated August 1, 1955, are enclosed for your information.

Sincerely yours,

Approved:

O. M. Bishop

Member, Bureau of Mines

(S) W. P. Williams

Member, Geological Survey

W. S. Martin

ACTING Chairman, Operating Committee

Enclosures 4

WCAnderson:gad 8/9/55

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

600

AUG 10 1955

Stevenson Mine
C/O Mr. Frank W. Phillips
Spruce Pine, North Carolina

Re: Docket No. DMEA-3938 - Mica
Lloyd Stevenson, Ted Stevenson,
Oakley Woody, and Frank W.
Phillips
Stevenson Mine
Mitchell 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. Laurenne, 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 you may give the members of the Field Team during the examination will be appreciated.

Sincerely yours,

C. D. Mittendorf

Administrator

WCAnderson:gad 8/8/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Anderson
Field Team, Region V

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

RECEIVED
AUG - 1 1955

August 1, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA - 3908 (mica)

Applicant: L. Stevenson, T. Stevenson, C. Woody, F. W. Phillips

Name and Location of Property: Stevenson Mine,
Mitchell County, North Carolina

Date Application Rec'd. by Br. of Ceram. and Fert. Materials: July 26, 1955

Comments:

1. This property was prospected under DMEA-2524 but the project was abandoned prior to completion.

2. From the limited information presented, it is difficult to determine if an exploration program is justified or if the proposed plan would be the best method of explorating this property.

Recommendation:

It is recommended that the field team visit this mine whe in that vicinity to ascertain if an exploration project is justifi If so, the field team and applicant should agree on a definite pl of exploration on a unit-cost basis.

W. F. Dietrich

IN REPLY REFER TO:

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

RECEIVED
AUG - 3 1955

August 1, 1955

Re: DMEA 3908
Lloyd Stevenson, et al.
Stevenson Mine
Mitchell Co., N. C.
$6,000 - Mica

Memorandum

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

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

Subject: Review of Application.

This property was the scene of work under Idm-2430, DMEA 2524. The contract was terminated in 1953 by mutual agreement, following the refusal of the contractors to proceed with the drifting. The Final Field Team report, dated September 16, 1953, says "The operators abandoned the project before it was brought to completion. That portion of the project completed failed to discover a worthwhile deposit of mica; therefore, no certificate of discovery should be issued." The report also says "Approximately 800 pounds of book mica was obtained from the incline, about 50 percent was green in color." No estimate as to its value is given and none is reported sold. An Interim Report dated February 10, 1953, says "It was suggested that they continue, carrying out the drifting as set up in the contract because to the NE of the shaft location and along the strike of the pegmatite, there are certainly good indications of mica bearing pegmatite at surface level." The present application says "The mine had produced a reasonable quantity of high quality mica for what work had been done.

In view of the varying opinions the decision should be made by the Field Team. A contract that would complete the older program would appear to be in order.

Referral to the Field Team is recommended.

