IMEA Form 9

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE E-1045 IMEA NO. 4486

Application (Denied
(Withdrawn
(After disposition, delete items not applicable)

Contract (Terminated - not Certified
(Cancelled
(Terminated - Certified
(Royalty Agreement

This is the official contract file containing all official records of the project. The records contained in the files are checked and are arranged in this order:

Left Side

Closing Letters
Interim Royalty Audits
Reports of Royalty Review
Certification of Discovery
Certificate of Audit (Final)
Interim Audit(s)
✓ Report of Review
Termination Notice or Agreement
Recision Notice
Assignment of Contract
Contract Amendments (latest on top)
✓ Contract with all exhibits and annexes
✓ Owner's Consent to Lien
Subordination Agreement
✓ Leases and assignments of leases
✓ Application and attachments
(3) Envelope for maps

Right Side

✓ Project summary
Work completed analysis
All other material is filed in chronological order with correspondence including the following reports as checked:

✓ Final Field Team Report (Tab)
✓ Operator's Final Report
(2R) ✓ Interim Reports
(2R) ✓ Operator's monthly reports and all attachments (latest on top)
✓ On-site Exam Report(s) (Tab)
(4) Settlement Sheets

When the volume of records is expected to warrant additional folders, or when convenience of reference warrants separate folders for certain records, they should be set up in this order:

Left Side

Folder No. 2: (In chron. order)
Interim Summary Reports by W. O. Engineers

Right Side

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

Folder No. 3: Maps (Use pocket folder or envelope. Fold maps with title block out and show reference to related document or correspondence.)

Folder No. 4: Settlement Sheets

Folder No. 5: Drill Logs

R.C.S.

9774

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
2/5	Anderson	600
2/5	Houk	600
2-6	Chamber	800
2/7	Selfridge	120
2/10	Johnson	110
2/11	Mittendorf	100
2/11	C D	220
		600

600

FEB 10 1958

Mr. and Mrs. Percy Threadgill

Pensacola, North Carolina

Re: Docket No. DMEA-4486-Mica
C. W. Rathbone and James McKinney, Jr.
Threadgill Boundry
Crip Ogle Mine
Yancey County, North Carolina
Contract No. Idm-E1045

Dear Mr. and Mrs. Threadgill:

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

This correspondence relates to the Consent to Lien signed by you on July 16, 1956.

Sincerely yours,

C. O. Mittendorf (for)

Administrator

Enclosure

WCAnderson:rsi 2/5/58
Copy to: Admr. R. File
Mr. Chambers
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
2/5	Anderson	600
2/5	Houk	600
2-6	Chambers	800
2/7	Selfridge	120
2/10	Johnson	110
4	Mittendorf	100
		220

600

FEB 10 1958

Messrs. C. W. Rathbone and
James McKinney, Jr.
c/o Mr. James McKinney, Jr.
Route 2
Spruce Pine, North Carolina

Re: Docket No. DMEA-4486-Mica
C. W. Rathbone and James McKinney, Jr.
Threadgill Boundry
Crip Ogle Mine
Yancey County, North Carolina
Contract No. Idm-E1045

Gentlemen:

Reference is made to your completed exploration contract with the Government.

We sincerely regret that the work performed did not result in a certification of discovery or development under the provisions of the contract. In the absence of such certification, the Government retains no claim or lien against the property subject to the contract or any future production therefrom. We, therefore, are closing our books and records on this project. Your attention, however, is called to the provisions of the contract which require the Operator to keep and preserve certain records for the period indicated.

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

Sincerely yours,

C. O. Mittendorf (for)

Administrator

WCAnderson:rsi 2/5/58
Copy to: Admr. R. File
Mr. Chambers
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. and Mrs. Percy Threadgill

8623

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

C. W. Rathbone and James McKinney, Jr.
c/o James McKinney, Jr.
Route 2, Spruce Pine, North Carolina

pertaining to Exploration Project Contract No. Idm-E1845, DMEA No. 4486, for the months of January 1957 to May 1957, inclusive, covering a project for the exploration of mica on property, known as the Crip Ogle Mine located in Yancey County, North Carolina.

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

This review was made in lieu of a final audit of the Operator's accounts and records for the following 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		$5,712.00
Exceptions:		
Prior to this review	$ -0-	
Herewith	-0-	-0-
Total Accepted Cost		$5,712.00

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 Four thousand two hundred eighty-four and no/100 Dollars

$4,284.00

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

E. D. Talbert

E. D. Talbert, Auditor

May 28, 1957

Docket Copy

MF-200A
(Rev. April 1956)

OFFICIAL FILE COPY DMEA RECEIVED JAN 9 1957		
DATE	INITIALS	CODE
1/9	JB	215

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

DMEA No.	*Commodity*	*Contract No. Idm–E*	*County*	*State*
4486	Mica	1045	Yancey	North Carolina

It is agreed DEC 19 1956, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and C. W. Rathbone and James McKinney, Jr.

whose mailing address is c/o James McKinney, Jr.
Route #2, Spruce Pine, North Carolina
hereinafter called the "Operator," as follows:

ARTICLE 1. *Authority and project.*—(a) 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 Annex I (land description), Exhibit A (work and costs), and the maps and documents listed therein. The project work is a search for indicated or undeveloped deposits of the commodity designated above. The Operator shall begin the work on or before FEB 15 1957, and, subject to the provisions of Article 7 and Exhibit A, shall complete the work within eight months from the date of the contract.

(b) The description of the work and the fixed cost for each unit of work to be performed (per foot of drilling, per foot of drifting, per hour of operations, etc.) are hereby agreed upon as specified in Exhibit A. The estimated total cost of the project work is $5,712.00. The Government will contribute 75 percent of the fixed unit cost of the work performed, not exceeding $4,284.00, in accordance with the provisions of Articles 4 and 5.

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

ARTICLE 2. *Operator's property rights.*—(a) The Operator represents and undertakes that Annex I correctly describes the land which is the subject of this contract and the nature of the Operator's rights of property and possession therein (whether as owner, lessee, or otherwise), and that such right, title, or interest is subject only to the following claims, liens, or encumbrances: Interest of landowners

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

(c) 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. 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. Two copies of such instrument shall be furnished to the Government. If the Government's rights to royalty as provided in Article 6 have been terminated, the provisions of this paragraph (c) shall become inapplicable.

ARTICLE 3. *Performance of the work.*—(a) Operator's responsibility.—The work shall be performed diligently, efficiently, expertly, in a workmanlike manner, and in accordance with good mining standards and State regulations governing health, safety, and liability insurance covering employment. The Operator shall provide suitable and adequate equipment, facilities, materials, supplies, and labor to complete the work, as specified in Article 1 (a).

(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 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 4. *Contribution by the Government.*—The Government will make its contribution on the basis of the monthly vouchers referred to in Article 5 (b); but all payments by the Government are provisional only, subject to audit, and until the account between the Operator and the Government is finally audited and settled and the Operator's final report has been rendered, the Government may withhold such sums as it sees fit but not in excess of 10 percent of the estimated total cost of the work. 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 will not contribute to the cost of any work performed prior to the date of this contract. The Government may make payments for the account of the Operator directly to independent contractors and suppliers rather than to the Operator.

ARTICLE 5. *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 all pertinent books, documents, papers, and records of the Operator.

(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 6. *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 the Operator has rendered a sufficient final report (see Article 5), 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 (for example, if the Operator either transfers or fails to retain his interest in the land), 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, for 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, 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, but excluding fabricating or manufacturing) applied to the crude ore or other production after it is extracted from the ground to put it into a commercially marketable form.

(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 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 7. *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 Government may also avail itself of any other remedy the law may provide for breach of contract, including the right to rescind the contract and to demand repayment of all moneys contributed by the Government under the contract.

(c) The giving of any notice by the Government under the provisions of this Article 7 shall not affect the Government's rights as provided for in the contract with respect to a percentage royalty, and liens to secure the payment thereof, and such rights shall be fully preserved.

ARTICLE 8. *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 the mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 9. *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 10. *Changes and added provisions.*—

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Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By C. W. Rathbone
C. W. Rathbone (Partner)

James McKinney, Jr.
James McKinney, Jr. (Partner)

By C. W. Mittendorf
Administrator, Defense Minerals
Exploration Administration

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: 1956—O-383069

Ingretz 12/5/56
Appd. Sol. Off.
Hopkins
Chambers
Selfridge

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JAN 9 1957
D.M.E.A.

EXPLORATION PROJECT CONTRACT
C. W. RATHBONE and JAMES McKINNEY, Jr.
DOCKET NO. DMEA-4486

ANNEX I

The land referred to in Article 2 of the Contract is held by the Operator under a lease from Percy Threadgill and Ethel H. Threadgill dated July 16, 1956, is 500 feet square, and is described as follows:

> That certain tract of land on what is known as the Threadgill Boundary on the Waters of Cat Tail Creek in Pensacola Township of Yancey County and more completely described as follows: Starting on the main opening of the Crip Ogle mica mine across the branch from the Josh Bird Feldspar Mine and running north 300 feet; thence east 850 feet; thence south 500 feet; thence west 500 feet; thence north 500 feet; thence east 250 feet to the end of the first call.

The Crip Ogle mine is 2,070 feet N 71° E from a Chestnut which is a corner between the Threadgill Boundary and A. J. Nanny properties (See Map No. 1). It is 1.9 airline miles S 86° E of Pensacola, Yancey County, North Carolina.

. . . . . .

The Consent to Lien of the lessors is attached hereto.

MF-203
Revised March 24, 1955

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OCT - 2 1956

For Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator C. W. Rathbone and James McKinney, Jr.
Docket No. DMEA-4486
Contract No. Idm-E 1045
Contract Date DEC 1 9 1956

CONSENT TO LIEN

To the United States of America:

Referring to that certain land in the County of [illegible], State of [illegible], described as follows:1/

[illegible]

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 _____ page _____ official records of said county." If (b) is used, the book and page of recordation cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

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

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

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

5. Added provision: _____

Dated this 16th day of July, 1956.

Per Thundgil [Seal]

Ethel M. Thundgil [Seal]

_____ [Seal]

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

_____

[Corporate Seal]

EXPLORATION PROJECT CONTRACT
C. W. RATHBORN and JAMES McKINNEY, Jr.
DOCKET NO. DMEA-4486

EXHIBIT A

Description of the Work

The approximate location of the work is shown on the maps entitled, "Map No. 1 McKinney and Rathburn Mine, DMEA-4486" and "Map No. 2 Crip Ogle Mine (Threadgill Boundary) DMEA-4486 Mica, Yancey Co., North Carolina," attached hereto and made a part hereof. The work consists of the following:

1. Prepare shaft site which includes removal of loose rock from the bottom of the open cut and trimming the hanging wall overhang.

2. Construct:

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

The toolhouse may be unfloored; shall be made from 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 doors shall be equipped with the equivalent of a 5-tumbler jarproof lock.

3. Sink a two-compartment, inclined 60-foot shaft.

4. Drive 80 feet of drifts from the shaft.

All work shall be timbered as necessary.

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

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

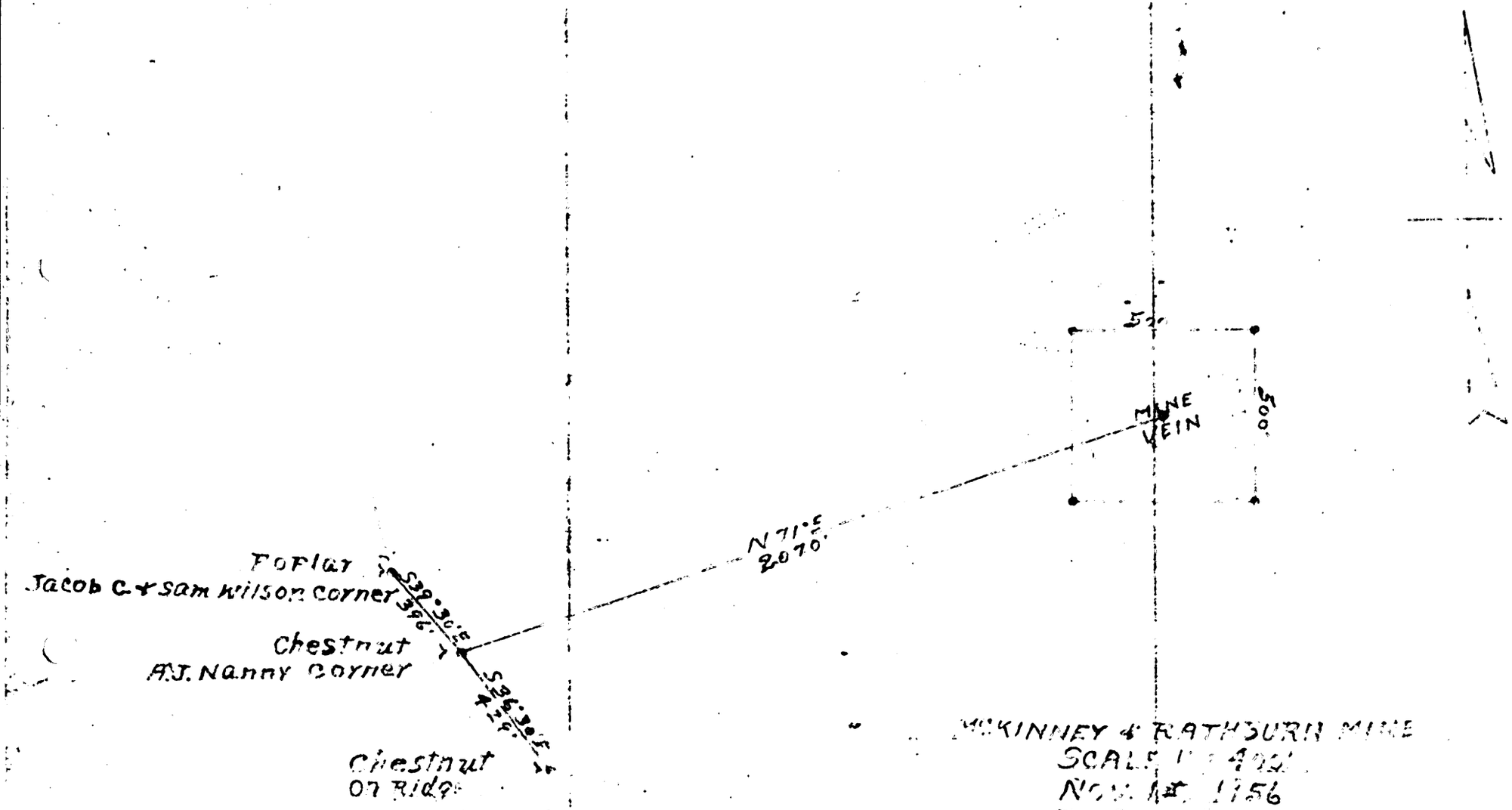
The shaft and drifts shall be driven on the pegmatite or in as close proximity thereto as possible.

