DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

The Ferguson Mine Company
c/o Harry Moses
Route 5, Franklin, North Carolina

pertaining to Exploration Project Contract No. IAm-2918, Docket No. DMEA-4002, for the months of February 1956, to June 1956, inclusive, covering a project for the exploration of strategic mica on property, known as the Ferguson Mine located in Macon County, North Carolina.

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

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

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

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

Total cost as billed by Contractor		$4,832.00
Exceptions:		
By DMEA Finance Officer	-0-	
Moreover	-0-	-0-
Total Accepted Cost		$4,832.00

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

$3,624.00

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

E. D. Talbert, Auditor

July 2, 1956

Division Copy

RECEIVED
FEB 23 1956

MF-200A
(Revised June 1954)

Docket No. DMEA 4002

Commodity Mica

Contract No. Idm-E 918

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

It is agreed this February 14, '56 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] The Ferguson Mine Company, a partnership consisting of Harry Moses, Ray Franklin and Dale Carter, whose mailing address is c/o Harry Moses Route #5, Franklin, North Carolina, hereinafter called the "Operator," as follows:

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

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

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

(b) The Operator represents and undertakes that:

(1) The Operator is the [4] Lessee of [5] Mica Mineral Rights only 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] un recorded in Book ....., page ....., official records of said County; and

(2) The Operator's right, title, or interest (whether as owner, lessee, or otherwise) is subject only to the following claims, liens, or encumbrances: Royalty (11% of gross returns) as specified in Operator's lease.

(c) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above, and (if the Operator does not hold the legal title) the Consent to Lien of any holder of the legal title of the land (lessor, seller, optionor, etc.), are attached, as follows: Owners' Consent to Lien

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

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

ARTICLE 3. *The exploration project.*—The project is a search for indicated or undeveloped deposits of Strategic Mica. The work to be performed is described in Exhibit "A." The Operator on or before MAR 31 1956 shall commence the work, and on or before July 31, 1956 (unless the Operator's obligation to complete the work is terminated—see Article 8) shall complete the work.

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

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

ARTICLE 5. *Contribution by the Government.*—A fixed cost for each unit of work to be performed (per foot of drifting, per foot of drilling, per hour of operations, etc.) is hereby agreed upon, and is set forth in Exhibit "A" in connection with the estimated total cost of the project in the sum of $4,832.00 The Government will contribute 75 percent of the fixed unit costs as work is performed, in a total sum not in excess of $3,624.00: *Provided,* That until the Operator has rendered to the Government his final report, and any final auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of 10 percent of the estimated total cost of the work. The Government will make its contribution on the basis of the monthly vouchers referred to in Article 6(b), but all payments by the Government are provisional only, subject to audit, until the account between the Operator and the Government is finally audited and settled. To the extent that excesses over fixed unit costs or any excess over the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such excesses for his own account without contribution by the Government. The Government may make payments directly to independent contractors and suppliers for the account of the Operator rather than to the Operator.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

ARTICLE 11. *Changes and added provisions.*—

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

THE FERGUSON MINE COMPANY
(Operator)

By C. J. Mittendorf
Administrator, Defense Minerals
Exploration Administration
Indirity 1/30/56
"Approved for Off."
Hpt
Lock
Chambers Selfridge

By Harry Moses (Partner)
By Ray Franklin (Partner)
By Vale Carter (Partner)

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

.....

[CORPORATE SEAL]

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

EXPLORATION PROJECT CONTRACT
THE FERGUSON MINE COMPANY
A Partnership Consisting of
Harry Moses, Ray Franklin and Dale Carter
DOCKET NO. DMNA-4002

ANNEX I

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

All that part of the John C. Ferguson Farm lying to the West side of Cat Creek, described in a deed from John C. Ferguson, widower, to Charles Ferguson and wife, Reta Ferguson, dated November 12, 1951, and recorded in the office of the Register of Deeds for Macon County, North Carolina, in Deed Book R-6, at page 36. The tract herein leased is described in particular as follows:

BEGINNING at 6 inch scurwood corner, thence N. 29°W. 204 feet to a stake in South boundary line of tract being leased; thence East 138 feet a stake the S. E. corner of lease tract; thence North 500 feet a stake on N. side of ridge; thence West 500 feet to a stake on hillside; thence South 390 feet a stake in old line; thence with old line S. 56 degrees E. 200 feet a stake; thence East 200 feet to BEGINNING. Corner of leased tract. This corner is in line from scurwood corner to mine shaft which bears N. 25 W. 483 feet from said scurwood corner. Containing 5.5 acres, be the same, more or less.

MF-203
Revised March 24, 1955

For Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator_____
Docket No. DMEA-_____
Contract No. Idm-E_____
Contract Date_____

CONSENT TO LIEN

RECEIVED
DEC 15 1955

To the United States of America:

Referring to that certain land in the County of _____, State of _____, described as follows:1/ All that part of the John C. Ferguson Farm lying to the West side of Cat Creek, described in a deed from John C. Ferguson, Widower, to Charles Ferguson and wife Rita Ferguson, dated November 12, 1951, and recorded in the office of the Register of Deeds for Macon County, North Carolina in Deed Book B-6, at page 36, The Tract herein leased is described in particular as follows: BEGINNING at a 6" Sourwood Corner, thence N 25 W 204 feet to a stake in South boundary line of tract being leased; thence E. 132 feet a stake the south east corner of lease tract; thence North 500 feet a stake on N. side of ridge; thence West 500 feet to a stake on hillside; thence S.
(CONTINUED ON REVERSE SIDE)

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 _____, and recorded in book B-6 page 36 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: 390 feet to a stake in old line; thence with old line S. 56 deg. E. 200 feet to a stake; thence East 200 feet to BEGINNING. Corner of leased tract, This corner is in line from sourwood corner to sing shaft which bears N. 25 W. 483 feet from sourwood corner. ~~XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX~~ Containing 5.5 acres, be the same, more or less.

Dated this 4th day of November, 1955.

John C Ferguson [Seal]

Charley J. Ferguson [Seal]

Rita L Ferguson [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]

EXPLORATION PROJECT CONTRACT
THE FERGUSON MINE COMPANY
A Partnership Consisting of
Harry Moses, Ray Franklin and Dale Carter
DOCKET NO. DMEA-4002

Exhibit "A"

Description of the Work

The approximate location of the work is shown on the map entitled "Ferguson Mine DMEA-4002 (Mica)" attached hereto and made a part hereof.

The work consists of the following:

1. 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 jarproof lock.

2. Recondition and enlarge existing 25-foot shaft to two compartments, the shaft to have minimum overall cross-sectional dimensions of 5 feet by 7 feet in the clear of timber.

3. Sink shaft an additional 35 feet.

4. From the shaft drive 80 feet of drift and/or crosscut having minimum cross-sectional dimensions of 5 feet by 7 feet in the clear of timber.

All work shall be timbered as necessary.

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

Fixed Unit Costs

1. Construct:

Toolhouse	$ 76.00
Powder Magazine	26.00
Exploder Magazine	15.00

2. Recondition and enlarge shaft

25 feet @ $24.40/ft.	610.00

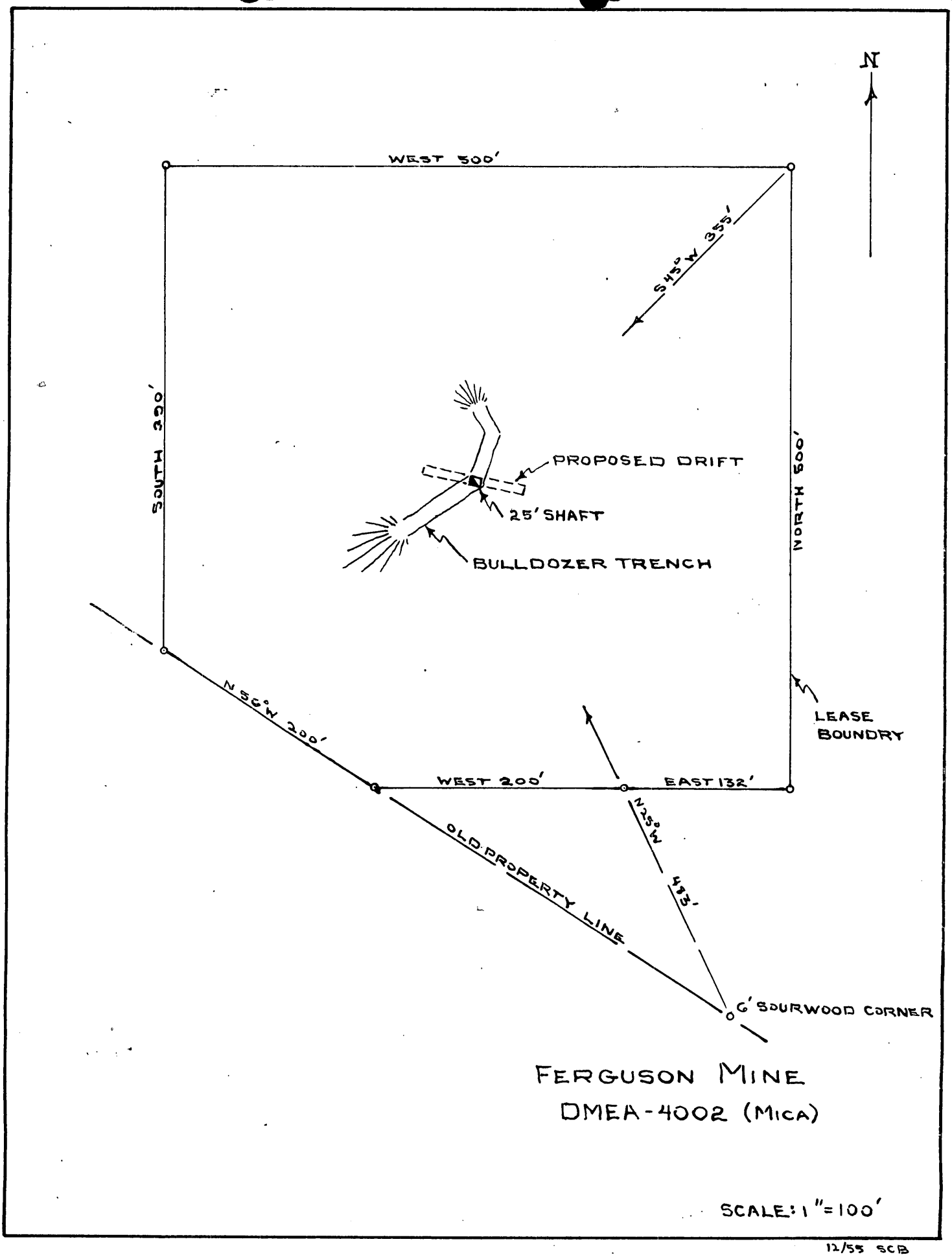
3. Shaft sinking

35 feet @ $43.00/ft.	1,505.00

4. Drifting

80 feet @ $32.50/ft.	2,600.00

Estimated Total Cost of Project	$4,832.00
Government Participation @ 75%	$3,624.00


N
WEST 500'
S45°W 355'
SOUTH 300'
NORTH 500'
PROPOSED DRIFT
25' SHAFT
BULLDOZER TRENCH
N56°W 200'
LEASE BOUNDRY
WEST 200'
EAST 132'
N25°W
433'
OLD PROPERTY LINE
6' SOURWOOD CORNER
FERGUSON MINE
DMEA-4002 (MICA)
SCALE: 1" = 100'

12/55 SCB

DMEA-4002 CLOSING LETTER TO OPERATOR

March 20, 1957.