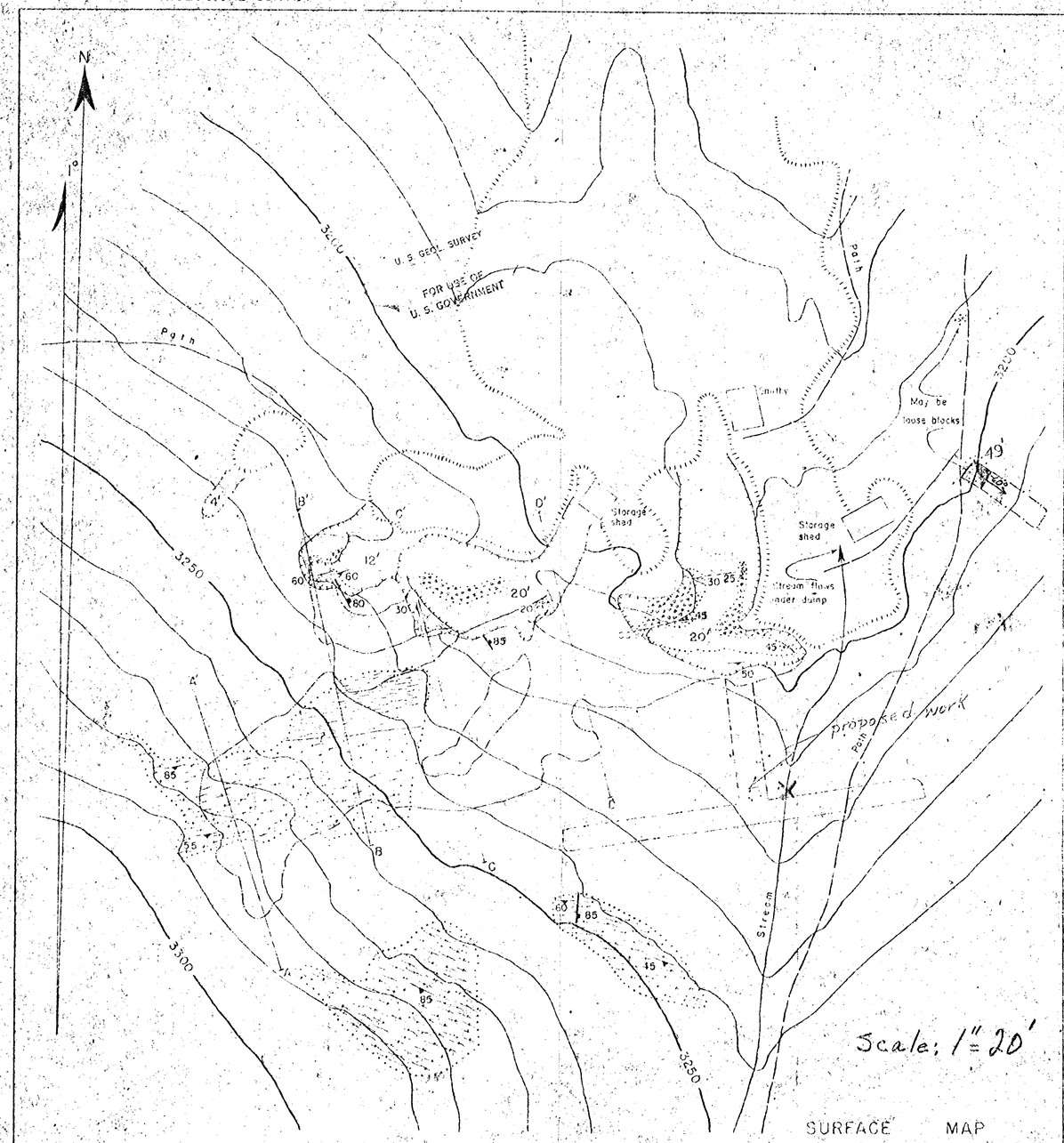
N. E. Nelson

N. E. Nelson

NENelson:iml
G-8/1/55
cc: Director's reading, 4212
Branch reading, 4212
DMEA (3)
Docket file
W. F. Dietrich, 3061