Fixed Unit Costs

1.	Shaft site preparation - 370 cubic yards @ $0.40/cu. yd.		$ 148.00
2.	Construct:		
	A Toolhouse	$ 75.00 1/	
	A Powder Magazine	25.00 1/	
	An Exploder Magazine	14.00 1/	114.00
3.	Sink 60-foot inclined shaft @ $45.50/ft.		2,730.00
4.	Drive 80 feet of drifts from the shaft @ $34.00/ft.		2,720.00
	Estimated Total Cost		$5,712.00
	Government Participation @ 75%		$4,284.00

1/ Completed work is the unit.

D.M.E.A. 4486



MAP NO. 1

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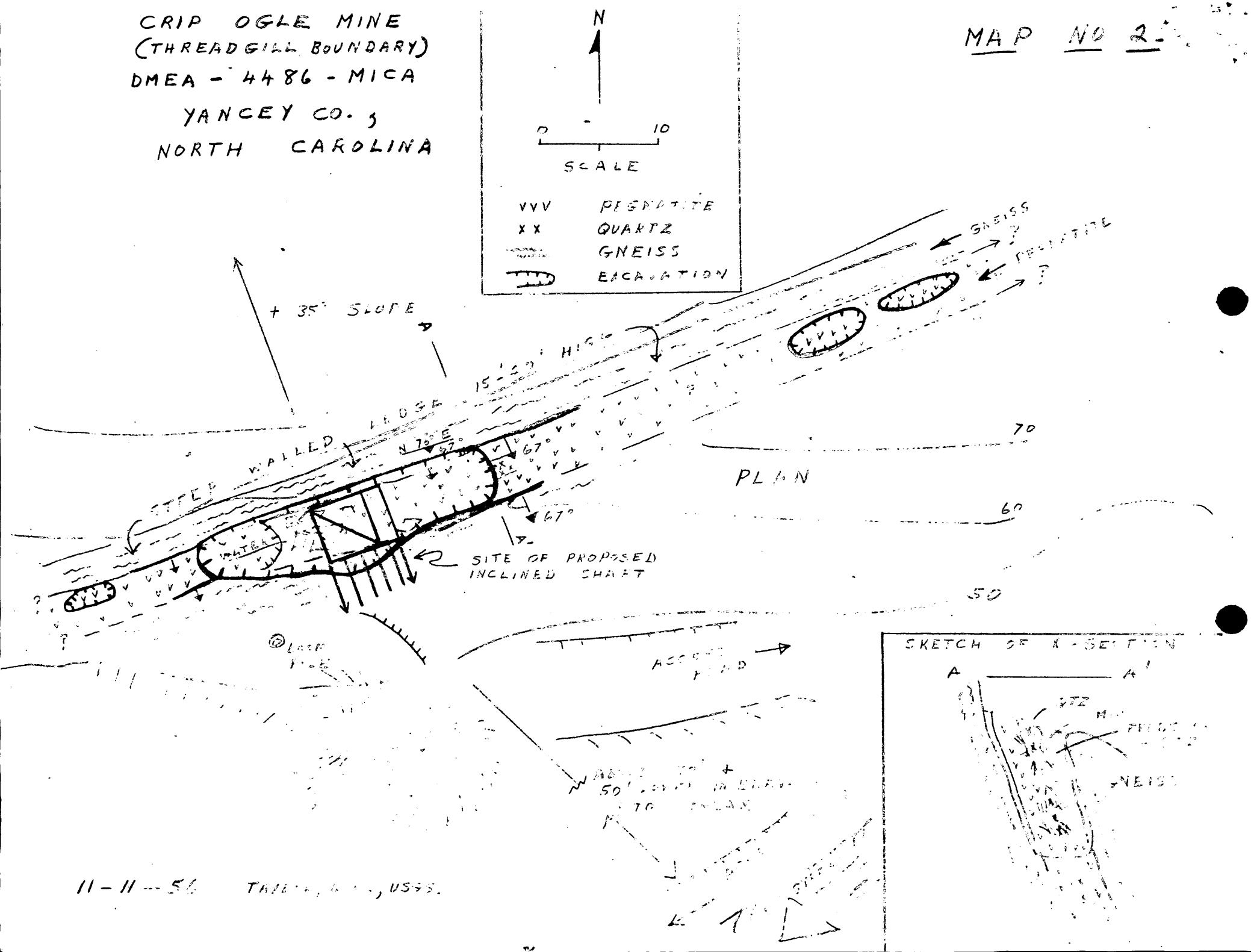
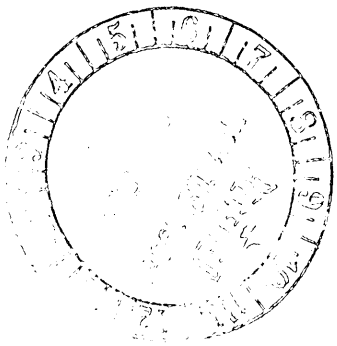
JAN 9 1957
EUREKA

CRIP OGLE MINE
(THREADGILL BOUNDARY)
DMEA - 4486 - MICA
YANCEY CO.,
NORTH CAROLINA

MAP NO 2



11-11-56 TAYLOR, USGS.



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OCT - 2 1956

Mining Lease

The Great State of North Carolina.
County of Yancey.

This Mining lease made and entered into on this 16th day of July 1956, by and between Percy Threadgill and Ethel H.Threadgill, parties of the first part, herein referred to as the owners, and C.W.Rathbone and James McKinney Jr., parties of the second part, herein referred to as the Lessees.

WITNESSETH: Whereas the above named owners, for and in consideration of the performance of the conditions and agreements and payments of royalties as hereinafter stated, have bargained and leased and by these presents do bargain, lease and grant unto the said Lessees, their heirs or assigns for mining purpose, for the time and period fixed in paragraph (1) below, that certain tract of land on what is known as the Threadgill Boundary on the Waters of Cat Tail Creek in Pensacola Township of Yancey County, and more completely described as follows: Starting on the main opening of the Crip Ogle Mica mine across the branch from the Josh Bird Feldspar Mine and running north 300 feet; thence east two hundred and fifty feet; thence south 500 feet; thence west five hundred feet; thence north five hundred feet; thence east two hundred and fifty feet to the end of the first call.

To have to and to hold the said premises for mining purposes unto the said Lessees, their heirs and assigns for the period of time fixed herein below, upon the full compliance with each and all of the following stipulations and agreements;

1. Period of Time. This lease shall begin July 16 1956 and shall be in full force and effect for a period of FIVE years ending July 16 1961., unless sooner terminated as herinafter provided.

B. The owners hereby agree to extend this lease for as many as five additional years on the same terms and conditions set forth herein, provided all the terms and conditions set forth herein shall have been complied with by the said Lessees.

C. If the Lessees fail to mine upon the said premises in a workmanlike manner for any period of time of as much as sixty days duration, then in that event it shall be deemed that the said lessees mining operations on the said premises has ceased and thereupon the owners at their option, may declare this lease null and void and of no effect and of no further force and may re-enter and take possession of said premises.

D. If the Lessees fail to pay any royalty payments as herein required, the owners, at their option may have the right to re-enter and may declare this lease null and void and of no effect and of no further force and then they have the right to take possession of the above premises.

2-A. Mining Rights. The Lessees shall have the right to dig search for, quarry, mine and obtain Mica, Feldspar and other minerals from the said premises using such machinery as is reasonably convenient and customary in a fully equipped mine.

B. The Lessees shall have the right of egress and ingress over the roads leading to and from the above mines, the Lessees agreeing to pay for the upkeep of the said roads leading to the said mines.

C. The Lessees shall have the right to use the surface of the said lands to the full extent that such use is reasonably necessary for the operation of the mining, digging, processing and removal of the said minerals.

D. The Lessees shall have the right to construct and place upon said lands such buildings and machinery as is reasonably necessary for the operation of the mines, it being expressly understood and agreed that upon the termination or expiration of this lease, all buildings and machinery placed thereon by the said Lessees may be removed within a period of 30 days from the said expiration or termination. After the said expiration of the above mentioned 30 day period it is mutually understood and agreed that all buildings and machinery remaining shall become the property of the said parties of the first part. It is further understood and agreed that the said Lessees shall not remove any buildings, piping or other equipment belonging to the said owners and now located on the above lands, and the said Lessees agree that they will keep all buildings used by them for camps and belonging to the said owners in as good repair as they are now in.

E. The Lessees shall have the right to cut and use such timber from the above described premises as may be necessary for the safe operation of the said mine or mines, provided they cut such timber as is approved by the owners.

3. Manner of Work. The Lessees agree to use sufficient machinery, tools and equipment and labor so as to operate the mines on the said premises in a workmanlike manner, and at all times to keep the mine in a clean and workable condition.

4. The Lessees shall, and hereby expressly agree, that all Mica and other minerals taken from the said mines shall be sheeted and worked on the above premises or in some location approved in writing by the owners and after the Mica has been sheeted and worked it shall be sold to the buyer offering the highest price.

5. Royalty. The Lessees shall and do hereby agree to pay the owners a royalty as follows:

A. The Lessees agree to pay to the owners a sum equal to one eighth of the sale price or all Mica, Feldspar and other minerals sold and the above payments shall be made either at the time of the sale, or not later than the first of each month for all minerals sold during the previous month.

B. Starting on the first day of January 1958, and on the first day of each and every month thereafter during the term of this lease or any extension thereof, should the royalty payments from the minerals mined and sold be less than one hundred dollars, the Lessees agree that they will, in addition to the payments provided in paragraph 5A, above, pay to the owners a sum equal to the difference between the royalty payments on the minerals sold during the preceding month and one hundred dollars, it being understood and agreed that one hundred dollars shall be the minimum royalty to be paid on each and every month.

C. The Lessees may surrender this lease at any time and thereby canceling all of the stipulations herein to be performed by them after the date of said surrender or cancelation agreement.

6. Inspection of premises. The owners or their agents shall have the right to inspect the mines the minerals taken therefrom regardless of where they are stored, all records and books of the said Lessees as to any and all the minerals mined and removed from the above described premises.

7. Transfer. It is expressly understood and agreed by all the parties hereto that this lease shall not be transferred or assigned by the said Lessees, their heirs or assigns, to any person firm or corporation without the consent in writing of the said owners.

8. Fire, fish and game. A. The Lessees and all persons in their employ shall use particular care to prevent any forest fires which might damage timber on this or adjoining lands.

B. It is expressly understood and agreed that neither the Lessees or any persons in their employ shall be permitted to take or destroy any fish or game on this or the adjoining lands of the said owners.

9. Covenants. The owners covenant to and with the said Lessees, their heirs or assigns that they are the owners of the above described lands and that they have a lawful right to execute this lease upon the terms herein stated, and they they will warrant and defend the title to same against the lawful claims of all persons whom so ever.

In witness whereof the said owners and the Lessees have hereto set their hands and seals on this 16th day of July 1956.

Percy Threadgill Seal

Ethel H. Threadgill Seal

Parties of the 1st part Owners

Seal

Seal

Lessees and parties of the second part.

State of North Carolina - County of Yancey.

I, Marie Ray A Notary Public, do hereby certify that Percy Threadgill and Ethel H. Threadgill personally appeared before me this day and acknowledge the due execution of the foregoing mining lease for all the purposes therein expressed

Marie Ray
Notary Public

My commission expires Mar. 21 - 1958

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Form Approved.
Budget Bureau No. 42-R1035.2.

RECEIVED
OCT - 2 1956

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

Not to be filled in by applicant

Docket No. 4486
Metal or Mineral Mica
Date Received 10-2-56
Estimated Cost $7250
Participation (Government %)

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address: C. W. RATHBONE OF PENSACOLA, N. C. AND JAMES MC KINNEY, JR. OF SPRUCE PINE, N. C.

% JAMES MC KINNEY, JR. ROUTE # 2, SPRUCE PINE, N. C.

