DMEA Form 9

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE **1098** DMEA NO. 4686

6 JUN 1957

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(Withdrawn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 Letter
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

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
5/2	Anderson	600
5/5	Hirsh	600
5/5	Talbert	800
5/5	Selfridge	120
"	Johnson	110
"	Mittendorf	100
5/5	C	220
/		600

600

MAY 5 1958

Mr. Edward Huskins
c/o Mr. Sam L. Phillips
Spruce Pine, North Carolina

Re: Docket No. DMEA-4686-Mica
Edward Huskins
Falls Prospect
Cleveland County, North Carolina
Contract No. Idm-E1098

Dear Mr. Huskins:

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 5/1/58
Copy to: Admr. R. File
Mr. Chambers
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Operating Committee
Mr. Houk
Mr. Carl J. Miller

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
5/2	Anderson	600
5/5	Houk	600
5/5	Talbert	800
5/5	Selfridge	120
"	Adams	110
"	Mittendorf	100
		220

MAY 5 1958 600

Mr. Carl J. Miller
Route 3
Lawndale, North Carolina

Re: Docket No. DMEA-4686-Mica
Edward Huskins
Falls Prospect
Cleveland County, North Carolina
Contract No. Idm-E1098

Dear Mr. Miller:

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

This correspondence relates to the Consent to Lien and Subordination Agreement signed by you on March 11, 1957.

Sincerely yours,

C. O. Mittendorf

Administrator

Enclosure

WCAnderson:rsi 5/1/58
Copy to: Admr. R. File
Mr. Chambers
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Operating Committee
Mr. Houk

8623

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Edward Hunkins
Route 3
Bakersville, North Carolina

pertaining to Exploration Project Contract No. Idm-21096, DMEA No. 4686, including Amendment No. 1, for the months of July 1957 to October 1957, inclusive, covering a project for the exploration of mica on property, known as the Falls Prospect located in Cleveland 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				$4,991.90
Exceptions:				
Prior to this review			$ -0-	
Herewith for excavation:				
Claimed-603 cu.yds. @ $.30	$180.90			
Allowed-603 cu.yds. @ .33	198.99		18.09	18.09
Total Accepted Cost				$5,009.99

The contract calls for a 75 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Three thousand seven hundred fifty-seven and 49/100 Dollars

$3,757.49

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 other wise met the terms of the contract.

E D Talbert
Auditor, E. D. Talbert

November 6, 1957

Government's copy

ORIGINAL FILE COPY
DMEA
RECEIVED SEP 5 1957
DATE | INITIALS | CODE

EXPLORATION PROJECT CONTRACT
ED HUSKINS
DOCKET NO. DMEA-4686

AMENDMENT NO. 1

It is agreed this 21st day of August, 1957, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Ed Huskins, that Contract No. Idm-E1098 (Docket No. DMEA-4686), dated June 6, 1957, is amended, effective July 5, 1957, as follows:

1. In Exhibit "A" under Description of the Work, Stage I is revised to read as follows:

Stage I

"Excavate three trenches to define the contacts and limits of the pegmatite as follows:

"Trench No. 1--85 feet long by 15 feet wide by 7 feet deep, aggregating not more than 330 cubic yards of excavation.

"Trench No. 2--50 feet long by 14 feet wide by 8 feet deep, aggregating not more than 208 cubic yards of excavation.

"Trench No. 3--50 feet long by 14 feet wide by 2.5 feet deep, aggregating not more than 65 cubic yards of excavation."

2. In Exhibit "A" under Fixed Unit Costs, Stage I, change the first line to read as follows:

"Excavate 3 trenches, 603 cubic yards @ $0.33/ cu. yd. (rounded) $200.00"

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be required to contribute, nor the fixed unit cost of any item of work.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By Frank E. Johnson
ACTING Administrator, Defense Minerals
Exploration Administration

Ed Huskins
ED HUSKINS (Operator)

Government's Copy

MF-200A
(Rev. April 1956)

OFFICIAL FILE COPY
DMEA
RECEIVED JUN 26 1957

DATE	INITIALS	CODE

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*
4686	Mica	**1098**	Cleveland	North Carolina

It is agreed 6 JUN 1957, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Edward Huskins

whose mailing address is Route #3, Bakersville, 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 JUL 15 1957, and, subject to the provisions of Article 7 and Exhibit A, shall complete the work within 8 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 $ 6,316.00. The Government will contribute 75 percent of the fixed unit cost of the work performed, not exceeding $ 4,737.00, 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: Royalty of 12½% of gross receipts from the sale of mica, payable to lessor.

(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 and subordination agreement of lessor.

(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.*—

Long
Anderson
Anderson
Chambers
Selfridge

Executed in sextuplicate the day and year first above written.

Edward Huskins

Edward Huskins (Operator)

By .....

.....

THE UNITED STATES OF AMERICA

By C J Mittenbergs

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

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D M E A
RECEIVED JUN 26 1957

DATE	INITIALS	CODE

EXPLORATION PROJECT CONTRACT
ED HUSKINS
DOCKET NO. DMEA-4686

ANNEX I

The land referred to in Article 2 of the contract, known as the Falls Prospect, is situated 0.75 miles N. 80° W. of the Belwood High School in Knob Creek Township, Cleveland County, North Carolina. The Operator is in possession by virtue of a lease dated February 21, 1957, from Carl James Miller. The leased area consisting of 8.25 acres is part of the D. Max Cline tract which was conveyed to Carl James Miller by deed dated July 12, 1948, recorded in the Register of Deeds' Office in Book 6-A, page 369, and described as follows:

> Beginning on an iron stake 25 feet East of what is known as the Falls Prospect, which is located 950 feet South of Carl James Miller's dwelling house and running 300 feet North; 300 feet East; 600 feet South; 600 feet West; 600 feet North; 300 feet East to the point of closing.

MF-205
(Combines and supercedes MF-201 and MF-203)
June 1956

r Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator
Docket No. DMEA-
Contract No. Idm-E 1098
Contract Date 6 JUN 1957

RECEIVED MAR 15 1957 D.M.E.A.

CONSENT TO LIEN
and
SUBORDINATION AGREEMENT 1/

To the United States of America:

Referring to that certain land in the County of Cleveland State of North Carolina, described as follows: 2/

Beginning on an iron stake located 25' East of what is known as the Falls Prospect, which is located 950' South of Carl J. Miller's dwelling house and running 300' North; 300' East; 600' South; 600' West; 600' North; 300' East to point of closing. Deed recorded in recorder of deeds office in Shelby, N.C. Book 6A, Page 369. Prospect is located one mile West of Bellwood School House.

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;

3. Subordinates the undersigned's right, title, claim, or interest in or against the land and in any production therefrom to the rights of the Government under the contract with respect to royalty on production and liens to secure same;

4. Represents and undertakes that there is no claim, lien, or encumbrance upon the undersigned's right, title, claim, or interest in or against the land other than the following: (If "none" insert the word "none." Do not leave lines blank.)

None

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

5. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflict with the provisions of this Agreement; and (b) to give advance notice of the Government's rights under this Agreement to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, claim, or interest in or against the land, or any production therefrom furnishing the Government with two copies of such notice; and

6. Consents to all amendments (including an agreement of termination) and assignments of the contract without notice thereof, and undertakes and agrees that this Agreement shall extend and apply thereto.

7. Added provision: _____ (State "None" or "See Annex No.____")

Dated this 11 day of March, 1957.

X Carl J. Miller [Seal] Lawndale Route #3, N.C. [Address]

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

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]

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EXPLORATION PROJECT CONTRACT
ED HUSKINS
DOCKET NO. DMEA-4686

EXHIBIT A

Description of the Work

Exploration for concentrations of strategic mica shall be performed in the area indicated on the attached map entitled "Geologic Map of the Falls Prospect, Cleveland County, North Carolina, DMEA-4686 (Mica)," attached and made a part hereof.

The work is divided into two stages. The Operator shall complete Stage I and shall perform as much of Stage II work as is approved in advance in writing by the Government.

STAGE I

Excavate two trenches to define the contacts and limits of the pegmatite as follows:

Trench No. 1--40 feet long by 15 feet wide by 5 feet deep, aggregating not more than 111 cubic yards of excavation.

Trench No. 2--(Strike trench) 100 feet long by 15 feet wide by 10 feet deep, aggregating not more than 556 cubic yards of excavation.

STAGE II

1. Construct:

(a) A toolhouse, minimum dimensions 7 feet by 8 feet by 10 feet.
(b) A powder storage magazine, minimum dimensions 4 feet by 3 feet by $2\frac{1}{2}$ feet.
(c) An exploder storage magazine, minimum dimensions 2 feet by $1\frac{1}{2}$ 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.

2. From the bottom of the trench, at a location to be approved by the Government, sink a two-compartment vertical or inclined shaft a distance of not more than 60 feet.

3. Explore the pegmatite by driving, from or near the bottom of the shaft, not more than 100 feet of drifts and/or crosscuts.

The shaft and the drifts and/or crosscuts shall be timbered as necessary and shall have minimum cross-sectional dimensions of 5 feet by 7 feet in the clear of timber. All work under Stage II shall be performed on the pegmatite or in as close proximity thereto as possible.

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

Fixed Unit Costs

Stage I

Excavate two trenches, 667 cubic yards @ $0.30/cu.yd. (rounded)	$200.00	
Estimated total cost of Stage I		$200.00

Stage II

1. Construct:

Toolhouse 1/	$76.00		
Powder magazine 1/	25.00		
Exploder magazine 1/	15.00	$ 116.00	

2. Sink shaft 60 feet @ $45.00/ft. 2,700.00

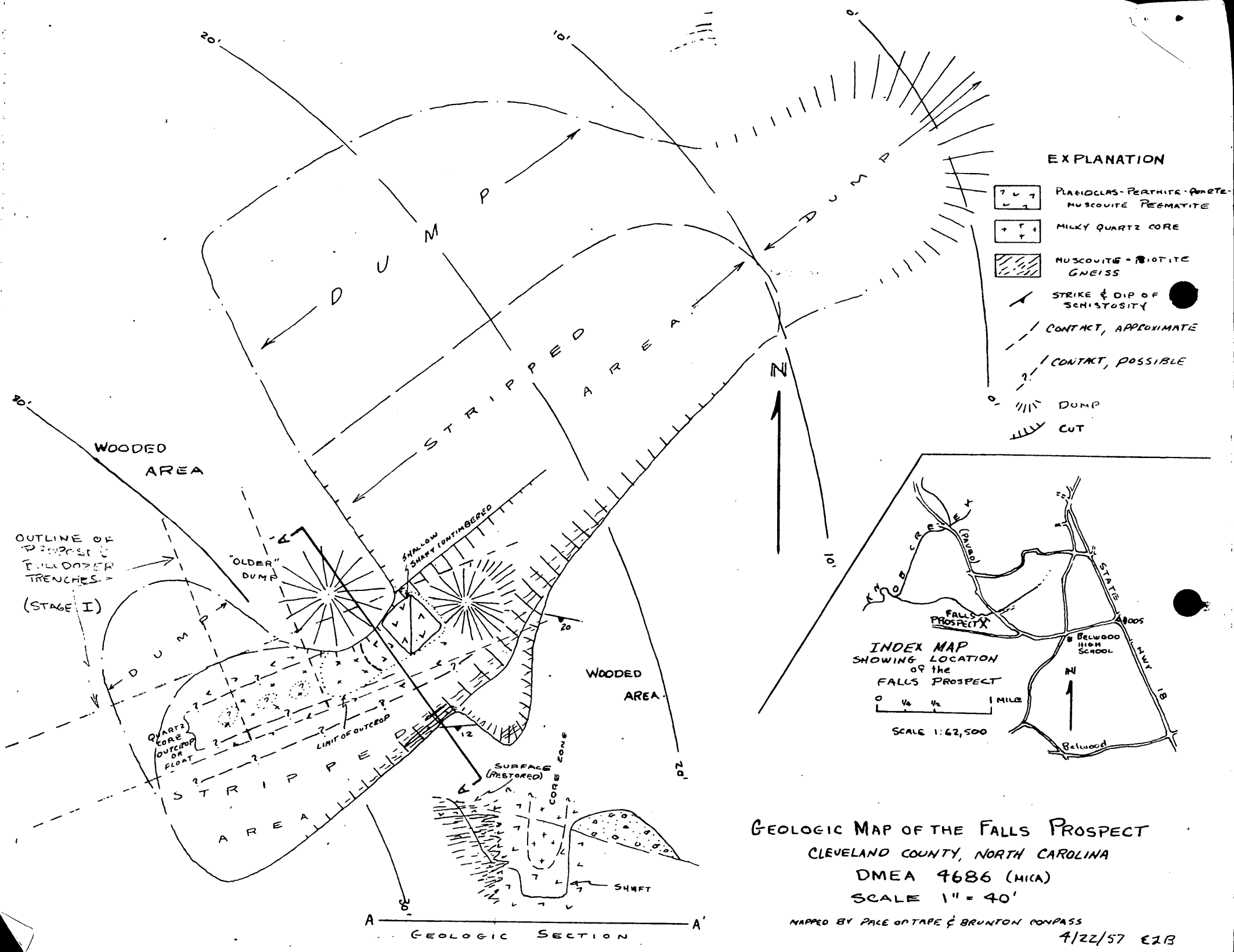
3. Drift and/or crosscut 100 ft. @ $33.00/ft. 3,300.00

Estimated total cost of Stage II $6,116.00

S U M M A R Y

Estimated total cost of Stage I	$ 200.00
Estimated total cost of Stage II	$6,116.00
Estimated total cost of project	$6,316.00
Government participation @ 75%	$4,737.00

1/ The completed work constitutes the unit.