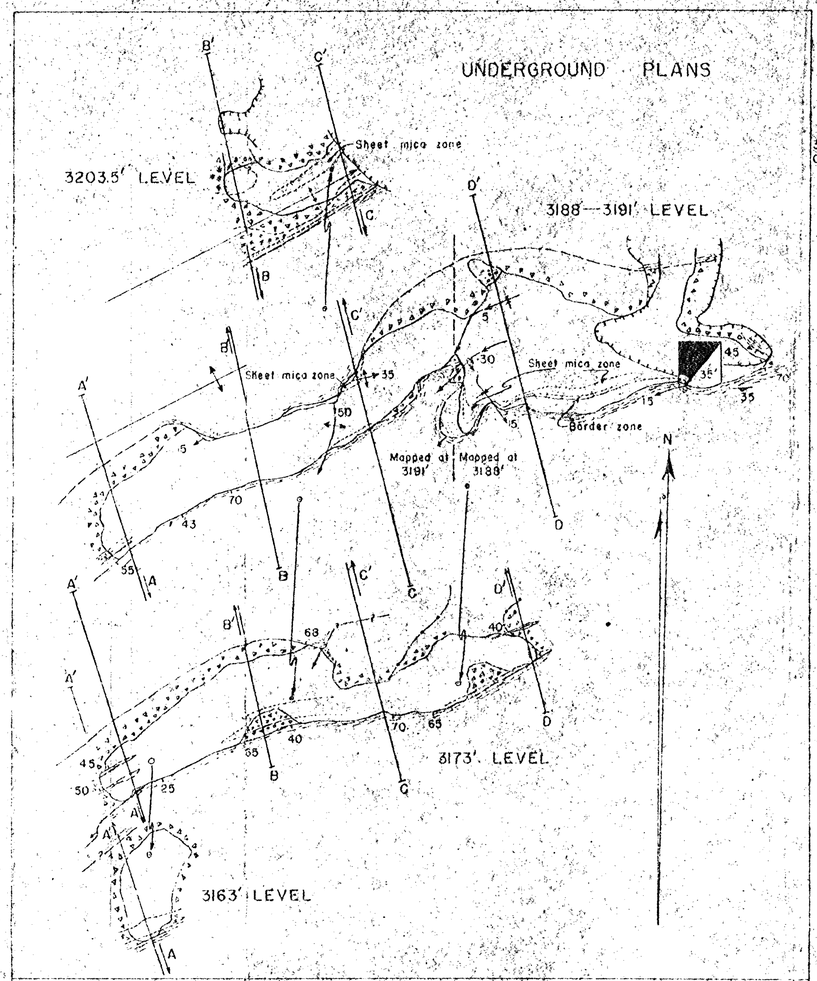
UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

