DMEA Form 9
Rev. 6/57

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE

Idm-E NO. 1114

DMEA NO. 4945

Application
- [ ] Denied
- [ ] Withdrawn

Contract
- [ ] Terminated - Not Certified
- [ ] Terminated - Certified
- [ ] Cancelled
- [ ] Royalty Agreement

The records contained in this file are marked (x) and arranged in this order:

Folder No. 1:

Left Side

- [ ] Royalty Audits
- [ ] Certification of Discovery
- [ ] Closing Letter
- [x] Cost Audits
- [ ] Termination Notice or Agreement
- [ ] Recision Notice
- [ ] Assignment of Contract
- [x] Contract Amendments
- [x] Contract with all exhibits and annexes
- [x] Owner's Consent to Lien and Subordination Agreement
- [x] Application and attachments

Right Side

- [x] Project summary (final)
- [x] Work Completed analysis (final)

All other material filed in chronological order including the following reports if checked:

- [ ] Field Team Semi-Annual Report for Certified Project
- [x] Final Field Team Report (Tab)
- [x] Operator's Final Report (Tab)
- [x] Interim Field Team Reports
- [x] Operator's monthly reports and all attachments
- [x] On-site Exam Report (Tab)
- [ ] Settlement Sheets
- [ ] Drill Logs

Additional Folders:

Left Side

Folders No._____: Reports
- [ ] Analysis of Semi-Annual Inspection Reports
- [ ] Project Summary (Interim) by DMEA Engineers

Right Side

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

Folders No._____: Maps (Use pocket folder or envelope)

Folders No._____: Settlement Sheets

Folders No._____: Drill Logs

Folders No._____: Royalty material

17963

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

A. Ward, Ira Ward, Frank Buchanan, & H. Lee Medford
c/o Ira Ward
Spruce Pine, North Carolina

pertaining to Exploration Project Contract No. Idm-E1214, DMEA No. 4945, including Amendment No. 1, for July 1958 to October 1958, inclusive, covering a mica project at the Spencer Mine, Stokes County, North Carolina.

My review included an examination of the Monthly Reports (Forms MF-104) and supporting documents, comparison of the claimed costs 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 reason that:

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

The findings of this review are stated in the following summary:

Total cost billed by Operator		$3,260.00
Exceptions:		
Prior to this review	$ -0-	
Herewith	-0-	-0-
Accepted cost		$3,260.00

The contract calls for a 75 percent contribution of the allowable costs by the Government. Therefore, if the project is otherwise accepted as having met the terms of the contract, payments as follows are valid and proper:

Payable on audited claim	$2,445.00
Paid to date	1,858.20
Balance due Operator	$ 586.80

C. E. Fisher
C. E. Fisher, Auditor

December 22, 1958

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
ROOM 2-B POST OFFICE BLDG.
KNOXVILLE 2, TENN.

November 25, 1958

OFFICIAL FILE COPY
O. M. E.
RECEIVED NOV 28 1958

DATE		CODE
11-28	C	220
12/1	Hick	600

Memorandum

To: Operating Committee, OME - Washington

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

Subject: Signed Amendment No. 1, DMEA-4945, Idm-E1214-mica.
A. Ward, et al. Spruce Pine, N.C.
Spencer Mine, Stokes County, N. C.

Transmitted are the original and one copy of the subject signed amendment.

Robert A. Laurence

Robert A. Laurence

Government's copy

Long
Kruger
Anderson
Hook
Chambliss
Selfridge

OFFICIAL FILE COPY
RECEIVED 28 1958
CODE

EXPLORATION PROJECT CONTRACT
A. WARD, ET AL.
DOCKET NO. DMEA-4945

Amendment No. 1

It is agreed this 18th day of November, 1958, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, and A. Ward, et al., that Exploration Project Contract No. Idm-E1214 (Docket No. DMEA-4945), dated June 20, 1958, is amended effective July 23, 1958, as follows:

In Exhibit "A", under the heading "Description of the Work", the second paragraph is revised to read as follows:

> "From the rehabilitated incline, drift, for a distance not in excess of 100 feet along the pegmatite to explore for additional northwest-plunging mica-rich rolls."

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate 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 Director, Office of Minerals Exploration

Estate of A. Ward. Bonnie Ward Administrator
A. Ward (Partner)

Ira Ward
Ira Ward (Partner)

Frank Buchanan
Frank Buchanan (Partner)

H. Lee Medford
H. Lee Medford (Partner)

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

June 27, 1958

FILE COPY
DMEA
RECEIVED JUN 30 1958

DATE	INITIALS	CODE
6/30	C	220
6/30	B	215
6/30	Hook	600

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Signed Contract - DMEA-4945, Idm-E1214 (mica)
A. Ward, et al. Spencer Mine, Stokes County, N.C.

Transmitted are the Government and Audit copies of the subject contract received signed in this office today.

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

Robert A. Laurence

Robert A. Laurence

OFFICIAL FILE COPY
DMEA
RECEIVED JUN 30 1958
DATE | INITIALS | CODE

MF-200A
(Rev. April-1956)

Government's copy

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

DMEA No.	Commodity	Contract No.	County	State
4945	mica	Idm-E 1214	Stokes	North Carolina

It is agreed 20 JUN 1958, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and A. Ward, Ira Ward, Frank Buchanan and H. Lee Medford, a partnership

whose mailing address is A. Ward, et al.
Spruce Pine, North Carolina
hereinafter called the "Operator," as follows:

ARTICLE 1. *Authority and project.*—(a) This contract is entered into under the authority of the Defense Production Act of 1950, as amended. It consists of this form (MF-200A), the attached Annex I (land description), Exhibit A (work and costs), and the maps and documents listed therein. The project work is a search for indicated or undeveloped deposits of the commodity designated above. The Operator shall begin the work on or before 30 days after date of Contract, and, subject to the provisions of Article 7 and Exhibit A, shall complete the work within 5 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 $ 3,260.00. The Government will contribute 75 percent of the fixed unit cost of the work performed, not exceeding $ 2,445.00, 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: Interests of Lessors.

(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 Lessors.

(c) The Operator shall preserve and maintain his right, title, and interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. The Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing

in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof. Two copies of such instrument shall be furnished to the Government. If the Government's rights to royalty as provided in Article 6 have been terminated, the provisions of this paragraph (c) shall become inapplicable.

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

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

ARTICLE 4. *Contribution by the Government.*—The Government will make its contribution on the basis of the monthly vouchers referred to in Article 5 (b); but all payments by the Government are provisional only, subject to audit, and until the account between the Operator and the Government is finally audited and settled and the Operator's final report has been rendered, the Government may withhold such sums as it sees fit but not in excess of 10 percent of the estimated total cost of the work. To the extent that excesses over fixed unit costs or any excess over the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such excesses for his own account without contribution by the Government. The Government will not contribute to the cost of any work performed prior to the date of this contract. The Government may make payments for the account of the Operator directly to independent contractors and suppliers rather than to the Operator.

ARTICLE 5. *Reports, accounts, audits.*—(a) Operator's records.—The Operator shall keep suitable records and accounts of the units of work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine all pertinent books, documents, papers, and records of the Operator.

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

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

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

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

ARTICLE 6. *Repayment by Operator.*—(a) *Certification.*—If the Government considers that a discovery or development from which production may be made has resulted from the work, the Government, at any time not later than six months after the Operator has rendered a sufficient final report (see Article 5), may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

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

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

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

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

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

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

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

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

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

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

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

ARTICLE 7. *Termination of the Government's obligations.*—(a) If in the opinion of the Government operations at any time have failed to achieve anticipated results that indicate the probability of making a worthwhile discovery and in the opinion of the Government further operations are not justified, the Government may give the Operator written notice thereof, and thereupon the Government shall be free of all obligation to pay on account of units of work not then performed, and the Operator shall be free of all further obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting.

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

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

ARTICLE 8. *Notices to be given by the Government* may be delivered to the Operator or may be sent by registered mail addressed to the Operator at the mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 9. *Officials not to benefit.*—No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 10. *Changes and added provisions.*—

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.....

.....

Long
Hoffman
App'd. Sol. Off.
Anderson
Hook
Talbot
Johnson

Executed in sextuplicate the day and year first above written.

By A. Ward (Partner)
A. Ward

By Ira Ward (Partner)
Ira Ward (XXXX)

By Frank Buchanan (Partner)
Frank Buchanan

By H. Lee Medford (Partner)
H. Lee Medford

THE UNITED STATES OF AMERICA

By O. Meredith
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

Selfridge

EXPLORATION PROJECT CONTRACT
A. WARD, ET AL.
DOCKET NO. DMEA-4945

ANNEX I

The land referred to in Article 2 of the Contract known as the Spencer Mine consists of a 10 acre tract situate on a small tributary of Snow Creek, about 500 feet southeast of the Hawkins Mine and 2½ miles S. 65 degrees W. of Sandy Ridge, Stokes County, North Carolina.