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

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

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

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

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract LEGAL DESCRIPTION GIVEN ON LEASE

(*b*) State any mine name by which the property is known. THREADGILL BOUNDRY

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

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

(*e*) If you own the land, describe any liens or encumbrances on it DO NOT OWN LAND

(*f*) If the land consists of unpatented claims, add to the description above, the book and page numbers for each recorded location notice. NONE

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

7. (*a*) Are you prepared to furnish your share of the cost of the proposed project in accordance with the regulations on Government participation (Sec. 7, DMEA No. 1)? YES WILL FURNISH REQUIRED 25%

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

[X] Money [ ] Use of equipment owned by you [ ] Other

Explain in detail on acompanying paper.

CERTIFICATION

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

Dated SEPTEMBER 28, 1956

C. M. RATHBONE & JAMES MC KINNEY, JR.
(Applicant)

By James McKinney Jr.

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

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

M F - 103 (CONTINUATION SHEET)

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OCT - 2 1956

4 (A) NO PREVIOUS OPERATIONS.

(B) NO PAST PRODUCTION; NEW PROSPECT.

(C) OUTCROPPING OF MICA VEIN INDICATES THAT STRATEGIC MICA MAY BE FOUND BY EXPLORATION WORK.

(D) JEEP CAN GET TO PROSPECT, NO WORK NECESSARY ON ACCESS ROAD.

(E) MANPOWER, MATERIALS AND EQUIPMENT READY AVAILABLE. NO ELECTRIC POWER AVAILABLE.

5 (B) WE PROPOSE TO LOWER SHAFT 75' DEEP AND DRIFT 100' WITH VEIN.

6 ESTIMATES OF COST:

75' SHAFT @ $50.00 PER FOOT --------- $3,750.00

100' DRIFT @ $35.00 PER FOOT --------- 3,500.00

TOTAL ESTIMATED COST OF PROJECT-------- $7,250.00

C. W. RATHBONE

MR. RATHBONE WAS BORN AND BROUGHT UP IN YANCY COUNTY, AND ATTENDED SCHOOL THERE. HE HAS DONE QUITE A BIT OF MINING DURING THE LAST FEW YEARS, CHIEFLY IN YANCY COUNTY. HE IS SIXTY YEARS OLD.

MR. RATHBONE IS A REPUTABLE CITIZEN AND ENJOYS A GOOD REPUTATION IN THE PENSACOLA COMMUNITY WHERE HE LIVES. HE LISTS THE FOLLING REFERENCES:

MR. W. E. ANGLIN, ATTORNEY AT LAW
BURNSVILLE, N. C.

MR. W. S. FLINT
CROSSNORE, N. C.

MR. ERNEST BRIGGS, ATTORNEY AT LAW
BURNSVILLE, N. C.

JAMES MC KINNEY, JR.

MR. JAMES MC KINNEY, JR. NOW 33 YEARS OLD, HAS LIVED IN AVERY COUNTY ALL HIS ADULT LIFE, HE ATTENDED AVERY COUNTY SCHOOLS, AND HAS MINED MOST OF HIS ADULT LIFE IN AND AROUND AVERY AND YANCY COUNTIES. HE IS CONSIDERED A GOOD MINER, AND HAS A GOOD REPUTATION IN THE COMMUNITY. HE GIVES THE FOLLOWING REFERENCES:

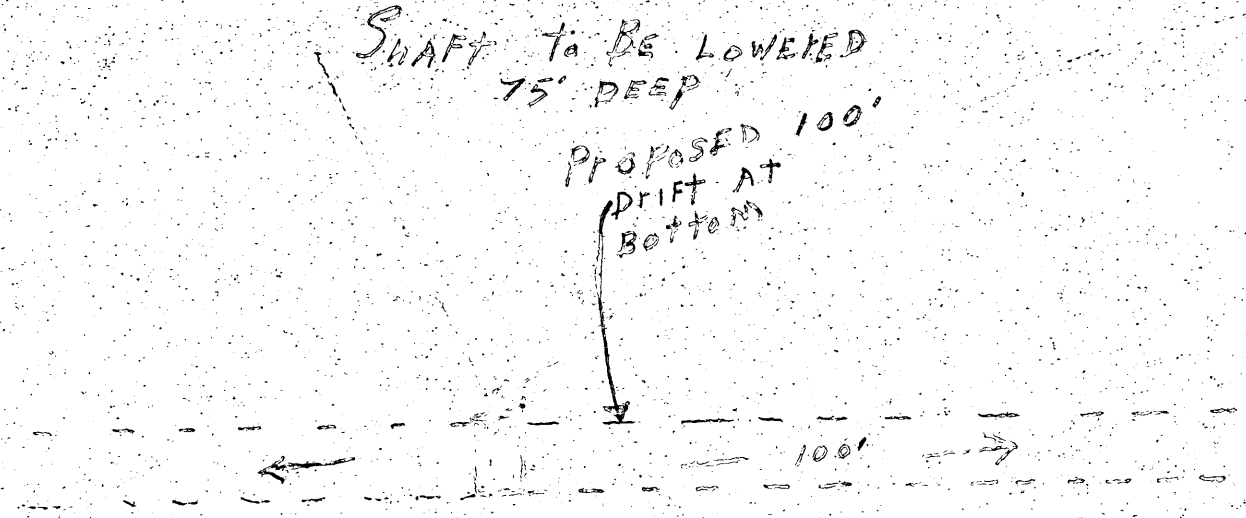
MR. BILL LEE
SPRUCE PINT, N. C.

MR. JOHN PHILLIPS
SPRUCE PINE, N. C.

MR. JOE HOWELL
ROUTE # 2,
SPRUCE PINE, N. C.

THREADGILL BOUNDARY
YANCEY COUNTY
N. C.

PROSPECT



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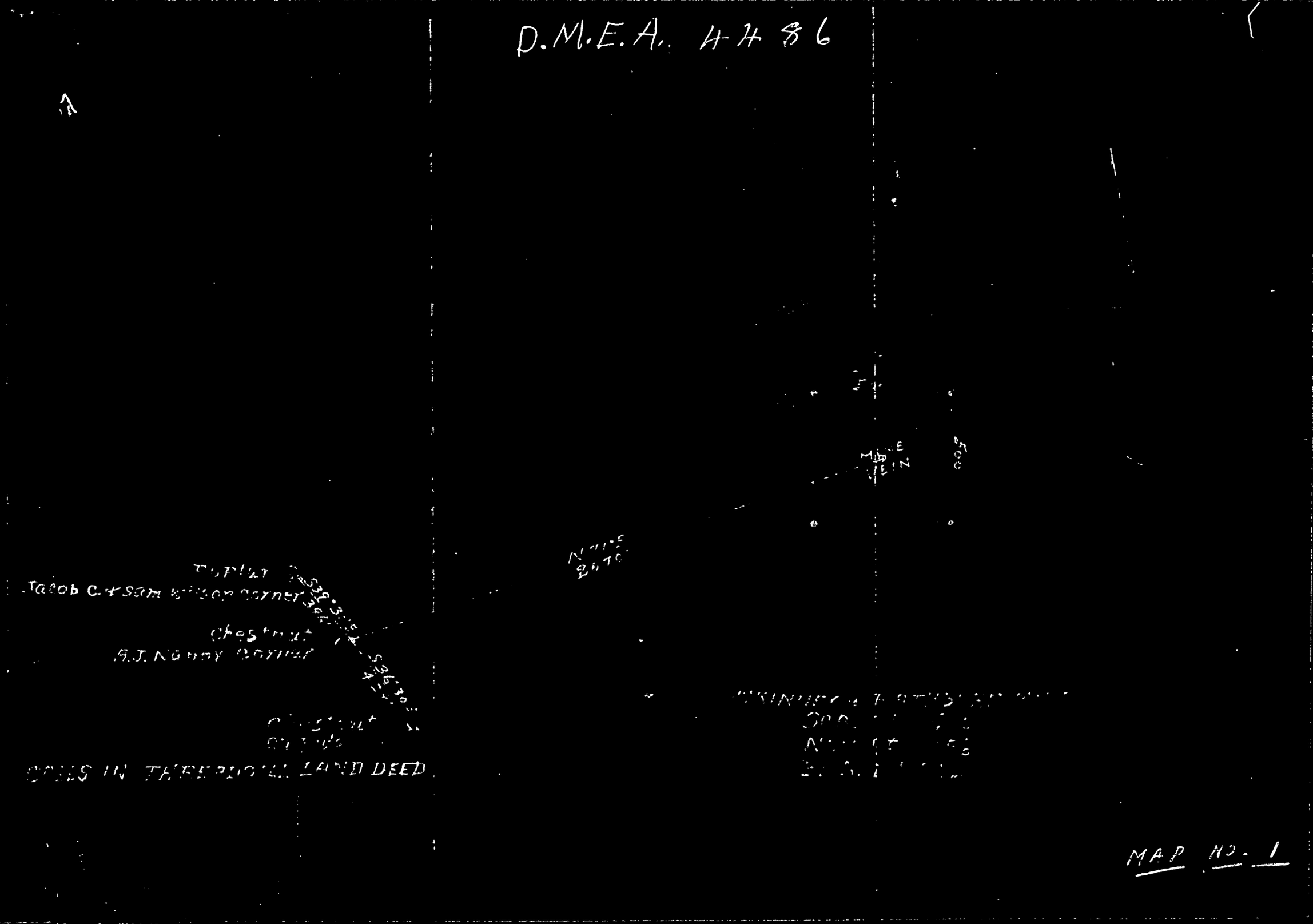
OCT - 2 1956

D.M.E.A. 4486



MR. LAWRENCE G. HOULK, CHIEF NOMETALIC MINERALS DIV.
U. S. DEPT. OF INTERIOR, D. M. E. A.
WASHINGTON 25, D. C.

KAROLTON KLASP—10 x 13
MADE BY
THE AMERICAN ENVELOPE CO.
WEST CROYDON, OHIO

DMEA Form 7
(12-56)

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Date	Surname	Code
2/5	Anderson	600
2/6	Hook	600
		110
		100
		220

600

February 5, 1958

Project Summary Report

By: Walter C. Anderson, Division of Nonmetallic Minerals

1. Docket No. DMEA-4486-Mica
Contract No. Idm-E1045
Crip Ogle Prospect
Yancey County, North Carolina

Application: Form MF-103(April 1952) received October 2, 1956.

Work Proposed by Applicant:

75 feet of shaft @ $50.00/ft.	$3,750.00
100 feet of drift @ $35.00/ft.	3,500.00
Total amount requested	$7,250.00

Operators: C. W. Rathbone and James McKinney, Jr.
c/o James McKinney, Jr.
Route 2, Spruce Pine, North Carolina

Operators' Property Rights: Five year mining lease on the Percy Threadgill Property consisting of 5 plus acres, dated July 16, 1956. Consent to Lien dated July 16, 1956.

2. Contract: Form MF-200A(April 1956), dated December 19, 1956.

Work Authorized:

Preparation shaft site 370 Cu.Yds. @ $0.40/C.yd.	$148.00
Construction - Toolhouse, powder & exploder magazines	114.00
60 feet of inclined shaft @ $45.50/ft.	2,730.00
80 feet of drifts @ $34.00/ft.	2,720.00
Estimated total cost of project	$5,712.00
Government participation @ 75%	$4,284.00

Amendments: None.

Work Completed: Same as authorized.

Work began on or about January 1, 1957, and was completed by May 15, 1957. Field Team Final Report received December 5, 1957. Operator's Final Report received May 24, 1957. No equipment purchased under contract. Value of production during project - 200 pounds of scrap mica of no value according to the Operators.

3. Audit: Report of Review issued May 28, 1957.

Total accepted cost	$5,712.00
Government participation	$4,284.00

4. Certification of Discovery - None issued.

8623

5. Comments:

How Conducted: All of the work in which the Government participated was acceptable.

Operation: All work performed satisfactorily.

Engineering: Reporting by Operators, very good.

Geologic Premise: The occurrence of mica at or near the surface did not continue in depth, as only a small amount of scrap mica was found.

Geologic Criteria upon which work was based:

1. Pegmatite: $3\frac{1}{2}$ to $5\frac{1}{2}$ feet thick, exposed for 100 feet along strike, concordantly emplaced in unweathered biotite gneiss. Composed of plagioclase crystals, disseminated small quartz, massive discontinuous quartz, muscovite, sericite with accessory garnets and tourmaline.
2. Mica: Ruby, flat, clear, mica books from 2 to 3 inches thick by 4 to 5 inches wide.
3. Past Production:

Geologic Criteria developed during project:

1. Pegmatite: Lens-like, discordant, tabular, $3\frac{1}{2}$ to 5 feet thick, intermittently exposed over a strike length of 100 feet. Fracture-emplaced in a hard, unweathered and fine-grained biotite gneiss. Consists of medium-fine to fine-grained plagioclase, with minor quartz and muscovite.
2. Mica: Reddish brown, relatively free from mineral intergrowths. In the contract work, mica was found to be non-strategic. Badly bent, twisted, up to 2 by 2 inches in size.
3. No production of mica of value during project.

Future Possibilities: None, since there is no evidence that a mica-bearing pegmatite is existant.

Recommendations: Because of the negative environment for the occurrence of mica, the Field Team recommends no certification. The Division of Nonmetallic Minerals and the Commodity Members of the Bureau of Mines and Geological Survey concur.