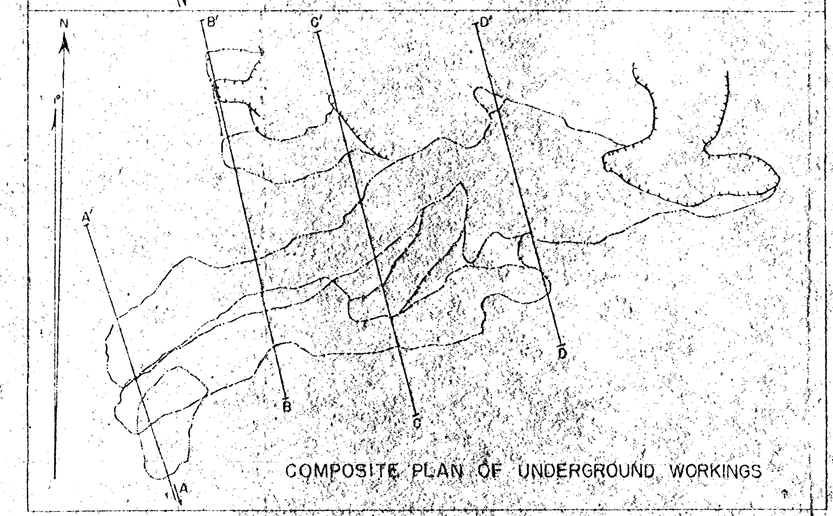
STRATEGIC MINERALS INVESTIGATIONS
PRELIMINARY MAP



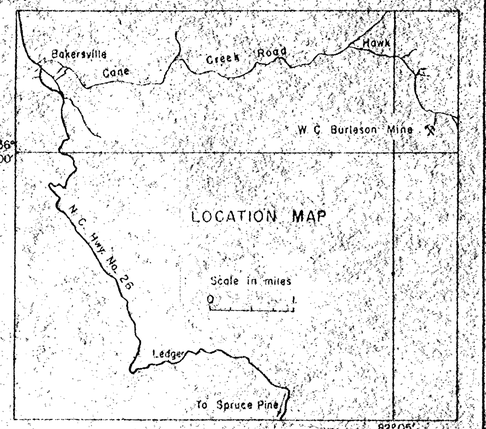
SURFACE MAP

W. C. Burleson Mica Mine





COMPOSITE PLAN OF UNDERGROUND WORKINGS



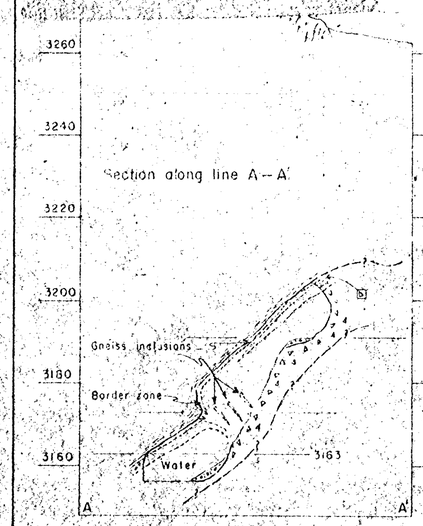
EXPLANATION

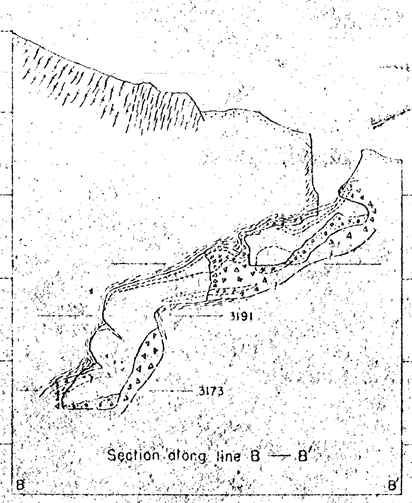
- Muck
- Overburden
- Graphic granite
- Plagioclase – quartz – microcline pegmatite
- Plagioclase – quartz pegmatite containing sheet mica
- Border zone
- Biotite gneiss
- Mica – garnet gneiss
- Hornblende gneiss
- 60 Strike and dip of foliation
- 85 Strike and dip of joint
- 50 Pitch of rail in pegmatite contact
- 50 Axis of minor anticline, showing pitch
- 5 Axis of minor syncline, showing pitch
- 55 Contact, with dip
- Approximate contact
- Inferred contact
- Exposed contact between pegmatite units
- Inferred contact between pegmatite units
- Limit of exposure
- 4' Rim of excavation, showing depth
- Outline of dump
- Outlines of mapped levels:
  - 3163' level
  - 3173' level
  - 3188-3191' level
  - 3203.5' level
- Intermediate levels
- Outer limits of underground workings (surface map)
- Approximate outline of underground workings
- 35' Shaft, showing depth

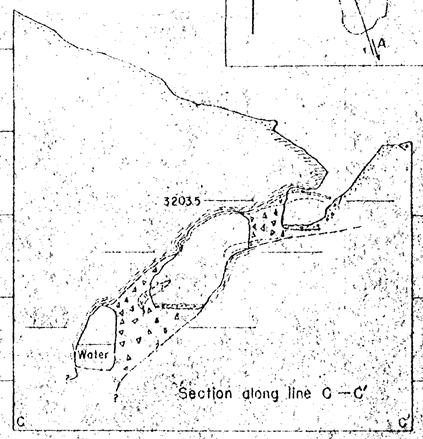
Mapped by: U. S. GOVERNMENT
J. B. Hadley
J. R. Wolfe, Jr.
W. P. Irwin
R. W. Lemke