LETTER TO MR. R. A. LAURENCE
enclosing three copies of
closing letter to be forwarded
to Messrs. John C. Ferguson,
Charles J. Ferguson and Miss Rita C.
Ferguson signers of Consent to Lien.

EXTRA COPY, DMEA RECEIVED APR 3 1957		
DATE	INITIALS	CODE
		600

April 1, 1957

Mr. Charles J. Ferguson
Route 4
Franklin, North Carolina

Re: Docket No. DMEA-4002 - Mica
The Ferguson Mine Company
The Ferguson Mine
Macon County, North Carolina
Contract No. Idm-E918

Dear Mr. Ferguson:

Reference is made to the Consent to Lien which you executed in connection with the DMEA contract for an exploration project on your property located in Macon County, North Carolina.

For your information, there is enclosed a copy of our letter of March 21, 1957, to The Ferguson Mine Company, advising that the Government retains no claim or lien against the property described in the contract or any future production therefrom.

Very truly yours,

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

RAL/mg
Enclosure
cc
Operating Committee (3)
Lynch
Shirley
Files

EXTRA COPY
D M E A
RECEIVED MAY 3 1957

DATE	INITIALS	CODE
		600

April 1, 1957

Miss Rita C. Ferguson
Route 4
Franklin, North Carolina

Re: Docket No. DMEA-4002 - Mica
The Ferguson Mine Company
The Ferguson Mine
Macon County, North Carolina
Contract Icm-F91B

Dear Miss Ferguson:

Reference is made to the Consent to Lien which you executed in connection with the DMEA contract for an exploration project on your property located in Macon County, North Carolina.

For your information, there is enclosed a copy of our letter of March 21, 1957, to The Ferguson Mine Company, advising that the Government retains no claim or lien against the property described in the contract or any future production therefrom.

Very truly yours,

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

RAL/mg
Enclosure
cc
Operating Committee (3)
Lynch
Shirley
Files

EXTRA COPY
D M E A
RECEIVED

DATE	INITIALS	CODE
		600

April 1, 1957

Mr. John C. Ferguson
Route 5
Franklin, North Carolina

Re: Docket No. DMEA-4002 - Mica
The Ferguson Mine Company
The Ferguson Mine
Macon County, North Carolina
Contract No. Idm-E918

Dear Mr. Ferguson:

Reference is made to the Consent to Lien which you executed in connection with the DMEA contract for an exploration project on your property located in Macon County, North Carolina.

For your information, there is enclosed a copy of our letter of March 21, 1957, to The Ferguson Mine Company, advising that the Government retains no claim or lien against the property described in the contract or any future production therefrom.

Very truly yours,

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

RAL/mg
Enclosure
cc
Operating Committee (3)
Lynch
Shirley
Files

IN REPLY REFER TO:

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

RECEIVED
OCT 18 1956

October 17, 1956

Re: DMEA 4002, Idm-2918
The Ferguson Mine Co.
Ferguson Mine
Macon County, North Carolina
$4,832.00 - Mica

Memorandum

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

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

Subject: Review of Field Team Final Report.

The contract approved the expenditure of $4,832.00 all of which was spent on rehabilitation of a 25-foot vertical shaft, extending the shaft 35 feet and driving 80 feet of crosscut and drifts.

In the course of the work in the zoned 5- to 6-foot pegmatite 2742.55 pounds of mica was recovered and sold for $233.06. Mica of an estimated value of $70.00 remains unsold.

Because no significant reserves of mica were indicated and the quality is low, the examiners and Field Team recommend that no certificate be issued.

I concur with that recommendation.

N. E. Nelson

N. E. Nelson

NENelson:iml
G-10/17/56

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

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

RECEIVED
OCT 11 1956

October 9, 1956

Memorandum

To: Finance Office - DMEA - Region V

From Executive Officer, DMEA - Region V - Knoxville

Subject: Royalty Payment - Idm-E918, DMEA-4002 -Mica Ferguson Mine, Macon County, N.C.

Transmitted is a bill-of-sale in the amount of $171.31, and a check for 5% royalty in the amount of $8.57 to the credited to the subject contract.

Robert A. Laurence

ZM;
cc
Mittendorf
Lynch
Files
Shirley

12.45
8.57
$21.02

copy

RECEIVED
OCT 11 1956

GENERAL SERVICES ADMINISTRATION
FINAL SETTLEMENT
Mica Purchasing Depot, Spruce Pine, N. C.

Date Purchased 6-22-56

Acceptance No. 1300(a)

Certificate 1711A
Authorization No.

LOT No. 1300(a)
SP-

VOUCHER No.

	TOTAL Wt. Lb	Lbs-G.S	Lbs-Stained	Lbs-Hy-Stained	Total Value
Processed for Payment	17.05	3.36	9.19	4.50	171.31
No Processed Pay't					
THINS					
BLACK Dots Spots Stains					
Undersized					
Process- ~~Gain~~ Loss	.19				
Total Lbs Purchased	17.24				

Less: Initial Payment - Voucher No. 2 Sch. No. 418 59.32

Balance Due Government Seller 111.99

Seller's Name: Ferguson Mining Co

NAME OF MINE: Ferguson

DMEA No. 4002 Idm-E 918

Address: R#5 - Franklin, N.C

Macon County, N.C

Approved

Date:

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

August 20, 1956

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

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

Subject: DMEA-4002 (mica)

Applicant: Ferguson Mine Co. (H. Moses)

Name and Location of Property: Ferguson Mine, Macon County, N. C.

Contract Number: Dma-E 918

Date of Field Team Report: 8/2/56

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 8/9/56

Field Team Recommendation: Recommend no certification of discovery.

Comments:

1. Mica recovered during exploration was mostly non-strategic quality.

2. Sufficient work has been done to indicate the pegmatite is not suitable for producing large quantities of strategic mica.

3. Expenditures -

Total approved	$4,832.00
Total cost	4,832.00
Gov't share of the cost	3,624.00
Value of production during operation	303.06

Recommendation:

I concur with the field team's recommendation for no certification of discovery.

Signed
W. F. Dietrich

RECEIVED
AUG 21 1956

RECEIVED
AUG - 6 1956

August 3, 1956

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Field Team Final Report, DMEA-4002, Idm-E918 (mica)
The Ferguson Mine Company, Franklin, N.C.
Ferguson Mine, Macon County, N. C.

Enclosed are four copies of the subject final report.

Certification is not recommended.

Robert A. Laurence
Executive Officer, DMEA
Region V

RAL/sm
cc:
Lynch
Shirley
Files

V. J. Lynch, Member
DMEA Field Team, Bureau of Mines

Approved by
DMEA Operating Committee
8-10-56
(date)

EXPLORATION PROJECT

RECEIVED
AUG - 6 1956

FIELD TEAM FINAL REPORT, REGION V

On

DMEA-4002, Idm-E918 (mica) FERGUSON MINE

Operator: The Ferguson Mine Company, c/o Harry Moses, R#5, Franklin, N.C.

Summary

About 2743 lbs. of "mine-run" block muscovite was recovered from 35-feet of new shaft (25 to 60 ft level) and 80 feet of drift and crosscut. Most was of non-strategic quality due to staining. No further exploration is warranted. It is recommended that the mine not be certified as a discovery.

Introduction

The Ferguson Mine is 0.75 miles west of Holly Springs Church (center of Corbin Knob, N.C. TVA Quad. 1/24,000) and 2.25 airline miles N 60° E of the town square of Franklin, N. C.

Previous work consisted of a curved trench 100 x 10 x 10 feet deep, a 25.5 foot deep untimbered shaft and several caved pits (see attached map).

Work performed under the contract consisted of building a toolhouse (8 x 10 x 7 ft high), powder and exploder magazines; enlarging and rehabilitating the existing 25-foot vertical shaft and sinking ~~[illegible]~~ an additional 35 feet of shaft; and driving 80 feet of laterals from the 56-foot level of the shaft. The shaft was made 5 x 7 feet in cross section and was timbered with 2 x 6 inch oak timber. It was made safe by the installation of a solidly cribbed manway with staggered (12 ft intervals) ladders. The Operator built the shaft collar up and dumped muck around it in order to partially fill the trench. All lateral work was 5 x 7 feet in cross section and was not timbered.

The Operator completed the contract in a satisfactory and workmanlike manner. Ventilation problems forced installation of a blower.

No equipment was purchased by the Government under the contract.

Geology

Pegmatite and Country Rock:

Exposures in the cut show a conformable pegmatite 5 to 6 feet thick with a 2-foot thick quartz core. It strikes N 80° W and dips 72 to 82° to the northwest.

In the underground workings the pegmatite is about 5 feet thick, strikes N 80° E and dips 72 to 90° to the northwest. No definite quartz core exists at the 56-foot level, only occasional quartz stringers; however, the body is zoned having a quartz zone 2-inches thick along the contacts adjacent to a medium-to-coarse-grained plagioclase muscovite zone that grades inward to a fine-grained plagioclase-sericite-biotite-muscovite zone.

The pegmatite was traversed by a 12-foot crosscut that was driven in a N 40° W direction to the hanging wall from the 56-foot level of the shaft. From the head of the crosscut a drift was driven S 80° W along the hanging wall for 44 feet. Both contacts of the body were intersected at a point 20-feet from the crosscut and followed westward for 24 feet. A 24-foot drift driven eastward (first 12 ft N 80° E and the remainder S 30° E) from the head of the crosscut encountered the termination of the pegmatite about 12-feet from the head of the drift. The body " fingers out" and grades into migmatite and gneiss.

The adjacent country rock is biotite gneiss whose foliation strikes N 70 to 80° E and dips 72 to 82° to the northwest

Muscovite

Ruled muscovite which is of strategic quality at the surface, is bent,

ruled and stained at the 56-foot level.

No definite zones of muscovite were encountered. The entire production of about 2743 pounds of block muscovite was scattered through the body; both near the contacts and in the center. In the last few feet of drift to the southwest some books of mica recovered were 3 x 6 inches.

Production:

Total production from work done under the contract was 2742.55 lbs. Sales were as follows:

GSA Depot	36.55 lbs. timmed	$152.92
Farnam Co.	421 lbs punch	50.52
Franklin Minerals,	1975 lbs. scrap	29.62
	2432.55	$233.06

In addition 10 pounds of trimmed mica and 300 pounds of punch is now being processed and may bring an estimated $70.00.

The trimmed muscovite had a very low average value per pound (4.19).

Quality of trimmed mica from sales made is as follows:

Good stained and better	# 4 & 5	.31 lbs.
~~Stained~~	# 5 & 6	4.22 "
Stained		
	4 & 5	.06 "
	5½ & 6	3.90 "
(half-trimmed)	5½ & 6	1.12 "
Heavy Stained (half-trimmed)	5½ & 6	26.94 "

Conclusions

No significant reserves of strategic muscovite are indicated or inferred. The poor quality of the muscovite recovered indicates that any furhter work would be uneconomical. The Operators have removed their equipment from the premises and do not intend to do any more work. It is recommended that the mine not be certified as a discovery.