EXPLANATION
PLAGIOCLAS-PERTHITE-QUARTZ-MUSCOVITE PEGMATITE
MILKY QUARTZ CORE
MUSCOVITE-BIOTITE GNEISS
STRIKE & DIP OF SCHISTOSITY
CONTACT, APPROXIMATE
CONTACT, POSSIBLE
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N
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WOODED AREA
OUTLINE OF PROPOSED BULLDOZER TRENCHES
(STAGE I)
"OLDER" DUMP
SHALLOW SHAFT (UNTIMBERED)
QUARTZ CORE OUTCROP OR FLOAT
LIMIT OF OUTCROP
SURFACE (RESTORED)
CORE ZONE
SHAFT
A
A'
GEOLOGIC SECTION
INDEX MAP SHOWING LOCATION OF the FALLS PROSPECT
SCALE 1:62,500
FALLS PROSPECT
BELWOOD HIGH SCHOOL
STATE
HWY 18
Belwood
GEOLOGIC MAP OF THE FALLS PROSPECT
CLEVELAND COUNTY, NORTH CAROLINA
DMEA 4686 (MICA)
SCALE 1" = 40'
MAPPED BY PACE OF TAPE & BRUNTON COMPASS
4/22/57 EJB

DMEA - 4686

EXTRA COPY
DMEA
RECEIVED MAY 15 1967

DATE	INITIALS	CODE

Printed and Sold by Pound & Moore Co., Charlotte, N. C.
FORM R. D. 825

STATE OF NORTH CAROLINA
Cleveland County.

This Deed

Made this 12th day of July, A. D. 19 48 by and between

Cicero C. Falls, (single)

of the County of Cleveland and State of North Carolina

Parties of the first part, and

Carl Miller and wife, Martha F. Miller

of the County of Cleveland and State of North Carolina

parties of the second part:

WITNESSETH, that the said parties of the first part, in consideration of Ten Dollars and love and affection Dollars to him paid by the parties of the second part, the receipt of which is hereby acknowledged, have bargained and sold, and by these present do grant, bargain, sell and convey unto the said Carl Miller and wife, Martha F. Miller and their heirs, all tract or parcel of land, situate, lying and being in No. 10 Township, Cleveland County, State of North Carolina, and more particularly described and defined as follows:

Beginning at a stake, P. M. Mauney and John Brackett's corner, and runs thence with Mauney's line north 89½ West 79 3/5 poles to a stone, Willis and Mauney's corner, thence south 11¼ West 62 1/3 poles with Willis' line to a stone; thence north 72 west 28 4/5 poles to a stone, Roscoe Peeler and Willis' corner; thence south 5 west 81 poles to a pine stump, Peeler's corner, thence south 85 west 7½ poles to a pine; thence south 41 west 8 poles to a stake; thence south 30 west 33 poles to a stake; thence south 88½ east 81 poles to a stone, thence south 1 west 29 poles to a stake in the branch; thence up the branch as it meanders 60 poles to a stake in the branch; thence south 88½ east 20 poles to a stake; Norman's corner, thence north 3 3/4 east 49 poles to a stone; thence north 4 east 13 7/8 poles to a stake, Brackett's corner; thence north 72 west 48 7/8 poles to a stake; thence north 31¼ west 14 poles to a stake; thence north 23 east 94¼ poles to a post oak, the place of beginning, containing 118.1 acres more or less, the same being carved out of what is known locally as the D. Max Cline tract.

TO HAVE AND TO HOLD the aforesaid tract or parcel of land and all privileges and appurtenances thereto belonging, to the said Carl Miller and wife, Martha F. Miller their heirs and assigns, to their only use and behoof forever.

And the said Cicero C. Falls, for himself, his heirs, executors and administrators, covenants—with the said parties of the second part, their heirs and assigns, that he is seized of said premises in fee, and has right to convey the same in fee simple; that the same are free and clear from all incumbrances, and that he will warrant and defend the said title to the same against the lawful claims of all persons whomsoever.

IN TESTIMONY WHEREOF, the said parties of the first part to these presents has hereunto set his hand, and seal, the day and year above written.

Cicero C. Falls (Seal)

SIGNED, SEALED AND DELIVERED
IN THE PRESENCE OF

(Seal)

(Seal)

(Seal)

(Seal)

I, Lillian S. Botts Ass't Register of Deeds, certify that this is a correct copy of deed from Book 6-A page 369.
This 12th day of March 1957.

Dan W. Moore
Register of Deeds

By Lillian Botts Ass't. Register of Deeds

STATE OF North Carolina
County of Cleveland } ss.

I, E. A. Houser, Jr. C. S. C. a ~~Notary Public~~
for said County and state Cicero C. Falls, (single) do hereby certify that

and

wi, personally appeared before me this day and acknowledged the due execution of the foregoing (or annexed) instrument;

Let the instrument and the certificate be registered.

WITNESS my hand and -- seal, this 12 day of July, 1948

E. A. Houser, Jr. C. S. C.

STATE OF
County of } ss.

I,

for said County and state do hereby certify that

and

wi, personally appeared before me this day and acknowledged the due execution of the foregoing (or annexed) instrument;

Let the instrument and the certificate be registered.

WITNESS my hand and seal, this day of, 19

Form R. D. 825 6M-7-56 P.&M.Co.-19898

DEED

To

Mailing Address

Consideration, - - - - $

Dated day of 19

Filed for registration on the 13 day of July, 19 48 at 8 o'clock A.M., and registered in the office of Register of Deeds for Cleveland County, N. C. 13 day of July, 1957 at 8 o'clock A.M. in Book 6-A of Deeds, on Page 369, &c.

Dan W. Moore
By Margaret Wright Deputy Register of Deeds.
Drawn By

STATE OF
County of } ss.

The foregoing (or annexed) certificate of

is adjudged to be correct. Let the instrument and the certificate be registered.

This day of, AD., 19

, Clerk

Court

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

RECEIVED MAR 15 1957 D.M.E.A.

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. 4686
Metal or Mineral Mica
Date Received 3-15-57
Estimated Cost $6,200.00
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: Edward Huskins
Route #3, Bakersville, N.C.

c/o Sam L. Phillips, 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.

(*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 attached lease.

(*b*) State any mine name by which the property is known. Falls Prospect ✓

(*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 Not land owner.

(*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.

(*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*) S[illegible] the mineral or minerals for which you wish [illegible]xplore 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. Now on file with DMEA.

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.).

(*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

(*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 3-11-57, 195...

Edward Huskins
(Applicant)

By Edward Huskins

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

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DATE	INITIALS	CODE

MF-103 (Continuation Sheet)

4. (a) No previous operations, new prospect

(b) No record of any previous productions.

(c) There is approximately 3' of vein ~~showning, and we~~ beleive that with expoloration work, we will find some good quality ruby mica.

(d) We plan to bulldoze road access.

(e) Manpower, equipment and supplies are available. Power is 150 yards away.

5. (b) We propose to bulldoze road access and bulldoze away overburden to best locate shaft site. Then sink a shaft 50' deep, and drift a distance of 100' with vein.

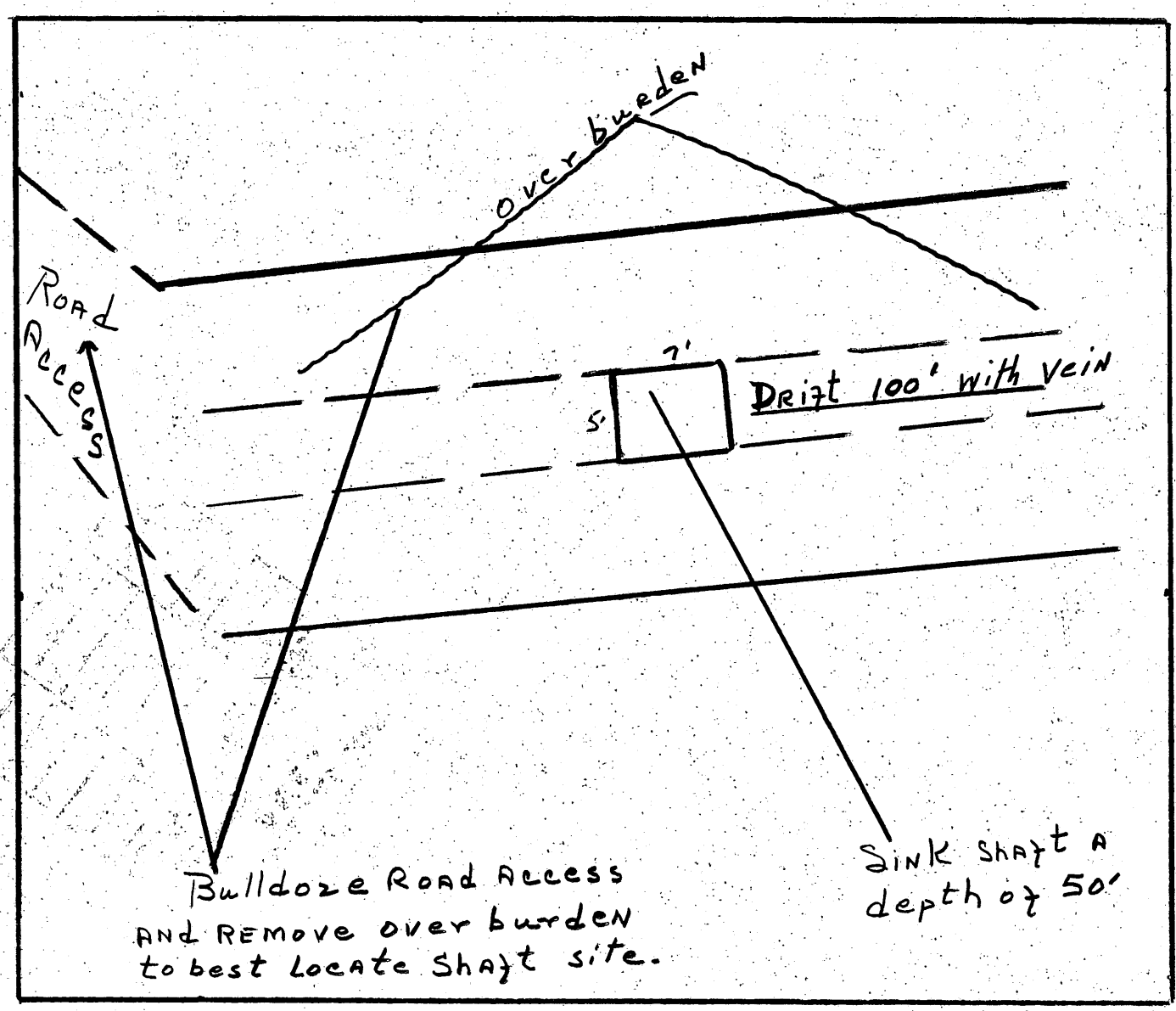
6. Estimate of costs:

20 Hrs. Bulldozing @ $10.00 per hour - - -	$ 200.00
50' Shaft @ $50.00 per foot - - - - - - - - -	2500.00
100' Drift @ $35.00 per foot - - - - - - - -	3500.00

Total estimated cost of Project : $ 6200.00

Falls Prospect

Cleveland County



TECHNICAL FILE COPY
D M E A
RECEIVED MAR 15 1957

DATE	INITIALS	CODE

MINING LEASE

State of North Carolina CLEVELAND County:

This indenture made this 21 day of February 1957, ~~1953,~~

between CARL JAMES MILLER

of CLEVELAND County and State of North Carolina as party of the first part, and known as lessor, and EDWARD HUSKINS

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

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

Beginning on an iron stake located 25 ft East of what is Known as the Fallen Prospect which is located 950 feet South of Carl J. Miller dwelling house and running 300' N; 300' E; 600' S; 600' W; 600' N; 300' E to point of closing. Deed recorded in records of deeds office in Shelby, N.C. Book ~~[illegible]~~, Page 369 - Prospect is located 1 mile west of Billwood School house

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

AND IT IS FURTHER AGREED That the party of the second part, the lessee hereby agrees to pay to the said part~~y~~ of the first part, or his or their heirs or assigns, a rental royalty of 12½ percent of the gross sales of all mica

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

AND IT IS FURTHER AGREED That the lessee, the party of the second part, his heirs or assigns, shall have the option to renew this lease and to extend the period of its running for an additional five years from the date of its present termination. The option shall be exercised by giving formal written notice to the party of the first part or by the continuation of any mining operations then being conducted. The lessor reserve the right to use the land, or convey the same not conflicting with this lease, but under any conveyance the terms of this lease must be recognized by the grantee, purchaser, or assigns thereof. And it is agreed that the lessee may assign this mining lease or any part thereof and that he may sublease, but not without the written consent of the lessor.