The Operator is in possession of the land pursuant to the terms of a five year mining lease dated May 14, 1957, from W. T. Spencer, et al., recorded in Book of Deeds No. 124, page 399 in the office of the Register of Deeds for Stokes County, North Carolina. A copy of the lease to which reference is hereby made for a more complete description is contained in DMEA Docket No. 4945.

The attached map shows the approximate location of the proposed work, the property lines in regard to metes and bounds, the adjoining properties, and the recording data pertaining to the lease.

A Consent to Lien and Subordination Agreement dated February 21, 1958, and signed by the owners, is attached.

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

RECEIVED
FEB 26 1958
D.M.E.A.

[redacted]vernment's Use Only
EXPLORATION PROJECT CONTRACT
Operator
Docket No. DMEA-
Contract No. Idm-E
Contract Date 20 JUN 1958

CONSENT TO LIEN
and
SUBORDINATION AGREEMENT 1/

To the United States of America:

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

Located at Sandy Ridge and being the property known as the old Spencer Mine adjoining the Hawkins Mine Property and including the present Spencer Mines and extending for approximately 10 acres around said mine principally in a westerly direction from the present old Spencer Mine Hole. Joining Jonas E. Hawkins on the south side.

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

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

2. Grants to the Government a lien upon all of the undersigned's right, title, and interest in the land and upon any production of minerals therefrom, to secure the payment to the Government of a percentage royalty on production as may be provided for by the Contract;

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: NONE (State "None" or "See Annex No.____")

Dated this 21 day of Feb, 1958.

Addie S Rhodes	[Seal]	Lawsonville NC	[Address]
Robert Rhodes	[Seal]	Lawsonville NC	[Address]
W T Spencer	[Seal]	Lawsonville NC	[Address]
Hasta Spencer	[Seal]	Lawsonville NC	[Address]
Ola Spencer	[Seal]	Lawsonville NC.	[Address]
J H Spencer	[Seal]	Lawsonville	[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]

W. Taft Spencer	Winston-Salem NC	
Della Spencer	Winston-Salem NC	
A. T. Spencer	Route 1, Guilford, N.C.	
Helen Spencer	Route 1, Guilford, N.C.	
T C Spencer	4416 old Greensboro Rd	
Bessie Spencer	4416 old greensboro Rd	
Ora S Skelton	Kernersville NC	
J W Skelton	Kernersville NC	
J. R. Spencer	~~448~~ Columbia, S.C.	
Lela Spencer	Columbia, S.C.	

EXPLORATION PROJECT CONTRACT
A. WARD, ET AL.
DOCKET NO. DMEA-4945

EXHIBIT A

Description of the Work

Exploration for concentrations of strategic mica shall be performed in the area indicated on the attached map as follows:

From a rehabilitated incline drive in a southwesterly direction not to exceed 100 feet of drift to explore for additional northwest-plunging mica-rich rolls.

The drift 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 shall be performed on the pegmatite or in as close proximity thereto as possible.

The locations, inclinations, directions, and extent of all work are subject to the approval of the Government.

Estimated Costs of the Project

Fixed Unit Costs

Drive 100 feet of drift @ $32.60/ft.	$3,260.00
Estimated Total Cost of Project	$3,260.00
Government Participation @ 75%	$2,445.00

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

DMEA
RECEIVED FEB 26 1958

DATE	INITIALS	CODE

February 24, 1958

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Application from A. Ward, et al. Spencer Mine, Stokes County, NC.

Enclosed are the original and two copies of the subject application, which was received at this office. Also enclosed are a copy of the lease and six copies of the Consent to Lien.

We are keeping the fourth copy of the application for our use.

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

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

Form MF-103
Revised Oct. 1957

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1035.3
Approval expires June 30, 1958

APPLICATION FOR AID IN AN EXPLORATION PROJECT

PURSUANT TO DMEA ORDER I, UNDER THE DEFENSE PRODUCTION ACT OF 1950, AS AMENDED

NAME OF APPLICANT (Full legal name and mailing address as it should appear on contract if one is executed)

A. Ward, R. W. Love, Ira Ward and
Frank Buchanan
Spruce Pine, North Carolina

RECEIVED FEB 26 1958 D.M.E.A.

APPLICANT NOT TO USE THIS BLOCK

Docket Number	4945
Date Received	2/26/58
Government Participation %	
Region	V
Division Code	600

BUSINESS ORGANIZATION (Check one)

- Individual [ ]
- Corporation [ ]
- Partnership [X]
- Other (Specify) [ ]

State in which firm is organized: NC

LIST CORPORATE OFFICERS OR PARTNERS HERE, IF APPLICABLE

Name	Address	Title

Mineral(s) for which you wish to explore: Ruby Mica

Estimated Cost of Project: $ 7,000.00

LOCATION OF PROPERTY

Name	County	State
Spencer Mine	Stokes	N. C.

GENERAL INSTRUCTIONS

Before filling out this application, please read DMEA Order-I, Revised, "Government Aid in Defense Exploration Projects." To assure prompt action, your application must provide all applicable material and information specified on the back of this application form. Avoid unnecessary correspondence and delays by submitting complete and accurate information. *Please submit four copies of this application and all accompanying papers* except as otherwise noted. Place your name and address on each sheet. Each item of information, maps, and reports required as a part of this application is described on the back of this form. Identify each attached statement by the item number to which it applies. If an item does not apply to your application, show the item number on your statement and after it write "not applicable." Maps or sketches should be used to supplement narrative descriptions of the property location and boundaries in item 1, existing mine workings and geology in item 2, and the proposed exploration project in item 4. When this information is not too complex, all of it may be shown on one map or sketch. All documents and other attachments submitted as a part of this application, except those in item 2(g) which you mark to be returned, become the property of the Government and will not be returned to the applicant. Send true copies, *not originals*, of leases, contracts, and other documents which are an essential part of your business records. *File this application with the Defense Minerals Exploration Administration, Department of the Interior, Washington 25, D. C., or with the nearest DMEA Field Office.*

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.

Feb. 21, 1958.
Dated

A. Ward, R. W. Love, Ira Ward &
Frank Buchanan
A. Ward
BY *(Signature)*

Partner
Title

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A wilfully false statement or certification to any Department or Agency of the United States Government is a criminal offense. U. S. Code, Title 18, Sec. 1001.

INFORMATION REQUIRED WITH THIS APPLICATION

1. *Applicant's Property Rights:*

(a) State the legal description (section, township, and range; metes and bounds; patent number of claims) of the land upon which you wish to explore and all land adjacent to the proposed project area which you own or control. Describe any part of the project land or workings which should not be subject to Government lien for royalty payments. If the land consists of unpatented claims, state the book and page number for each recorded location notice, including amended locations, and the place where recorded (courthouse, recorder's office, county, and state).

(b) State all the names by which you know the property.

(c) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise. If you are not the owner, submit with this application one exact copy of the lease, contract, or other document (with address of owner) under which you control the property.

(d) Describe all liens, mortgages, or other encumbrances on the property.

2. *Physical Description:*

(a) Describe in detail and illustrate with maps or sketches all mining or exploration operations which you know have been or are being conducted upon the lands, including existing mine workings. Describe all production facilities.

(b) State your interest, if any, in operations stated in 2*(a)*.

(c) State, as far as you know, the past and current production, supporting your statement with copies of settlement sheets, mine records, or published data if available.

(d) Describe known ore reserves on the property giving quantities and grades and sampling methods used, supporting your statement with copies of assay certificates and assay maps if available.

(e) Describe by narrative and maps or sketches the geologic features of the property, including ore minerals, geologic formations if known, and type of deposit (vein, bedded, etc.).

(f) State your reasons for expecting to find ore, and if you have sampled the area you propose to explore, show where the samples were taken, describe sampling methods used, and provide copies of assay certificates.

(g) Send with your application at least *two* copies of all geologic or engineering reports, assay maps, or technologic information which you may have, indicating on each whether you require its return to you.

3. *Accessibility of Project:*

(a) To aid DMEA representatives who may be required to examine the property, state the name and address of the person who will meet the DMEA representative; give directions for reaching the property; and describe accessibility of the property including the mine workings.

(b) Name the shipping and supply points and places where employees reside and state the distances between them and the property.

4. *The Exploration Project:*

(a) Describe fully the proposed exploration project giving individual footages and sizes of openings *for each item of work.* Use narrative, maps, plans, and longitudinal and cross sections as necessary. Show the location of the proposed work as related to geologic features such as veins, ore-bearing beds, contacts of rock formations, etc. Show also the relation of the proposed work to any existing mine workings and to *property boundaries* or to the closest identifiable corner.

(b) If an access road to the project must be built, show the location on the property map and state the length, type, and construction methods proposed.

(c) In the event that an exploration contract with DMEA is executed, how soon will the work start and how many months will be required to complete it? State your anticipated average daily or monthly rate of progress for each type of work.

5. *Experience:*

State your operating experience and background with relation to your ability to carry out this exploration project, and also that of the person or persons who will supervise the operations.