Expenditures

(a)	Total amount of Contract	$4,832.00
(b)	Total Spent	4,832.00
(c)	Government participation	3,624.00
(d)	Government's share unexpended	None
(e)	Value of production during opr. (i) sold	233.06
	(ii) to be sold	70.00
	Estimated value	303.06
(f)	Royalty to date	12.45

August 2, 1956

A. R. Taylor, Geologist
Geological Survey

L. E. Shirley, Mining Engineer
Bureau of Mines

RECEIVED
AUG - 6 1956

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT

On

DMEA-4002, Idm-E918 (mica) FERGUSON MINE
Macon County, North Carolina

By

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

and

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

Reviewed by
DMEA OPERATING COMMITTEE
8-10-56
(date)

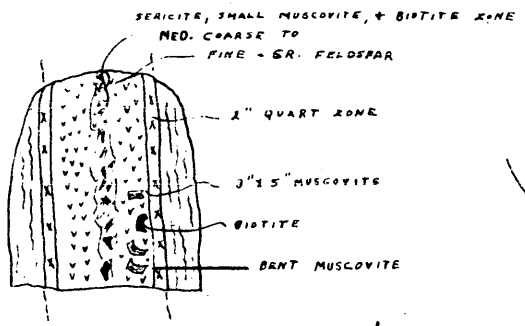
August 2, 1956

DMEA - 4002, IDM - E 918 (MICA)

FERGUSON MINE

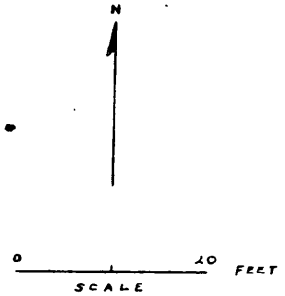
MACON CO., N.C.

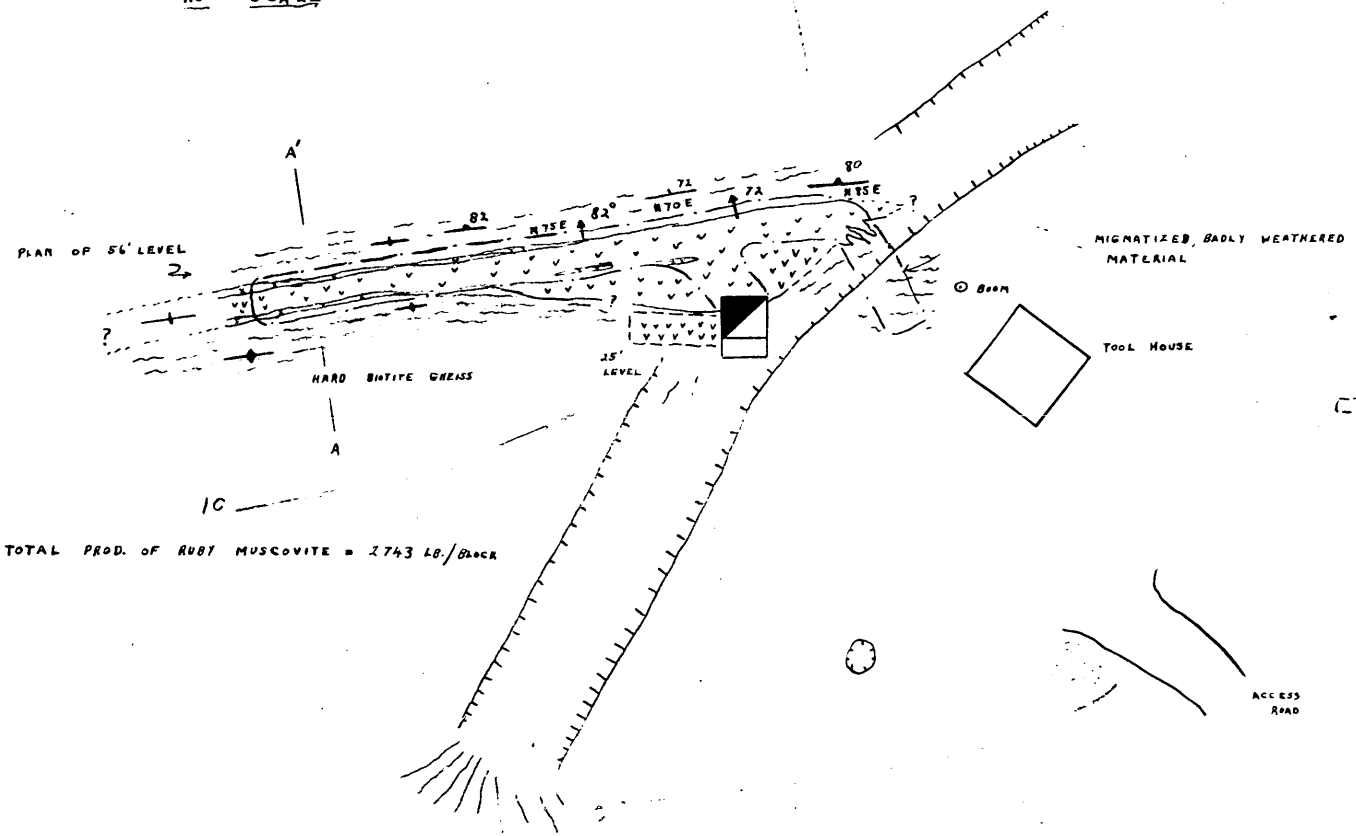
8 - 1 - 1956



A — X - SECT — A'

NO SCALE





TOTAL PROD. OF RUBY MUSCOVITE = 2743 LB./BLOCK

PEGMATITE w/ QUARTZ STRINGERS

GNEISS

UNDERGROUND WORKS

TRENCH

SHAFT COLLAR

STRIKE + DIP OF PEGMATITE

STRIKE + DIP OF GNEISS FOLIATION

PIT (SMALL, CAVED)

TAYLOR - 7-1-56

July 12, 1956

RECEIVED
JUL 16 1956

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Operator's Final Report, DMEA-4002, Idm-E918 (mica)
Ferguson Mine Co. Franklin, N.C. Ferguson Mine,
Macon County, N. C.

Enclosed are 4 copies of the subject report.

Robert A. Laurence

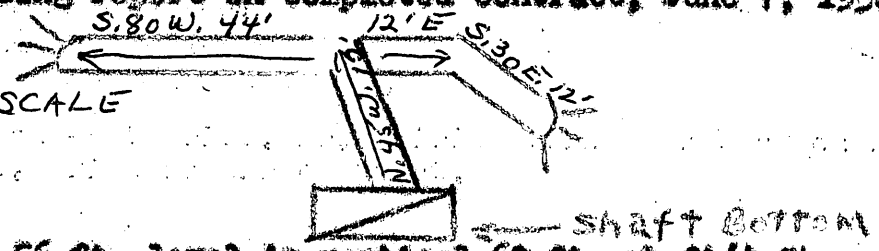
RAL/xm
cc:
Lynch
Shirley
Files

To the United States Department of the Interior
Defense Minerals Exploration Administration
Washington 25, D.C.

Re: Docket NO. DMEA- 4002
Contract no. IDM. E. 918

RECEIVED
JUL 16 1956

Final Engineering report on completed contract, June 7, 1956.



Note NOT TO SCALE

Cross cut from 56 ft. level in vertical 60 ft. shaft(4 ft. sump) 12 ft. N. 45w. thence from cross cut 44 ft. S. 80 w., thence from east side of cross cut went 12 ft. E. thence 12 ft. S. 30E, Ran out of pegmatite in gneiss at approx. 15 ft/ total in all total in all 60 ft. drift.

Progress report on completed contract.
Constructed tool house (76.00) Powder Mag. (26.00) Exploder Mag. (15.00) reconditioning and enlarging existing shaft and timbering (610.00) sunk shaft and timbered 35 ft. more for a total of 60 ft. as per contract (1505.00) Cross cut vein at 56 ft. level (4 ft. sump) all pegmatite vein, 12 ft. drift N. 45 W. Vein measured 8 ft. at cross cut, thence 44 ft. S. 80 W. in pegmatite and scattered quartz. Vein narrowed to approx. 3 ft. at end of 44 ft. drift in pegmatite and scattered quartz. Thence from East side of cross cut 12 ft.in pegmatite and wall rock (no mica). Turned S. 30 E. 12 ft.(attempting to pick up scattered vein) ending in gneiss. This completed 60 ft. drift. (2600.00) Total contract(4832.00).

Mica recovered in process of completing contract.

Sold to General Services Administration 36.55 lbs. ---	$152.92
Sold Farnam Co. Punch mica 421 lbs. ----------	$ 50.52
Sold to Franklin Mineral Products Scrap Mica 1975 lbs.	$ 29.62
Total	$233.06

Balance of mica is in process.
Approx. 10 lbs. is at Spruce Pine. Approx. 300 lbs.of punch is in process. All scrap has been sold. Approx. amount of mica recovered under contract is 2742.55lbs All recipts will be sent under seperate cover together with royalty (5%) to DMEA. office Knoxville,Tenn. Balance of receipts will be sent together with royalty (5%) as soon as processing is completed.

Signed Harry Moses
May Franklin
Dale Carter

INTERIM REPORT

DMEA-4002, Idm-E918 (Mica) FERGUSON MINE

Operator: The Ferguson Mining Co., c/o Harry Moses, Route No. 5, Franklin, North Carolina

Location: 0.75 mil west of Holly Springs Church, Corbin Knob, Quadrangle, Macon County, North Carolina

This project has been completed without making a worthwhile discovery of strategic mica. The operator does not indicate that any additional exploration will be attempted at his own expense and at the time of this visit plans were being made to remove equipment from the mine site. Certification of this contract will not be recommended because the poor quality of mica recovered does not indicate that sufficient reserves of strategic mica exist to warrant such a recommendation.

Work performed under contract consisted of reconditioning and enlarging an existing 25 foot shaft to 5 feet by 7 feet in cross section, sinking an additional 35 feet of shaft and driving 80 feet of drift from the shaft bottom along the strike of the pegmatite. The body, as explored from the shaft, strikes N75°E, dips steeply NW, and averages about 5 feet in thickness. Quartz and mica is disseminated throughout the body; no quartz core nor mica "shoot" exists in this body. The mica is of very poor quality at depth, prinicpally because of excessive staining. One

sale of 36 pounds of processed mica has been made to the GSA Depot, Spruce Pine, North Carolina. About 2000 pounds of scraphas been sold for $29.62 and 423 pounds of punch brought $52.00.

This project was conducted satisfactorily and in accordance with terms of the contract, and in safe and efficient manner. The operators are to be commended for a good job completed, in view of many discouraging factors.

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

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

June 19, 1956

RECEIVED
JUN 28 1956

P. O. Box 217
June 26, 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, Norris, Tennessee

Subject: Monthly reports and vouchers

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

Idn-F-918 The Ferguson Mine Company
Docket No. DMEA-4002
5th and final payment - month of June
Completion Date: 6-7-56
Amount $243.75

Helen R. Miller

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

Final

Form MF-54 (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

RECEIVED JUN 28 1956

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of June 1956 Docket No. DMEA 4002 Contract No. 918

Operator's Name Harry Moses Minerals Mica

Address R.F.D. 5 Franklin, N. C.

Contract Amount, $ 4832.00 Government Participation: 75 % Amount, $ 3624.00

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	$325.00	$2275.00	$2600.00			
Shafting		$1505.00	$1505.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Old shaft		$610.00	$610.00			
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.		$117.00	$117.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$325.00	$4507.00	$4832.00	325.00	4507.00	4832.00

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

Date June 21 *Payee Harry Moses

Per _____ Title Pres.