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

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

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

Witness: A. A. Powell — x Carl Miller (Seal)

Lewis Robinson — DMEA (Seal)

M Com 32858 — (Seal)

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RECEIVED MAR 15 1957

DATE	INITIALS	CODE

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
5/2	Anderson	600
5/5	Hoch	600
		110
		100
		220

600

May 1, 1958

Project Summary Report

By: Walter C. Anderson, Division of Nonmetallic Minerals

1. Docket No. DMEA-4686-Mica
Contract No. Idm-E1098
Falls Prospect
Cleveland County, North Carolina

Application: Form MF-103(April 1952) received March 15, 1957.
Work proposed by Applicant

20 hours of bulldozing @ $10.00/hr.	$200.00
50 feet of shaft @ $50.00/ft.	2,500.00
100 feet of drifts @ $35.00/ft.	3,500.00
Total amount requested	$6,200.00

Operator: Ed Huskins
Route 3, Bakersville, North Carolina

Operator's Property Rights: Five year mining lease on the Carl Miller Property, consisting of 8.27 acres, dated February 21, 1957. Consent to Lien and Subordination Agreement, dated March 11, 1957.

2. Contract: Form MF-200A(April 1956), dated June 6, 1957.
Work authorized:

Stage I	
Excavation two trenches, 667 Cubic Yards @ $0.30/Cu.Yd.	$200.00
Stage II	
Construction - toolhouse, powder & exploder magagines	116.00
60 feet of shaft @ $45.00/ft.	2,700.00
100 feet of drifts and/or crosscuts @ $33.00/ft.	3,300.00
Estimated total cost of project	$6,316.00
Government participation @ 75%	$4,737.00

Amendments: No. 1, 8/21/57, changed excavation from two trenches to three trenches without increasing cost.
Work completed:

Bulldozing trenches	$198.99
Construction - toolhouse, powder & exploder magazines	116.00
31 feet of shaft @ $45.00/ft.	1,395.00
100 feet of drifts @ $33.00/ft.	3,300.00
Total accepted cost	$5,009.99
Government participation	$3,757.49

Work began on July 5, 1957, and was completed by October 30, 1957. Field Team Final Report received April 14, 1958. Operator's Final Report received November 4, 1957. No equipment purchased under contract. Mica recovered during project - Samll and of poor quality, no commercial value.

3. Audit: Report of Review issued November 6, 1957.

Total accepted cost	$5,009.99
Government participation	$3,757.49

4. Certification of Discovery - None issued.

5. Comments:

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

Operation: Good.

Engineering: Reporting by Operator was acceptable.

Geologic Premise: A plagioclase wall zone and quartz core, significant feature of this pegmatite, which indicated definite favorable criteria was proven by the contract work to be misleading.

Geologic Criteria upon which work was based:

1. Pegmatite: Of unknown dimensions, enveloped discordantly by muscovite-biotite gneiss, both pegmatite and country rock being deeply weathered. Composed of a central quartz core, surrounded by a wall zone of plagioclase-perthite-quartz-muscovite-biotite.
2. Mica: Reddish-brown, flat to flat "A", some reeving and hair cracking, mineral and clay stained. Scrap quality is abundant.
3. Past Production: Data not available.

Geologic Criteria developed during project:

1. Pegmatite: Lens-like, 12 feet maximum thickness, exposed at surface for a strike length of 60 feet, discordantly emplaced in a soft weathered muscovite-biotite gneiss, and symmetrically zoned, approximately 6 feet thick. At drift level pegmatite is emplaced along oriented fractures, occurring as stringers, veins, and irregular masses from several inches to 6 feet across. Composed of a fine-grained aggregate of soft-kaolinized plagioclase, quartz and muscovite.
2. Mica: Sparse, reddish brown, small, flat to Flat-A, somewhat hair-cracked, and heavily clay stained. Most is scrap size.

Future Possibilities: None.

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

Walter C. Anderson

Walter C. Anderson
Division of Nonmetallic Minerals

WCAnderson:rsi 4/24/58
Copy to: Admr. R. File
Mr. Houk

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

ROOM 13 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

April 11, 1958

4/15	K.B	200
		~~600~~
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4/15	[illegible]	110
4/18	[illegible]	130
4/19	[illegible]	220
4/23	[illegible]	661

Memorandum

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

From: Field Team, Region V, Knoxville, Tennessee

Subject: Final Report - Docket No. DMEA-4686, Contract Idm-E1098
Edward Huskins, Route 3, Bakersville, North Carolina
Falls Prospect (Mica), Cleveland County, North Carolina

Enclosed are the original and two copies of the subject final report.

The Field Team agrees with the recommendation of the Examiners that certification not be made.

Robert A. Laurence
Robert A. Laurence
Executive Officer

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

Enclosures 3

Reviewed by
DMEA OPERATING COMMITTEE
4-18-58
(date)

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DMEA
RECEIVED APR 14 1958

DATE	INITIALS	CODE
4/18	JHB	150
		220

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT
FIELD TEAM REGION V

DMEA-4686, Idm-E1098(mica) FALLS PROSPECT
Cleveland County, N. C.

S. C. Bergman, Geologist
Geological Survey

S. A. Feitler, Mining Engineer
Bureau of Mines

L. E. Shirley, Mining Engineer
Bureau of Mines

Reviewed by
DMEA OPERATING COMMITTEE
4-18-58
(date)

April 10, 1958

DMEA EXPLORATION PROJECT

DMEA FIELD TEAM FINAL REPORT

DMEA-4686, Idm-E1098(mica) FALLS PROSPECT

Operator: Edward Huskins, Route #3, Bakersville, North Carolina

SUMMARY

Stage I of the contract consisted of removing a total of 603 cubic yards of material from a strike trench and two crosscut trenches. A zoned pegmatite was incompletely exposed for about 60 feet along strike. Shaft was collared along the northwest contact of what at the time appeared to be a steeply dipping structure and sunk to a depth of 31 feet, bottoming in country rock. A total of 100 feet of drift and crosscut was driven from the 27-foot level in a massive irregular pegmatite-filled shatter zone in the country rock. Pegmatite in the drift is fine-grained and deficient in strategic-size muscovite. It was not until late in the contract period that it began to appear that the drift might be in the footwall of the main pegmatite structure, so that the last 16 feet was spent in an unsuccessful attempt to crosscut to the pegmatite. Mica recovered from both the surface and underground was small and of poor quality. No reserves of muscovite were outlined by the contract work and very little if any mica potential remains. No certification of discovery can be recommended by the Field Examiners.

INTRODUCTION

Location: The prospect is located 0.75 airline miles N80°W of Belwood High School in Knob Creek Township, Cleveland County, North Carolina. It is located in the NE 1/4 of the NE 1/9 of the Shelby, N. C. Quad. USGS. Ed. 1950; 1:62:500.

Previous Work: At least two generations of surficial excavations preceeded the contract work. An area about 140 x 60 feet was bulldozed several years ago by a Mr. Arthur Bailey, who reportedly recovered less than $100 worth of mica. The stripped area partially obscures older excavations and dump material of unknown origin. The northeast contract drift heading broke into a backfilled

excavation of unknown origin or extent.

Contract Work: Stage I bulldozing began July 5, 1957 and Stage II, shaft and drift work was completed by October 30, 1957. In addition to the surface and underground work, a toolhouse and powder and exploder magazines were constructed.

The Operator bulldozed three trenches aggregating 603 cubic yards of material removed. A strike trench trends N60°E and is 85 feet long, 15 feet wide, and an average of 7 feet deep. Two trenches were excavated normal to the strike trench, one medial and one at the southwest end of the strike trench. They are 50 x 14 x 8 feet and 50 x 14 x 2.5 feet respectively in dimensions. Shaft was collared on pegmatite, at the junction of the strike and medial crosscut trenches, and sunk vertically to a depth of 31 feet. Shaft work was terminated at that point because of the absence of pegmatite in the bottom. A total of 100 feet of drift and crosscut was driven from the 27-foot level in the shaft. Fifty-three feet of drift was driven to the northeast, 12 feet S84°E, 20 feet N51°E; and 21 feet N19°E. To the southwest, 20-feet of drift was driven S65°W; and 11 feet S30°W. Near the end of the contract work, it appeared that the drift might have been driven in a massive fracture zone below or in the footwall of the pegmatite which is exposed on the surface. The last 16 feet of level work was driven S48°E from the southwest drift in an unsuccessful attempt to crosscut to reach the downdip projection of the pegmatite exposed at the surface. Little could be seen of the exact pegmatite relationship in the shaft work because of the

masses, from several inches to 6 feet across. The fractures are essentially random in orientation, but there is some preference to a northeast strike with variable southeast and northwest dips. A considerable number of small displacement (?), northeast trending, post-pegmatite faults occur in the drift work. Pegmatite is generally a fine-grained aggregate of soft-kaolinized plagioclase, quartz, and muscovite, with occasional discontinuous masses in the larger segments of pegmatite of coarser grained plagioclase, quartz, perthite, and muscovite.

Only a few pounds of block mica were recovered from the contract dulldozing, an estimated 200 pounds from the shaft, and an equal amount from the level work. An estimated 600 to 1000 pounds of block was recovered from the hangingwall contact, of pegmatite exposed in the southwestern crosscut trench. The recovered muscovite is reddish brown color, small, flat to flat-A, somewhat hair-cracked, and heavily clay-stained. A minor amount of fine biotite(?) intergrowth was noted. Most of the muscovite appears to be of scrap size and quality.

CONCLUSIONS AND RECOMMENDATIONS

A fairly large, zoned, mica-bearing pegmatite and marginal associations were explored by the contract work. No productive pegmatite was outlined and no reserves defined. What mica was recovered, is of submarginal size and quality, and no potential for discovery is believed to remain. No certification of discovery is recommended by the Examiners.

EXPENDITURES

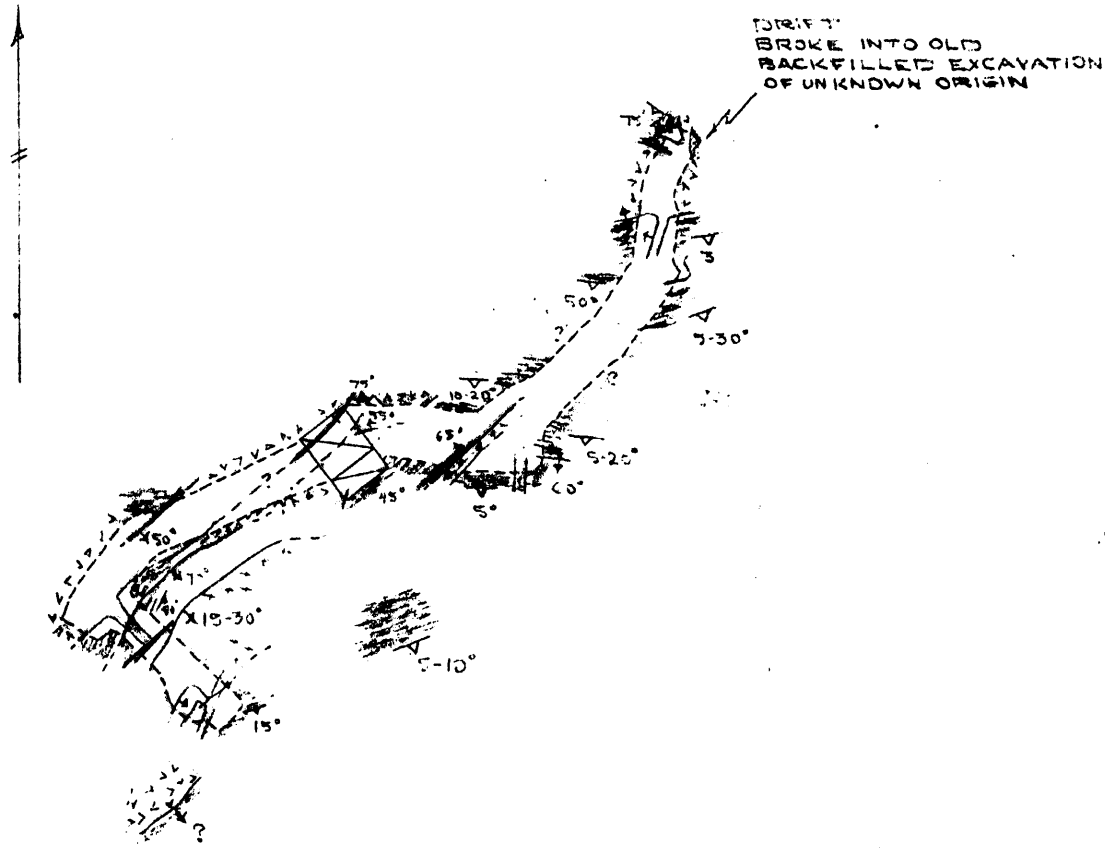
(a)	Total approved	$6,316.00
(b)	Total cost of project	5,009.99
(c)	Government's share of cost	3,757.49
(d)	Government's share unexpended	979.51
(e)	Value of production	(?)
(f)	Royalty paid to date	none.....