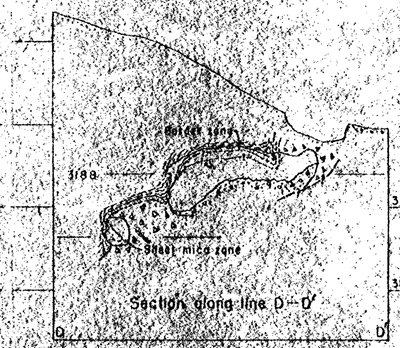
December 1944 and January 1945

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









Scale in feet
20 10 20 40 60 80 100
Contour interval 10 feet. Datum assumed

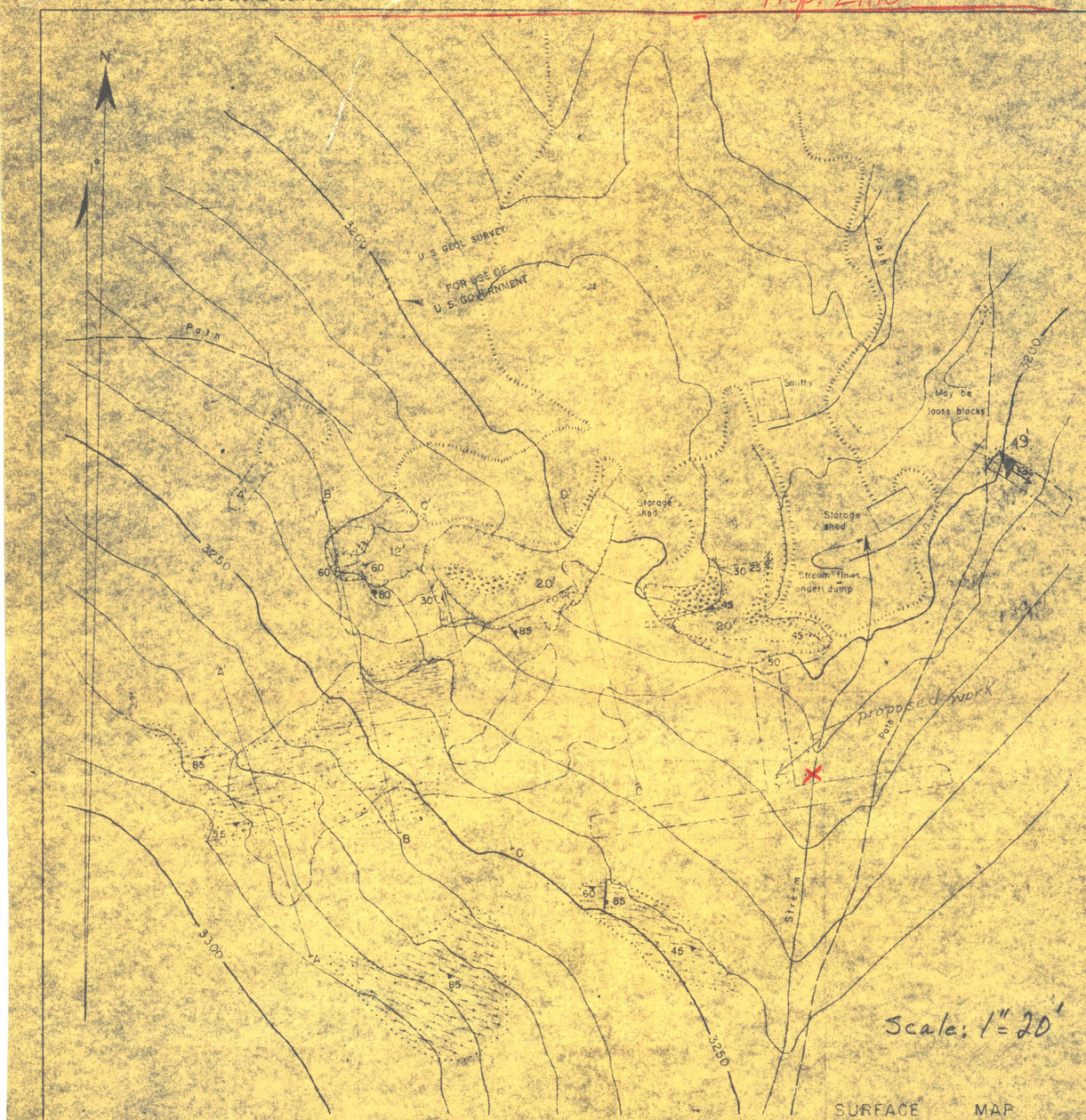
DMEA-3908 (mica)