6. *Estimate of Costs:*

Furnish detailed estimates of the costs *for each item of the work proposed in 4(a)* under the headings listed below with a total for each heading and the estimated total cost of the project. Costs for any work to be performed by an independent contractor should be shown separately under category *(a)* below. Costs for any work that is not to be performed by an independent contractor should be given in detail under categories *(b)* through *(g)*.

(a) Independent contracts. State the cost of any proposed independent contract for the performance of all or any part of the work, expressed in units of work, such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved. Cost estimates should be supported by bids from three contractors if possible. *(Note* – If none of the work is to be contracted, write "none" after this item.)

(b) Personal services. For necessary supervision, engineering and geological services, and labor, include an itemized schedule of numbers, classes, rates of wages, salaries or fees, and periods of employment. State whether these technicians and employees are available.

(c) Operating materials and supplies. List items of material and supplies with their cost. Include under this heading power, water, and fuel, and units of equipment and tools costing less than $50 each.

(d) Operating equipment. List items of operating equipment to be used giving specifications and indicating how each item is to be acquired – i.e., rented, purchased, or provided by the applicant. If it is rented or purchased, state the estimated rental or purchase price. If it is to be furnished by the applicant, give its present fair market value.

(e) Initial rehabilitation and repairs. Describe the type and the cost of necessary *initial* rehabilitation or repair of existing buildings, fixtures, installations (exclusive of mine workings), and movable operating equipment now owned by the applicant, which will be used on the exploration project.

(f) New buildings, fixtures, installations. Describe each building, fixed improvement, and installation to be purchased, constructed, or installed for the exploration project stating specifications and cost including labor, materials and supervision.

(g) Miscellaneous. For the operating equipment listed in 6*(d)*, describe the type and estimate the cost of repairs and maintenance expected during project operations. Do not repeat initial repairs listed in 6*(e)*. Show also the costs of analytical work, accounting, workmen's compensation and employees' liability insurance, payroll taxes, and other required costs that do not fall within the previous categories.

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)* State whether you are prepared to furnish your share of the cost of the proposed project in accordance with the regulations on Government participation stated in Sec. 7 of DMEA Order–I, Revised.

(b) Explain to what extent you propose to furnish your share of the costs by providing money, by use of equipment owned by you, or otherwise.

* * * * *

INT.-DUP. SEC., WASH., D.C. 25960

1(a) Located at Sandy Ridge, Stokes County, North Carolina and being the property known as the old Spencer Mine adjoining the Hawkins Mine property and including the present Spencer Mines and extending for approximately 10 acres around said mines principally in a westerly direction from the present old Spencer Mine Hole. Joining Jonas E. Hawkins on the south side.
(b) Spencer Mine.
(c) Lessee
(d) None known to lessees

2(a) There has already been a shaft a distance of some 200 feet and in the past this has been a very productive mine.
(b) Have worked in this mine for the past several months.
(c) This mine has produced a considerable amount of ruby mica over the past two years.
(e) Vein
(f) Past history of the mine indicates that in the event there is further headings driven that the chances of production are excellent.
(g) Lessees do not have any geologic or engineering reports.

3(a) Please contact A. Ward at Spruce Pine, N. C. The mine is located at Sandy Ridge, Stokes County, North Carolina off of Highway 107.
(b) U. S. Government Mica Depot, Spruce Pine, North Carolina. Distance of 150 miles.

4(a) Propose to continue on with heading a distance of 125 more feet to the southwest. From the present heading propose also 25 feet of heading each way, both north and south for cross cutting. This is in addition to the 125 feet continuation of the main heading.
(b) None required.
(c) Work will start within 30 days and be completed within 8 months.

5. Miners have had many years of experience in many mica mines.

6. Cost Estimates:
Total of 175 feet of headings to be driven, a continuation of the main heading a distance of 125 feet, and 25 feet on the north side of present heading and 25 feet to the south for the purpose of cross cutting. Total of 175 feet @ $40 per foot, making a total of $7,000. It is the considered opinion of the applicants that the cost will be $40 per foot average.

7. (a) Yes.
(b) Mostly by equipment owned by applicants, but also with money if required to some extent.

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DATE	INITIALS	CODE

CENTRAL FILE COPY
DMEA
RECEIVED JUL 11 1958

STATE OF NORTH CAROLINA,

COUNTY OF STOKES.

For a valuable consideration, to wit: TEN DOLLARS and other valuable considerations, paid by H. Lee Medford of the County of Mitchell and State of North Carolina, to the undersigned, the receipt whereof is hereby acknowledged as payment in full for the interests of the undersigned in and to the lease from W. T. Spencer and others to R. W. Love, Ira Ward, A. Ward and Frank Buchanan, all of Mitchell County, the interest of the undersigned being a one-fourth unlivided interest in said lease which is dated the 14 day of May, 1957, and recorded in the office of Register of Deeds of Stokes County, N. C., in Book 124 page 399, and was filed for registration on the 10th day of July, 1957, and in consideration of the payments of the above amounts, the undersigned R. W. Love and wife, Effie Love, of the County of Mitchell and State of North Carolina, hereby set over, sell and convey to the said H. Lee Medford a one-fourth undivided interest in said lease hereinabove referred to and said lease and said record are by reference hereby made a part of this transfer and the said R.W. Love and wife, Effie Love for the same consideration hereby convey to the said H. Lee Medford all of their right, title and interest in all mica mined at this time or that may be mined until the said H. Lee Medford takes charge of his interest in said mine and hereby convey to the said H. Lee Medford all of their right, title and interest in all mica owned by the grantors herein and others and also all of their right, title and interest in all mica previously sold and which has not been paid for by the Government and also their interest in the Bank account in the Northwestern Bank at Spruce Pine belonging to the grantees named in the lease above referred to, together with all of their right, title and interest which is a one-fourth interest, in all mining equipment, supplies and mica of every kind and description now on hand, it being agreed between the parties hereto that they will deliver

possession of the interests hereinabove conveyed to the said H. Lee Medford immediately upon the payment by him to them of the sums of cash paid by him to them which payment shall constitute the entire purchase price herein named.

The said R. W. Love and wife, Effie Love, covenant and agree with the said H. Lee Medford that the interest hereby conveyed by them is free and clear of all encumbrances and that they hereby warrant the same.

IN WITNESS WHEREOF the said R. W. Love and wife, Effie Love have hereunto set their hands and affixed their seals, this 3rd day of September, 1957.

(Sgd) R. W. Love (SEAL)

(Sgd) Effie Love (SEAL)

NORTH CAROLINA,
MITCHELL COUNTY.

I, Nell Bradshaw, Notary Public in and for the County and State aforesaid, do hereby certify that R. W. Love and his wife, Effie Love, this day personally appeared before me and acknowledged the due execution by them of the foregoing instrument for the purposes therein expressed.

Witness my hand and Notarial Seal, this 3 day of September, 1957.

(Sgd) Nell Bradshaw
NOTARY PUBLIC

My comm. expires 10-29-57.

(Notarial Seal here)

STATE OF NORTH CAROLINA,

COUNTY OF MITCHELL.

I, Nell Bradshaw, Notary Public in and for the County and State aforesaid, do hereby certify that the foregoing two (2) sheets are and constitute a true and correct copy of the Transfer of an undivided ¼ interest in the lease herein dealt with from R. W. Love, et ux., to H. Lee Medford, dated September 3, 1957.

Witness my hand and Notarial Seal, this 9th day of June, 1958.

Nell Bradshaw
NOTARY PUBLIC

My comm. expires 10-29-59.

NORTH CAROLINA,

STOKES COUNTY.

Re: Docket #DMEA - 4945 Mica
A. Ward, et al.,
Spencer Mine, Stokes County,
North Carolina.

This is to certify that the undersigned, Ira Ward, A. Ward, Frank Buchanan and H. Lee Medford are all of the partners in the Spencer Mine above referred to, H. Lee Medford being successor therein to R. W. Love, one of the original partners, and that the tract of land described in the lease and consent to lien and subordination agreement submitted with the application above referred to, is one and the same with the one shown on the map hereto attached.

This 7th day of June, 1958.

A. Ward

Frank Buchanan

Ira Ward

H. Lee Medford

PARTNERS

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RECEIVED JUL 11 1958

NORTH CAROLINA,

STOKES COUNTY

THIS INDENTURE, made this the 14th day of May 1957 by and between W. T. Spencer and wife Hartie Spencer, J. H. Spencer and wife Ola Spencer, Ora S. Shelton and husband, J. W. Shelton, Addie S. Rhodes and husband Robert Rhodes of Stokes County, North Carolina; T. C. Spencer and wife Bessie Spencer, and W. Taft Spencer and wife Della Spencer of Forsyth County, North Carolina; A. T. Spencer and wife Helen Spencer of Guilford County, North Carolina, and Z. R. Spencer and wife Lela Spencer of Richland County, South Carolina, as parties of the first part, and known as lessors; and R. W. Love, Ira Ward, A. Ward and Frank Buchanan of Mitchell County, North Carolina, parties of the second part, and known as lessees;

WITNESSETH:

That the parties of the first part in consideration of the agreements hereinafter contained on the part of the parties of the second part to be performed, hereby bargain, lease and grant to the parties of the second part and their heirs and assigns for the period of five (5) years from the date of this agreement the following described real property for mining purposes in the County of Stokes, State of North Carolina, to-wit:

> The property known as the old Spencer Mine adjoining the Hawkins Mine property and including the present Spencer Mines and extending for approximately ten (10) acres around said mines principally in a westerly direction from the present old Spencer Mine Hole. Joining Jonas E. Hawkins on the south side.