April 10, 1958

S. C. Bergman, Geologist
Geological Survey

L. E. Shirley and S. A. Feitler, Mining Engrs.
U. S. Bureau of Mines

z



FALLS PROSPECT

CLEVELAND COUNTY, NORTH CAROLINA

DMEA-4686, Idm.-E1098

(MICA)

SCALE: 1" = 20'

LEGEND

- PLAG. QTZ. PEGMATITE (AT DRIFT LEVEL)
- PEGMATITE (WALLZONE - SURFACE)
- MASSIVE QTZ. CORE (SURFACE)
- SOFT, WEATHERED MUSCOVITE - BIOTITE GNEISS
- PLAN PROJECTION OF CONTRACT DRIFT
- FAULT TRACE (MOST PEGMATITE)

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INITIALS | CODE

IN REPLY REFER TO:

DMEA
RECEIVED APR 22 1958

42	C	220
		600

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

Memorandum

April 21, 1958

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

From: Thor H. Kiilsgaard, U. S. Geological Survey

Subject: Review of Field Team Final Report, DMEA Docket 4686, Ed Huskins, Mica Prospect, Cleveland County, North Carolina.

The field examiners have reported on an exploration project consisting of 603 cubic yards of bulldozed trenches. From a favorable spot in the trenching, a 31-foot vertical shaft was sunk. From the bottom of this shaft, a total of 100 feet of drift and crosscuts was driven in a massive, irregular pegmatite. The pegmatite was found to be fine grained and deficient in strategic sized muscovite. An estimated 600 to 100 pounds of block mica was recovered from the hanging wall contact in the southwestern bulldozer trench. Also, about 200 pounds of mica was recovered from the shaft and an equal amount from the drifting work. All recovered muscovite was reddish brown, small in book size, and somewhat air cracked and heavily clay stained. Apparently, it was of scrap size and quality.

The field examiners do not believe that a significant discovery was made and they recommend that no certification of discovery or development be issued. I concur with their recommendations.

T. H. Kiilsgaard

T. H. Kiilsgaard

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

April 21, 1958

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-4686 (mica)

Applicant: Edward Huskins

Name and Location of Property: Falls Prospect, Cleveland County, N. C.

Contract Number: Idm-E 1098

Date of Field Team Final Report: 4/11/58

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 4/17/58

Field Team Recommendation: Recommends that certification not be made.

Comments:

1. Contract work consisting of trenching, 31 feet of shaft sinking and 100 feet of drifting in a pegmatite zone failed to result in production of any strategic mica.
2. No reserves of muscovite were outlined.
3. Expenditures -

Total approved	$6,316.00
Total cost	5,009.99
Gov't. share of the cost	3,757.49
Value of production during operation	(?)
Royalty paid to date	none

Recommendation:

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

W. F. Dietrich

W. F. Dietrich

almost complete degree of weathering and shaft cribbing.

Little in the way of drill steel or explosives was expended because of the soft-weathered nature of the ground even at the drift level. Progress was good when the Operator was able to work, but heavy rains delayed the project for short periods.

GEOLOGY

A lens-like (?) pegmatite, an estimated 12 feet in maximum thickness was poorly exposed by the contract bulldozing, for at least 60 feet along strike. Pemgatite at the surface, strikes N35-60°E and appeared to dip steeply to the southeast. Late in the contract period, extensive washing of the exposure by the rains began to expose a much flatter southeast dip than had been previously exposed. Pegmatite at the surface is discordantly (?) emplaced in a soft weathered muscovite-biotite gneiss which is locally feldspathic. The foliation at the surface strikes N60-86°E and dips from 5 to 29° south-southeast. Pegmatite at the surface is symmetrically zoned with a massive quartz core up to approximately 6 feet in thickness. Wall zone material from 2 to 5 feet in thickness is composed of kaolinized plagioclase and minor coarse-grained perthite, interstitial quartz, muscovite and biotite. At the drift level, pegmatite is emplaced along a series of randomly (?) oriented fractures which has broken the country rock into large angular blocks. The blocks have in some cases rotated out of position so that the foliation on opposite margins of the fractures is disconformable and occasionally normal to each other. Pegmatite occurs as stringers, veins, and irregular

Operating Committee

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DATE	INITIALS	CODE
4/15		
4/17		

April 10, 1958

Mr. Edward Huskins
Route 3
Bakersville, North Carolina

Re: Docket No. DMEA-4686 (Mica)
Falls Prospect
Cleveland County, North Carolina
Contract No. Idm-E1098

Dear Mr. Huskins:

According to our field examiners, more than 1100 pounds of mica was recovered from the work done at the Falls prospect during the DMEA contract work.

Please let me know what disposition was made of this mica, and send me a check for 5 percent of its value with copies of sales slips or other documents establishing the value. This applies to scrap mica as well as the better grades.

Very truly yours,

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

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

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

Budget Bureau No. 42-R1036.5

RECEIVED DEC 2 DMEA

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

Month of October 1957 Docket No. DMEA 4686 Contract No. Idm-E 1098

Operator's Name Ed Huskins Minerals Mica

Address Route #3, Bakersville, N.C.

Contract Amount, $6,316.00 Government Participation: 75 % Amount, $ 4,737.00

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						
603 cu yds. Bulldozing @ $ .03	18.09	180.90	198.99			
Crosscutting						
Drifting		3300.00	3300.00			
Shaft		1395.00	1395.00			
(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.		76.00	76.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Powder & Exploder Mags.		40.00	40.00			
(8) Contingencies (specify):						
TOTALS	18.09	4991.90	5009.99			

This was paid on Ck. Vou. No. 8 dated 11-27-57

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

Date 11-26-57 *Payee Ed Huskins

Per Ed Huskins 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:

$

Signature
(Authorized Certifying Officer)

Date Vou. No.
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

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

Signature ..... Title ..... Date .....

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature ..... Title ..... Date .....

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.

GPO 872893

Form MF-104 (Rev. April 1952)

Budget Bureau No. 42-R1036.5

RECEIVED NOV 25 1957

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K- 27

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of October, 1957 Docket No. DMEA 4686 Contract No. Idm-E 1098

Operator's Name Ed Huskins Minerals Mica

Address Route #3, Bakersville, N.C.

Contract Amount $ 6,316.00 Government Participation: 75 % Amount, $ 4,737.00

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		180.90	180.90	18.09		
Bulldozing						
Crosscutting						
50' Drifting @ $33.00	1650.00	1650.00	3300.00			
Shaft		1395.00	1395.00			
(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.		76.00	76.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Powder & Exploder Mags.		40.00	40.00			
(8) Contingencies (specify):						
TOTALS	1650.00	3341.90	4991.90	1668.09	3344.90	5009.99

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

Date 10-31-57 *Payee Ed Huskins

Per Ed Huskins 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: 1251.06

$

Signature Helen R Miller
(Authorized Certifying Officer)

Date NOV 22 1957 Vou. No. 88
(See other side)

Adj. as per audit

412.50

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E-1098 in accordance with the terms of the contract.

Signature W. J. Lynch Title MINING ENGINEER U. S. BUREAU OF MINES Date NOV 18 1957

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Bauman Title EXECUTIVE OFFICER DMEA FIELD TEAM REGION V Date NOV 18 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 NOV 25 D.M.E.A.

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

Month of October 1957 Docket No. DMEA 4686 Contract No. Idm-E 1098
Operator's Name Ed Huskins Minerals Mica
Address Route #3, Bakersville, N.C.

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting	Ft.	1650.00	50	3300.00	100	33.00	100	33.00
Crosscutting								
Raising								
Shafts	Ft.			1395.00	31	45.00	60	45.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Bulldozing Trench	Cy.Yds.			180.90	603	0.30	667	0.30
Total Distributed Costs		1650.00		4875.90				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				76.00				
Powder & Exp. Mags.				40.00				
Total Costs		1650.00		4991.90				

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

Date 10-31-57 Operator Ed Huskins

Per Ed Huskins 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)

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

DMEA 4686, Idm-E 1098
Fall's Prospect
Cleveland County, N.C.

FINAL REPORT

Work Accomplished:

We have continued to drift and completed 50' in this month, making a total of 100' of drift to date which completes our contract. The vein material looked good and we kept expecting to find some strategic grade mica, but no mica of any value was recovered.

Daily Notes:

1 - 4 : Shot, drilled and mucked out waste, continued to drift.

7 - 11 : Very good vein material, no mica of any value, continue to work on the drift.

14 - 18 : Shot, drilled and mucked out waste daily, continue to work on drift.

21 - 24 : Completed 100' of drift, which was total amount called for in the contract. Recovered no mica of commercial value.

18 days
2.77 day

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
11/14	Talbert	800
11/15	[illegible]	220
11/15	[illegible]	600

NOV 14 1957

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

Re: Docket No. DMEA-4686 (Mica)
Edward Huskins
Falls Prospect
Cleveland County, N. C.
Contract No. Idm-E1098

Dear Mr. Laurence:

Your memorandum dated November 12, 1957, returning the enclosed original and three copies of a Report of Review and the final MF-104 pertaining to the referenced project, requests an explanation of the allowance of $.33/cu. yd. for excavation.

Although the original contract provided a fixed unit cost of $.30/cu. yd. for 667 cubic yards of excavation, Amendment No. 1 provided a fixed unit cost of $.33/cu. yd. for 603 cubic yards of excavation. The Report of Review states that it pertains to the contract "including Amendment No. 1".

Sincerely yours,

Jay L. Chambers, Director
Contract Administration
and Audit Division

Enclosure

EDTalbert/wb
November 14, 1957

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

8623

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INTERIM REPORT

DMEA-4686, Idm-E1098(mica) FALLS PROS.

Operator: Ed Huskins, R#3. Bakersville, North Carolina

Location: 0.75 miles N80°W of the Belwood School ~~in Knob Creek~~ Township, Cleveland County, North Carolina

Work under the contract has been completed. The crew was not at the mine when the final inspection was made.

As suggested during the previous visit, the last 16 ft of drift was driven S45°E to crosscut the hanging wall. At 10 ft a fracture filling angular shaped pegmatite with a maximum thickness at 2 ft was cut. It contains quartz, plagioclase, perthite, and scrap size muscovite, but is cut off by planes in varied angular relationships as has most of the pegmatite encountered in both shaft and drift.

A vertical shaft was sunk 31 ft. From the 27-ft level, 100 ft of drift was driven; southwest 31 ft; east and northeast 53 ft, and southeast 16 ft.

Less than one ton of small, clay stained mica was recovered during the project. The pegmatite is kaolinized and bounded and cut by fault planes. No good mica zones were encountered and certification will not be recommended.

Inspected: Oct. 30, 1957

S. A. Feitler, Mining Engineer
Bureau of Mines

S. C. Bergman, Geologist
Geological Survey

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DMEA Form 7
(12-56)

OFFICIAL FILE COPY

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11/7	gb	220
		600

NOV 7 1957

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

Re: Docket No. DMFA-4686 (Mica)
Edward Huskins
Falls Prospect
Cleveland County, N. C.
Contract No. Idm-E1098

Dear Mr. Laurence:

As requested by your memorandum of November 4, 1957, a Report of Review in lieu of a final audit of the referenced project has been prepared. The original and three copies of the report, together with the original of the final MF-104 submitted with your memorandum, are enclosed.

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

It is to be noted that the costs accepted by this Report of Review aggregate $5,009.99, whereas the Operator's claim is for only $4,991.90. The Government's participation in the additional allowance should not be processed until such time as the Operator submits an appropriate claim.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Director
Contract Administration
and Audit Division

Enclosure
EDTalbert/wb 11/7/57

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.

WASHINGTON 25, D.C.

November 4, 1957

DATE	INITIALS	CODE
11/6	gb	220
11/6		800
		600

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Operator's final Report. DMEA-4686, Idm-E1098-mica.
Ed Huskins, Spruce Pine, N.C.
Falls Prospect, Cleveland County, N. C.

Attached are three copies of the Operator's final geological and engineering report on the subject contract.

Robert A. Laurence

Robert A. Laurence

Operator's Final Rpt

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

November 4, 1957

RECEIVED NOV 6 1957
DATE

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Operator's final Report. DMEA-4686, Idm-E1098-mica.
Ed Huskins, Spruce Pine, N.C.
Falls Prospect, Cleveland County, N. C.

Attached are three copies of the Operator's final geological and engineering report on the subject contract.

Robert A. Laurence

zm
cc
Lynch
Files

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

EXTRA COPY
DMEA
RECEIVED NOV 6 1957

November 4, 1957

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Operator's final Report. DMEA-4686, Idm-E1098-mica.
Ed Huskins, Spruce Pine, N.C.
Falls Prospect, Cleveland County, N. C.

Attached are three copies of the Operator's final geological and engineering report on the subject contract.

Robert A. Laurence

xm
cc
Lynch
Files

Spruce Pine, North Carolina
October 31, 1957

Mr. Robert A. Laurence, Executive Officer
D.M.E.A., Region V., Room 13, Post Office Building
Knoxville, Tennessee

Re: DMEA 4686, Idm-E 1098 (Mica)
Fall's Prospect
Cleveland County, N.C.