*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:

$ 243.75

Signature Helen R. Miller (Authorized Certifying Officer)

Date JUN 26 1956 Vou. No. 239

(See other side)

81.25

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E-918 in accordance with the terms of the contract.

Signature Alfred R. Taylor Title Geologist, USGS Date June 25, 1956

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature V. J. Lynch Title ACTING EXECUTIVE OFFICER DMEA REGION V Date JUN 25 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 DMEA-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
JUN 28 1956

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of June 1956 Docket No. DMEA 4002 Contract No. 918

Operator's Name Harry Moses Minerals Mica

Address R.F.D. 5 Franklin, 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		$325.00	10 ft.	$2600.00	80 ft.	$2600.00		
Crosscutting								
Raising								
Shafts				$1505.00	35ft.	$1505.00		
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Old 25ft. shaft				$610.00	1	$610.00		
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				$117.00				
TOTAL COSTS		$325.00	10 ft.	$4832.00				

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

Date June 21 Operator Harry Moses

Per _____ Title Pres.

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

(Instructions on reverse)

REMARKS:

(For Government use only)

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

Mica

Month of June, 1956

DMEA no. 4002
idm 918
Date work began

Work Accomplished

Scattered vein on east drift. Mr. Shirley turned us back on s.
To finish 80 ft. drift as per contract.

Daily notes

June 6- Drilled and blasted full heading.

June 7- Mucked 20 rounds. Drilled and blasted full heading and c
80 ft. drift.

RECEIVED
JUN 27 1956

June 25, 1956

Memorandum

To: Helen Miller, Administrative Assistant - Region V

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

Subject: Royalty Payment - Idm-E918, DMEA-4002, Ferguson Mining Co.
Ferguson Mine, Macon County, N. C.

Transmitted are bills-of-sale in the amount of $248.90, and a check for $12.45 representing 5% royalty on the sales to be credited to the subject contract.

V. J. Lynch

ZM,
cc:
Lynch
Mittendorf
Shirley
Files

Copy

Sm

RECEIVED
JUN 27 1956

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

Authorization No. 1711 A Acceptance No. 1086 Date: 4-27-56

Seller: Ferguson Mining Co. Rt 5 - Spruce Pine c/o Harry Moses

Mine: Ferguson DMEA No. ~~D#~~ 4002-Idu E 918

Macon County, N. C.

Quality of Mica	HALF TRIM			FULL TRIM		
	Pounds	Price/Lb.	Amount	Pounds	Price/Lb.	Amount
Good Stained & Better Grades No. 3 & larger					$70.00	
No. 4 and 5				.31	$40.00	12.40
No. 5½ and 6				4.22	$15.00	63.30
Stained No. 3 and larger		$12.00			$18.00	
No. 4 and 5		$ 5.00		.06	$ 8.00	.48
No. 5½ and 6	1.12	$ 3.00	3.36	3.90	$ 5.00	19.50
Heavy Stained No. 3 & larger		$ 8.00			$13.00	
No. 4 and 5		$ 4.00			$ 6.00	
No. 5½ and 6	26.94	$ 2.00	53.88		$ 3.00	
LOT TOTALS	28.06	//////	57.24	8.49	//////	95.68
TOTAL		//////		36.55	//////	152.92

Sold to: Franklin Minerals Product Co. 21.75
6-8-56 1450 lbs. @ $30/ton 7.87
5-18-56 525 lbs @ 30/ton
5-2-56 421 lbs @ 12¢ per lb. Domestic punch - to Vernon Sexton 50.52
6-22-56 198 lbs @ 08 " " punch (to Spruce Pine Mica Co) 15.84

Total $248.90

Royalty check 6-23-56 — $124.45

124.45

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE
PAYMENTS K-

OPERATOR'S MONTHLY REPORT AND VOUCHER

RECEIVED
JUN 18 1956

Month of May, 1956 Docket No. DMEA 4002 Contract No. 918
Operator's Name Harry Moses Minerals Mica
Address R.F.D. 5 Franklin, N. C.
Contract Amount, $ $4832.00 Government Participation: 75 % Amount, $ 3624.00

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	$1820.00	$455.00	$2275.00			
Shafting		$1505.00	$1505.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Old Shaft		$610.00	$610.00			
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.		$117.00	$1[illegible].00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$1820.00	$2687.00	$4507.00	1820.00	2687.00	4507.00

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

Date June 4 *Payee Harry Moses

Per Harry Moses Title Pres.

*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:

$ 1365.00

Signature Helen R. Miller
(Authorized Certifying Officer)

Date JUN 15 1956 Vou. No.

(See other side)

455.00

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E-918 in accordance with the terms of the contract.

Signature Alfred R. Taylor Title Geologist Date June 11, 1956

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lauer Title EXECUTIVE OFFICER DMEA REGION V Date JUN 11 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-10[illegible]A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

RECEIVED
JUN 18 1956

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of May 1956 Docket No. DMEA 4002 Contract No. 918
Operator's Name Harry Moses Minerals Mica
Address R.F.D. 5, Franklin, 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		$1820.00	56ft.	$2275.00	70ft.	$2275.00		
Crosscutting								
Raising								
Shafts				$1505.00	35ft.	$1505.00		
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Old 25ft. shaft				$610.00	1	$610.00		
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				$117.00				
TOTAL COSTS		$1820.00	56 ft	$4507.00				

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

REMARKS:

Date June 4 Operator Harry Moses

Per Harry Moses Title Pres.

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

Mica

Month of May, 1956

DMEA No. 4002
Idm 918
Date work began

Work accomplished

Hired two men for 2nd shift. Completed 40 ft. drift to west. I of completing drift to east. No vein on east drift.

RECEIV

Daily Notes

JUN 18

April 30 Drilled and blasted one round to curve drift w,n.w. into ve n. wall. two books of mica 6 in. in dia. showing in vein. Mucked 11 Gained 4 ft. in drift. Hired Ted Higdon and Less Young at 1.25 per work 2nd. shift.

May 1-2nd. shift mucked 5 rounds. Drilled and blasted in vein.
1st. shift mucked 8 rounds. Drilled all but 3 holes for a full using 6ft. carboloy crosstip bits. Some mica recovered.

May 2-2nd shift finished drilling header.Blasted one round.
1st shift mucked 3 rounds. Had to quit,dynimite fumes to stro

May 3-2nd shift mucked 3 rounds because of fumes.
1st shift set up blower. Mucked 11 rounds. started drilling he

May 4- 2nd shift finished drilling and blasted one round.
1st shift mucked 18 rounds.

May 7- 2nd shift drilled and blasted 1 round.
1st shift mucked 19 rounds. 10 lbs. no.5½ and larger mica re

May 8- Fixed permanent ladder in bottom of shaft. Fixed timber at b shaft to keep loose rock from falling. Drilled and blasted 1 south side of vein. Drift 19½ ft. w. n.w. bearing.

May 9- 2nd shift mucked 16 rounds.
1st shift drilled and blasted to south wall of vein, quartz 10 lbs. of no. 5½ and larger mica recovered. Mucked 12 round

May 10 2nd shift drilled 6 ft. heading and blasted.
1st shift mucked 29 rounds. Vein narrowed to 4½ ft. Mica boo Pegmatite. 20lbs. of nO. 5½ and larger recovered.

May 11 2nd shift took night off.
1st shift overhauled jackhammer repaired burst hose. Drilled

May 14 2nd. shift blasted and mucked 16 rounds.
1st shift mucked 27 rounds. 50lbs. no. 5½ and larger mica re vein following W. n.w. course.

May 15 2nd. shift mucked 16 rounds.
1st. shift drilled 6 ft. heading and blasted.

May 16 2nd shift mucked 7 rounds,fumes bad, quit.
1st shift mucked 22 rounds.

May 17 2nd shift drilled to slab off side of vein, blasted and muck
1st shift set up new blower and mucked 16 rounds.

May 18 2nd shift mucked 5 rounds. Drilled and blasted 6 ft. round.
1st shift mucked 12 rounds.

continued--

May 22- Changed night shift to days. Mucked 31 rounds. 50 lbs no.5½
mica recovered. Books showing in vein. Vein approx. 4 ft. w
stringer of quartz 2in. wide is on north and south walls.Mi
spotted vegetable stain. Hired mrs. Rice 1.00 per.hr. to sh

May 28- Took last week off to find good blower.
2nd shift drilled and blasted to finish 40 ft. drift west.
1st shift mucked 27 rounds. 30lbs no. 5½ and larger mica re

May 29- 2nd shift drilled and blasted on east drift.
1st shirt mucked 30 rounds. 40 lbs no. 5½ and larger mica r
Mica shoot on south wall of vein.

May 30- 2nd shift drilled and blasted in east drift. Mucked 17 roun
1st shift Mucked 11 rounds. Drilled and blasted in east dri

May 31- 2nd shift mucked 27 rounds.
1st shift drilled and blasted one round. Mucked 20 rounds.

June 1- 2nd shift drilled and blasted 1 round. Mucked 25 rounds.
1st shift drilled and blasted 1 round. Mucked 26 rounds.

June 2- 2nd shift mucked 40 rounds to clear west drift.
1st shift drilled and blasted 1 round. Mucked 30 rounds. Ea

June ~~3~~-4 Layed off 2nd shift.
1st shift mucked 10 rounds drilled and blasted 6 ft. round.

June ~~4~~-5 Mucked 10 rounds. Drilled and blasted 6 ft. round in west d
Mr. Shirley directed us to finish contract in west drift.No
showing in east drift. 10 ft. will ~~yet~~ complete the 80 ft.
as per contract.

INTERIM REPORT

RECEIVED
JUN 15 1956

DMEA-4002, Idm-E918 (mica) FERGUSON MINE

OPERATOR: The Ferguson Mining Co., c/o Harry Moses, R#5, Franklin, N. C.

LOCATION: 0.75 mile west of Holly Springs Church, Corbin Knob, Quadrangle, Macon County, N. C.

Drifting continues on this contract and combined with 8 feet of crosscut now totals 70 feet. Thirty-eight feet of the drift work has been conducted to the southwest and 24 feet to the east and southeast from the shaft bottom. The Operator was advised to return and drive the 10 feet of drift remaining under contract to the southwest in an effort to produce a better grade of strategic mica. Material encountered to the East has been extremely weathered and barren of mica. The body also appears to narrow to the east and contains less quartz than the southwest work has shown. Mica recovered in last work contains considerable stain, is ruled badly, and is warped or bent badly. Progress on this contract is satisfactory.

Mr. V. J. Lynch, Bureau of Mines Member of the Field Team for Region V, accompanied the Examiners on this visit to the mine.

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

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

June 5, 1956

INTERIM REPORT

RECEIVED
MAY 3 1 1956

DMEA-4002, Idm-E918 (mica) FERGUSON MINE

OPERATOR: The Ferguson Mining Co., c/o Harry Moses, R#5, Franklin, N. C.

LOCATION: 0.75 mile west of Holly Springs Church, Corbin Knob, Quadrangle, Macon County, N. C.