Walter C. Anderson

Walter C. Anderson
Division of Nonmetallic Minerals

WCAnderson:rsi 2/5/58
Copy to: Admr. R. File
Mr. Houk

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DMEA
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DATE	INITIALS	CODE
12/19	C	220
12/20	Houk	600

IN REPLY REFER TO:

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

December 18, 1957
Re: DMEA 4486, Idm-E1045
Rathburn and McKinney
Crip Ogle Prospect
Yancey County, North Carolina
Mica

Memorandum

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

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

Subject: Review of Field Team Final Report

The contract approved the expenditure of $5,712.00 on the exploration of a tabular, discordant, pinching and swelling pegmatite by shaft sinking, 60 feet, and drifting, 80 feet. Work ceased about May 15, 1957.

Pre-DMEA work in a trench had resulted in the production of 56.76 pounds of trimmed sheet worth about $692.00. As disclosed by the shaft and drift work, the pegmatite consists largely of medium fine to fine-grained plagioclase with very minor interstitial quartz and muscovite. No strategic grade material was present in about 200 pounds of mine-run block recovered in the contract workings.

As there is no indication that the pegmatite contains a substantial amount of strategic mica, the examiners and Field Team recommend that no certificate of discovery be issued. I concur with the recommendation.

N. E. Nelson

N. E. Nelson

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

December 12, 1957

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DATE	INITIALS	CODE
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Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA -4486 (mica)

Applicant: C. W. Rathbone and Jas. McKinney

Name and Location of Property: Crip Ogle Prospect
Yancey County, North Carolina

Contract Number: Idm-E 1045

Date of Field Team Final Report: Dec. 3, 1957

Date Rec'd. by Br. of Ceramic and Fertilizer Materials: Dec. 9, 1957

Field Team Recommendation: Recommend no certification of discovery.

Comments:

1. Sixty feet of shaft and 80 feet of drifting were completed under DMEA contract, resulting in only 200 pounds of scrap mica being produced.

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

3. Expenditures -

Total approved	$5,712.00
Total cost	5,712.00
Gov't. share of the cost	3,284.00
Value of production during operation	unknown

Recommendation:

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

W. F. Dietrich

W. F. Dietrich

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

December 3, 1957

RECEIVED DEC 5 1957		
DATE	INITIALS	COPY
12/5	C	220
12/5	HB	130
"	FH	110
12/9	JHB	130
12/9	C	220
12/11	HOUK	60

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Field Team's Final Report on DMEA-4486, Idm-E1045-mica. Rathburn and McKinney. Crop Ogle Prospect, Yancey County, N. C.

Transmitted are three copies of the subject final report.

The Field Team concurs with the examiners that certification should not be made on this prospect.

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

L. E. Shirley
L. E. Shirley for V. J. Lynch
Bureau of Mines

zm.

Field Team Final Rpt.

Reviewed by
DMEA OPERATING COMMITTEE
12-9-57
(date)

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UNITED STATES

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FIELD TEAM FINAL REPORT

ON

DMEA-4486, Idm-E1045(mica) CRIP OGLE PROSPECT
Yancey County, N. C.

S. C. Bergman, Geologist
Geological Survey

and

L. E. Shirley, Mining Engineer
Bureau of Mines

Reviewed by
DMEA OPERATING COMMITTEE

12-9-57
(date)

FIELD EXAMINATION REPORT
FINAL

DMEA-4486, Idm-E1045(mica) CRIP OGLE PROSPECT

Operator: C. W. Rathbone, Pensacola, N. C. and James McKinney, Jr., Spruce Pine, North Carolina

SUMMARY

A discordant, pinching and swelling tabular-shaped pegmatite was explored from the bottom of an old trench by 60 feet of inclined shaft and a total of 80 feet of drift driven along the pegmatite to the northeast and southwest. Pegmatite was found to be extremely feldspathic with a recovery of only about 200 pounds of scrap quality muscovite from all the work. Considerable normal faulting was exposed along the pegmatite contacts displacing the structures and cutting the pegmatite into discontinuous lens-like units (see map section). No recommendation for certification can be made because of the complete lack of mica-rich material.

INTRODUCTION

Location

The site is 1.94 airline miles S85°E of the intersection of Highway 194 and the Cattail Road at Pensacola, Yancey County, N.C. The prospect lies at an elevation of approximately 4060 feet in a draw or valley joining the south slope of Moody Mountain and the northwest slope of Grassy Ridge, and is located in the northeast 1/9th of the Black Brothers N. C. Quad. USGS-TVA Ed. 1947 (200 SE),1:24,000.

Prospect History

A N70°E trending hardrock trench about 25 feet long, 6 feet wide, and from 7 to 30 feet deep represents the sum of operations dating back to about 1880. The prospect was worked for a short period during the "Colonial Period" by Crip Ogle and excavated to its present depth in 1956 by the Operator, (McKinney and Rathburn).

A total of 56.76 lbs of trimmed sheet was reportedly recovered from the last pre-DMEA operations, with an average value of about $12.20 per lb.

Contract Work

Shaft site preparation at the prospect began on or about January 1, 1957, and all underground work completed by May 15, 1957. A total of about 400 cu.yds. of trench muck was recovered and some surface material leveled for a working platform. From the trench bottom, a total of 60 ft of vertical and steeply inclined shaft was sunk until pegmatite had pinched or had been cut off by post-pegmatite faulting. A total of 56 ft of drift was driven along the pegmatite to the southwest, 6 ft S70°W, 10 ft N70½W, and 40 ft S87°W. Twenty-five feet of drift was driven N60°E from a point about 9 ft above the shaft bottom making a total of 81 ft of drift completed. Work progress during the contract period was satisfactory and cooperation between the Operator and Field Team was good. In addition to the trench excavation and underground work, a toolhouse and powder and exploder magazines were built.

GEOLOGY

A discordant tabular pegmatite 3 1/2 to 5 ft thick has been intermittently exposed for at least 100 ft along the hill slope, with a trend of N70°E 70°SE. Pegmatite is fracture-emplaced in a hard, relatively unweathered and fine-grained biotite gneiss which strikes N 15 to 85°W, and dips generally 45°SW. Pegmatite near the surface is composed of medium to medium-fine grained plagioclase wall zone with several small exposures of discontinuous lens-like massive quartz core up to 2 ft thick. Some muscovite of

strategic size is localized near or at the margins of the massive quartz along with minor garnet, crushed and broken crystals of black tourmaline(?) and disseminated sulfide with much attendant dark gray-green staining of the plagioclase. Sericite is a common alteration mineral found interstitially and along fractures in the feldspar. In the contract shaft and drift work, pegmatite consists almost entirely of medium fine to fine-grained plagioclase, with very minor fine interstitial quartz and muscovite and trends N65 to 95°E 80° to 90°SE. In the shaft, pegmatite lenses out 7 feet below the start of new work, lenses in 6 ft below and lenses out at a point about 9 ft above the shaft bottom. The lens-like nature of the pegmatite may be more apparent than real since an undulating fault surface occupys one or the other of the pegmatite contacts displacing the pegmatite and cutting it at an acute angle. Slickensides lie along the contacts which plunge steeply to the southwest at the surface and steeply to the northeast at the drift level. The trace of pegmatite pinchout is roughly perpendicular to slickenside plunge. Locally the foliation has been differentially dragged indicating the direction of fault movement.

Muscovite is a reddish-brown color and relatively free from mineral intergrowths. Near the ground surface, the mica is reported to be flat and in books up to 4 x 5 inches across and 3 inches thick. In the contract work, muscovite was found to be badly bent, twisted, and ruled in books up to a maximum of about 2 x 2 inches. No strategic grade material was present in about 200 lbs of mine-run block recovered during the contract period.

CONCLUSIONS AND RECOMMENDATIONS

All contract work was conducted in feldspathic quartz and mica-deficient pegmatite. There appears to be little evidence on the basis of mineralogy alone that mica-bearing pegmatite is present in any amount. In addition, the presence of faulting has produced a discontinuous structure and profoundly affected (Negatively) the quality of what little muscovite is present.

All work was performed satisfactorily and met the terms of the contract. Because of the negative environment outlined above, no recommendation for certification can be made by the Examiners.

EXPENDITURES

(a)	Total approved	$5712.00
(b)	Total cost of project	5712.00
(c)	Government's share of cost	3284.00
(d)	Value of production	unknown
(e)	Royalty Paid to date	none

December 3, 1957.

S. C. Bergman, Geologist
Geological Survey

L. E. Shirley, Mining Engineer
Bureau of Mines

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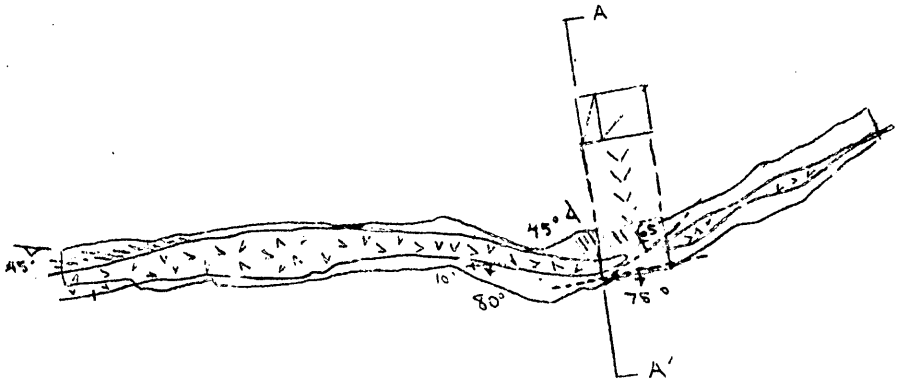

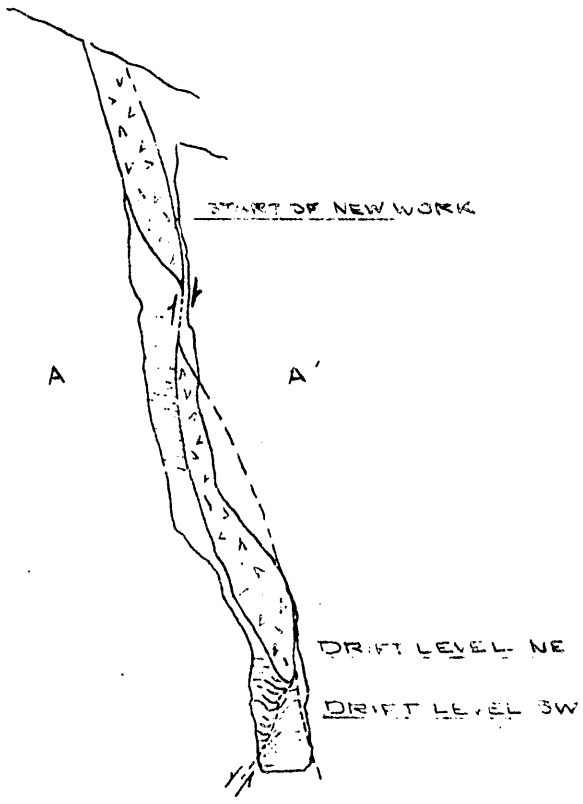

CRIP OGLE MINE-PROSPECT
YANCEY COUNTY, NORTH CAROLINA

DMEA-4486, Idm-E1045 (MICA)

LEGEND

- PLAG. PEGMATITE MINOR QTZ-MUSCOVITE
- FINE BANDED BIOTITE GNEISS
- FAULT TRACE WITH INDICATED MOVEMENT

SCALE: 1" = 20'

OFFICIAL FILE COPY
DMEA
RECEIVED DEC 5 1957

DATE	INITIALS	CODE

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
5/28	Talbert	800
5-28	C	220
5-28	Amb	600

MAY 28 1957

Mr. Robert A. Laurence
Executive Officer
DMEA Field Team, Region V
Room 14, Post Office Building
Knoxville 2, Tennessee

Re: Docket No. DMEA-4486 (Mica)
Rathbone and McKinney, Jr.
Crip Ogle Mine
Yancey County, North Carolina
Contract No. Idm-E1045

Dear Mr. Laurence:

Enclosed are the original and two copies of a Report of Review in lieu of a final audit of the referenced project. This report has been prepared in accordance with the request contained in your memorandum of May 24, 1957, confirming the acceptable completion of the work.

If you concur with the facts stated in the Report of Review, one copy should be retained in your files and the original and one copy should be forwarded to the regional finance officer. If, for any reason, you do not concur please return the original and both copies to this Division.

The original of the final (May 1957) Form MF-104 is returned herewith.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Director
Contract Administration
and Audit Division

Enclosure

EDTalbert/wb 5/28/57

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

8623

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

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 27 1957

DATE	INITIALS	CODE
5/27	C	220
5/27	[illegible]	800
5/27	[illegible]	600

May 24, 1957

Memorandum

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

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

Subject: Docket No. DMEA-4486, Final Report from Operator
Contract no. Idm-E1045, Mica - Crip-Ogle Mine
C. W. Rathbone and James McKinney, Jr., Spruce Pine, N.C.
Yancey County, North Carolina

Enclosed are four copies of the Operator's Final Report.

Robert A. Laurence
Robert A. Laurence
Executive Officer

W. A. Beck
W. A. Beck for V. J. Lynch
Member, Bureau of Mines

Enclosures 4

Operator's Final Rpt

Spruce Pine, N. C.
Route 2,
May 21, 1957

Mr. Robert A. Lawrence, Executive Officer
DMEA, Region 5,
Room 13, Post Office Building
Knoxville, Tenn.