TO HAVE AND TO HOLD the said lands to them for mining purposes, the said R. W. Love, Ira Ward, A. Ward and Frank Buchanan and their heirs and assigns for the aforesaid period of five (5) years hereafter upon the full compliance with the conditions of this instrument for the purpose and with the right to dig, quarry, search for and obtain any kind of minerals, metals, or fossils, and particularly mica and to conduct the same to any extent the said parties of the second part may desire. And it is hereby agreed between the parties to this agreement that the parties of the second part are to have the use of the unoccupied buildings on said lands for mining purposes or

have a right to erect such if necessary during the continuance of this lease and keep the same in as good condition as when received, unavoidable accidents excepted. And it is also agreed by parties of the second part that no unnecessary damage is to be done to the lands herein leased during the continuance of said lease but the said parties of the second part shall have the right to take from said lands of the parties of the first part any wood or timber to carry on said mining operations or to erect buildings on said lands (timber of high or special market value excepted) and the parties of the second part are to have right of way of ingress and egress to said mines. The said parties of the second part agree to pay to said parties of the first part or their heirs or assigns a rental or royalty of one-eighth (1/8) of the selling price on mica taken and sold from said mines for the use of said lands for the aforesaid period of five (5) years payable on computation of selling bills on the tenth of each month covering sales during the previous month. Royalties on all other minerals mined and sold shall be determined on a percentage basis and be governed by the market value. It is understood and agreed between all parties hereto that W. T. Spencer is to receive 1/2 of the royalties payable hereunder and that J. H. Spencer, J. C. Spencer, W. Taft Spencer, A. T. Spencer, Z. R. Spencer, Ora S. Shelton and Addie S. Rhodes are each to receive 1/14th of such royalties.

The term of this lease shall not be extended except with the option of the lessors, and in case of renewal, this instrument may stand if proper amendments are duly witnessed and attached in writing hereto. The lessors 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 assigns thereof. The lessees are not to assigns this lease without the permission of the lessors.

But it is expressly agreed that unless mineral or fossil material of practical value for mining purposes shall be found within 90 days from the date of this instrument, this lease may be terminated by lessees at any time thereafter, on 30 days notice to the lessors. The lessees agree that during continuance of this lease work in said

#3

mines shall not cease longer than 60 days at any one time, unavoidable accidents excepted.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals this the day and year first above written.

(Sgd) Ira Ward	(SEAL)	(Sgd) T. C. Spencer	(SEAL)
(Sgd) Frank Buchanan	(SEAL)	(Sgd) Bessie Spencer	(SEAL)
(Sgd) R. W. Love	(SEAL)	(Sgd) Ora S. Shelton	(SEAL)
(Sgd) A. Ward	(SEAL)	(Sgd) J. W. Shelton	(SEAL)
(Sgd) W. T. Spencer	(SEAL)	(Sgd) J. H. Spencer	(SEAL)
(Sgd) Hartie Spencer	(SEAL)	(Sgd) Ola Spencer	(SEAL)
(Sgd) Addie S. Rhodes	(SEAL)	(Sgd) A. T. Spencer	(SEAL)
(Sgd) Robert Rhodes	(SEAL)	(Sgd) Helen Spencer	(SEAL)
(Sgd) W. Taft Spencer	(SEAL)	(Sgd) Z. R. Spencer	(SEAL)
(Sgd) Dalla Spencer	(SEAL)	(Sgd) Lela Spencer	(SEAL)

North Carolina

Mitchell County

I, Clyde Pritchard, Notary Public, hereby certify that R. W. Love, Ira Ward, A. Ward and Frank Buchanan personally appeared before me and acknowledged the due execution by them of the foregoing instrument for the purposes therein expressed.

Witness my hand and notarial seal this the 16 day of May 1957.

(Sgd) Clyde Pritchard
Notary Public

My comm. expires: 3-9-59

(Notarial seal impressed here)

North Carolina

Stokes County

I, Edith T. Dodson, Notary Public, hereby certify that W. T. Spencer and wife, Hattie Spencer, J. H. Spencer and wife Ola Spencer, Ora S. Shelton and husband J. W. Shelton, Addie S. Rhodes and husband Robert Rhodes personally appeared before me this date and acknowledged the due execution by them of the foregoing instrument for the purposes therein expressed.

Witness my hand and notarial seal this the 26 day of May 1957.

My comm. expires:
(Notarial Seal)

(Sgd) Edith T. Dodson

#4

NORTH CAROLINA

STOKES COUNTY

I, Edith T. Dodson, Notary Public, hereby certify that T. C. Spencer and wife Bessie Spencer, and W. Taft Spencer and wife Della Spencer personally appeared before me and acknowledged the due e execution by them of the foregoing instrument for the purposes therein expressed.

Witness my hand and notarial seal this the 13 day of June 1957.

(Sgd) Edith T. Dodson
Notary Public

(Notarial Seal impressed)

My comm. exp. 10-8-57.

NORTH CAROLINA

GUILFORD COUNTY

I, Emma Lou Noell, Notary Public, hereby certify that A. T. Spencer and wife, Helen Spencer personally appeared before me this date and acknowledged the due execution of the foregoing instrument for the purposes therein expressed.

Witness my hand and Notarial seal this the 27 day of June 1957.

(Sgd) Emma Lou Noell
Notary Public

(Notarial Seal impressed)

My commission expires: 9-15-58.

SOUTH CAROLINA

RICHLAND COUNTY

I, Henry E. Duckett, Notary Public, hereby certify that Z. R. Spencer and wife Lela Spencer personally appeared before me this date and acknowledged the due execution by them of the foregoing instrument for the uses and purposes therein expressed.

Witness my hand and Notarial seal this the 3 day of July 1957.

(Sgd) Henry E. Duckett
Notary Public

(Notarial Seal impressed)

My commission expires:
convenience of Governor.

North Carolina - Stokes County

Filed for Registration on the 10th of July at the hour of 1 o'clock P.M. and Registered in Book No. 124 at Page 399, this the 10th day of July 1957.

(Sgd) R. L. Smith
Register of Deeds

State of North Carolina,
County of Stokes

The foregoing certificates of Clyde Pritchard a Notary Public of Mitchell County, Edith T. Dodson a Notary Public of Stokes County, Emma Lou Noell a Notary Public of Guilford County, State of North Carolina and Henry E. Duchett a Notary Public of Richland County State of South Carolina under their official seal, are adjudged to be correct. Let the instrument with the certificates be registered.

This the 10th day of July, 1957

(Sgd) Eugenia W. Realman (?)
Ass't. Clerk Superior Court
Stokes County.

STATE OF NORTH CAROLINA,

COUNTY OF MITCHELL.

I, Nell Bradshaw, Notary Public in and for the County and State aforesaid, do hereby certify that the foregoing five (5) sheets, are and constitute a true and correct copy of the original lease (which is before me now) executed by W. T. Spencer, et al., in favor of R. W. Love, Ira Ward, A. Ward and Frank Buchanan, dated May 14th, 1957, appearing of record in Book of Deeds No. 124 page 399, Stokes County, N. C. (according to certificate of Register of Deeds for Stokes County, N. C., stamped thereon).

Witness my hand and Notarial Seal, this 9th day of June, 1958.

Nell Bradshaw
NOTARY PUBLIC

My commission expires
10-29-59.

NORTH CAROLINA

STOKES COUNTY

THIS INDENTURE, made this the 14th day of May 1957 by and between W. T. Spencer and wife Hartie Spencer, J. H. Spencer and wife Ola Spencer, Ora S. Shelton and husband J. H. Shelton, Addie S. Rhodes and husband Robert Rhodes of Stokes County, North Carolina; T. C. Spencer and wife Bessie Spencer, and W. Taft Spencer and wife Willa Spencer of Forsyth County, North Carolina; A. T. Spencer and wife Helen Spencer of Guilford County, North Carolina, and Z. R. Spencer and wife Lela Spencer of Guilford County, South Carolina, as parties of the first part, and known as lessors; and R. W. Love, Ira Ward, A. Ward and Frank Buchanan of Mitchell County, North Carolina, parties of the second part, and known as lessees;

WITNESSETH:

That the parties of the first part in consideration of the agreements hereinafter contained on the part of the parties of the second part to be performed, hereby bargain, lease and grant to the parties of the second part and their heirs and assigns for the period of five (5) years from the date of this agreement the following described real property for mining purposes in the County of Stokes, State of North Carolina, to-wit:

FEB 26 1958 CODE

The property known as the old Spencer Mine adjoining the Hawkins Mine property and including the present Spencer Mines and extending for approximately ten (10) acres around said mines principally in a westerly direction from the present old Spencer Mine Hole. Joining Jonas E. Hawkins on the south side.