Drifting continues to the southwest on this contract and combined with 8 feet of crosscut now totals 36 feet. Both contacts of the body are now visible in the face. At the contacts there is a narrow quartz band, with a disseminated mixture of quartz, feldspar, and mica in between. The body is about 5 feet thick and continues to dip steeply to the northwest. Several medium-sized blocks of mica of poor quality were observed in the face. The Operator was advised to pull one more heading to the southwest, return to the shaft, and start a new drift to the northeast in an effort to produce mica of better quality.

This mine is now working two shifts, and drift progress should increase in the near future. Necessary timber work at the shaft bottom has been completed. Progress on this contract is satisfactory.

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

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

May 21, 1956

RECEIVED
MAY 18 1956

INTERIM REPORT

DMEA-4002, Idn-E918 (mica) FERGUSON MINE

Operator: The Ferguson Mining Co., c/o Harry Moses, Route 5, Franklin, North Carolina

Location: 0.75 mile west of Holly Springs Church, Corbin Knob, Quadrangle, Macon County, North Carolina

Drifting continues on this contract and now totals 19 feet; eight feet of crosscut has been driven from the shaft bottom in a N40°W direction and 11 feet of drift has been driven S80°W. The work is following the hanging wall of a pegmatite whose contact strikes N75°E and dips 80°NW. The body is conformable to the enclosing country rock and is composed of feldspar containing closely associated quartz, and badly stained muscovite mica. The operator was advised to continue driving to the southwest after picking up the foot wall contact. Some drift work will be conducted to the northeast at a later date. The operator estimates that approximately 3100 pounds of mica has been recovered to date from this operation; 2700 pounds came from shafting and and 400 pounds from the combined cross cut and drift. Much of this mica is of poor quality - a recent small sale of processed half-trim and full-trim to the G. S. A. Depot, Spruce Pine, North Carolina, averaged less than $5.00 per pound.

The operator was advised to widen the drift and raise the roof to conform with contract specifications. Progress on this contract is satisfactory.

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

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

May 8, 1956

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

Budget Bureau No. 42-R1036.5

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

Month of April, 1956 Docket No. DMEA [illegible] Contract No. [illegible]
Operator's Name [illegible] Minerals [illegible]
Address [illegible]
Contract Amount, $ [illegible] *Government Participation: ____% 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	[illegible]		[illegible]			
[illegible]	[illegible]	[illegible]	[illegible]			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
[illegible]						
[illegible]		[illegible]	[illegible]			
(4) Operating Equipment:		[illegible]	[illegible]			
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	[illegible]	[illegible]	[illegible]	799.00	1888.00	2687.00

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

Date [illegible] *Payee Harry Moses

Per _____ Title Pres.

*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:

$ 599.25

Signature Helen R. Melin
(Authorized Certifying Officer)

RECEIVED MAY 3 - 1956

Date MAY 2 1956 Vou. No. [illegible]

(See other side)

199.25

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E 918 in accordance with the terms of the contract.

Signature Alfred R. Taylor Title Geologist Date Apr. 30, 1956

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature V. J. Lagnich Title ACTING EXECUTIVE OFFICER DMEA REGION V Date APR 30 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 April 1956 Docket No. DMEA [illegible] Contract No. 918
Operator's Name Harry Moses Minerals [illegible]
Address Route 5 [illegible], N. M.

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		$55.00	14 ft.	$55.00	14 ft.	$55.00		
Crosscutting								
Raising								
Shafts		$30.00	[illegible] ft.	$150.00	35 ft.	$150.00		
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Old 25 ft. shaft				$610.00	1	$610.00		
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				$117.00				
TOTAL COSTS		$[illegible]	[illegible]	$[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 April Operator Harry Moses

Per Title Pres.

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 3 - 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

Month of April, 1936 — Mica

Mine No. [illegible]
Mine [illegible]
Date work began Feb. 20, 19[illegible]

Work accomplished

Finished digging 8 ft of shaft to complete 60 ft. shaft as per contract. Overhauled jackhammer, completed 24 ft. ladder and landings in shaft. Crosscut vein n.w. bearing. Drift in tunnel 24 ft.

Daily notes

April 2 Drilled and blasted 2 rounds. Mucked 10 rounds. Sunk shaft 1½ ft. Shaft in country rock. Vein on north side of shaft.
April 3-Bought water tank and fittings for water pressure to jackhammer. Drilled and blasted one round. Mucked 14 rounds. Sunk shaft 1 ft.
April 4-Drilled and blasted one round. Mucked 12 rounds. Sunk shaft 1 ft.
April 5-Bought blasting caps. Drilled and blasted 1 round. Mucked 12 rounds. Drilled and blasted one round. Sunk shaft 1½ ft.
April 6-Mucked 11 rounds. Blasted 1 round. Got steelsharpened. Sunk shaft 1 ft. Timed out.
April 9-Drilled and blasted 1 round. Mucked 5 rounds. Drilled and blasted 1 round. Tempered jack leg.
April 10-Drilled and blasted 1 round. Mucked 5 rounds. Called to field team about tunnel. Bought case of dynamite. Drilled and blasted 1 round. Sunk shaft 3 ft. to complete 60 ft. shaft as per contract.
April 11- Showed out.
April 12- Mucked 3 rounds. Drilled and blasted 1 round for tunnel heading. Put back ladder landings and ladder that was blasted out.
April 13- Drilled 1 round for tunnel. Mucked 6 rounds. South wall of vein showing in first ft. of tunnel. Blocks of mica showing.
April 16- Drilled 1 round in tunnel. Mucked 6 rounds. Recovered 3 lbs. no. 5 mica and larger. Pegmatite is quartz and spar. Mica blocks showing.
April 17- Drilled and blasted 1 round. Mucked 11 rounds for a gain of 3 ft. in tunnel. 3½ lbs. no. 5 and la rger.
April 18- Drilled and blasted one round, to head tunnel. Mucked 6 rounds. Turned 6 ft. All pegmatite showing, clean cut mica blocks. Drift cut to north wall of vein yet.
April 19- Drilled and blasted full heading. Delay caps shot out of time. Blasted again. Set up forge. Mucked 3 rounds. Drilled and blasted by cutting time.
April 20- Mucked 14 rounds. Recovered 20 lbs. 5 mica and larger. Blocks of mica showing in pegmatite. Gained 4 ft. in tunnel. Drilled and shot out center of tunnel.
April 21- Blasted 4 holes. Mucked 8 rounds. Sharpened drills.
April 22- Drilled for tunnel header. Had to replace parts in jackhammer.
April 24- Finished drilling header. Blasted 1 round and cut through vein. Called to field team. Mr. Shirley measured vein 8½ ft. Mucked 15 rounds. Gained 4 ft in tunnel. 10 lbs. of mica recovered 5½ and larger.

Making off remainder of week to go call mica at Spruce Pine, and get supplies.

INTERIM REPORT

DMEA-4002, Idm-8918 (sdca) FERGUSON MINE

OPERATOR: The Ferguson Mining Co., c/o Harry Meeks, R#5, Franklin, N. C.

LOCATION: 0.75 miles west of Holly Springs Church, Corbin Knob, Quadrangle, Macon County, N. C.

Shaft sinking has been completed to a total depth of 60 feet on this contract. Turnoff has been made from the 56 foot shaft level, leaving a 4 foot sump, and drifting is now in progress. Pegmatite was intercepted immediately after turnoff, and all level work has been in pegmatite composed of feldspar, scattered quartz, and small blocks of badly stained muscovite mica. The Operator was advised to continue driving along the hanging wall of the body until the Examiners can make another visit to the mine.

The Operator was advised to scale the working area and exposed shaft walls thoroughly before attempting any additional work. Progress on this contract is satisfactory.

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

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

April 24, 1956

RECEIVED
MAY 3 - 1956

INTERIM REPORT

DMEA-4002, Idm-E913 (mica) FERGUSON MINE

Operator: The Ferguson Mining Co., c/o Harry Moses, R#5, Franklin, N. C.

Location: 0.75 mile west of Holly Springs Church, Corbin Knob, Quadrangle, Macon County, N. C.

Shaft sinking continues on this contract, and now totals 58 feet. Shafting continues to follow a narrow pegmatite, which is better exposed at about 52 feet on the southeast side of the shaft. No appreciable mica has been recovered in recent work, and no sales have been made from mica recovered under the contract.

The Operator was advised to continue sinking to a total depth of 60 feet, floor the shaft at 56 feet, leaving a 4-foot sump, and turn off on that level to the east, following the pegmatite. Another visit will be made to the mine in the near future.

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

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

April 10, 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

RECEIVED
APR 5 - 1956

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of March, 1956 Docket No. DMEA 4002 Contract No. 915
Operator's Name Harry Moses Minerals Mica
Address Route 5 Franklin, N.C.
Contract Amount, $ 4832.00 Government Participation: 75 % Amount, $ 3624.00

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						
Shafting	$1161.00		$1161.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Old shaft		$610.00	$610.00			
Bldg. etc.		$117.00	$117.00			
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$1161.00	$ 727.00	$1888.00	1161.00	727.00	1888.00

I certify that the above bill is correct and just and that payment therefor has not been received.
Date March 31 *Payee Harry Moses
Per _____ Title Pres

*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:
$ 870.75
Signature Helen R. Mueller
(Authorized Certifying Officer)
APR 5 1956
Date _____ Vou. No. _____
(See other side)

590.75

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E 918 in accordance with the terms of the contract.

Signature W. J. Lyzench Title Mining Eng. Date 4-2-56

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

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

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
APR 5 - 1956

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of March 1956 Docket No. DMEA 4002 Contract No. 926
Operator's Name Harry Moses Minerals Mica
Address Route 5, Franklin, 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		$1161.00	27 ft.	$1161.00	27 ft.			
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Old 25 ft. shaft (1)				$61000	1			
TOTAL DISTRIBUTED COSTS							TOTAL COSTS AUTHORIZED BY CONTRACT	
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.		$117.00		$117.00				
TOTAL COSTS		$1161.00		$1366.00				

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

Date March 31, 1956 Operator Harry Moses

Per _____ Title Pres.

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)

W. Lynch
Bureau of Mines
4-2-56

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

Mica

Month of March, 1956

Mine No. 4002
Idm-918
Date work began Feb. 20, 1956

RECEIVED
APR 5 - 1956

Work Accomplished

Finished setting up machinery. Bought dynamite, fuse caps, wire and pipe fittings. Drilled and blasted 15 rounds and mucked 261 rounds for a total of 27 feet advanced for the month. Three men on eight hr. shifts.

DAILY NOTES

March 1- Put legs on top of ground to lock shaft. Put in one 14 ft. ladder. Put on 5 ft. of slats on ladderway. Put in 10 ft. landing. Set hoist down and locked it in place. Strung cable on beam. Adjusted guy cables. Hung on muck bucket. Mucked 5 rounds.

March 2- Mucked 25 rounds. Reversed cable on hoist.

March 3- Pulled compressor from another location. Mucked 5 rounds.

March 5- Mucked 15 rounds. Sunk shaft 3 ft. Shaft is in pegmatite, recovered 25lbs. mica. Set compressor 125 c.p.m. hooked up pipe, bought water hose, fuse caps, dynamite, wire, and pipe fittings.

March 6- Finished setting compressor. Hooked up water hose to jack hammer. Drilled and blasted first round. Mucked 14 rounds. Sunk 2 ft. in pegmatite. Wall rock on north side. Recovered 2 books of mica 6 in. in diameter, and 30 lbs. of no. 5 mica.