Re: DMEA-4486, Idm-E 1045
Crip-Ogle Mine
Final Report

Dear Sir:

We began work on the above project January 1, 1957, and completed our contract on May 15, 1957.

In January we prepared shaft site, which included removal of loose rock from bottom of open cut, and trimming the hanging wall overhang. Constructed tool house, powder & exploder magazines. Began work on shaft, completed 25' of same. Vein approximately 2' wide, but very little mica.

In February, worked on manway, and completed 17' of shaft, making a total of 42' of shaft. Vein approximately 5' wide, with very little mica.

In March we completed 18' of shaft, making a total of 60'. We completed manway and shaft, timbered water hole, and began work on drift, and completed 18' of same. Vein approximately 5' wide, and contains very little mica.

For the month of April, we completed 50' of drift, making a total of 68'. The vein is approximately 3' wide, but very little mica showing.

From May 1, thru May 15, we completed 12' of drift, making a total of 80', which completed our contract.

We received approximately 200 lbs. of scrap mica, of no value.

We wish to thank the field team for their cooperation & assistance with this project.

Very truly yours,

James McKinney, Jr.

James McKinney, Jr.

JMJ:em

RECEIVED
MAY 24 1957
Knoxville, Tenn.

OFFICIAL FILE COPY
RECEIVED MAY 27 1957

DATE	INITIALS	CODE

EXTRA COPY
D.M.E.A.
RECEIVED 1957
DATE | INITIALS | CODE
600

May 24, 1957

Memorandum

To: Jay L. Chambers, Chief
Contract Administration and Audit Division, DMEA
Washington, D. C.

From: Executive Officer, DMEA Field Team, Region V

Subject: Completion of DMEA-4436, Ida-E1045 (Fica)
C. W. Fathbone and James McKinney, Jr.
Crip Ogle Mine, Yancey County, North Carolina

Work under this short-form contract was completed on May 15, 1957. The Operator's final voucher has been received, and is being held pending receipt of a Report of Review.

The following units of work have been acceptably completed:

Shaft site preparation, 370 cubic yards.
Construction of toolhouse, powder magazine and exploder magazine.
Shaft sinking (inclined), 60 feet.
Drifting, 30 feet.

An acceptable geological and engineering report has been received. Therefore, a Report of Review is requested.

Robert A. Laurence

RAL/mg
cc - Operating Committee (2)
Finance Office
Lynch
Shirley
File

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 24 1957

DATE	INITIALS	CODE
5/24	C	220
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28	[illegible]	[illegible]

INTERIM REPORT

DMEA-4486, Idm-E1045(mica) CRIP OGLE MINE

Operator: C. W. Rathbone, Penscola, N. C., and James McKinney Jr. R#2, Spruce Pine, N.C.

Location: 1.9 airline miles S 86° E of Pensacola, Yancey County, N.C.

All work outlined in the contract has been completed.

A total of 81 feet of drift has been driven on pegmatite 25 feet N 60°E, 6 feet S 70°W, 10 feet N 70° W and 40 feet S 87° W. The pegmatite pinches and swells markedly in the northeast heading being not more than a 6-inch stringer and in the southwest drift reaching a thickness of 3 to 4 feet. The pegmatite has been feldspathic throughout consisting of medium grained oligoclase, minor perthite and rare quartz and muscovite. A reported 200 pounds of poor quality muscovite has been recovered during the contract period.

Progress has been satisfactory and all conditions of the contract have been carried out by the Contractor.

Inspected: May 15, 1957

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

S. C. Bergman, Geologist
Geological Survey

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(COPY)

Form MF-106 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K- 74

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of May, 1957 Docket No. DMEA 4486 Contract No. Idm-E 1045
Operator's Name James McKinney, Jr. Minerals Mica
Address Route 2, Spruce Pine, N. C.
Contract Amount, $5,712.00 Government Participation: 75 % Amount, $4,284.00

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						
370 C. Y. Bulldozing @ $ .40		148.00	148.00			
Crosscutting						
12' Drifting @ $34.00	408.00	2,312.00	2,720.00			
60' Shaft @ $45.50		2,730.00	2,730.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.		75.00	75.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Powder & Exploder Mags.		39.00	39.00			
(8) Contingencies (specify):						
TOTALS	408.00	5,304.00	5,712.00	408.00	5,304.00	5,712.00

RECEIVED JUN 12 1957 D.M.E.A.

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 5-21-57 *Payee James McKinney, Jr.
Per James McKinney Jr. Title Partner

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

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

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:
$ 306.00
Signature Helen R. Mueller
(Authorized Certifying Officer)
Date JUN 10 1957 Vou. No. 198
(See other side)

102.00

(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-1045 in accordance with the terms of the contract.

Signature S. C. Berryman Title GEOLOGIST, U. S. G. S. Date MAY 31 1957

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature V. J. Lynch Title ACTING EXECUTIVE OFFICER DMEA - REGION V Date MAY 31 1957

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

(COPY)

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 May 1957 Docket No. DMEA 4486 Contract No. Idm-E 1045

Operator's Name James McKinney, Jr. Minerals Mica

Address Route 2, Spruce Pine, N. C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting	12	408.00	12	2,720.00	80	34.00	80	34.00
Crosscutting								
Raising								
Shafts				2,730.00	60	45.50	60	45.50
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Bulldozing				148.00	370	.40	370	.40
TOTAL DISTRIBUTED COSTS		408.00		5,598.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				75.00				
Powder & Exploder Mags.				39.00				
TOTAL COSTS		408.00		5,712.00				

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 5-21-57 Operator James McKinney, Jr.

Per James McKinney Jr. Title Partner

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

(Instructions on reverse)

(For Government use only)

S. C. Bergman
GEOLOGIST, U. S. G. S.
MAY 31 1957

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

(COPY)

Operator's

Monthly Progress Report

May 1, Thru May 15, 1957

DMEA-4486, Idm-E 1045

Crip-Ogle Mine

Work Accomplished:

We have completed 12' of drift, making a total of 80' , as authorized by contract.

Daily Notes:

1 - 3: Drilled, shot, and mucked.

6 - 10: Continued work on drift, drilled, shot, and mucked out waste daily.

13 - 15: We have completed 60' of shaft, and 80' of drift to date, as authorized by contract.

3
5
3/
11 = 12 = 1

RECEIVED
JUN 12 1957
D.M.E.A.

INTERIM REPORT

DMEA-4486, Idm-E1045 (Mica) CRIP OGLE MINE

Operator: C. W. Rathburn, Pensacola, N. C. and James McKinney, Jr., Spruce Pine, N. C.

Location: 1.9 airline miles S86°E of Pensacola, Yancey Co., N. C.

Drifting has been in progress to the northeast during the interim and an advance of 25 feet has been made. The body thinned from the shaft turnoff to the present face from 4.5 feet to 1 foot and indicated plunge to the southwest. The operator was instructed to stop this heading and return to the southwest drift for additional work. Mica recovery in the northeast drift work consisted of a few scattered books of poor quality mica. Total drift completed to date is 68.5 feet; 25 feet has been driven in a N60°E direction and 43.5 feet has been driven to the southwest. Progress on this contract has been satisfactory.

L. E. Shirley

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

S. C. Bergman

S. C. Bergman and E. L. Boudette
Geologist, U. S. Geological Survey

May 2, 1957

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 13 1957

DATE	INS.	CODE
5/13	TWB	220
14	com	100
14	H	600

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-67

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of April, 1957 Docket No. DMEA 4486 Contract No. Idm-E 1045
Operator's Name James McKinney, Jr. Minerals Mica
Address Route 2, Spruce Pine, N. C.
Contract Amount, $ 5,712.00 Government Participation: 75 % Amount, $ 4,284.00

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						
370 C.Y. Bulldozing @ $ .40		148.00	148.00			
Crosscutting						
50' Drifting @ $34.00	1,700.00	612.00	2,312.00			
60' Shaft @ $45.50		2,730.00	2,730.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.		75.00	75.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Powder & Exploder Mags.		39.00	39.00			
(8) Contingencies (specify):						
TOTALS	1,700.00	3,604.00	5,304.00	1700.00	3604.00	5304.00

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

Date 5-6-57 *Payee James McKinney, Jr.

Per James McKinney Jr. Title Partner

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

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

(Instructions on reverse)

RECEIVED MAY 13 1957 DMEA

425.00

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

$ 1275.00

Signature Helen R. Miller (Authorized Certifying Officer)

Date MAY 9 1957 Vou. No. 185

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E-1045 in accordance with the terms of the contract.

Signature V. J. Lynch Title MINING ENGINEER U. S. BUREAU OF MINES Date MAY 7 1957

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA FIELD TEAM REGION V Date MAY 7 1957

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of April 1957 Docket No. DMEA 4486 Contract No. Idm-E 1045

Operator's Name James McKinney, Jr. Minerals Mica

Address Route 2, Spruce Pine, N. C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting	50	1,700.00	50	2,312.00	68	34.00	80	34.00
Crosscutting								
Raising								
Shafts				2,730.00	60	45.50	60	45.50
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Bulldozing				148.00	370	.40	370	.40
TOTAL DISTRIBUTED COSTS		1,700.00		5,190.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				75.00				
Powder & Exploder Mags.				39.00				
TOTAL COSTS		1,700.00		5,304.00				

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 5-6-57 Operator James McKinney, Jr.

Per James McKinney Jr. Title Partner

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

REMARKS:

(Instructions on reverse)

(For Government use only)

W. J. Lynch
MINING ENGINEER
U. S. BUREAU OF MINES

INSTRUCTIONS

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

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

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

GPO 872894

Operator's

Monthly Progress Report

April, 1957

DMEA-4486, Idm-E 1045

Crip-Ogle Mine

Work Accomplished:

We have completed 50' of drift, making a total of 68'. The vein is approximately 3' wide, and contains very little mica.

Daily Notes:

1 - 5: Shot, drilled, and mucked.

8 - 12: Continued work on drift, shot, drilled and mucked out waste daily.

15 - 19: Shot, drilled, and mucked.

22 - 26: Pumped water, shot, drilled, and mucked.

29 - 30: We have completed 60' of shaft, and 68' of drift to date. Finding very little mica.

INTERIM REPORT

DMEA-4486, Idm-E1045 (mica) CRIP OGLE MINE

Operator: C. W. Rathburn, Pensacola, N. C., and James McKinney, Jr. Spruce Pine, N. C.

Location: 1.9 airline miles S86°E of Pensacola, Yancey Co., N. C.

Drifting continues on this contract and totals 43.5 feet in a S70°-80°W direction from the shaft bottom. The pegmatite varies from 1.5 to 3.0 feet in thickness in the present face from floor to back, and is composed of Na and K feldspar, quartz as discontinuous core material, and occasional small blocks of poor grade muscovite. Instructions were given for starting another drift from the shaft bottom to the northeast to explore that section of pegmatite. No commercial mica has been produced to date. Progress on this contract is satisfactory.

L. E. Shirley

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

E. L. Boudette

E. L. Boudette, Geologist
U.S. Geological Survey

April 17, 1957

OFFICIAL FILE COPY
DMEA
RECEIVED APR 29 1957

DATE	INITIALS	CODE
4/29	C	220
5/1	Com	100
6/	H	600

INTERIM REPORT

DMEA-4486, Idm-21045 (mica) CRIP COLE MINE

Operator: C. W. Rathburn, Pensacola, N. C., and James McKinney, Jr. Spruce Pine, N. C.

Location: 1.9 airline miles 386°E of Pensacola, Yancey Co., N. C.

Drifting continues on this contract and totals 43.5 feet in a S70°-80°W direction from the shaft bottom. The pegmatite varies from 1.5 to 3.0 feet in thickness in the present face from floor to back, and is composed of Na and K feldspar, quartz as discontinuous core material, and occasional small blocks of poor grade muscovite. Instructions were given for starting another drift from the shaft bottom to the northeast to explore that section of pegmatite. No commercial mica has been produced to date. Progress on this contract is satisfactory.

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

E. L. Boudette, Geologist
U.S. Geological Survey

April 17, 1957

EXTRA COPY
DMEA
RECEIVED APR 29 1957
DATE | INITIALS | CODE

OFFICIAL FILE COPY
DMEA
RECEIVED APR 15 1957

DATE	INITIALS	CODE
4/15	C	220
"	COM	100
4/17	[illegible]	600

INTERIM REPORT

DMEA-4486, Idm-E1045 (mica) CRIP OGLE MINE

Operator: C. W. Rathburn, Pensacola, N. C. and James McKinney, Spruce Pine, N. C.

Location: 1.9 airline miles S86°E of Pensacola, Yancey Co., N. C.

Drifting is underway on this contract, and an advance of 21.5 feet has been made in a S70°W direction during the interim. The pegmatite is about 4 feet thick at the present face and is composed of K feldspar, minor amounts of Na feldspar, small quartz and scrap sizes of muscovite containing biotite inclusions and Fe stain. No strategic mica has been encountered to date in the drift work. Instructions were given for continued drifting to the southwest.

The Operator was advised to scale the drift back after blasting and to pull the pegmatite wall to wall since the enclosing rock, a biotite gneiss, is not weathered to any extent.