TO HAVE AND TO HOLD the said lands to them for mining purposes, the said R. W. Love, Ira Ward, A. Ward and Frank Buchanan and their heirs and assigns for the aforesaid period of five (5) years hereafter upon the full compliance with the conditions of this instrument for the purpose and with the right to dig, quarry, search for and obtain any kind of minerals, metals, or fossils, and particularly mica and to conduct the same to any extent the said parties of the second part may desire. And it is hereby agreed between the parties to this agreement that the parties of the second part are to have the use of the unoccupied buildings on

LAW OFFICE
WARREN H. PRITCHARD
SPRUCE PINE, N. C.

said lands for mining purposes or have a right to erect such if necessary during the continuance of this lease and keep the same in as good condition as when received, unavoidable accidents excepted. And it is also agreed by parties of the second part that no unnecessary damage is to be done to the lands herein leased during the continuance of said lease but the said parties of the second part shall have the right to take from said lands of the parties of the first part any wood or timber to carry on said mining operations or to erect buildings on said lands (timber of high or special market value excepted) and the parties of the second part are to have right of way of ingress and egress to said mines. The said parties of the second part agree to pay to said parties of the first part or their heirs or assigns a rental or royalty of one-eighth (1/8) of the selling price on mica taken and sold from said mines for the use of said lands for the aforesaid period of five (5) years payable on computation of selling bills on the tenth of each month covering sales during the previous month. Royalties on all other minerals mined and sold shall be determined on a percentage basis and be governed by the market value. It is understood and agreed between all parties hereto that W. T. Spencer is to receive 1/2 of the royalties payable hereunder and that J. H. Spencer, J. C. Spencer, W. Taft Spencer, A. T. Spencer, Z. R. Spencer, Ora S. Shelton and Addie S. Rhodes are each to receive 1/14th of such royalties.

The term of this lease shall not be extended except with the option of the lessors, and in case of renewal, this instrument may stand if proper amendments are duly witnessed and attached in writing hereto. The lessors 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 assigns thereof. The lessees are not to assigns this lease without the permission of the lessors.

But it is expressly agreed that unless mineral or fossil material of practical value for mining purposes shall be found within 90 days from the date of this instrument, this lease may be terminated by the lessees at any time thereafter, on 30 days notice to the lessors. The lessees agree that during continuance

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WARREN H. PRITCHARD
SPRUCE PINE, N. C.

of this lease work in said mines shall not cease longer than 60 days at any one time, unavoidable accidents excepted.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals this the day and year first above written.

/s/ Addie S Rhodes	(SEAL)	/s/ J. C. Spencer	(SEAL)
/s/ Robert Rhodes	(SEAL)	/s/ Bessie Spencer	(SEAL)
/s/ W. T. Spencer	(SEAL)	/s/ Ora S. Shelton	(SEAL)
/s/ Hattie Spencer	(SEAL)	/s/ J. N. Shelton	(SEAL)
/s/ Ola Spencer	(SEAL)	/s/ Z. R. Spencer	(SEAL)
/s/ J. H. Spencer	(SEAL)	/s/ Lila Spencer	(SEAL)
/s/ W. Tift Spencer	(SEAL)	/s/ A. Ward	(SEAL)
/s/ Della Spencer	(SEAL)	/s/ R. W. Love	(SEAL)
/s/ A. T. Spencer	(SEAL)	/s/ Ira Ward	(SEAL)
/s/ Helen Spencer	(SEAL)	/s/ Frank Buchanan	(SEAL)

North Carolina

Mitchell County

I, Clyde Pritchard, Notary Public, hereby certify that R. W. Love, Ira Ward, A. Ward and Frank Buchanan personally appeared before me and acknowledged the due execution by them of the foregoing instrument for the purposes therein expressed.

Witness my hand and notarial seal this the ___ day of May 1957.

_____

My comm. expires: Notary Public

North Carolina

Stokes County

I, _____, Notary Public, hereby certify that W. T. Spencer and wife Hattie Spencer, J. H. Spencer and wife Ola Spencer, Ora S. Shelton and husband J. N. Shelton, Addie S. Rhodes and husband Robert Rhodes personally appeared before me this date and acknowledged the due execution by them of the foregoing instrument for the purposes therein expressed.

Witness my hand and notarial seal this the ____ day of May 1957.

LAW OFFICE
WARREN H. PRITCHARD
SPRUCE PINE, N. C.

NORTH CAROLINA

FORSYTH COUNTY

I, _____, Notary Public, hereby certify that T. C. Spencer and wife Bessie Spencer, and W. Taft Spencer and wife Della Spencer personally appeared before me and acknowledged the due execution by them of the foregoing instrument for the purposes therein expressed.

Witness my hand and notarial seal this the ____ day of May 1957.

_____

Notary Public

My comm. expires:

NORTH CAROLINA

GUILFORD COUNTY

I, _____, Notary Public, hereby certify that A. T. Spencer and wife Helen Spencer personally appeared before me this date and acknowledged the due execution of the foregoing instrument for the purposes therein expressed.

Witness my hand and notarial seal this the ___ day of May 1957.

_____

Notary Public

My commission expires:

SOUTH CAROLINA

_____ COUNTY

I, _____, Notary Public, hereby certify that Z. R. Spencer and wife Lela Spencer personally appeared before me this date and acknowledged the due execution by them of the foregoing instrument for the uses and purposes therein expressed.

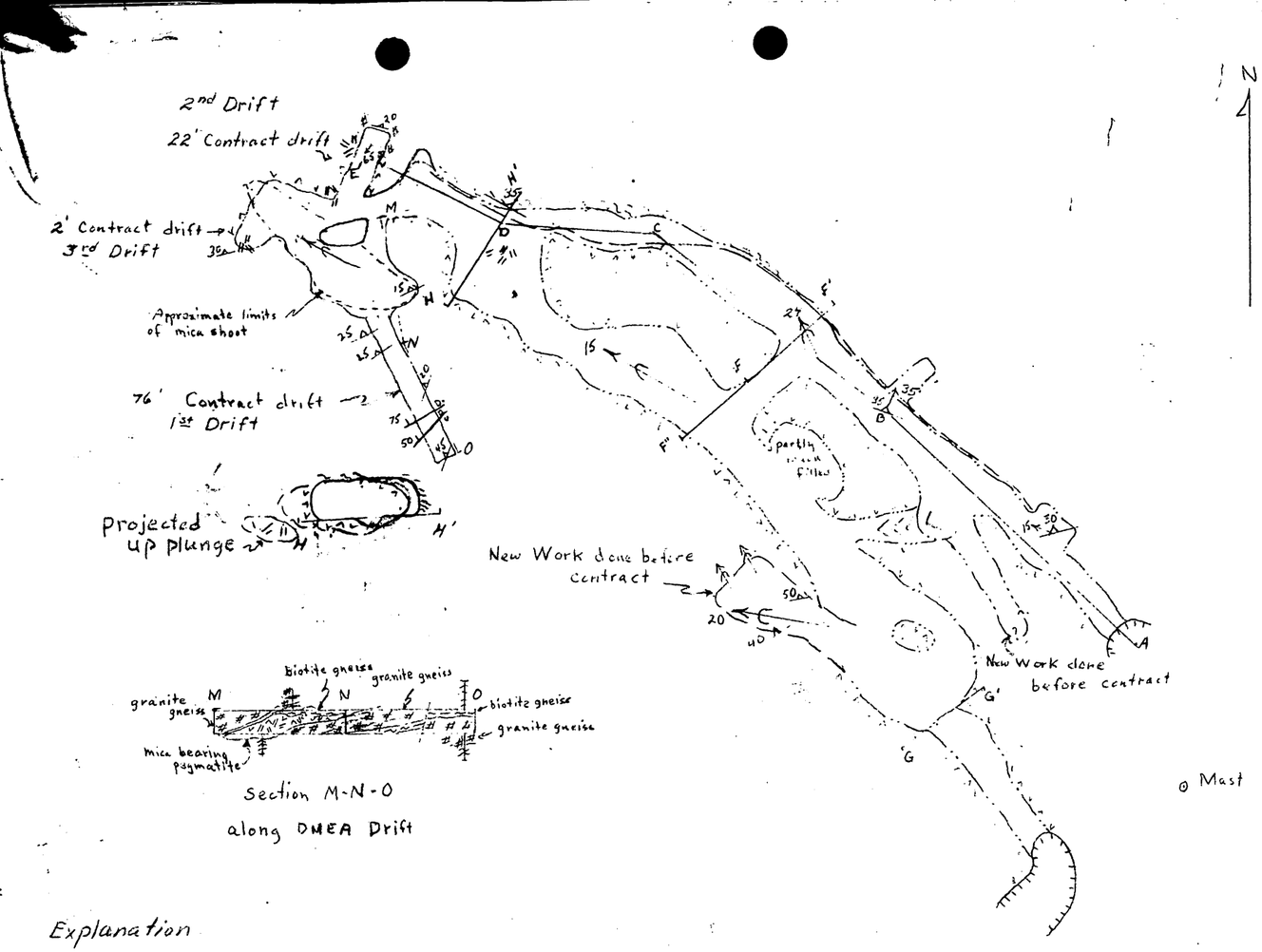
Witness my hand and notarial seal this the ___ day of May 1957.