Dear Mr. Laurence:

Work began on the above named prospect on July 5, 1957, and was completed on October 24, 1957.

The work consisted of bulldozing trench, setting up powder and exploder magazines, constructing toolhouse, and sinking a 5' X 7' shaft a depth of 31' in pegmatite. Then we drifted from the bottom of the shaft in a direction directed by the Field Team a total of 100' trying at all times to stay in pegmatite. The vein material looked good and we kept expecting to find some strategic grade mica, but no mica of any value was recovered.

The Geological and engineering evaluation of the results of the work preformed under the contract with an estimate of the ore reserves resulting from such work are as follows: after the completion of 31' of shaft and 100' of drift without recovering any mica of commercial value it is the opinion of the operators that this particular pegmatite does not warrant further exploration.

We wish to thank the Field Team for their assistance on the Fall's Project.

Yours very truly,

Ed Huskins

Ed Huskins

P/bjg

RECEIVED
NOV 4 - 1957
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

Spruce Pine, North Carolina
October 31, 1957

Mr. Robert A. Laurence, Executive Officer
D.M.E.A., Region V., Room 13, Post Office Building
Knoxville, Tennessee

Re: DMTA 4686, Idm-E 1098 (Mica)
Fall's Prospect
Cleveland County, N.C.

Dear Mr. Laurence:

Work began on the above named prospect on July 5, 1957, and was completed on October 24, 1957.

The work consisted of bulldozing trench, setting up powder and exploder magazines, constructing toolhouse, and sinking a 5' X 7' shaft a depth of 31' in pegmatite. Then we drifted from the bottom of the shaft in a direction directed by the Field Team a total of 100' trying at all times to stay in pegmatite. The vein material looked good and we kept expecting to find some strategic grade mica, but no mica of any value was recovered.

The Geological and engineering evaluation of the results of the work preformed under the contract with an estimate of the ore reserves resulting from such work are as follows: after the completion of 31' of shaft and 100' of drift without recovering any mica of commercial value it is the opinion of the operators that this particular pegmatite does not warrant further exploration.

We wish to thank the Field Team for their assistance on the Fall's Project.

Yours very truly,

Ed Huskins

Ed Huskins

P/bjg

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RECEIVED
NOV 4 - 1957
U. S. Geological Survey
Raleigh, N.C.

Spruce Pine, North Carolina
October 31, 1957

Mr. Robert A. Laurence, Executive Officer
D.M.E.A., Region V., Room 13, Post Office Building
Knoxville, Tennessee

Re: DMEA 4686, Idm-E 1098 (Mica)
Fall's Prospect
Cleveland County, N.C.

Dear Mr. Laurence:

Work began on the above named prospect on July 5, 1957, and was completed on October 24, 1957.

The work consisted of bulldozing trench, setting up powder and exploder magazines, constructing toolhouse, and sinking a 5' X 7' shaft a depth of 31' in pegmatite. Then we drifted from the bottom of the shaft in a direction directed by the Field Team a total of 100' trying at all times to stay in pegmatite. The vein material looked good and we kept expecting to find some strategic grade mica, but no mica of any value was recovered.

The Geological and engineering evaluation of the results of the work preformed under the contract with an estimate of the ore reserves resulting from such work are as follows: after the completion of 31' of shaft and 100' of drift without recovering any mica of commercial value it is the opinion of the operators that this particular pegmatite does not warrant further exploration.

We wish to thank the Field Team for their assistance on the Fall's Project.

EXTRA COPY
DMEA
RECEIVED NOV 6 1957
DATE | INITIALS | CODE

Yours very truly,

Ed Huskins

Ed Huskins

P/bjg

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

EXTRA COPY
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RECEIVED NOV 6 1957

DATE	INITIALS	COPIES
11/7	Hmh	600

November 4, 1957

Memorandum

To: Jay L. Chambers, Director - Contract Administration and Audit Division.

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

Subject: Completion of DMEA-4686, Idm-E1098-mica
Falls Prospect, Cleveland County, N.C.
Ed Huskins, Operator, Bakersville, N.C.

Work on the subject contract has been completed.

The following units of work have been acceptably performed, as verified by our Field Examiners:

1 - A total of 603 cu.yds. of material excavated in two exploration trenches.

2 - Toolhouse, exploder and powder magazines constructed.

3 - Shaft sunk to a depth of 31 feet.

4 - 100 feet of drifting completed.

Final MF-104 attached - Report of Review is requested.

Robert A. Laurence

VJL/zm
cc
Opr. Com.-2
Lynch
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INTERIM REPORT

DMEA-4686, Idm-E1098(mica) FALLS PROSPECT

Operator: Ed Huskins, Route #3, Bakersville, ~~North Carolina~~

Location: 0.75 miles N 80°W of the Belwood High School in Knob Creek Township, Cleveland County, N.C.

Work was resumed after the protracted rain. Drifts have been driven 84 feet - SW 31 feet, and east and northeast 53 feet. All level work has been in faulted and kaolinized soda-rich pegmatite containing small mica books in bunches associated with small, iron stained quartz pods.

The northeast drift, at the face, cuts a filled cavity in schist and pegmatite. The filling in the bottom is stratified clay and sand, above is unstratified material containing pieces of quartz and weathered feldspar. Not enough was exposed to identify the cavity as an old well or back filled mine opening.

On the premise that the pegmatite exposed at the surface may have dipped southeast out of the shaft, the Operator was advised to crosscut southeast from near the heading in the southwest drift.

By visual estimate of the pile, about 1100 pounds of small, clay stained books of muscovite have been recovered to date. This includes 100 to 200 pounds taken recently from a small pit on the hangingwall of the pegmatite exposed in a northwest trending bulldozer cut 50 feet southwest of the shaft.

Progress has been satisfactory.

Inspected: Oct. 16, 1957

Stanley A. Feitler
Mining Engineer, Bureau of Mines

S. C. Bergman, Geologist
Geological Survey

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INTERIM REPORT

DMEA-4686, Idm-E1098(mica) FALLS PROSPECT

Operator: Ed Huskins, Route #3, Bakersville, North Carolina

Location: 0.75 miles N 80°W of the Belwood High School in Knob Creek Township, Cleveland County, North Carolina

No work was done on this project during the interim due to rain and mud.

Inspected: 10/3/57

S. A. Feitler, Mining Engineer
Bureau of Mines

S. C. Bergman, Geologist
Geological Survey

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

Budget Bureau No. 42-R1036.5

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

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K- 19

Month of September, 1957 Docket No. DMEA 4686 Contract No. Idm-E 1098
Operator's Name Ed Huskins Minerals Mica
Address Route #3, Bakersville, N.C.
Contract Amount, $ 6,316.00 Government Participation: 75% Amount, $ 4,737.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent / Short Form Contracts:						
Drilling						
Bulldozing		180.90	180.90			
Crosscutting						
50' Drifting @ $33.00	1650.00		1650.00			
Shaft		1395.00	1395.00			
(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.		76.00	76.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Powder & Exploder Mags.		40.00	40.00			
(8) Contingencies (specify):						
TOTALS	1650.00	1691.90	3341.90	1650.00	1691.90	3341.90

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

Date 10-2-57 *Payee Ed Huskins

Per Ed Huskins 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:

$ 1237.50

Signature Helen R. Meder
(Authorized Certifying Officer)

Date OCT 10 1957 Vou. No. 68

(See other side)

412.50

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E1098 in accordance with the terms of the contract.

Signature H Feiler Title MINING ENGINEER U. S. BUREAU OF MINES Date OCT 7 1957

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Keene Title EXECUTIVE OFFICER DMEA FIELD TEAM REGION V Date OCT 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 Sept. 195 7 Docket No. DMEA 4686 Contract No. Idm-E 1093
Operator's Name Ed Huskins Minerals Mica
Address Route #3, Bakersville, N.C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting	Ft.	1650.00	50	1650.00	50	33.00	100	33.00
Crosscutting								
Raising								
Shafts	Ft.			1395.00	31	45.00	60	45.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Bulldozing Trench	Cu. Yds.			180.90	603	1.30	667	0.30
TOTAL DISTRIBUTED COSTS		1650.00		3225.90				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				76.00				
				40.00				
TOTAL COSTS		1650.00		3341.90				

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

Date 10-2-57 Operator Ed Huskins

Per Ed Huskins 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 Feitler

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

EMEA 4686, Idm-E 1098 (Mica)

Fall's Prospect

Cleveland, County, N.C.

Work Accomplished:

We have completed a total of 50' of drift in the few days that we have worked in September, no mica has been recovered, and due to the extremely rainy weather we were unable to get timber into the mine to timber for the drift work. We have a 1½ ton truck bogged down in the mud, and we can't get out or into the mine, also we have been detained, because the forman's dust card is out of date, and he is waiting to get his new work card.

Daily Notes:

2 - 13 : We have completed a total of 50' of drift in the few days that we have worked in September, No mica has been recovered, and due to the extremely rainy weather, and the foreman not having a work card no work was done the later part of this month.

10 days
5' day

OFFICIAL FILE COPY
DMEA
RECEIVED SEP 30 1957

DATE	INITIALS	CODE
9-30	C	220
"	CEM	100
10/1	Hank	600

INTERIM REPORT

DMEA-4686, Idm-E1098(mica) FALLS PROSPECT

Operator: Ed Huskins, Route #3, Bakersville, North Carolina

Location: 0.75 miles N 80°W of the Belwood High School in Knob Creek Township, Cleveland County, North Carolina

No one was at the Prospect at the time of the Examiners visit and no work had been done during the interim.

September 17, 1957.

S A Feitler

Stanley A. Feitler, Mining Engr.
Bureau of Mines

F G Lesure

S. C. Bergman and F. G. Lesure, Geologists
Geological Survey

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Form M[illegible] (Rev.)
(A[illegible]2)

UNITED [illegible]TES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.5

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K- 12

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of August, 1957 Docket No. DMEA 4686 Contract No. Idm-E 1098
Operator's Name Ed Huskins Minerals Mica
Address Route #3, Bakersville, N.C.
Contract Amount, $6,316.00 Government Participation: 75 % Amount, $4,737.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing		180.90	180.90			
Crosscutting						
Drifting						
21' Shaft @ $45.00	945.00	450.00	1395.00			
(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.		76.00	76.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Powder & Exploder Caps		40.00	40.00			
(8) Contingencies (specify):						
TOTALS	945.00	746.90	1691.90	945.00	746.90	1691.90

RECEIVED DEC 16 1957 D.M.E.A.

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

Date 9-3-57 *Payee Ed Huskins

Per Ed Huskins 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:

$708.75

Signature Helen R. Muller (Authorized Certifying Officer)

Date SEP 12 1957 Vou. No. 52

(See other side)

236.25

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm E1098 in accordance with the terms of the contract.

Signature W. A. Beck Title U. S. BUREAU OF MINES Date SEP 5 1957

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA FIELD TEAM REGION V Date SEP 5 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 [illegible]-104A
(A[illegible]62)

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 Aug. 1957 Docket No. DMEA4686 Contract No. Idm-R 1098

Operator's Name Ed Huskins Minerals Mica

Address Route #3, Hakersville, 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	Ft.	945.00	21	1395.00	31	45.00	60	45.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Bulldozing Trench	Cu. Yds.			180.90	603	0.30	667	0.30
TOTAL DISTRIBUTED COSTS		945.00		1575.90				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				76.00				
Powder & Exploder Mags.				40.00				
TOTAL COSTS		945.00		1691.90				

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

Date 9-3-57 Operator Ed Huskins

Per Ed Huskins 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 SEP 16 1957 DMEA

W. A. Beck

INSTRUCTIONS

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

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

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

GPO 872894

OPERATOR'S

Monthly Progress Report

DMEA 4686, Idm-E 1098 (Mica)

Fall's Prospect

Cleveland, County, N.C.

Work Accomplished:

In this month we have completed 21' of shaft work, making a total of 31' to date. In the last week we ran completely out of vein material, there is mostly slate showing now, no mica has been recovered.

Daily Notes:

1 - 9 : Shot, drilled, mucked out waste and pumped water, there is some vein material.

12 - 16 : Continued down with shaft.

19 - 23 : Shot, drilled and mucked out waste, pumped water, and continued to work on shaft.

26-30 : Completed 21' of shaft in this month, making a total of 31' of shaft to date. We are completely out of vein material, there is a lot of slate, no mica has been recovered.

EXTRA COPY
DMEA
RECEIVED SEP 16 1957
DATE | INITIALS | CODE

Extra

INTERIM REPORT

DMEA-4686, Idm-E1098 (mica) FALLS PROSPECT

Operator: Ed Huskins, Rt. #3, Bakersville, N. C.

Location: 0.75 miles N80°W of the Belwood High School in Knob Creek Township, Cleveland Co., N. C.