L. E. Shirley

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

E. L. Boudette

E. L. Boudette, Geologist
U. S. Geological Survey

April 3, 1957

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K- 60

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of March, 1957 Docket No. DMEA 4486 Contract No. Idm-E 1045
Operator's Name James McKinney, Jr. Minerals Mica
Address Route 2, Spruce Pine, N. C.
Contract Amount, $ 5,712.00 Government Participation: 75 % Amount, $ 4,284.00

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						
370 c.y. Bulldozing @ $ .40		148.00	148.00			
Crosscutting						
18' Drifting @ $34.00	612.00		612.00			
60' Shaft @ $45.50	819.00	1,911.00	2,730.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.		75.00	75.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Powder & Exploder Mags.		39.00	39.00			
(8) Contingencies (specify):						
TOTALS	1,431.00	2,173.00	3,604.00	1431.00	2,173.00	3,604.00

RECEIVED APR 8 1957 D.M.E.A.

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 4-1-57 *Payee James McKinney, Jr.
Per James McKinney Jr. Title Partner

*When 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:
$ 1,073.25
Signature Helen R. Miller
(Authorized Certifying Officer)
Date APR 3 1957 Vou. No. 160
(See other side)

357.75

(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. IAm E10H5 in accordance with the terms of the contract.

Signature W. A. Beck Title Mining Engr USBM Date APR 2 1957

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION V Date APR 2 1957

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form ME-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of March 1957 Docket No. DMEA 4486 Contract No. Idm-E 1045

Operator's Name James McKinney, Jr. Minerals Mica

Address Route 2, Spruce Pine, N. C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting	18	612.00	18	612.00	18	34.00	80	34.00
Crosscutting								
Raising								
Shafts	18	819.00	18	2,730.00	60	45.50	60	45.50
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Bulldozing				148.00	370	.40	370	.40
TOTAL DISTRIBUTED COSTS		1,431.00		3,490.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				75.00				
Powder & Exploder Mags.				39.00				
TOTAL COSTS		1,431.00		3,604.00				

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 4-1-57 Operator James McKinney, Jr.

Per James McKinney Jr. Title Partner

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

REMARKS:

(Instructions on reverse)

(For Government use only)

RECEIVED APR 8 1957 D.M.E.A.

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

APR 2 1957

INSTRUCTIONS

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

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

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

GPO 872894

Operator's

Monthly Progress Report

March, 1957

DMEA-4486, Idm-E 1045

Crip-Oglo Mine

Work Accomplished:

We have completed 18' of shaft, making a total of 60'. Began work on drift, and completed 18' of same. The vein is approximately 5' wide, and contains very little mica.

Daily Notes:

1 : Shot, drilled, and mucked.

4 - 8 : Continued work on shaft, shot, drilled, and mucked out waste daily.

11 - 15 : Completed manway and shaft.

18 - 22 : Timbered water hole, and began work on drift.

25 - 29 : We have completed 60' of shaft, and 18' of drift to date. Finding very little mica.

5
5
16

11 - 18
10 - 12

OFFICIAL FILE COPY
DMEA
RECEIVED APR 8 1957

DATE	INITIALS	CODE

RECEIVED
APR 8 - 1957
Colorado Division
Denver, Colo.

INTERIM REPORT

DMEA-4486, Idm-E1045 (mica) CRIP OGLE MINE

Operator: C. W. Rathburn, Pensacola, N. C. and James McKinney, Jr., Spruce Pine, N. C.

Location: 1.9 airline miles S86°E of Pensacola, Yancey Co., N. C.

Shaft sinking has been completed to a total depth of 60 feet. Instructions were given for flooring the shaft at the 52 foot level and turning off a drift level to the southwest. The last 10 feet of shaft work showed the pegmatite to be bottoming, and narrow stringers or lenses were followed. It was recommended that the Operator drive a long test hole down dip to determine if pegmatite persisted beyond the 60 foot level before flooring the shaft. Evidence of post-pegmatite movement was indicated near shaft bottom, and mica examined was ruled and bent badly. The Operator has reported no strategic mica production from shaft sinking.

Instructions were given for extending the separated manway to the bottom in the near future. Progress on this contract is satisfactory.

L. E. Shirley

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

S.C. Bergman

S. C. Bergman and E. L. Brobst, Geologists
U. S. Geological Survey

March 20, 1957

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DMEA
RECEIVED APR 2 1957

DATE	INITIALS	CODE
4/2	C	220
4/3	CMM	100

INTERIM REPORT

DMEA-4484, Idn-E1035 (mica) CDAP OGLE MINE

Operator: C. W. Rathburn, Pensacola, N. C., and James Mckinney, Jr. Spruce Pine, N. C.

Location: 1.9 airline miles S86°E of Pensacola, Yancey Co., N. C.

Inclined shaft sinking continues on this contract, and present depth is 47 feet. No changes were noted in the attitude of the pegmatite. The body has thinned in the present bottom, but instructions were given for continued shafting to 60 feet, if pegmatite persists to that depth. Mica recovery has been scant for the most of the shaft work. The quality of the mica observed in the last 20 feet of work has been poor, but drift work will be necessary to complete the picture.

Suggestions were made for scaling after blasting. A separated manway with ladders and landings has been installed to the 30 foot level and will be completed as soon as turnoff has been made from the shaft bottom.

Mr. V. J. Lynch, Bureau of Mines, member of the Field Team, Region V, accompanied the examiners on this visit to the mine.

L. E. Shirley

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

E. J. Boudette

E. J. Boudette, Geologist
U. S. Geological Survey

March 7, 1957

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 15 1957

DATE	INITIALS	CODE
3/18	CCM	100
3/18	C	220
3/21	WCA	600

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-56

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of February, 1957 Docket No. DMEA 4486 Contract No. Idm-B 1045
Operator's Name James McKinney, Jr. Minerals Mica
Address Route 2, Spruce Pine, N. C.
Contract Amount, $ 5,712.00 Government Participation: 75 % Amount, $ 4,284.00

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						
370 C.Y. Bulldozing @ $ .40		148.00	148.00			
Crosscutting						
Drifting						
42' Shaft @ $45.50	773.50	1,137.50	1,911.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.		75.00	75.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Powder & Exploder Mags.		39.00	39.00			
(8) Contingencies (specify):						
TOTALS	773.50	1,399.50	2,173.00	773.50	1,399.50	2,173.00

RECEIVED MAR 11 1957 D.M.E.A.

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

Date 3-1-57 *Payee James McKinney, Jr.

Per James McKinney Jr. Title Partner

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

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

(Instructions on reverse)

193.37

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

$580.13

Signature Helen R. Meier
(Authorized Certifying Officer)

Date MAR 8 1957 Vou. No. 147

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E-1045 in accordance with the terms of the contract.

Signature S. C. Bergman Title GEOLOGIST, U. S. G. S. Date MAR 7 1957

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lemmen Title EXECUTIVE OFFICER DMEA REGION V Date MAR 8 1957

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

RECEIVED MAR 11 1957 D.M.E.A.

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

Month of February 1957 Docket No. DMEA 4486 Contract No. Idm-E 1045
Operator's Name James McKinney, Jr. Minerals Mica
Address Route 2, Spruce Pine, N. C.

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts	17	773.50	17	1,911.00	42	45.50	60	45.50
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Bulldozing				148.00	370	.40	370	.40
Total Distributed Costs		773.50		2,059.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				75.00				
Powder & Exploder Mags.				39.00				
Total Costs		773.50		2,173.00				

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

Date 3-1-57 Operator James McKinney, Jr.

Per James McKinney Jr. Title Partner

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

(Instructions on reverse)

Remarks:

(For Government use only) S. C. Bergman

GEOLOGIST, U. S. G. S. MAR 7 1957

INSTRUCTIONS

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

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

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

GPO 872894

Operator's

Monthly Progress Report

February, 1957

DMEA-4486, Idm-N 1045

Crip- Ogle Mine

Work Accomplished:

We have completed 17' of shaft, making a total of 42'. The vein is approximately 5' wide. We are finding very little mica.

Daily Notes:

1 : Shot, drilled, and mucked.

4 - 8 : Completed one section of manway. Continued work on shaft.

11 - 15 : Continued work on shaft, shot, drilled, and mucked out waste daily.

18 - 22 : Continued work on shaft. Vein is approximately 5' wide.

25 - 28 : We have completed 42' of shaft to date. Finding very little mica.

EXTRA COPY
DMEA
RECEIVED MAR 1957

DATE	INITIALS	CODE
3/12	Hook	Gov

RECEIVED
MAR 7 - 1957
U.S. Bureau of Mines
Central Division
Kansas City, Mo.

INTERIM REPORT

DMEA-4486, Idm-E1045 (mica) CRIP OGLE MINE

Operator: C. W. Rathburn, Pensacola, N. C., and James McKinney, Jr., Spruce Pine, N. C.

Location: 1.9 airline miles S86°E of Pensacola, Yancey Co., N. C.

Inclined shaft sinking continues on this contract, and work completed totals 33 feet. The work has followed the inclination of the footwall for the last 8 to 10 feet, leaving 1 to 1.5 feet of pegmatite thickness on the hanging wall. Instructions were given for slabbing to the hanging wall and continued sinking. Only occasional mica has been produced from a primarily feldspathic body, notably absent in quartz.

Instructions were given for installation of a manway and additional cribbing at the collar as soon as practicable. Recent progress on this contract has been satisfactory.

L. E. Shirley

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

S. C. Bergman

S. C. Bergman and E. L. Boudette
Geologists, U. S. Geological Survey

February 20, 1957

OFFICIAL-COPY

[redacted]

DMEA
RECEIVED MAR 4 1957

DATE	INITIALS	CODE
3/5	Cour	100
3-5	C	220
3/6	[illegible]	600

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-45

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of Jan., 1957 Docket No. DMEA 4486 Contract No. Idm-E 1045
Operator's Name James McKinney, Jr. Minerals Mica
Address Route #2, Spruce Pine, N.C.
Contract Amount, $ 5,712.00 Government Participation: 75 % Amount, $ 4,284.00

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						
370 C.Y. Bulldozing @ $ 0.40	148.00		148.00			
Crosscutting						
Drifting						
25' Shaft @ $45.50	1137.50		1137.50			
(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						
(6) New Bldgs., Improvements, etc.	75.00		75.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Powder & Exploder Mags.	39.00		39.00			
(8) Contingencies (specify):						
TOTALS	1399.50		1399.50	1399.50		1399.50

RECEIVED FEB 7 1957 D.M.E.A.

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

Date 2-1-57 *Payee James McKinney, Jr.

Per James McKinney Jr. Title Partner

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

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

(Instructions on reverse)

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

$ 1049.62

Signature Helen R. Mellen
(Authorized Certifying Officer)

Date FEB 8 1957 Vou. No. 125

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-5104 in accordance with the terms of the contract.

Signature Laurence E. Shirley Title MINING ENGINEER U. S. BUREAU OF MINES Date Feb. 6, 1957

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION V Date FEB 7 1957

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

RECEIVED FEB 11 1957 D.M.E.A.

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

Month of January 1957 Docket No. DMEA 4486 Contract No. Idm-E 1045
Operator's Name James McKinney, Jr. Minerals Mica
Address Route #2, Spruce Pine, N.C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts	25	1137.50	25	1137.50	25	45.50	60	45.50
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Bulldozing	Cu. Yds.	148.00	370	148.00	370	0.40	370	0.40
TOTAL DISTRIBUTED COSTS		1285.50		1285.50				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.		75.00		75.00				
Powder & Exploder Mags.		39.00		39.00				
TOTAL COSTS		1399.50		1399.50				

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

Date 2-1-57 Operator James McKinney, Jr.

Per James McKinney Jr. Title Partner

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

(Instructions on reverse)

REMARKS:

(For Government use only)

L. E. Shurley
MINING ENGINEER
U. S. BUREAU OF MINES
Feb. 6, 1957

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
FEB 11 1957
D.M.E.A.

Operator's

Monthly Progress Report

January, 1957

DMEA-4486, Idm-E 1045

Crip-Ogle Mine

Work Accomplished:

We did bulldozing work, moved in equipment, constructed toolhouse, sat up powder and exploder magazines, and begin work on shaft, to date we have completed 25' of shaft. The vein is approximately 2' wide, we are finding very little mica.

Daily Notes:

1 - 4 :	We did bulldozing work, moved in equipment, constructed toolhouse, sat up powder and exploder magazines.
14 - 18 :	Begin work on shaft, shot, drilled and mucked out waste daily.
21 - 25 :	Continued work on shaft, the vein is approximately 2' wide.
28 - 31 :	We have completed 25' of shaft to date, finding very little mica.

RECEIVED
FEB 4 1957
U. S. BUREAU OF MINES
DEF. MIN. ADM.
Knoxville, Tennessee

INTERIM REPORT

DMEA-4486, Idm-E1045 (mica) CRIP OGLE MINE

RECEIVED FEB 11 1957 D.M.E.A.

Operator: C. W. Rathburn, Pensacola, N. C., and James McKinney, Jr., Spruce Pine, N. C.

Location: 1.9 airline miles S86°E of Pensacola, Yancey Co., N. C.

The starting date on this contract is January 1, 1957. Shaft site preparation, consisting of removal of 400 cubic yards of material has been completed, and shaft sinking is underway. The present shaft depth is at 10 feet in new material, and all work to date has followed pegmatite composed of feldspar, disseminated quartz, and small book mica of poor quality. The pegmatite at this depth has narrowed to about six inches. Instructions were given for continued shaft sinking following pegmatite. The Operator was advised to drill long test holes in the bottom if the pegmatite cut out completely.