_____

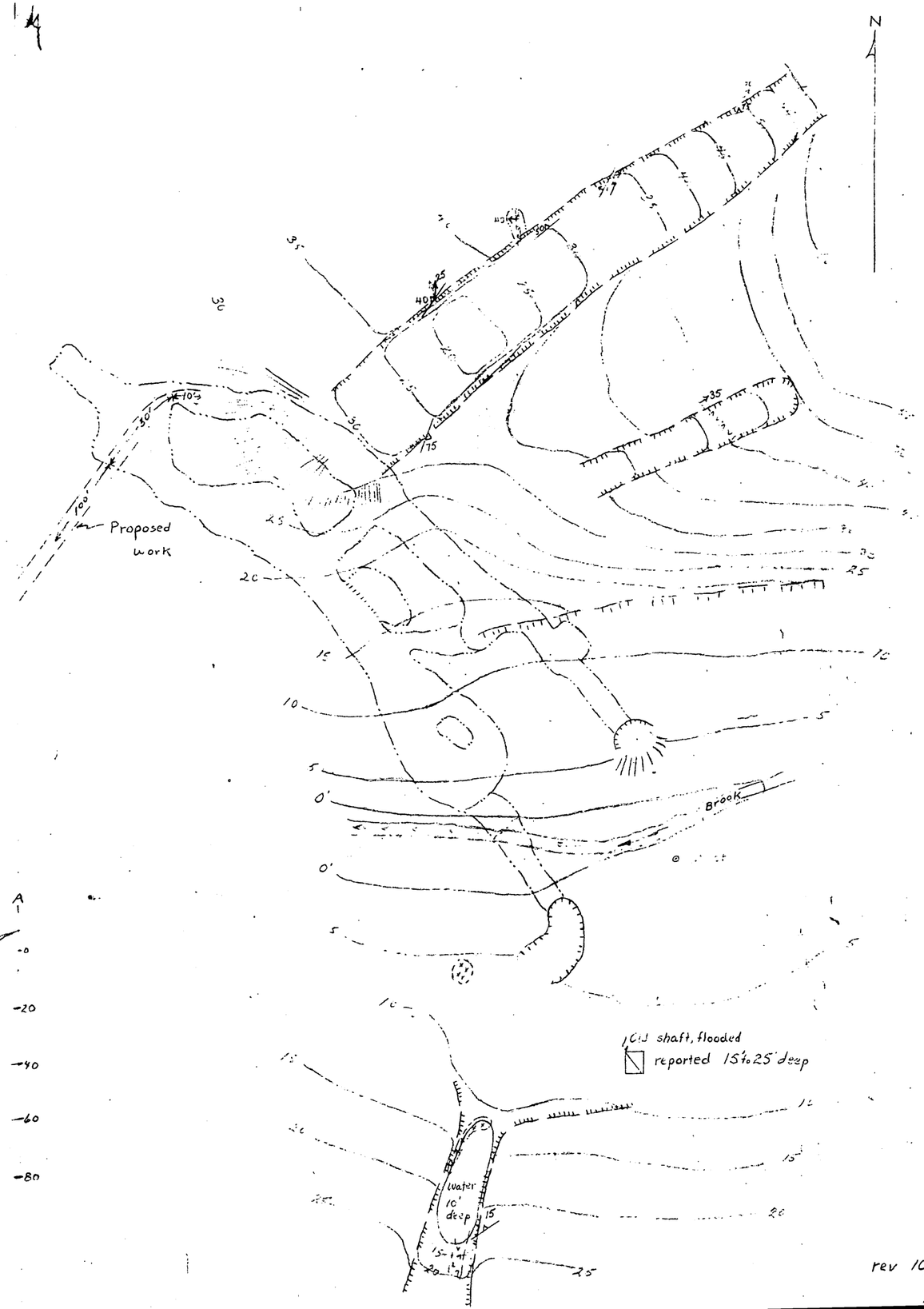
Notary Public

My commission expires:

LAW OFFICE
WARREN H. PRITCHARD
SPRUCE PINE, N. C.



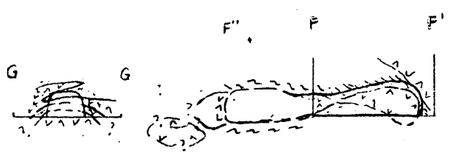
Section M-N-O
along DMEA Drift

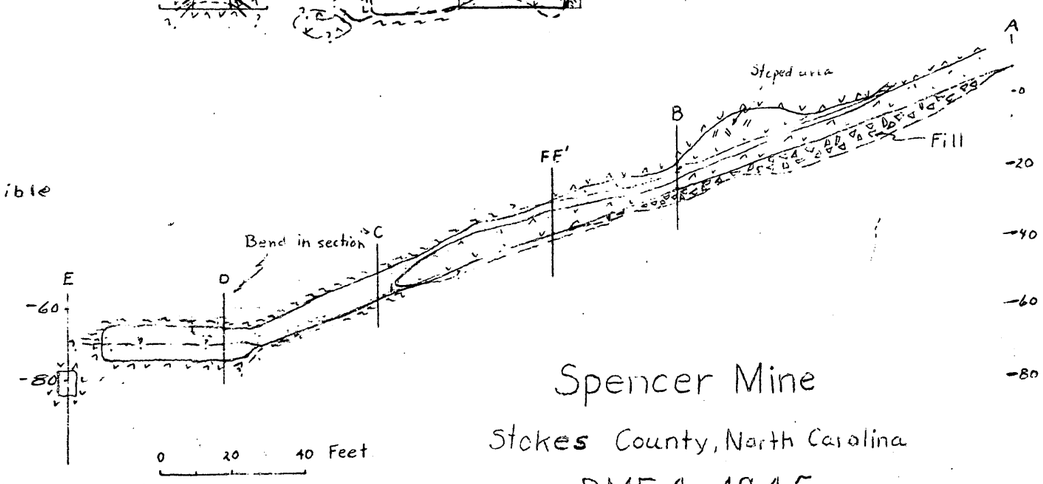


Explanation

- Pegmatite
- Muscovite-rich granite gneiss
- Mica schist
- Strike & dip of foliation
- plunge of lineation
- Plunge of roll
- Contact showing dip
- Underground workings
- Underground workings inaccessible
- Edge of cut