Drifting has been underway during the interim on this contract. Twenty feet have been driven S65°W, and 11 feet S30°W, and 19 feet have been driven S75°E. Drift work was stopped to the southwest because of the fine-grained characteristics and the absence of mica in the body. Several local faults were observed on the hanging wall with traces trending northeast and dipping steeply southeast. In the present face, the body is at least 4 feet thick, but is barren of quartz and mica. In the southeast drift, a hanging wall contact has been followed in pegmatite composed of massive quartz near the footwall contact, and a feldspar mica zone on the hanging wall. The body is 2 to 2.5 feet thick and is rich in muscovite near the quartz contacts. About 250 pounds of mine-run block mica has been produced from this drift.

Instructions were given for continuing the drift to the southeast. The Operator was advised to set stulls and lag the drift areas if weathered conditions necessitate the use of timber. Progress on this contract is satisfactory.

L. E. Shirley

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

F. G. Lesure

F. G. Lesure, Geologist
U. S. Geological Survey

Date inspected:
September 5, 1957

OFFICIAL FILE COPY
DMEA
RECEIVED SEP 13 1957

DATE	INITIALS	CODE
9/16	Hook	Gwo

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1-0 FED. BLDG.
KNOXVILLE 2, TENN.

OFFICIAL FILE COPY
DMEA
RECEIVED SEP 5 1957

DATE	INITIAL	CODE
9-5	C	220
9/5	Hook	600

September 3, 1957

Memorandum

To: Operating Committee, DMEA - ?Washington

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

Subject: DMEA-4686, Idm-E1098(mica) Edward Huskins, Bakersville, N.C. Falls Prospect, Cleveland County, N. C.

Enclosed are the Government and Audit copies of amendment No.1, to the subject contract.

Justification for the amendment is contained in the Field Team memorandum of July 29, 1957.

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

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

z

INTERIM REPORT

DMEA-4686, Idm-E1098, FALLS PROSPECT (mica)

Operator: Ed Huskins, Bakersville, North Carolina

Location: 0.75 miles N 80° W of the Belwood High School in Knob Creek Township, Cleveland County, North Carolina

During the interim the shaft was sunk 5 ft to a depth of 31 ft, and a drift driven 18.5 feet S65°W. The foreman reported that the pegmatite pinched out in the bottom. Four feet was left for sump and the drift started at the 27-foot level.

Blasting has not yet been required because of kaolinization. The shaft is cribbed all the way and light timber is being set in the drift.

The face is in pegmatite containing inclusions of gneiss. The body is perthitic with fine-grained quartz and plagioclase.

About 150 to 200 lbs of small, clay-stained, ruled, and wavey mica have been recovered.

Inspected: August 22, 1957

OFFICIAL FILE COPY
DMEA
RECEIVED SEP 3 1957

DATE	INITIALS	CODE
9/3	CBM	100
9/4	Ichuk	600

S. A. Feitler, Mining Engineer
Bureau of Mines

L. E. Shirley, Mining Engineer
Bureau of Mines

F. G. Lesure, Geologist
Geological Survey

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
8/19	Anderson	600
8/19	Houk	600
8-20	Chambers	800
8/21	[illegible]	130
"	Johnson	110
		~~100~~
8/22	C	220
		600

600

AUG 21 1957

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

Re: Docket No. DMEA-4686-Mica
Edward Huskins
Falls Prospect
Cleveland County, North Carolina
Contract No. Idm-E1098

Dear Mr. Laurence:

Reference is made to the Field Team's memorandum of July 29, 1957, recommending approval of an amendment providing for three trenches instead of two, as provided for in Stage I of the subject contract.

Pursuant to your recommendation, we have prepared and enclose the original and four copies of Amendment No. 1 signed by the Administrator for the Government. Also enclosed are two extra copies for the use of the Field Team.

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

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

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (JHB)

Approved:

P. F. Yopes (JHB)
Member, Bureau of Mines

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

WCAnderson:rsi 8/19/57
Copy to: Admr. R. File
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

Enclosures 7

8623

OFFICIAL FILE COPY
DMEA
RECEIVED AUG 19 1957
DATE
CODE
220
100
8-19
Hand

INTERIM REPORT

DMEA-4686, Idm-E1098, FALLS PROSPECT
(Mica)

Operator: Ed Huskins, R#3, Bakersville, North Carolina

Location: 0.75 miles N80°W of the Belwood High School in Knob Creek Township, Cleveland County, North Carolina.

The shaft has been sunk 22 feet during the interim and is now 26 feet deep. The rock is weathered and several minor faults are visible below the cribbing which extends to within 5 feet of the bottom. The feldspar is partly kaolinized and is especially soft near the shear planes.

Work was interrupted on the day of the inspection while the foreman went to Spruce Pine for a pump.

Approximately 150 lbs of mica have been recovered to date, but it is poor - perhaps on account of the shearing.

Progress has been good and timbering well done. A toolhouse and two magazines have been built.

Inspected August 8, 1957

S. A. Feitler and L. E. Shirley, Mining Engineers
Bureau of Mines

F. G. Lesure, Geologist
Geological Survey

z

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- 6

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of July, 195 7 Docket No. DMEA 4686 Contract No. Idm-E 1098
Operator's Name Ed Huskins Minerals Mica
Address Route 3, Bakersville, N.C.
Contract Amount, $ 6,316.00 Government Participation: 75 % Amount, $ 4,737.00

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						
603 cubic yds. @ $ 0.30	180.90		180.90			
Bulldozing						
Crosscutting						
Drifting						
10' Shaft @ $45.00	450.00		450.00			
(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.	76.00		76.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Powder & Exploder Mags.	40.00		40.00			
(8) Contingencies (specify):						
TOTALS	746.90		746.90	746.90	—	746.90

RECEIVED AUG 15 1957 D.M.E.A.

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 8-1-57 *Payee Ed Huskins
Per Ed Huskins 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:
$ 560.18
Signature Helen R. Mellin
(Authorized Certifying Officer)
Date AUG 9 1957 Vou. No. 31
(See other side)

186.72

(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-1098 in accordance with the terms of the contract.

Signature V. J. Lynch Title U. S. BUREAU OF MINES Date AUG 5 1957

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA FIELD TEAM Date AUG 5 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 July 1957 Docket No. DMEA 4686 Contract No. Idm-E 1098

Operator's Name Ed Huskins Minerals Mica

Address Route #3, Bakersville, 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	Ft.	450.00	10	450.00	10	45.00	~~10~~ 60	45.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Bulldozing Trench	Cu.Yds.	180.90	603	180.90	603	0.30	667	0.30
TOTAL DISTRIBUTED COSTS		630.90		630.90				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.		76.00		76.00				
Powder & Exploder Mags.		40.00		40.00				
TOTAL COSTS		746.90		746.90				

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

Date 8-1-57 Operator Ed Huskins

Per Ed Huskins 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 AUG 13 D.M.E.A.

MINING ENGINEER
U. S. BUREAU OF MINES

INSTRUCTIONS

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

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

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

GPO 872894

OPERATOR'S

Monthly Progress Report

DMEA 4686, Idm-E 1098 (Mica)
Fall's Prospect
Cleveland County, N.C.

Work Accomplished:

Work began on July 5, 1957, moved in bulldozer and excavated trench, constructed toolhouse, sat up powder and exploder magazines, and have completed 10' of shaft to date.

Daily Notes:

5 -12 : Moved in bulldozer and excavated trench, constructed toolhouse.

15 - 19 : Sat up powder and exploder magazines, and begin to sink a shaft.

22 - 31 :Shot, drilled and mucked out waste, continued to sink shaft completing a total of 10' to date.

EXTRA COPY
D M E A
RECEIVED AUG 13 1957
DATE | INITIALS | CODE

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 8 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

OFFICIAL FILE COPY
DMEA
RECEIVED JUL 31 1957

DATE	INITIALS	CODE
7/31	P.K.	220
		130
		600

July 29, 1957

Memorandum

To: Operating Committee, DMEA - Washington

From: DMEA Field Team, Region V - Knoxville, Tenn.

Subject: DMEA-4686, Idm-E1098(mica) Edward Huskins, Falls Prospect, Cleveland County, N. C.

Reference is made to your letter of July 25.

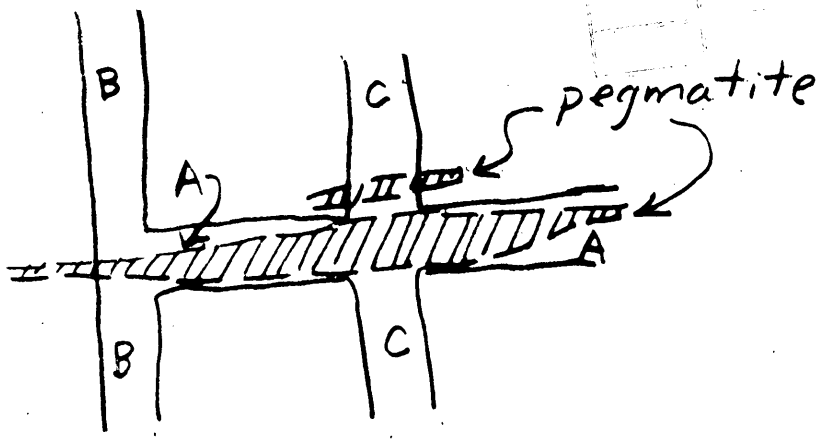
The attached sketch indicates conditions at the Falls Prsopect after completion of trenching. Trench A and B are those authorized by the contract. In trench B, the pegmatite is thin, has no quartz core, and contains only small muscovite. The pegmatite is thickest near the intersection of A and C, where it also contains the most mica and has a quartz core.

Therefore, trench C was dug to test across the most favorable part of the pegmatite and to determine whether the small pegmatite (poorly exposed before this work) is a part of the larger one or not. This work has the approval of the Field Examiners, who are of the opinion that it provides a more complete picture of the pegmatite. Total volume excavated is less than the volume authorized by the contract.

Therefore we recommend approval of an amendment providing for three trenches instead of two.

V. J. Lynch, Member
Bureau of Mines

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



DMEA 4686
Idm E 1098.

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
7/23	Anderson	600
7/24	Houk	600
7/24	Martin	130
"	Johnson	110
"	Whitenday	100
7/25	C	220
		600

600

JUL 25 1957

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

Re: Docket No. DMEA-4686-Mica
Edward Huskins
Falls Prospect
Cleveland County, North Carolina
Contract No. Idm-E1098

Dear Mr. Laurence:

Reference is made to the Field Team Interim Report, dated July 11, 1957.

We note that three trenches were excavated to expose the pegmatite, whereas only two trenches were specified in the contract. This will require an amendment allowing the three trenches, even though the yardage allowed was not exceeded. However, before we prepare the amendment, we would appreciate receiving the Field Team's justification for excavating the third trench.

Sincerely yours,

W. S. Martin
ACTING Chairman, Operating Committee

Approved:

/s/ Horace J. Reno
Member, Bureau of Mines

Thor H. Kiilsgaard
Member, Geological Survey

WCAnderson:rsi 7/23/57
Copy to: Admr. R. File
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

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DMEA
RECEIVED AUG 5 1957

DATE	INITIALS	CODE
8/5	Cole	100
8/6	Hawk	600

INTERIM REPORT

DMEA-4686, Idm-E1098 (mica) FALLS PROSPECT

Operator: Ed Huskins, Route #3, Bakersville, North Carolina

Location: 0.75 miles N80°W of the Belwood High School in Knob Creek Township, Cleveland County, North Carolina

Stage II of this contract is underway, and shaft sinking is in progress. The shaft is 4 feet deep and has been collared and cribbed to near bottom. Vertical sinking is progressing in pegmatite and quartz core material. The shaft cross-section contains 6 feet of pegmatite and quartz with 1 foot of muscovite schist on the northwest end. This exposed contact with country rock strikes N55°E and dips 72°SE. The pegmatite body is composed of a quartz core 2 to 3 feet thick, flanked by kaolinized feldspar-mica zones 1.5 to 2.0 feet thick. Mica is fairly abundant in these zones, but ruling of the small books was apparent. About 50 pounds of mine-run block mica was produced from the shaft work, most of which contains some form of surface stain.

Equipment at the site consists of a 105 CFM air compressor with accessories, a gasoline powered single-drum hoist, and necessary hand tools. A standard hoisting frame has been erected, and a short access road and a bridge has been constructed at the operator's own expense. Progress on this contract is satisfactory.

L. E. Shirley

L. E. Shirley and S. A. Feitler, Mining Engineers
U. S. Bureau of Mines

F. G. Lesure, Geologist
U. S. Geological Survey

Date inspected:
July 24, 1957

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

July 15, 1957

Mr. Edward Huskins
Route # 3
Bakersville, North Carolina

Re: DMEA-4686, Idm-E1098-mica
Falls Prospect
Cleveland County, N.C.

Dear Mr. Huskins:

This will confirm our verbal approval of July 11, 1957 to start work on Stage II of the subject contract.