Equipment at the site consists of a 105 c.f.m. air compressor with drilling accessories, a gasoline-powered single-drum hoist and necessary hand tools. A tool house and magazines have been built and are now in use. Progress on this contract has been good.

L. E. Shirley

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

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

January 21, 1957

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

January 7, 1956

Memorandum

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

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

Subject: Docket No. DMEA-4486, Contract Idm-E1045 - Mica
C. W. Rathbone and James McKinney, Jr., Spruce Pine, N.C.
Crip Ogle Mine (Threadgill Boundary), Yancey County, N.C.

Enclosed are the original and two copies of the subject contract.

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

OFFICIAL FILE COPY
DMEA
RECEIVED JAN 9 1957

DATE	INITIALS	CODE
1/9	CW	225
1/9	JB	215
1/11	Lyd	600
1/11	Hopkins	600

V. J. Lynch
V. J. Lynch
Acting Executive Officer

Helmuth Wedow, Jr.
Helmuth Wedow, Jr.
Geologist
U. S. Geological Survey

Enclosures 3

Docket Copy
Surname:
Hopkins
Houk
Chapman
Selfridge
Mottendorf

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

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

DEC 19 1956

Re: Docket No. DMEA-4486-Mica
C. W. Rathbone and James McKinney, Jr.
Threadgill Boundry
Crip Ogle Mine
Yancey County, North Carolina

Dear Mr. Laurence:

Enclosed are the original and five copies of a proposed short-form contract signed by the Administrator for the Government. It consists of the form, Annex I (1 page), Consent to Lien, Exhibit A (2 pages), and two maps. Also enclosed are two extra copies of Annex I, Exhibit A, and the maps for Field Team use.

If the proposed contract meets with your approval, present it to the Applicant for execution. Please explain to the Applicant 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 Applicant and cannot be amended within your delegated authority, then the original and all copies of the contract and the two extra copies of Annex I, Exhibit A, and the maps are to be returned to this office, together with the proposed changes for consideration.

Copies of memoranda dated November 28 and 29, 1956, by Mr. W. F. Dietrich, USBM, and Mr. N. E. Nelson, USGS, respectively, relating to the project are enclosed.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee

Approved:

Frank D. Lamb
Member, Bureau of Mines

N. E. Nelson
Member, Geological Survey

Enclosures 12

JHopkins:gad 12/10/56

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

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

DEC 6 1956

Memorandum

To: The Administrator, DMEA
Attention: Chief, Nonmetallic Minerals Division

From: Associate Solicitor, Division of Mineral Resources

Subject: Docket No. DMEA-4486 (Mica)
C. W. Rathbone and James McKinney, Jr.
Crip Ogle Mine (Threadgill Boundary)
Yancey County, North Carolina

Pursuant to your request dated November 27, 1956, we have prepared the attached Contract in satisfactory legal form for execution, subject to Map No. 1 "McKinney & Rathburn Mine DMEA-4486" being photostated and attached to the Contract.

Robert P. Dwyer

PIndritz/wog
December 6, 1956
Copy to: Solicitor's Docket
DMEA Docket
L.G.Houk
R.P.Dwyer
P.Indritz
Chron.

IN REPLY REFER TO:

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

RECEIVED
NOV 30 1956
D.M.E.A.

November 29, 1956

Re: DMEA 4486 (Mica)
C. W. Rathburn & Jas. McKinney, Jr.
Crip Ogle Mine
Appl. Est. - $7,250.00
Rec'd. " - $6,012.00
Yancey County, North Carolina

Memorandum

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

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

Subject: Review of Field Team Report.

The applicants requested assistance in sinking a shaft and drifting on a pegmatite whose outcrop indicated strategic mica might be found.

The examiners found the pegmatite exposed for 100 feet in the extension of an old 8-foot pit, to be 3½ to 5½ feet wide and to contain discontinuous masses of quartz associated with hard, flat ruby muscovite crystals 2 to 3 inches thick and 4 to 5 inches wide.

The examiners and Field Team recommend that a contract be awarded, approving the sinking of a 60-foot shaft and the driving of 80 feet of drift.

I concur with the recommendation.

N. E. Nelson

N. E. Nelson

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

RECEIVED
NOV 29 1956
D.M.E.A.

November 28, 1956

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

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

Subject: DMEA- 4486 (mica)

Applicant: C. W. Rathburn and Jas. McKinney

Name and Location of Property: Crip Ogle (Threadgill Boundry)

Date of Field Team Report: November 16, 1956

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: November 21, 1956

Field Team Recommendation:

Approval of a contract.

Comments:

1. A strategic-muscovite bearing pegmatite is exposed in an open cut.

2. Preliminary trenching on pegmatite has produced 56.76 lbs. of ruby mica which was sold to GSA depot for $567.97.

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

Recommendation:

I concur with the recommendation of the field team for the approval of a contract.

W. F. Dietrich

W. F. Dietrich

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
ROOM 15 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

H

November 16, 1956

Memorandum

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

From: Executive Officer, DMEA Field Team, Region V

Subject: Examination Report, DMEA-4486 (Mica)
C. W. Rathburn, Pensacola, N. C. and Jas. McKinney, Jr., Spruce Pine, North Carolina
Crip Ogle Mine (Threadgill Boundary), Yancey County, N.C.

Enclosed are four copies of the subject examination report, with nine extra copies of map No. 2.

It is suggested that the name of this mine be changed as shown in the caption of this memorandum. The Threadgill Boundary is a very large tract of land, on which there are many mica prospects, at least four of which have been the subject of DMEA applications.

The Field Team recommends approval of a contract, as outlined in the report.

Robert A. Laurence

Robert A. Laurence

Enclosures 13

ON-SITE EXAM.

RECEIVED
NOV 19 1956
D.M.E.A.

Reviewed by
DMEA OPERATING COMMITTEE
11-21-56
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FIELD EXAMINATION REPORT
REGION V

On

DMEA-4486, CRIP OGLE MINE(Threadgill Boundary)
(mica)
Yancey County, North Carolina

Reviewed by
DMEA OPERATING COMMITTEE
4-21-56
(date)

By

A. R. Taylor, Geologist
U.S. Geological Survey
and
L. E. Shirley, Mining Engineer
U. S. Bureau of Mines

Examined
October 31, 1956

RECEIVED
NOV 19

FIELD EXAMINATION REPORT
ON

DMEA-4486, CRIP OGLE MINE(mica) (Threadgill Boundry)
Yancey County, North Carolina

Applicants: C. W. Rathburn, Pensacola, N.C., and James McKinney, Jr.
c/o James McKinney, Jr. R#2, Spruce Pine, N.C.

Summary

A strategic mica bearing pegmatite 3 1/2 to 5 1/2 feet thick is exposed in an open cut known as the Crip Ogle Mine on the Threadgill Boundary. Discontinuous masses of quartz associated with hard and flat ruby muscovite, 5 inches wide presents a good potential exploration target. Since exploration appears warranted, a unit-cost contract is recommended to explore by sinking 60-feet of inclined shaft and driving 80 feet of drift and/or crosscut.

Location

The Crip Ogle mine is 2,070 feet N 71° E from a Chestnut which is a corner between the Threadgill Boundary and A. J. Nanny (see map). It is 1.9 airline miles S 86° E of Pensacola, Yancey County, North Carolina and about 2500 feet down-slope southwest of Grassy Knob. (Black Brothers, N.C. Quad.,200-SE, 1/24,000).

History

This mine is reported to have been first worked in the 1880's. Crip Ogle dug a pit about 8 feet deep during World War II. It apparently lay idle until a few months ago when the Applicants extended the Crip Ogle pit about 4 feet more. They report a good recovery of muscovite from the last work.

Examination and Facilities

A three hour field examination was made October 31, 1956, in company with Messrs. James McKinney, Jr., and C. W. Rathburn.

No improvements or facilities exist at the mine other than a jeep access road and a hoisting boom pole with two small buckets. A jeep, owned by the partners is used for access to the mine.

No electricity is nearby, but a plentiful water supply is about 150 feet downslope from the mine.

Mr. Rathburn lives within walking distance of the mine on the same access road, and across from the Jim Riddle Mine.

Leased Area

The 500-foot square leased area is adequate for the proposed exploration, and is properly tied in to a recognizable property corner (Map No.1 was submitted by the Applicants along with the calls to one section of the Threadgill Boundary). The leased area is well within the large tract of land described in the calls on this section of the Threadgill Boundary.

Competency of Applicants

Mr. Rathburn is 60 years old and has the reputation among his associates of sticking to his job and working hard until it is completed.

Mr. McKinney, 33 years old, also enjoys a good reputation as a hard efficient worker. Both have many years of experience in mining.

Geology

Pegmatite

A strategic-muscovite bearing pegmatite is exposed in an open cut in hard rock that is 25 feet long, 7 to 10 feet deep on the south side, 35 feet deep on the north (upslope) side, and about 6 feet wide. The cut trends N 70° E at the bottom of a steep, 15 to 20 feet walled outcropping of country rock that extends diagonally upslope several hundred feet. Pegmatite is exposed intermittently at the base of this cliff.

The pegmatite, 3 1/2 to 5 1/2 feet thick, strikes N 70° E and dips 67° SE with the slope of the mountain. It is concordant with the enclosing country rock in a 100-foot long exposure. It is composed of plagioclase crystals (1 to 2 inches), disseminated small quartz, massive discontinuous quartz, muscovite, sericite with accessory garnets (1/2" crystals), and black tourmaline.

The plagioclase, associated with small muscovite crystals and sircite, is generally white, but exhibits a noticeable blue coloration in spots.

The centrally-located discontinuous quartz masses associated with the larger books of muscovite are 6 ft long and 2 ft wide in the zones exposed.

The Applicants used ultraviolet light on the dump and report finding a green fluoresence, possibly hyalite.

Country Rock

A hard, unweathered biotite gneiss is in sharp, concordant contact with the pegmatite. The gneiss on the hanging wall side of the pegmatite is semi-weathered because of its nearness to the ground surface, while that on the footwall side is extremely hard.

Minor slickensides on the footwall contact rake 35° toward the southwest, indicating possible movement of the pegmatite from the southwest upwards the northeast.

Muscovite

Ruby, flat, clear muscovite ctystals 2 to 3 inches thick and 4 to 5 inches wide are associated with the quartz core in the center of the pegmatite

Production

Sales made to the GSA depot, Spruce Pine, N.C.:

8-27-56	Lot 357	15.57 lbs	$167.69	
9-17-56	" 491	14.88 "	205.50	
10-23-56	" 700	26.31 "	194.78	(Prem'l, Pay't)
	Total	56.76 "	$567.97	

This represents the strategic muscovite recovered from the 4-foot deepening of the cut. An estimated maximum of 400 cu ft. of pegmatite was removed.
(Note: the bottom is uneven, thus the 4 ft depth is the maximum that the Applicants deepened the cut.)

This deposit offers good possibilities for the production of strategic ruby mica. The Field Examiners recommend the following exploration program:

Preparation of shaft site, to consist of removal of loose material on the hanging wall and an estimated 4 feet of loose muck in the bottom of an existing open cut, sinking 60 feet of inclined shaft, and driving 80 feet of drift and /or crosscut from the shaft bottom. A toolhouse, powder and exploder magazines should be provided.