Tape & brunton survey
Contour interval 5'
Contours approximate



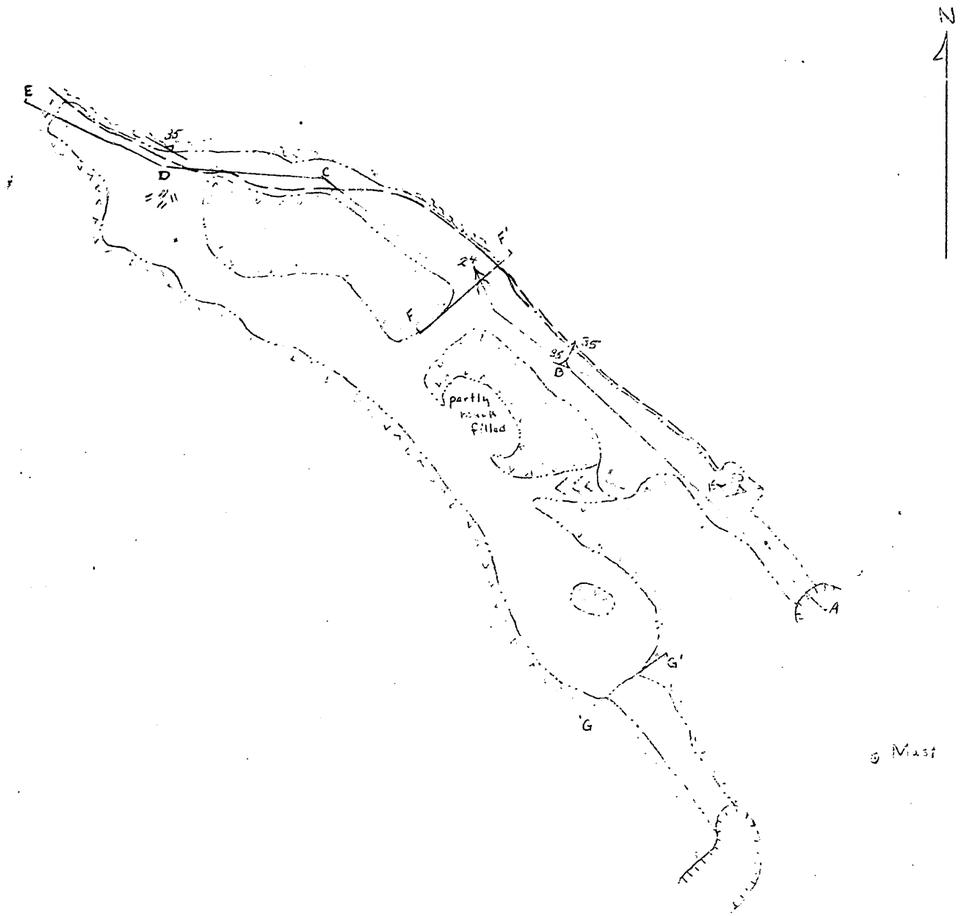


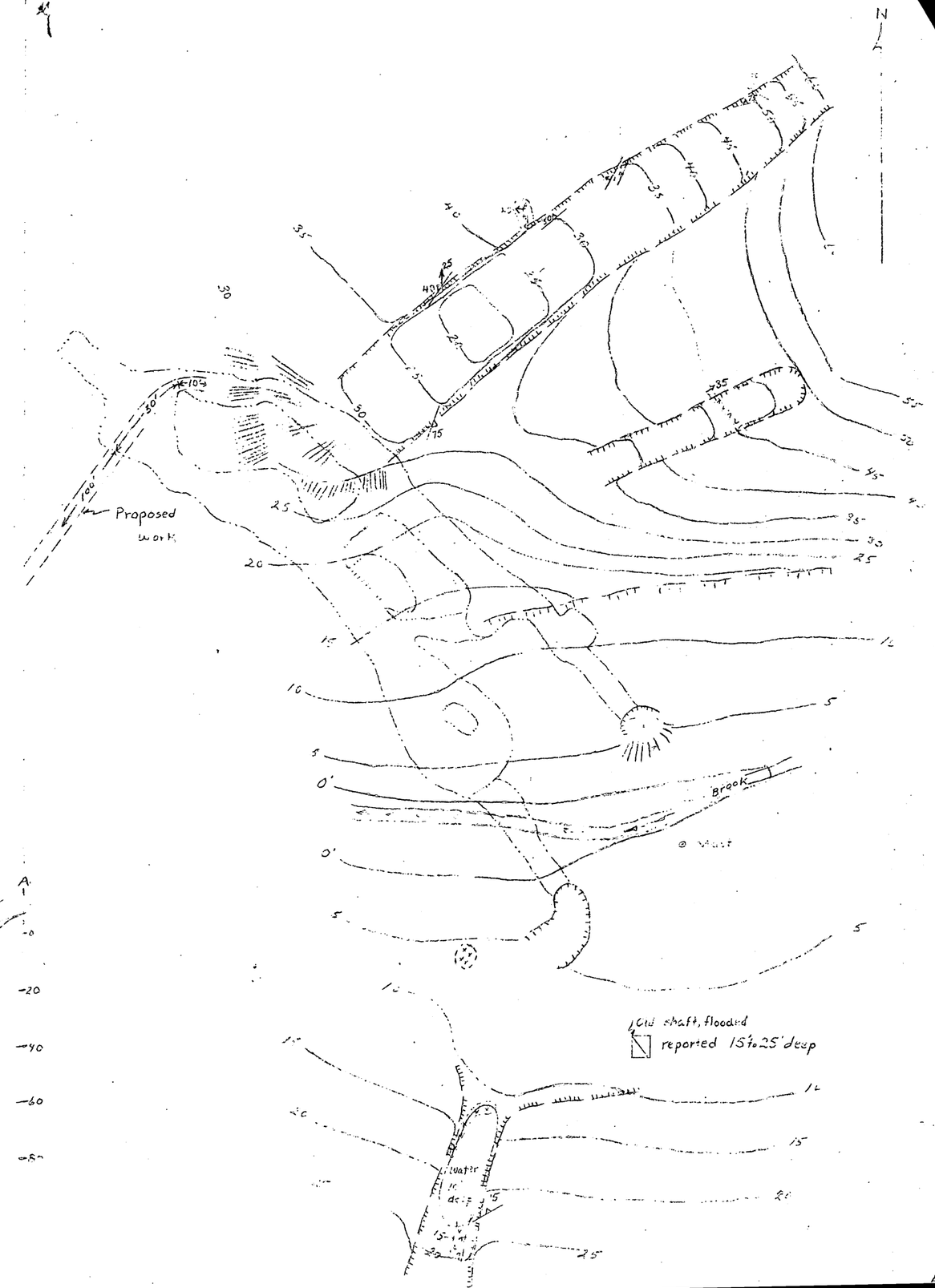
Spencer Mine

Stokes County, North Carolina

DMEA-4945

rev 10/58





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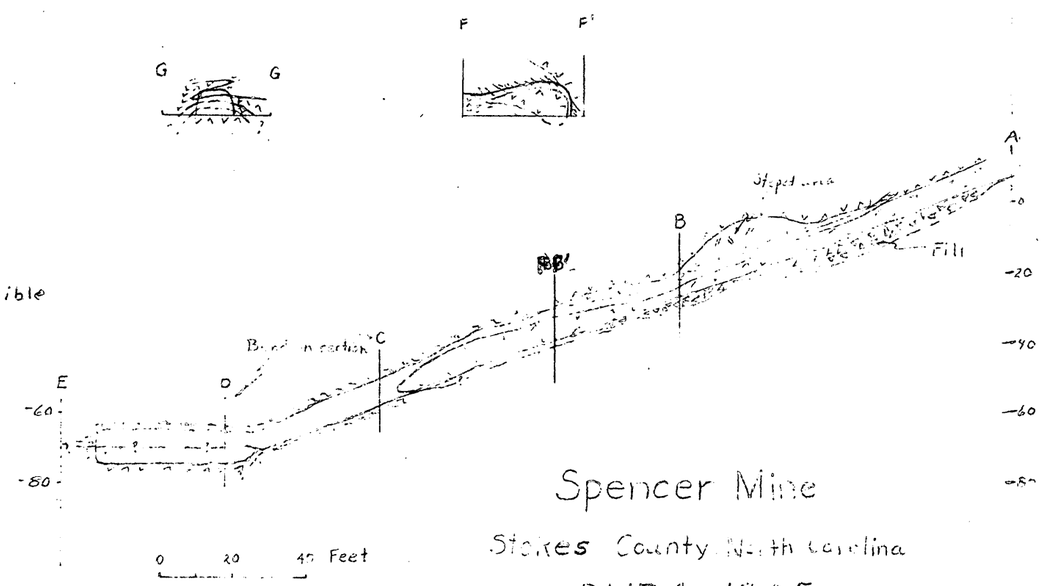
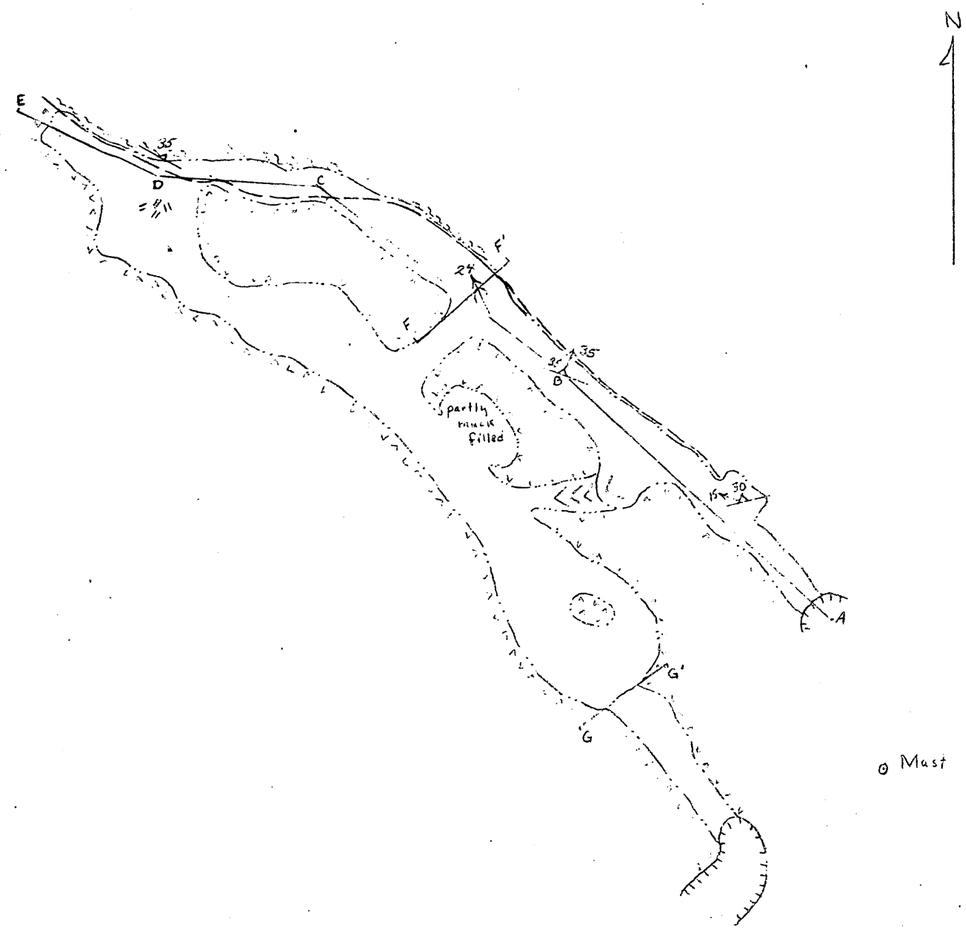
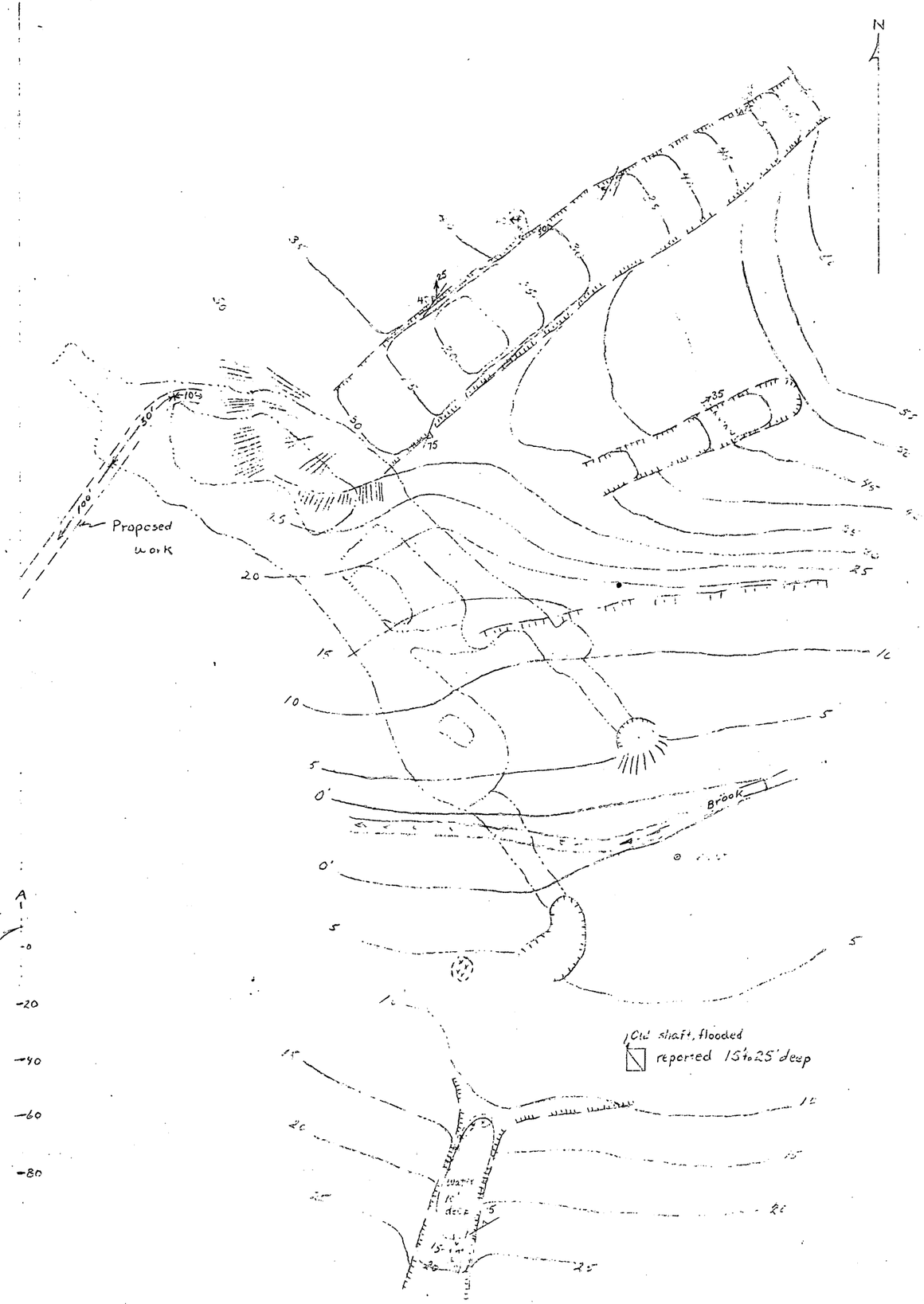