March 7- Drilled and blasted one round. Mucked 17 rounds. Cut and notched 10 rings of timber. Set 6 rings, sunk shaft 3 ft. Recovered 30 lbs. no.5 mica. Worked on jack hammer.

March 8- Mucked 3 rounds. Sloped 4 corners 12 ft. down. Cut and put on 8ft. of slats on ladder way. Put in 10 ft. landing. Put in 14 ft. ladder.

March 9- Drilled and blasted one round. Mucked 17 rounds. Cut and notched 8 rings of timber. Put in 4 rings of timber. Sunk 2 ft. in shaft. Shaft in pegmatite. Wall rock coming in on south side. Mica streak shifted from n.e. bearing to due east. 30 lbs. No. 5½ and larger mica recovered.

March 12- Drilled and blasted one round. Mucked 19 rounds. Cut and notched 6 rings of timber. Set 4 rings of timber. Nailed on 4 ft. slats on ladder way, raised boom pole. Added another safety cable to boom. Hired Ted Higdon $1.00 per hr. to muck for one week. Hired Mrs. Guest to sheet mica. Shaft still in pegmatite. Sunk 3 ft. on shaft.

Continued-

March 13- Drilled and blasted 2 rounds. Mucked 16 rounds. Sunk shaft 4 ft. Cleaned spark plugs on hoist. Wall rock on south side. Vein dipping north.

March 14- Cut and notched three rings of timber. Set 9 rings. Cut 8 ft. of slats for ladder way. Cleated 8 ft. of corners of shaft. Made 14 ft. ladder. Mucked 3 rounds. Got rained out. Shaft 39 ft. down. 36 ft. timbered. Ordered lumber.

March 15- Bought 50 Lbs. of nails. Nailed on 6 ft. of slats on ladder way , put in one 10 ft. landing. Put in 14 ft. ladder. Mucked 2 rounds. Got rained out.

March 16- Blasted 2 rounds. Mucked 14 rounds. Talked to field team. Shaft Measured 40 ft. 36 ft. timbered. Shaft in pegmatite. Wall rock on south side. Recovered 30 lbs Of no. 5½ mica.

March 19- Bought 50 ft. water hose and pipe fittings . Drilled and blasted one round. Mucked 11 rounds ,sunk shaft 2 ft.

March 20- Cut and notched 11 rings of timber. Set 9 rings. Nailed on 3 ft. of slats on ladder way. Mucked 11 rounds.Sunk shaft 2ft.

March 21- Worked on jackhammer. Drilled and blasted one round. Mucked 6 rounds. Recovered 20 lbs. of no 5½ mica and larger. Wall rock working further north. Shaft still one half pegmatite. Sunk shaft one ft.

March 22- Drilled and blasted one round. Mucked 19 rounds. Sunk shaft 2 ft. Total 47 ft.

March 23- Worked on jackhammer, air shuts off water. Cut and notched 10 rings of timber. Set 8 rings. Talked with Mr. Shirley about operations.

March 24- Set 2 rings of timber. Cleatated 8 ft. of corners. Drilled and blasted 1 round. Mucked 6 rounds.

March26- Drilled and blasted one round. Mucked 21 rounds. Sunk shaft 1 ft. Shaft one third pegmatite. Ordered parts for jackhammer.

March 27- Cut and notched 9 rings of timber. Set 6 rings of timber. Nailed 6 ft. of slats on ladder way put in 10 ft. landing, 14 ft. ladder. Mucke d 12 rounds. Sunk shaft 1 ft. Shaft 51 ft. deep. Timbered 48 ft.

March 28- Drilled and blasted one round. Mucked 9 rounds and Made 14 ft. ladder. Sunk shaft 1 ft. in hard rock. Wrong jackhammer parts sent.

March 29- Drilled and blasted one round. Mucked 11 rounds. Set 3 rings of timber. Put in 14 ft. ladder. Shaft in blue granite and pegmatite.Vein dipping north out of shaft. Another vein or leader coming in on S.W. side of shaft.

March 30- Mucked 3 rounds. Discussed vein with field team. Timber in shaft finished by their approval. Shaft 52 ft. de ep. 8 ft.to finish contract depth. Sump will be 4 ft. lower than shaft depth. Stopped workat noon to get jackhammer repaired.

RECEIVED
APR 9 - 1956

INTERIM REPORT

DMEA-4002, Idm-E918 (mica) FERGUSON MINE

Operator: The Ferguson Mining Co., c/o Harry Moses, R#5, Franklin, N.C.

Location: 0.75 mile west of Holly Springs Church, Corbin Knob, Quadrangle, Macon County, N. C.

Progress for the past two weeks consists of 12 feet shaft making a total of 52 feet. The pegmatite is still partially weathered with schist inclusion near 50 feet. T he mica observed is a fair quality showing signs of stain and cracks. The Operator was instructed to continue sinking to 60 feet.

Progress is satisfactory.

March 30, 1956.

A. L. Peyton, Mining Engineer
Bureau of Mines

R. A. Laurence and A. R. Taylor, Geologists
Geological Survey

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RECEIVED
MAR 30 1956

INTERIM REPORT

DMEA-4002, Idm-E918 (mica) FERGUSON MINE

Operator: The Ferguson Mining Co., c/o Harry Moses, R#5, Franklin, N. C.

Location: 0.75 miles west of Holly Springs Church, Corbin Knob Quadrangle, Macon County, North Carolina

Shaft sinking for this period totals 15 feet, in pegmatite. The existing shaft plus the new shaft totals 40 feet. The shaft timber and manway is complete to 30 feet.

The pegmatite is partially weathered containing a 2-foot quartz core. The muscovite observed is of fair quality and size. The quality is expected to improve with depth.

Progress is satisfactory.

Inpsected: March 16, 1956

A. L. Peyton, Mining Engineer
Bureau of Mines

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

RECEIVED
MAR 12 1956

INTERIM REPORT

DMEA-4002, Idm-E918, FERGUSON MINE
(mica)

Operator: The Ferguson Mine Company, c/o Harry Moses, Route 5, Franklin, N.C.

Location: 0.75 mile west of Holly Springs Church, Corbin Knob Quadrangle, Macon County, North Carolina

The project got underway February 20, 1956. Construction of toolhouse and magazines is complete. The existing shaft has been enlarged and timbered to 25 feet. From this point the shaft will be extended to 60 feet.

Progress is satisfactory.

Inspected: March 2, 1956.

A. L. Peyton, Mining Engineer
U. S. Bureau of Mines

A. R. Taylor, Geologist
U. S. 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

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of February, 1956 Docket No. DMEA 4002 Contract No. 918
Operator's Name Harry Moses Minerals
Address Route 5 Franklin, N. C. Mica
Contract Amount, $ ~~4842~~ $4832.00 Government Participation: 75 % Amount, $ 3624.00

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						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs 25 ft. old shaft	$ 610.00					
(6) New Bldgs., Improvements, etc. Tool house, powder and cap magz.	$ 117.00					
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$727.00			727.00		727.00

I certify that the above bill is correct and just and that payment therefor has not been received.
Date March 1, 1956 Payee Harry Moses
Per _____ Title Pres.

*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:
$ 545.25
Signature Helen R. Melin
(Authorized Certifying Officer)
Date MAR 7 1956 Vou. No. 36
(See other side)

181.75

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E-918 in accordance with the terms of the contract.

Signature [illegible] Title Mining Eng. Date 3-6-56

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lammers Title EXECUTIVE OFFICER DMEA REGION V Date MAR 6 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 February 195[illegible] Docket No. DMEA [illegible] Contract No. [illegible]
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	Unit Costs
Drilling [illegible]		76.00	1	76.00				
[illegible]		26.00	1	26.00				
[illegible]		15.00	1	15.00				
[illegible]		610.00	25 ft.	610.00				
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		727.00		727.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		727.00		727.00				

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

Date March 1, 1956 Operator Harry Moses

Per _____ Title Pres.

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)

V. J. Lynch
Bureau of Mines
3-6-56.

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

RECEIVED
MAR - 9 1953

Month of February, 1905

[illegible] No. [illegible]
[illegible] 312
Date work Began Feb. 17, 1905.

Work Accomplished

Hired three men including one partner Hale Carter, cut and notched timbers for 25 ft. shaft, widened existing shaft one foot, ordered lumber, built powder and fuse cap magazine, built tool house, set up machinery, timbered shaft, made ladders and boxed in ladder ways complete the 25 ft. existing shaft.

Daily Entry

Feb. 20- Hired one man, Fritz Lemon, at $1.70 per hour, also Hale Carter at $1.25 hr. Cut and notched 12- 3 by 6 for 5 by 7 shaft. Set one ring, ordered rough lumber for tool house.

Feb. 21- Hired Hunter Young, drill man, @ $1.25 hr. Cut 1 ft. by 5 ft. out of existing 25 ft. shaft. Set 8 rings of timber, built tool house 8 by 8 by 10 ft. Bought nails, hinges and locks @ Alex.

Feb. 22- Ordered 1 rough lumber r. roofing paper, finished tool house, built powder magazine 4 ft. by 3 ft. by 2½ ft. , built fuse cap magazine 2 ft. by 1½ ft. by 1 ft., set four rings of timber.

Feb. 23- Cut one ft. by 15 ft. out of 6 by 6 ft. shaft, set 16 rings of timber.

Feb. 24- Worked one hour in rain, cut one ft. by 4 ft. out of 6 by 6 ft shaft. Set rained out.

Feb. 27- Set 5 rings of timber in the rain, set rained out.

Feb. 28- Set 13 rings of timber to complete the rings in existing 25 ft. shaft. Blasted four corners of shaft.

Feb. 29- Hired Ted Ellis, for one day, to help put up boom pole and rigging. Set 4 rings of timber, put in cleats for ladder way, put in one 10 ft. landing, put on 7 ft. of sixteen ladder way. The existing 25 ft. shaft complete. Put in one 14 ft. ladder.

8 Days to Complete Shaft

8

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

February 20, 1956

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Signed Contract - DMEA-4002, Idm-E918-Mica
The Ferguson Mine Company, c/o Harry Moses, Franklin, 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

RAL/sm
cc:
Lynch
Finance Office
Shirley
Files

FEB 14 1956

600

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

Re: Docket No. DMEA-4002-Mica
Harry Moses, et al.
The Ferguson Mine
Mason County, North Carolina

Dear Mr. Lawrence:

Enclosed are the original and five copies of a proposed contract which have been signed by the Administrator for the Government with effective date as shown. Attachments to the contract are Annex I, Consent to Lien, "Exhibit A" and map of the Ferguson Mine. Two extra copies of "Exhibit A" are enclosed for the use of the Field Team.

If the proposed contract meets with your approval, present it to the Applicants for execution. Please explain to the Applicants that the contract is a firm commitment to complete the work outlined at the agreed cost. Copies of the executed contract are to be distributed in the usual manner.

If any part of this proposed contract does not have either your approval or that of the Applicants and cannot be amended within your delegated authority, then the original and all copies of the contract and the two extra copies of "Exhibit A" are to be returned to this office, together with the proposed changes for consideration.

Copies of memoranda dated December 20 and 21, 1955, by Mr. E. R. Nelson, U303, and Mr. W. F. Dietrich, U324, respectively, relating to the project are enclosed.