Estimated Costs

Shaft site preparation - Excavate by hand an area 25 ft long by 20 ft wide by 20 ft deep, including loose muck removal- 25' x 20' x 20' = 370 cu.yds. @ 40¢/cu yd. $148.00

Construct:

Toolhouse	$75.00	
Powder Magazine	25.00	
Exploder "	15.00	115.00

Sink 60 ft of 5' x 7', two-compartment inclined shaft, timbered where necessary, and install separated manways (40 shifts)

Labor:

1 - Miner-foreman @ $1.75/hr,	560.00	1360.00
1 - Hoistman @ $1.50/hr.	480.00	
1 - Laborer @ $1.00/hr.	320.00	
	1360.00	

Equipment (rental)

1 - 105 air compressor @ $150/Mo.	300.00	
1 - Gasoline Hoist @ $50/Mo.	100.00	500.00
1 - Air rock drill @ $40/Mo	80.00	
1 - Sump Pump @ $20/Mo.	40.00	
	520.00	

Supplies:

Gasoline and oil	120.00	
Explosives	185.00	
Drill steel	108.00	
Timber, 2500 b.f. @ $65/M	162.00	
Small tools, pipe, etc.	120.00	868.00
Sales Tax	21.00	
Social Sec. @ 2%	27.00	
Liability Ins.	125.00	272.00 $45.46/ft
	868.00	

Estimated cost of shaft sinking..... $3,011.00

Drive 80 ft of 5' x 7' drift, timbered where necessary (40 shifts)

Labor:

1 - Miner -foreman @ $1.75/hr.	560.00
1 - Hoistman @ $1.50/hr.	480.00
1 - Laborer @ $100/hr	320.00
	1360.00

Estimated costs cont'd

Equipment (rental)

1 - Air compressor @ $150/Mo.	$300.00	
1 - Gasoline Hoist @ $50/Mo.	100.00	
1 - Rock drill with hose @ $40/Mo.	80.00	500.00
1 - Air jackleg @ $25/Mo.	50.00	
1 - Sump Pump @ $20/Mo.	40.00	

Supplies:

Gasoline and oil	140.00	
Explosives	220.00	
Drill steel	120.00	
Timber, 1000 b.f. @ $65/M	65.00	
Small tools, pipe, etc.	92.00	
Sales tax	19.00	608.00
Liability & Social Sec	152.00	
	808.00	
Estimated cost of drifting.....		~~$2,738.00~~ 2665.00
Total Estimated Cost of project.....		$6,012.00 35.35

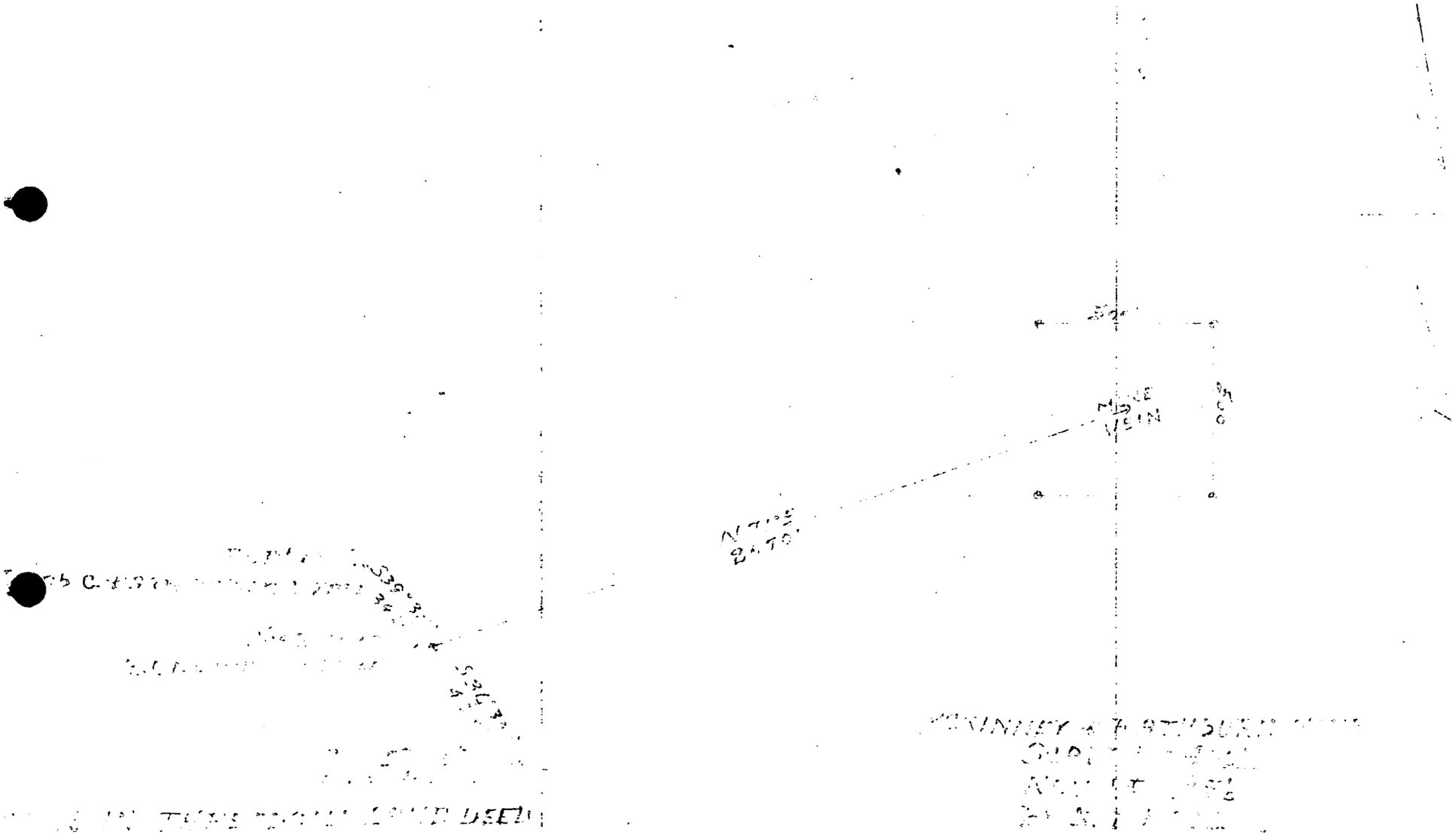
November 15, 1956

A. R. Taylor, Geologist
U. S. G. S.

z

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

D.M.E.A. 4486



MAP NO. 1

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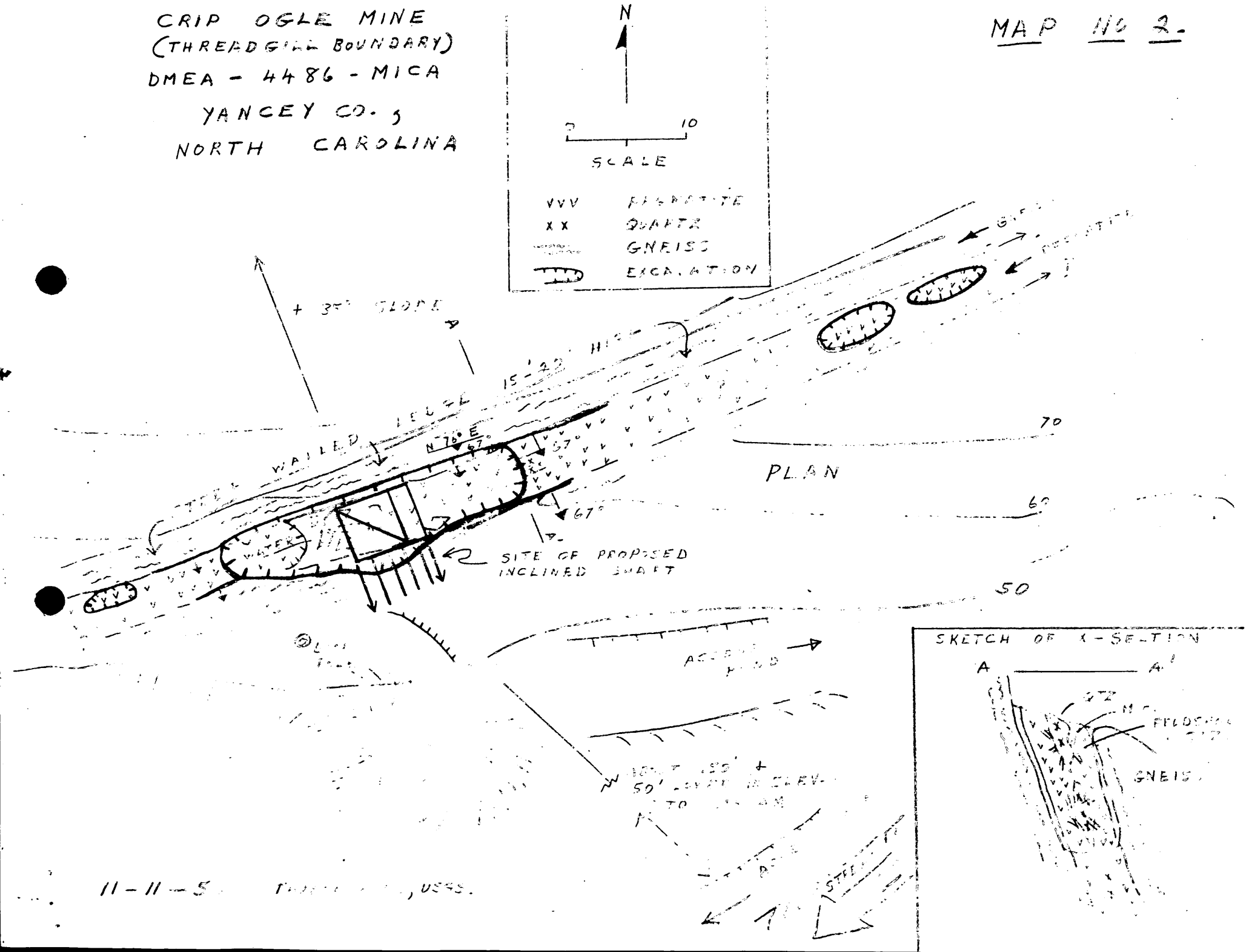
CRIP OGLE MINE
(THREADGILL BOUNDARY)
DMEA - 4486 - MICA
YANCEY CO.,
NORTH CAROLINA

MAP NO 2.



RECEIVED
NOV 19
Library

Docket Copy
Surname:
Houk
Kiilsgaard
Lahr
Selfridge

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

OCT 15 1956

Messrs. C. W. Rathbone and
James McKinney, Jr.
C/O Mr. James McKinney, Jr.
Route #2
Spruce Pine, North Carolina

Re: Docket No. DMEA-4486-Mica
C. W. Rathbone and James McKinney, Jr.
Threadgill Boundry
Yancey County, North Carolina

Gentlemen:

Your application for assistance in exploring the subject property has been reviewed by the Nonmetallic Minerals Division of the Defense Minerals Exploration Administration and has been referred to Mr. Robert A. 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,

C. U. Mittenderf
Administrator

LGHouk:gad 10/12/56
Copy to: Admr. R. File
Docket
Field Team, Region V
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

RCL

Docket Copy
Surname:
Selfridge

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

OCT 15 1956

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

Re: Docket No. DMEA-4486-Mica
C. W. Rathbone and James McKinney, Jr.
Threadgill Boundry
Yancey 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 5 and 9, 1956, by Mr. W. F. Dietrich, USBM, and Mr. N. K. Nelson, USGS, respectively, relating to the project are enclosed.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (GCS)

Approved:

Frank D. Lamb (FDL)
Member, Bureau of Mines

Thor H. Kiilsgaard (THK)
Member, Geological Survey

Enclosures 4

LGHouk:gad 10/12/56
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

RCS

IN REPLY REFER TO:

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

RECEIVED
OCT 11 1956

October 9, 1956

Re: DMEA 4486
C. W. Rathbone and James
Mc Kinney, Jr.
Threadgill Boundry Gp
Yancey Co., N. C.
$7,250.00 - Mica

Memorandum

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

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

Subject: Review of application.

The applicants request assistance in sinking a 75-foot shaft and drifting 100 feet on a "new" pegmatite. Except that "the outcropping indicates that strategic mica may be found," no information is given concerning the pegmatite.

Referral of the application to the Field Team for appropriate action is recommended.

N. E. Nelson

N. E. Nelson

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

RECEIVED
OCT - 8 1956

October 5, 1956

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

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

Subject: DMEA-4486 (mica)

Applicant: W. C. Rathbone and James McKinney, Jr.

Name and Location of Property: Threadgill Boundary, Yancey County, N. C.

Date Application Rec'd. by Br. of Ceramic & Fertilizer Materials: 10/2/56

Comments:

1. Applicant states that there is an outcropping of vein mica.

2. This is a new prospect and no data available in this office on this property.

Recommendation:

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

W. F. Dietrich

W. F. Dietrich

Attachment

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
Washington 25, D. C.

October 3, 1956

Mr. James McKinney, Jr.
Route #2,
Spruce Pine, N. C.

Subject: DMEA-4486
Re: Exploration Assistance
Threadgill Boundry

Dear Mr. McKinney

Your application for exploration assistance, dated September 28, 1956 submitted to our office at Washington, has been assigned Docket Number DMEA-4486 and referred to the Nonmetallic Minerals Division in the Washington office. Kindly identify all future correspondence relating to your application by this Docket Number. Extra copy of the application returned.

Sincerely yours,

Allen S. Dakan, Chief
Operations Control and
Statistics Division

Copy to:

Code 600

3571

Memorandum

To Files

From James Hopkins

Subject Review of application for exploration assistance and Field Team report

Docket No DMEA 4486 Mica

C.W. Pathburn, Pensacola N.C. and James McKinney Jr.

Spruce Pine North Carolina

Crip Ogle Mine (Threadgill Boundary)

Yancey County, North Carolina

Mica:

Ruby, flat, clear muscovite crystals 2 to 3 inches thick and 4 to 5 inches wide are associated with the quartz core in the center of the pegmatite.

Pegmatite:

A strategic-muscovite bearing pegmatite is exposed in an open cut in hard rock. It is 3½ to 5½ feet thick and concordant with unweathered biotite gneiss in a 100-foot long exposure. It is composed of plagioclase crystals disseminated small quartz, massive discontinuous quartz, muscovite sericite with accessory garnets and black tourmaline.

The centrally-located discontinuous quartz masses associated with the larger books of muscovite are 6 feet long and 2 feet wide in the zones exposed.

Old workings:

The mine is reported to have been worked in the 1880's

A pit about 8 feet deep was dug during World War II by Crip Ogle

The applicants extended this pit a distance of 4 feet and reported a "good" (substantial) recovery of muscovite

Economics:

Sales of mica to the GSA depot in 1956 were 56.76 pounds of trim valued at $567.97

This represents the recovery from 4 feet of pit work or 400 cubic feet of pegmatite

Proposed Exploration

The examiners recommend a project consisting of the following work.

Preparation of Shaft site	$148.00
Toolhouse, Powder & Exploder magazines	115.00
A two compartment 60-ft Shaft	2748.00
Eighty feet of Drifts	2738
	$5749.00

This recommendation is concurred in by the Field Team

The writer agrees that the proposed work includes sound exploration work and concurs in the recommendation with modified costs