Very truly yours,

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

OFFICIAL FILE COPY
DMEA 17
RECEIVED JUL 20 1957

DATE	INITIALS	CODE
7/19	P.K.	220
7/19	[illegible]	800
7/18	[illegible]	600

zm
cc
Finance Office
Lynch
Opr. Com-22
Shirley
Files

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RECEIVED JUL 22 1957

DATE	INITIALS	CODE
7/22	Com	100
	Hot	600

INTERIM REPORT

DMEA-4686, Idm-E1098 (mica) FALLS REPORT

Operator: Ed Huskins, Route #3, Bakersville, North Carolina

Location: 0.75 miles N80°W of the Belwood High School in Knob Creek Township, Cleveland County, North Carolina

The starting date on this contract is July 5, 1957. Stage I, consisting of trench excavation has been completed. Based on the results of Stage I, the Field Examiners recommend that Stage II be authorized, and that written permission be sent to the Operator.

The trench excavation consisted of bulldozing three trenches for an aggregate of 603 cubic yards. Trench No. 1 trends N60°E and is 85 feet long by 15 feet wide by 7 feet deep. This main strike trench exposed pegmatite for a distance of 60 feet along its trend. Both contacts of the body are exposed showing a width or thickness of 8.5 feet. On the southwest end of this trench a quartz core approximately 5 feet thick is exposed for a distance of 15 feet in the trench. Trench No. 2 crosscuts Trench No. 1 near its center and is 50 feet long by 14 feet wide x 8 feet deep. This trench was made to define more clearly a parallel pegmatite barely exposed in Trench No. 1, and to fully expose quartz core outcropping in the area. This pegmatite is 3.5 feet thick, trends N50°E and is feldspathic. Trench No. 3 is on the southwest end of, and crosscuts, Trench No. 1, trends N25°W and is 50 feet

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1025, IDEC BLDG.
KNOXVILLE 2, TENN.

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DMEA
RECEIVED JUN 26 1957

DATE	INITIALS	CODE
6/26	C	220
6/26	B	215
6/26	A	600

June 24, 1957

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Signed Contract - DMEA-4686, Idm-E1098-mica
Edward Huskins, R#3, Bakersville, N.C.

Transmitted are three signed copies of the subject contract.

The usual distribution of the other copies has been made.

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

zm

V. J. Lynch
V. J. LYNCH
MEMBER, BUREAU OF MINES

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
		600
6/3	Houk	600
6-3	Chamber	800
6/5	GCS.	130
		110
"	Mathews	100
6/6	FWD	220
		600

600

JUN - 6 1957

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

Re: Docket No. DMEA-4686-Mica
Edward Huskins
Falls Prospect
Cleveland 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 and Subordination Agreement, Exhibit A (3 pages), and one map. Also enclosed are two extra copies of Annex I, Exhibit A, and the map 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 map are to be returned to this office, together with the proposed changes for consideration.

Copies of memoranda dated May 17 and 24, 1957, by Mr. N. E. Nelson, USGS, and Mr. W. F. Dietrich, USBM, respectively, relating to the project are enclosed.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

Frank D. Lamb

Member, Bureau of Mines

Thor H. Kiilsgaard

Member, Geological Survey

Enclosures 12

WCAnderson:rsi 6/3/57
Copy to: Admr. R. File
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

IN REPLY REFER TO:

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

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 20 1957

DATE	INITIALS	CODE
5/20	C	220
		600

May 17, 1957

Re: DMEA 4686
Edward Huskins
Falls Prospect
Cleveland County, N.C.
Appl. Est. $6,200
Rec. Est. $6,706 - Mica

Memorandum

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

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

Subject: Review of Field Team Report

The applicant requested assistance in exploring a 'new' pegmatite by stripping, shaft sinking, and drifting.

The examiners found the pegmatite exposed in a large open cut and shallow shaft, and although the length and width are unknown, the width of the pegmatite is inferred to be at least 15 feet and the length 50 feet. In order to learn more of the cored pegmatite, the examiners recommend that bulldozing be done as Stage I of a 2-stage work program. If the results are favorable, the Stage II work would be approved.

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

N. E. Nelson

N. E. Nelson

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

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DMEA
RECEIVED MAY 27 1957

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

May 24, 1957

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

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

Subject: DMEA-4686 (mica)

Applicant: Edward Huskins

Name and Location of Property: Falls Prospect, Cleveland County, North Carolina

Date of Field Team Report: 5/13/57

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 5/16/57

Field Team Recommendation: Recommend approval of a two-stage exploration program.

Comments:

1. A pegmatite at least 15 feet wide has been exposed by bulldozing for a strike length of about 50 feet, and a shallow shaft was sunk in pegmatite.

2. A small amount of mica has been recovered and other mica is exposed in place.

3. The mineralogic environment of the pegmatite body is favorable for the localization of significant quantities of strategic grade mica.

Recommendation:

I concur with the recommendation of the field team for approval of a two-stage exploration project as outlined by report of field examiners.

W. F. Dietrich

W. F. Dietrich

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D.C.
ROOM 1350 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 15 1957

DATE	INITIALS	CODE
5/15	C	220
	eas	130
5/20	JOZ	220
5/20	wm	600

May 13, 1957

Memorandum

To: Operating Committee, DMEA - Washington

From: DMEA Field Team, Region V - Knoxville, Tenn.

Subject: Field Examination Report - DMEA-4686-Mica
Edward Huskins, Applicant, Bakersville, N.C.
Falls Prospect, Cleveland County, N.C.

Transmitted are four copies of the subject examination report and nine extra copies of the map.

The Field Team concurs with the Examiners in their recommendation for exploration as set out in the report.

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

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

Reviewed by
DMEA OPERATING COMMITTEE
5/17/57
(date)

OFFICIAL FILE COPY
D M E A
RECEIVED MAY 15 1957

DATE	INITIALS	CODE

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

EXAMINATION REPORT OF FIELD TEAM, REGION V

ON

DMEA-4686, FALLS PROSPECT-Mica
Cleveland County, N. C.

By

E. L. Boudette, Geologist
Geological Survey

and

L. E. Shirley, Mining Engineer
Bureau of Mines

Reviewed by
DMEA OPERATING COMMITTEE
5/17/57
(date)

Examined

April 18, 1957

On-Site Exam Rpt

OFFICIAL FILE COPY
D M E A
RECEIVED MAY 15 1957

DATE	INITIALS	CODE

FIELD EXAMINATION REPORT

DMEA-4686 -Mica
Edward Huskins
Falls Prospect
Cleveland County, North Carolina

Summary

A mica-bearing pegmatite body that is discordant to the schistosity of the enveloping muscovite-biotite gneiss is poorly exposed in a bulldozed cut and shallow shaft on the property. The thickness and strike length of the pegmatite body are unknown, but it is inferred to be at least 15 ft wide and 50 ft long, and is composed of two main zones; a quartz core and a plagioclase rich wall zone that contains the mica. Some mica production is reported from the mine, but the amount is negligible. An exploration program is recommended similar to that proposed by the applicant whereby the pegmatite body will be better exposed by bulldozing in the first stage of a two-stage program, and if a favorable reappraisal of the mine is made by the examiners after the completion of Stage I, a second stage will follow consisting of sinking a vertical or inclined shaft with subsequent drifting in the pegmatite body.

INTRODUCTION

Examination.--The property was examined April 18, 1957 over a period of 1 and 1/2 hours to ascertain if an exploration with DMEA assistance is justified. Mr. Sam L. Phillips, representing the Applicant, was present during the examination which was conducted in warm weather during a rainstorm.

Location and Accessibility.-- The mine is located 0.75 miles N 80° W of the Belwood High School in Knob Creek Township, Cleveland County, North Carolina (see index map). If reference is made to the Shelby, N. C. quadrangle sheet (USGS 15 minute series, 1:62,500,ed.1950), the mine is in the NE 1/4 of the NE 1/9 of the quadrangle. The mine may be reached from the road intersection in front of the Belwood High School which is about one-

half mile west of the intersection of State Highway 18, and a paved county road, by following the county road 3/4 mile to the Carl Miller residence on the right. The prospect may then be reached on foot 950 ft S 29°W of the Miller home. No access road exists to the prospect.

THE PROPERTY

Physical features and property development.-- A stripped area about 140 ft long and a maximum of 60 ft wide has been made by bulldozing in the side of a gently northward sloping forrested hillside about 35 ft above a branch stream. Along the southeast side of the stripped area, a bulldozed trench about 50 ft long has been made in which a shallow shaft has been dug. The maximum depth of the trench is 10 ft and the shaft is about 5 ft below the floor of the trench. Pegmatite is exposed in place in the deepest part of the trench near and in the shaft (see map). The workings are presently well drained and totally accessable. Except for the extreme northeast end of the workings, the dump areas are 'spread out,' possibly in order to recover mica from the stripped material. Apparently the workings are of two generations of mining activity. At the end of Section A-A' (see map), the "old" dump is from a much earlier excavation because it is covered with vegetation and disturbed by later bulldozing.

Supplies and equipment.-- Ample timber for mining purposes is available on the property for Stage II operations. Other

supplies, including lumber are available at Fallston, N. C. about 5 miles distant or at Lawndale, N. C. about 6 miles distant. Sufficient water is found in the branch near the property and power lines are 150 yds away. No equipment or finished supplies are presently at the site.

Competency of Operator.-- The Applicant is well experienced in mica mining practice, and has entered into several DMEA contracts in the past. In the opinion of the Examiners Mr. Huskins is among the most competent mica miners in the area and has carried out his past work under DMEA contracts satisfactorily.

HISTORY AND PRODUCTION

An account of the prospect does not appear in available literature, and the property owner, Mr. Miller, did not know about the earlier operations, but stated the bulldozing was done within the last few years by Mr. Arthur Bailey who recovered 3 "bags" (approximately 225 lbs.) from the operation. Mr. Miller estimated his royalty payment on this mica to be less than $10. Hence, less than $100 worth of mica was mined, assuming the standard 12½% royalty lease was held by the Operator.

GEOLOGY

General.-- The area in the vicinity of the prospect is underlain by muscovite-biotite gneiss that envelopes a pegmatite body of unknown dimensions that is discordant to the schistosity of the gneiss. The gneiss is locally granitized and injected by

ACTION ON INTERIM
OR FINAL FIELD TEAM REPORT

Date 1-22

Referred to:

1. ~~Mr. Mittendorf~~
2. ~~Mr. Johnson~~
3. ~~Mr. Chambers~~
4. Docket Control Mails and Files
5. [illegible] Division
6. Docket Control Mails and Files
7. 600

Note comments in report regarding:

1. write amendment to
2. allow 3 trenches instead
3. of 2 & make new dimension
4. & have Lowman sign in
5. justification

and take appropriate action.

- - - - - - - - - -

Action taken by Division:

Robert E. Adams

long by 14 feet wide by 2.5 feet deep. Pegmatite extension was outlined by the exposure of pegmatite up to 6 feet thick. The country rock is a weathered mica schist whose foliation strikes N50°E and dips 25°SE. Mica recovered during trenching was limited to scattered blocks of ruby, containing clay staining, "A" structure and hair cracks. Some of the smaller blocks are of excellent quality.

A shaft site was spotted, and sinking is expected to begin as soon as written permission is received by the Operator to begin Stage II.

L. E. Shirley

L. E. Shirley and S. A. Feitler
Mining Engineers
U. S. Bureau of Mines

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

Date inspected:

July 11, 1957

pegmatitic material. In the southeast wall of the bulldozer trench, two small, concordant dikes, less than 1 ft thick are exposed that probably have their roots in the main pegmatite body. The schistosty of the gneiss varies from N 79 W, 29°S to N 86° E, 12°S. The underlying rocks, especially the gneiss, are deeply weathered and a thick residuum is developed on them.

Pegmatite body.--Pegmatite exposed in the trench is part of the main body and is composed of a central quartz core surrounded by a wall zone of plagioclase-perthite-quartz-muscovite-biotite pegmatite. The plagioclase is completely weathered to kaolin and is somewhat limonite-stained. Until the pegmatite body is better exposed by trenching, little can be inferred of its structure. At the southwest end of the bulldozed area, abundant quartz float or possibly outcrop indicated that the general strike of the body is about N 70° E. If the body does have good structural continuity, it probably is in a southwest direction from the present exposures in the trench. If, on the other hand, the trend of the bulldozed trench (N45°E) is indicative of the strike of the pegmatite body, it could have structural continuity in both directions from the exposure.

Mica.-- Scrap quality mica is abundant in the float and dump material at the prospect. Some mica was seen in place in small books less than 4 inches across. It is reddish-brown, flat to flat "A" with some reeves and hair cracks and some is lightly mineral and clay stained.

DISCUSSION OF APPLICANT'S PROPOSAL

The Applicant proposes to (1) bulldoze an access road, (2) further expose the pegmatite body, and (3) sink 50 ft of shaft and subsequently drift 100 ft in the pegmatite. His program has merit, and only minor modifications are recommended. First, the bulldozer trenching should precede the access road building, and second, the limit of shaft sinking should be extended to 60 ft in order to provide adequate back for mining operations should exploration result in a discovery. Unless a favorable reappraisal is made of the prospect by the Examiners following the completion of Stage I work, an access road will be unnecessary. If a favorable reappraisal is given, the access road can be constructed as the first step in Stage II. These suggested modifications were discussed with the Applicant's representative during the examination and he is in agreement to the changes if a contract is approved. The Applicant's cost estimates are in line with those considered standard in the area. Slight revisions are made in a later section that are based upon estimates of hourly cost operation. The Applicant is familiar with the methods of cost operation used by DMEA and also the system of unit cost payment used in the short form contract.