W. C. BURLESON MICA MINE, MITCHELL COUNTY, NORTH CAROLINA

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

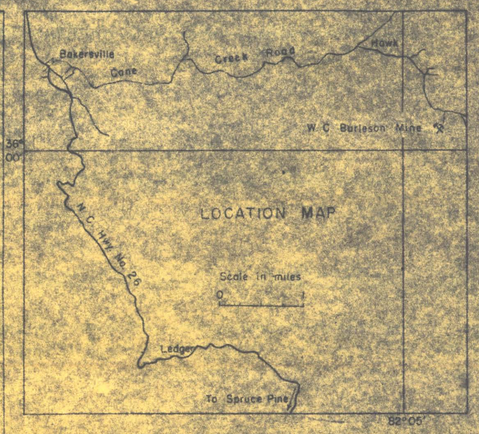
STRATEGIC MINERALS INVESTIGATIONS
PRELIMINARY MAP

Prop. Line



SURFACE MAP

W. C. Burleson Mica Mine



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[redacted]

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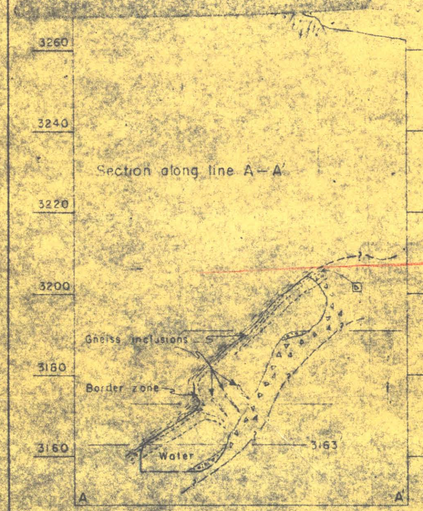

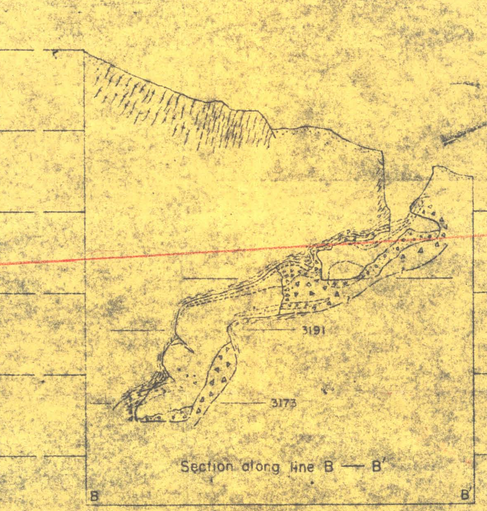

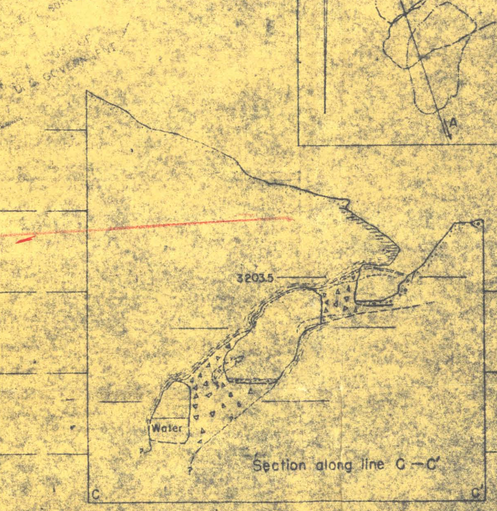

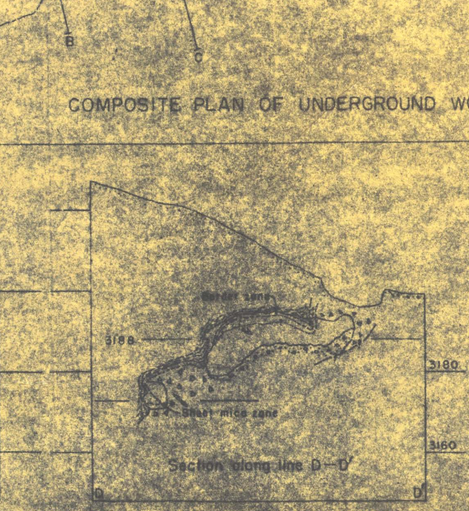

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