Please note that the "fixed unit costs" of the contract do not agree with the estimated costs shown in the field examination report. This is because the applicants will furnish equipment, and costs are based on a use allowance for new equipment. An allowance for maintenance and repairs is included in the costs.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

P. F. Yopes

Member, Bureau of Mines

Thor H. Kiilsgaard

Member, Geological Survey

Enclosures: 12

JHopkins:ms 2/9/56

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

DEC 29 1955 600

Mr. Robert A. Laurence
Executive Officer, DMEA
Field Team, Region V
Room 17, Post Office Bldg.
Knoxville 2, Tennessee

Subject: Docket No. DMEA-4002 - Mica
Harry Moses, et al.
The Ferguson Mine
Mason County, North Carolina

Dear Mr. Laurence:

Reference is made to the Field Team Examination Report dated November 4, 1955, on the subject property and your transmittal memorandum dated December 13, 1955.

In the "Estimated Costs" in the report, the cost of enlarging and reconditioning existing 25-foot shaft is grouped with the shaft sinking cost. Please send us separate breakdowns of the costs of these two jobs. We also note that the costs of social security and insurance for the shaft work and drifting appear out of line with similar work in that area. Please check these items and revise if necessary.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

/s/ Robert W. Geehan

Member, Bureau of Mines

Thor H. Kiilsgaard

Member, Geological Survey

JHopkins:ad 12/28/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Hopkins

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

RECEIVED
DEC 21 1955

December 21, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-4002 (mica)

Applicant: Ferguson Mining Co.

Name and Location of Property: Ferguson Mine, Mason Co., N. C.

Date of Field Team Report: 11/4/55

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 12/20/55

Field Team Recommendation: Recommend a unit cost exploration program at a cost of $5,453.00.

Comments:

1. Exposures show some flat books of ruby mica.

2. This deposit appears to have possibilities for the development of strategic mica.

Recommendation: I concur with the recommendation of the field team 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
DEC 20 1955

December 20, 1955

Re: DMEA 4002
Ferguson Mining Co.
Ferguson Mine
Macon Co., N. C.
$5,453.00 - 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 examiners and the Field Team recommend the approval of a contract in the amount of $5,453.00, the estimated cost of the following work:--

Recondition and enlarge shaft, 25 feet Sink 35 feet		$2,283.00
Drift and/or crosscut 80 feet		3,055.00
Buildings, magazines and toolhouse		115.00
		$5,453.00

I concur with the recommendations of the examiners and the Field Team.

N. E. Nelson

N. E. Nelson

NENelson:iml
G-12/20/55
cc: Director's reading, 4212
Branch reading, 4212
DMEA (3)
Docket file
W. F. Dietrich, 3061

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1025 POST OFFICE BLDG.
KNOXVILLE 2, TENN.
December 13, 1955

RECEIVED
DEC 15 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: DMEA Field Team, Region V

Subject: Field Examination Report, DMEA-4002 (mica) Ferguson Mining Co.
Ferguson Mine, Macon County, N. C.

Enclosed are four copies of the subject report, and nine extra copies of the map. Also enclosed are signed copies of the new Consent to Lien, a sketch of the tract submitted by the applicant, and a revised copy of the lease, as requested in your letter of October 19.

We recommend approval of a unit-cost contract along the lines proposed in the report.

1. No [illegible]
2. No [illegible]
3. No [illegible]
4. [illegible]

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

Wm. A. Beck, Acting Member
Bureau of Mines

RAL/sm

Reviewed by
DMEA OPERATING COMMITTEE
12-19-55
(date)

RECEIVED
DEC 15 1955

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

EXAMINATION REPORT BY FIELD TEAM
REGION V

On

DMEA-4002, FERGUSON MINE (mica)
Macon County, N. C.

By

L. E. Shirley, Mining Engineer
Bureau of Mines

and
K. H. Teague, Geologist
S. C. Bergman and A. R. Taylor, Geologists
Geological Survey

November 4, 1955

Reviewed by
DMEA OPERATING COMMITTEE
12-19-55
(date)

FIELD EXAMINATION REPORT
On

DMEA-4002 (mica) FERGUSON MINE

RECEIVED
DEC 15 1955

Applicants: Harry Moses, Ray Franklin and Dale Carter, d/b/a Ferguson Mining Company, c/o Harry Moses, R#5, Franklin, N. C.

The Ferguson Proppect showed some fair sized, flat, hard ruby mica, mostly clear unstained. The presence of potentially good mica in a 6-foot wide pegmatite with massive quartz core leads the examiners to recommend this prospect for DMEA assistance.

The property was visited November 4, 1955. The field team were accompanied by two of the applicants, Dale Carter and Harry Moses. The prospect occurs in Macon County, 1 3/4 miles east of Franklin, North Carolina on the Corbin Knob Quadrangle sheet (1927 - 1/24,000). It is easily accessible by car at all times. The applicants have worked in mica mining for a number of years and seem capable of carrying a DMEA contract to completion.

The Ferguson Prospect occurs crossing an arcuate 100-foot long bulldozer trench. A 25.5-foot deep shaft has been sunk on the pegmatite from the bottom of the 10-foot deep bulldozer cut. The pegmatite is essentially vertical and strikes N. 80° W. exhibiting a massive 2-foot quartz core. The vein varies from 30 to 60 inches in width and contains some rather fair size books of flat, hard, ruby mica with some minor mineral staining. The vein was enclosed concordantly in a highly weathered biotite gneiss.

The field team recommends enlarging the present 25 1/2-feet of shaft to 5' x 7' crossection and sinking an additional 35 feet of shaft from where 80 feet of drift exploration can be carried out.

Estimated Costs:

Toolhouse	$75.00
Powder Magazine	25.00
Exploder Magazine	15.00
Enlarging and reconditioning existing 25-feet of shaft to 5' x 7' in cross-section (10 shifts)	
Sink 35 feet additional 2-compartment shaft (18 shifts)	

Labor:

1 - Miner at $1.50/hr.	$335.00
1 - Hoistman at $1.25/hr.	280.00
2 - Laborers at $1.00/hr.	448.00

Equipment (rental)

Compressor, and drill at $230/Mo.	$325.00	
Hoist at $50/Mo.	70.00	
Pump at $20/Mo.	30.00	

Supplies:

Explosives	170.00	
Drill steel	90.00	
Gasoline and oil	105.00	
Timber at $65/M b.f.	195.00	
Small tools, pipe, etc.	100.00	
Miscellaneous	130.00	
Social Security	[illegible]	
Insurance	[illegible]	
Tax	[illegible]	$2,398.00

Eighty feet of level (drift and/or crosscut)
40 shifts

Labor:

1 - Miner at $1.50/hr.	480.00	
1 - Hoistman at $1.25/hr.	400.00	
2 - Laborers at $1.00/hr. ea.	640.00	

Equipment (rental)

Compressor and drill and jackleg, at $230/Mo.	460.00	
Hoist at $50/Mo.	100.00	
Pump at $20/Mo.	40.00	

Supplies:

Explosives	250.00	
Drill steel	120.00	
Gasoline and oil	150.00	
Timber at $65/M	30.00	
Small tools, pipe, etc.	90.00	
Miscellaneous	130.00	
Social Security	25.00	
Insurance	120.00	
Sales tax	20.00	$3,055.00

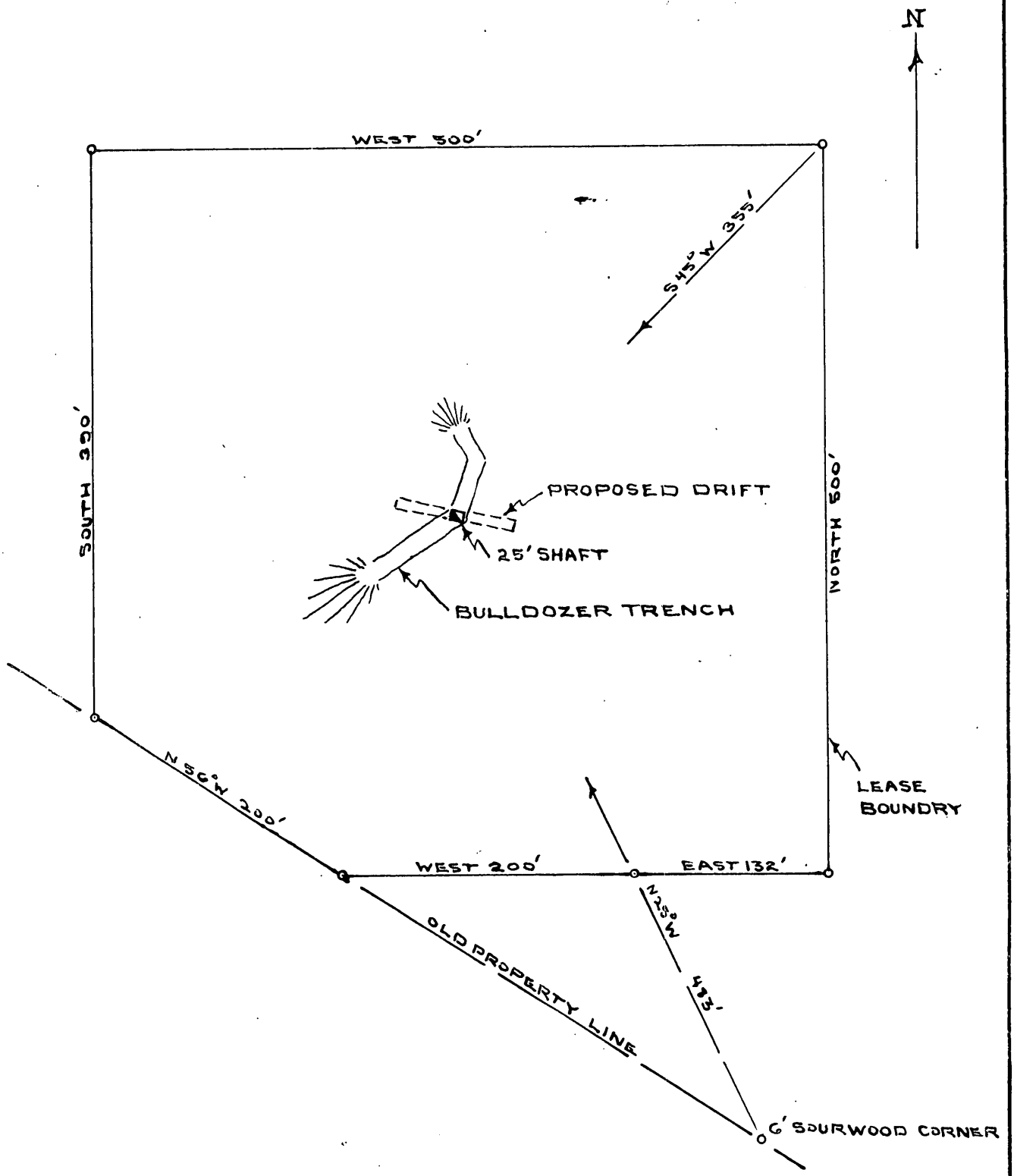
Total estimated cost of project..... $5,453.00

Examined: Nov. 4, 1955

K. H. Teague, S. C. Bergman and A. R. Taylor
Geologists, U. S. G. S.

and

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



FERGUSON MINE
DMEA-4002 (MICA)

SCALE: 1" = 100'

12/55 SCB

RECEIVED
JAN 16 1956

DMEA-4002, Ferguson Mine

(Revised estimated costs, 1-10-56)