CONCLUSIONS AND RECOMMENDATIONS

General.-- The Examiners mutually agree after their inspection that exploration with DMEA assistance is justified at the Falls Prospect. The mineralogic environment of the pegmatite

body is favorable for the localization of significant quantities of strategic grade mica, and if the pegmatite body has good structural continuity, it offers an excellent target for exploration. In support of their conclusions, the examiners furnish below a summary of geologic justifications and outline a program of exploration.

Geologic Justifications.-- The plagioclase-rich wall zone and quartz core are significant features of the pegmatite body. By comparison with the mines in the southeastern Piedmont recording significant production of strategic mica, these are definite favorability criteria. Jahns, et al (1952,p.23) point out that pegmatites containing "three or more zones are the chief sources of mica, feldspar, and other economically desirable minerals in the southeast United States." It is assumed that the Falls Prospect pegmatite has a border zone and thus qualifies as a trizonal pegmatite body. Although the quality of the mica seen during the examination was poor, the examiners believe that the exposure of pegmatite is too poor to give a fair appraisal of the-- prospect.

Proposed exploration program.-- The Examiners recommend that exploration assistance be given in the form of a two-stage program as follows:

Cost Estimates:

Stage I.-- Excavate by bulldozer two (2) trenches to define the contacts and limits of the pegmatite; i.e. thickness and attitude of the body and strike extent.

Trench No. 1.-- 40 ft long by 15' wide by 5' deep =

111 cu. yds @ .30¢/ cu.yd.....$ 33.00

Trench No.2 (Strike Trench) 100' long by 15' wide by

10' deep = 556 cu. yds. @ .30¢/cu. yd. 167.00

Stage II.--If the results of Stage I warrant additional exploration, sink 60' of vertical and/or inclined shaft and from the shaft bottom drive 100' of drift.

Toolhouse	$75.00	
Powder Magazine	25.00	
Exploder Magazine	15.00	115.00

Labor: 1.6 ft/shift = 38 shifts

1 - Foreman--Miner @ $1.75/hr.	560.00	532.00
1 - Hoistman @ $1.50/hr.	480.00	456.00
1 - Laborer @ $1.00/hr.	320.00	304.00
	1360.00	1292.00

Equipment (rental):

1 - 105 c.f.m. ~~air compressor~~ @ $150/Mo.	300.00	475.00
1 - Single-drum gasoline Hoist @ $50/Mo.	100.00	
1 - Air Rock Hammer w/airhose @ $40/Mo.	80.00	
1 - ~~Sump Pump @ $40/Mo.~~	80.00	

Supplies.--

Gasoline and Oil	120.00
Explosives	180.00
Drill Steel	108.00
Timber, 3000 b.f. @ $65/M	195.00
Small tools, pipe, nails, etc	120.00
Social Sec. & Liability Ins.	163.00
Sales Tax	22.00
	908.00

Estimated Cost of Shaft Sinking..... $2,828.00 47.13/ft

Drive 100 ft of drift, 5' x 7' in cross-section and timbered where necessary (50 shifts)

2675.00 use $45.00/ft.

Labor.-- @ 2.2 ft/shift = 46 shifts

1 - Foreman-Miner @ $1.75/hr.	$700.00	644.00
1 - Hoistman @ $1.50/hr.	600.00	552.00
1 - Laborer @ $1.00/hr.	400.00	368.00
	1700.00	1564.00

Equipment (rental).--

1 - c.f.m. air compressor @ $150/Mo.	375.00	
1 - Gasoline Hoise @ $50/Mo.	125.00	at 25¢/mo
1 - Rock hammer w/air hose @ $40/Mo.	100.00	=
1 - Sump Pump @ $40/Mo	100.00	
1 - Air jackleg @ $25/Mo.	63.00	
	763.00	575.00

Supplies.--

Gasoline and Oil	175.00
Explosives	300.00
Drill Steel	150.00
Timber-2000 b.f. @ $65/M	130.00
Small tools, pipe, nails, etc.	115.00
Social Security and Liability Ins.	204.00
Sales Tax	26.00

Estimated Cost of drifting..... $3,563.00

Total Estimated cost of project 35.63/ft $6,706.00 3239.00 use 33/ft.

E. L. Boudette, Geologist
Geological Survey

Z

L. E. Shirley, Mining Engineer
Bureau of Mines

LITERATURE CITED

Jahns, R. H., Griffits, W. R. & Heinrich, E. W., 1952, Mica Deposits of the Southeastern Piedmont, Part I. General Features: U. S. Geol. Survey Prof. Paper 248-A

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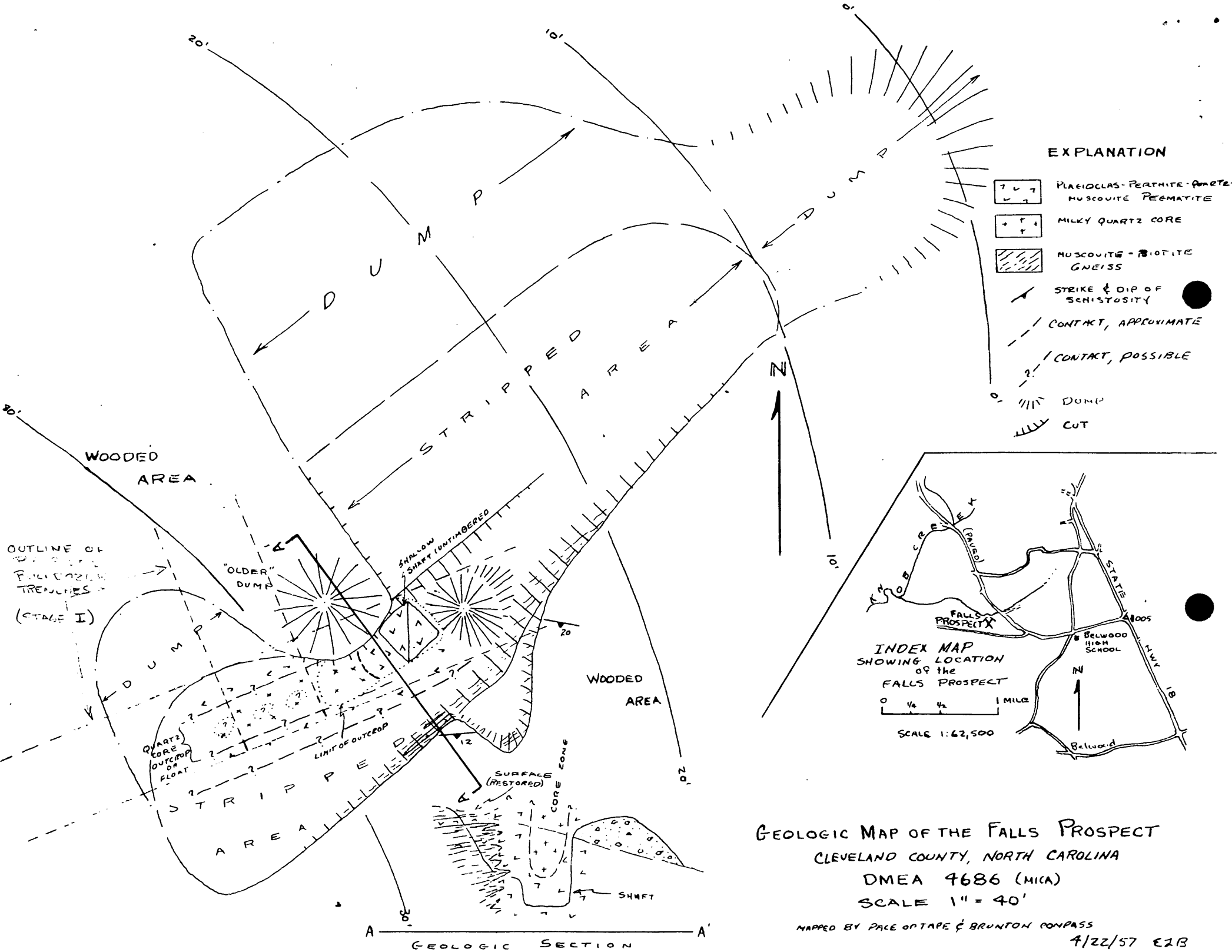
RECEIVED 1957
DATE CODE


EXPLANATION
PLAGIOCLAS-PERTHITE-QUARTZ-MUSCOVITE PEGMATITE
MILKY QUARTZ CORE
MUSCOVITE-BIOTITE GNEISS
STRIKE & DIP OF SCHISTOSITY
CONTACT, APPROXIMATE
CONTACT, POSSIBLE
DUMP
CUT
DUMP
STRIPPED AREA
WOODED AREA
"OLDER" DUMP
SHALLOW SHAFT (UNTIMBERED)
OUTLINE OF PRELIMINARY TRENCHES (STAGE I)
QUARTZ CORE OUTCROP OR FLOAT
LIMIT OF OUTCROP
SURFACE (RESTORED)
CORE ZONE
SHAFT
A — A'
GEOLOGIC SECTION
N
KOB CREEK (PAVED)
FALLS PROSPECT
STATE
BELWOOD HIGH SCHOOL
HWY 18
Belwood
INDEX MAP SHOWING LOCATION OF the FALLS PROSPECT
0 1/4 1/2 1 MILE
SCALE 1:62,500
GEOLOGIC MAP OF THE FALLS PROSPECT
CLEVELAND COUNTY, NORTH CAROLINA
DMEA 4686 (MICA)
SCALE 1" = 40'
MAPPED BY PACE ON TAPE & BRUNTON COMPASS
4/22/57 E2B

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
3/28	Anderson	600
3/29	Houk	600
		130
4/1	Johnson	110
"	Anderson	100
4/2	C	220
		600

600

APR 1- 1957

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

Re: Docket No. DMEA-4686-Mica
Edward Huskins
Falls Prospect
Cleveland 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 March 18 and 20, 1957, by Mr. W. F. Dietrich, USBM, and Mr. N. E. Nelson, USGS, relating to the project are enclosed. There is also enclosed a copy of the application for the use of the Field Team.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (JLB)

Approved:

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

Thor H. Kiilsgaard (JLB)
Member, Geological Survey

Enclosures 5

WCAnderson:gad 3/28/57
Copy to: Admr. R. File
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
3/29	Anderson	600
4/1	Houk	600
4/1	Selfridge	130
"	Johnson	110
"	Mittendorf	100
		220

600

APR 1- 1957

Mr. Edward Huskins
c/o Mr. Sam L. Phillips
Spruce Pine, North Carolina

Re: Docket No. DMEA-4686-Mica
Edward Huskins
Falls Prospect
Cleveland County, North Carolina

Lamb
Kiilsgaard

Dear Mr. Huskins:

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.

Please supply the total acreage in the land described in Book 6A, Page 369, and a metes and bounds description of this tract as copied from the county records. A tie from the iron stake to one of the corners of the bounding tract should also be given.

Sincerely yours,

C. O. Mittendorf (for)

Administrator

WCAnderson:gad 3/29/57
Copy to: Admr. R. File
Operating Committee
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

IN REPLY REFER TO:

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 21 1957

DATE	INITIALS	CODE
3/21	C	220
3/27	NEN	600

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

March 20, 1957

Re: DMEA 4686
Ed Huskins
Fall prospect
Cleveland Co. N. C.
$6,200.00 - Mica

Memorandum

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

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

Subject: Review of application

The applicant requests assistance in exploring a 'new' pegmatite, one on which no previous work has been done.

Only 3 feet of vein shows, but to the applicant, it bespeaks Mica.

Referral of the application to the Field Team is recommended.

N. E. Nelson

N. E. Nelson

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

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 19 1957

DATE	INITIALS	CODE
3/20	C	220
3/27	WRA	600
March 18, 1957		

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

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

Subject: DMEA - 4686 (mica)

Applicant: Edward Huskins

Name and Location of Property: Falls Prospect
Cleveland County, North Carolina

Date Application Rec'd. by Br. of Ceramic and Fertilizer Materials; 3/18/1957

Comments:

1. Applicant states that this is a new prospect and no data are available in this office on this property.

2. Applicant further states there is a 3' vein exposed and believes with exploration work he will find good quality ruby mica.

3. Although it would be desirable for the applicant to furnish more complete information, it appears that a visit by an examiner would furnish more useful data.

Recommendation:

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

W F Dietrich

W. F. Dietrich

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

March 18, 1957

Mr. Edward Huskins
Route #3
Bakersville, North Carolina

Subject: DMEA-4686
Re: Exploration Assistance

Dear Mr. Huskins:

Your application for exploration assistance, dated March 11, 1957 submitted to our office at Washington, D. C. has been assigned Docket Number DMEA-4686 and referred to the Non Metallics Minerals Division in the Washington office. Kindly identify all future correspondence relating to your application by this Docket Number.

Sincerely yours,

Allen S. Dakan, Chief
Operations Control and
Statistics Division

Copy to: Region V

3571