Toolhouse	$75.00
Powder magazine	25.00
Exploder magazine	15.00

Recondition and enlarge existing 25 feet of shaft to 5' x 7' cross-section (11 shifts)

Labor:		
1 - Miner @ $1.50/hr.	$130.00	
1 - Hoistman @ $1.25/hr.	110.00	
1- Laborer @ $1.00/hr.	90.00	
Equipment: (rental)		Use Allowance
Compressor, and drill @ $230/Mo.	130.00	$6500.00 × 1/60 = 110.00
Hoist @ $50/Mo.	30.00	
Pump @ $20/Mo.	15.00	
	175.00	
Supplies:		
Explosives	35.00	
Drill steel	20.00	
Gasoline and oil	25.00	
Timber, 750 b.f. @ $65/M	50.00	
Small tooks, pipe, etc.	20.00	
Miscellaneous	30.00	
Social Security	7.00	
Insurance	33.00	
Sales tax	5.00	
Total estimated cost of reconditioning and enlarging shaft		730.00

Sink 35 feet additional 2-compartment shaft (20 shifts)

Labor:	
1 - Miner @ $1.50/hr.	240.00
1 - Hoistman @ $1.25/hr.	200.00
2 - Laborers @ $1.00/hr.	320.00
Equipment (rental)	
Compressor and drill @ $230/Mo.	230.00
Hoist @ $50/Mo.	50.00
Pump @ $20/Mo.	20.00

Supplies:

Explosives	$120.00
Drill steel	65.00
Gasoline and oil	75.00
Timber, 1000 b.f. @ $65/M	65.00
Small tools, pipe, etc.	70.00
Miscellaneous	80.00
Insurance	75.00
Social Security	15.00
Sales tax	15.00

Estimated total cost of sinking 35 ft. of shaft..... $1640.00

Drive 80 feet of level (drift and/or crosscut)
(40 shifts)

Labor:

1 - Miner @ $1.50/hr.	$480.00
1 - Hoistman @ $1.25/hr.	400.00
2 - Laborers @ $1.00/hr.	640.00

Equipment (rental

Compressor, drill and jackleg, @ $250/mo	500.00	Use Allowance
Hoist @ $50/Mo.	100.00	$6600.00 x 1/30 = 220.00
Pump @ $20/Mo.	40.00	
	640.00	

Supplies:

Explosives	250.00
Drill steel	120.00
Gasoline and oil	150.00
Small tools, pipe, etc.	90.00
Miscellaneous	120.00
Insurance	150.00
Social Security	30.00
Sales tax	20.00

Total estimated cost of 80 feet of drifting..... $3,090.00

Total estimated cost of project..... $5,575.00

L. E. Shirley, Mining Engineer
Bureau of Mines

K. H. Teague, Geologist
S. C. Bergman and A. R. Taylor, Geologists
Geological Survey

Revised: January 12, 1956.

RECEIVED
JAN 16 1956

DMEA-4002, Ferguson Mine

(Revised estimated costs, 1-10-56)

Toolhouse	$75.00
Powder magazine	25.00
Exploder magazine	15.00

Recondition and enlarge existing 25 feet of shaft to 5' x 7' cross-section (11 shifts)

Labor:	
1 - Miner @ $1.50/hr.	$130.00
1 - Hoistman @ $1.25/hr.	110.00
1- Laborer @ $1.00/hr.	90.00
Equipment: (rental)	
Compressor, and drill @ $230/Mo.	130.00
Hoist @ $50/Mo.	30.00
Pump @ $20/Mo.	15.00
Supplies:	
Explosives	35.00
Drill steel	20.00
Gasoline and oil	25.00
Timber, 750 b.f. @ $65/M	50.00
Small tools, pipe, etc.	20.00
Miscellaneous	30.00
Social Security	7.00
Insurance	33.00
Sales tax	5.00
Total estimated cost of reconditioning and enlarging shaft	730.00

Sink 35 feet additional 2-compartment shaft (20 shifts)

Labor:	
1 - Miner @ $1.50/hr.	240.00
1 - Hoistman @ $1.25/hr.	200.00
2 - Laborers @ $1.00/hr.	320.00
Equipment (rental)	
Compressor and drill @ $230/Mo.	230.00
Hoist @ $50/Mo.	50.00
Pump @ $20/Mo.	20.00

Supplies:

Explosives	$120.00
Drill steel	65.00
Gasoline and oil	75.00
Timber, 1000 b.f. @ $65/M	65.00
Small tools, pipe, etc.	70.00
Miscellaneous	80.00
Insurance	75.00
Social Security	15.00
Sales tax	15.00

Estimated total cost of sinking 35 ft. of shaft..... $1640.00

Drive 80 feet of level (drift and/or crosscut)
(40 shifts)

Labor:

1 - Miner @ $1.50/hr.	$480.00
1 - Hoistman @ $1.25/hr.	400.00
2 - Laborers @ $1.00/hr.	640.00

Equipment (rental

Compressor, drill and jackleg, @ $250/mo	500.00
Hoist @ $50/Mo.	100.00
Pump @ $20/Mo.	40.00

Supplies:

Explosives	250.00
Drill steel	120.00
Gasoline and oil	150.00
Small tools, pipe, etc.	90.00
Miscellaneous	120.00
Insurance	150.00
Social Security	30.00
Sales tax	20.00

Total estimated cost of 80 feet of drifting..... $3,090.00

Total estimated cost of project..... $5,575.00

L. E. Shirley, Mining Engineer
Bureau of Mines

K. H. Teague, Geologist
S. C. Bergman and A. R. Taylor, Geologists
Geological Survey

Revised: January 12, 1956.

DMEA-4002, Ferguson Mine

RECEIVED
JAN 16 1956

(Revised estimated costs, 1-10-56)

Toolhouse	$75.00
Powder magazine	25.00
Exploder magazine	15.00

Recondition and enlarge existing 25 feet of shaft to 5' x 7' cross-section (11 shifts)

Labor:		
	1 - Miner @ $1.50/hr.	$130.00
	1 - Hoistman @ $1.25/hr.	110.00
	1- Laborer @ $1.00/hr.	90.00
Equipment: (rental)		
	Compressor, and drill @ $230/Mo.	130.00
	Hoist @ $50/Mo.	30.00
	Pump @ $20/Mo.	15.00
Supplies:		
	Explosives	35.00
	Drill steel	20.00
	Gasoline and oil	25.00
	Timber, 750 b.f. @ $65/M	50.00
	Small tools, pipe, etc.	20.00
	Miscellaneous	30.00
	Social Security	7.00
	Insurance	33.00
	Sales tax	5.00
	Total estimated cost of reconditioning and enlarging shaft	730.00

Sink 35 feet additional 2-compartment shaft (20 shifts)

Labor:		
	1 - Miner @ $1.50/hr.	240.00
	1 - Hoistman @ $1.25/hr.	200.00
	2 - Laborers @ $1.00/hr.	320.00
Equipment (rental)		
	Compressor and drill @ $230/Mo.	230.00
	Hoist @ $50/Mo.	50.00
	Pump @ $20/Mo.	20.00

Supplies:

Explosives	$120.00
Drill steel	65.00
Gasoline and oil	75.00
Timber, 1000 b.f. @ $65/M	65.00
Small tools, pipe, etc.	70.00
Miscellaneous	80.00
Insurance	75.00
Social Security	15.00
Sales tax	15.00

Estimated total cost of sinking 35 ft. of shaft..... $1640.00

Drive 80 feet of level (drift and/or crosscut)
(40 shifts)

Labor:

1 - Miner @ $1.50/hr.	$480.00
1 - Hoistman @ $1.25/hr.	400.00
2 - Laborers @ $1.00/hr.	640.00

Equipment (rental

Compressor, drill and jackleg, @ $250/mo	500.00
Hoist @ $50/Mo.	100.00
Pump @ $20/Mo.	40.00

Supplies:

Explosives	250.00
Drill steel	120.00
Gasoline and oil	150.00
Small tools, pipe, etc.	90.00
Miscellaneous	120.00
Insurance	150.00
Social Security	30.00
Sales tax	20.00

Total estimated cost of 80 feet of drifting..... $3,090.00

Total estimated cost of project..... $5,575.00

L. E. Shirley, Mining Engineer
Bureau of Mines

K. H. Teague, Geologist
S. C. Bergman and A. R. Taylor, Geologists
Geological Survey

Revised: January 12, 1956.

OCT 1 9 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-4002 - Mica
Harry Moses, et al.
The Ferguson Mine
Macon County, North Carolina

Dear Mr. Laurence:

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

Copies of memoranda dated October 7 and 13, 1955, by N. E. Nelson, USGS, and W. F. Dietrich, USBM, respectively, relating to the project are enclosed.

If your office recommends an exploration program approved by the applicant, please furnish the necessary information to draft a contract. In this connection we will require nine copies of a map showing the proposed work and pegmatite exposures in relation to the property lines. Please note Operating Committee Minutes Nos. 207 and 296, dated April 24 and November 23, 1953, for the detailed information we will require to draft a contract.

We are enclosing copies of the applicant's lease and Consent to Lien forms which are to be corrected if a contract is recommended. The lease does not contain a legal description of the property and the Consent to Lien contains a description that does not show a closed area, nor a tie-in to a permanent landmark.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee

Approved:

P. F. Yopes
Member, Bureau of Mines

Thor H. Kiilsgaard
Member, Geological Survey

Enclosures 10

JHopkins:gad 10/18/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Hopkins

600

OCT 1 9 1955

Messrs. Harry Moses, Ray Franklin
and Dale Carter
C/O Mr. Harry Moses
Route #5
Franklin, North Carolina

Re: Docket No. DMA-4002 - Mica
Harry Moses, et al.
The Ferguson Mine
Macon 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. Laurence, Executive Officer, DMEA Field Team, Region V, Room 13, Post Office Building, Knoxville 2, Tennessee, for further consideration and possibly a field examination.

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

Sincerely yours,

Frank E. Johnson

Acting Administrator

JHopkins:gad 10/13/55
Copy to: Admr. R. File
Docket
Operating Committee
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Hopkins

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

RECEIVED
OCT 14 1955

October 13, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-4002 (mica)

Applicant: H. Moses, R. Franklin, D. Carter (Ferguson Mining Co.)

Name and Location of Property: The Ferguson Mine, Macon County, N. C.

Date Application Rec'd. by Br. of Ceramic & Fertilizer Materials: 10/6/55

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. Bureau of Mines records show that an average monthly purchase from May to September 1944 of $127.66 worth of mica were made by Colonial Mica from subject mine.

Recommendation:

It is recommended that the field team visit this mine when in that vicinity to ascertain if an exploration project is justified. If so, the field team and applicant should agree on a definite plan of exploration on a unit-cost basis.

Signed
W. F. Dietrich

IN REPLY REFER TO:

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

RECEIVED
OCT 10 1955

October 7, 1955

Re: DMEA 4002
Ferguson Mine Co.
Ferguson Mine
Macon Co., N. C.
$6,993.00 - Mica

Memorandum

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

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

Subject: Review of application.

I have no information on this mine.

The applicant has sunk 35 feet on a pegmatite and recovered some mica (amount not stated), but the vein " . . . shows promise to the northeast and to a greater depth." The prospect may warrant a look and possibly a staged work program, including, if feasible, a thorough stripping of the vein.

Referral to the Field Team is recommended.

N. E. Nelson

N. E. Nelson

NENelson:iml
G-10/7/55

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