Spencer Mine

Stokes County North Carolina

DMEA-4945





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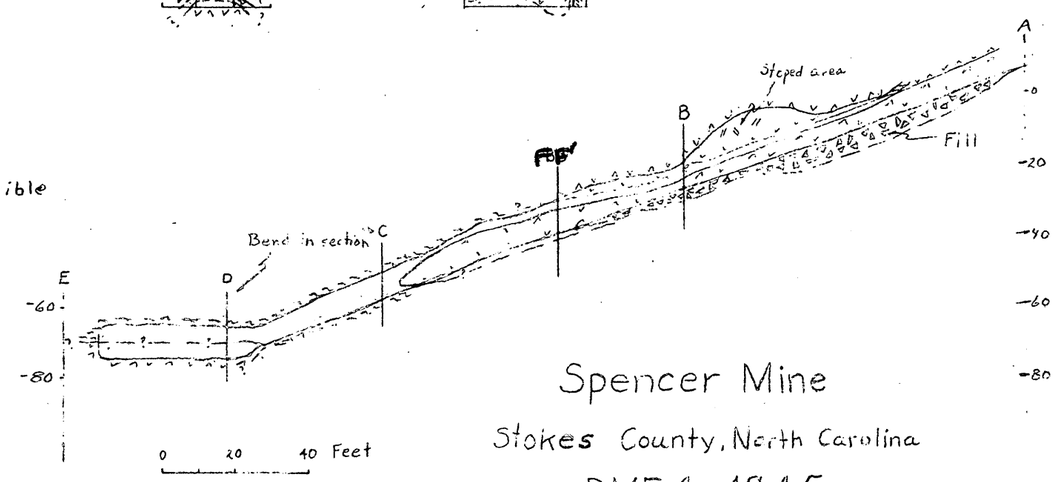

Spencer Mine

Stokes County, North Carolina

DMEA-4945

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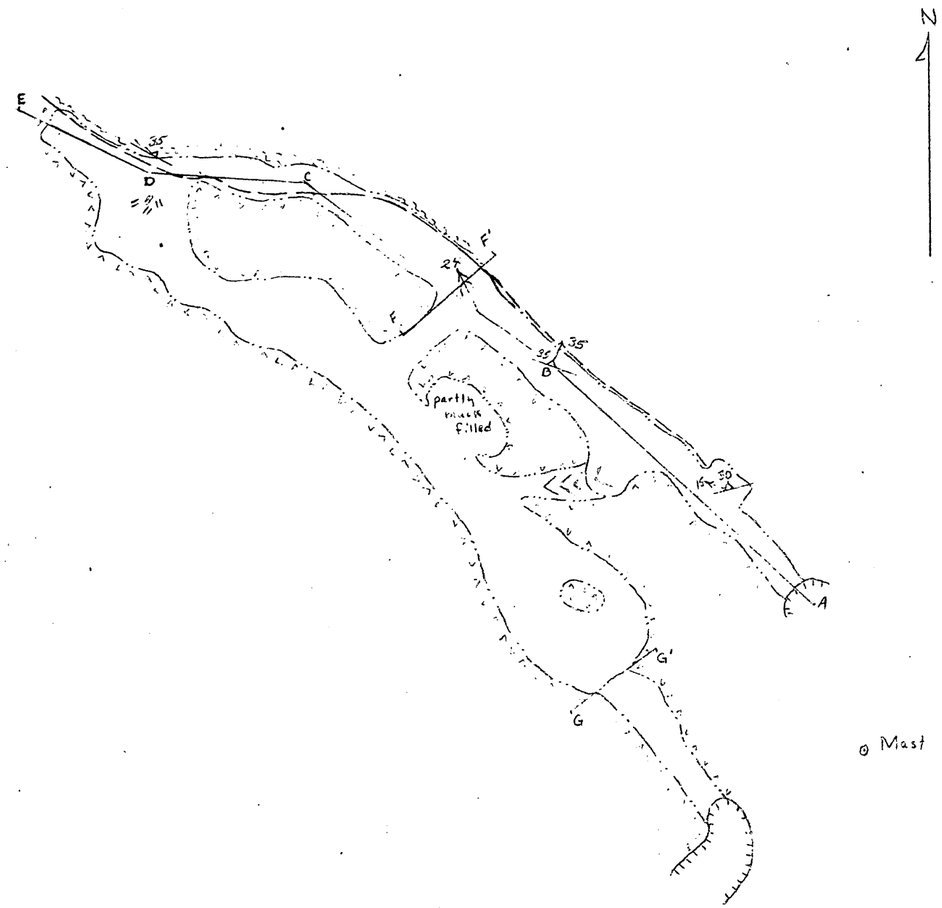
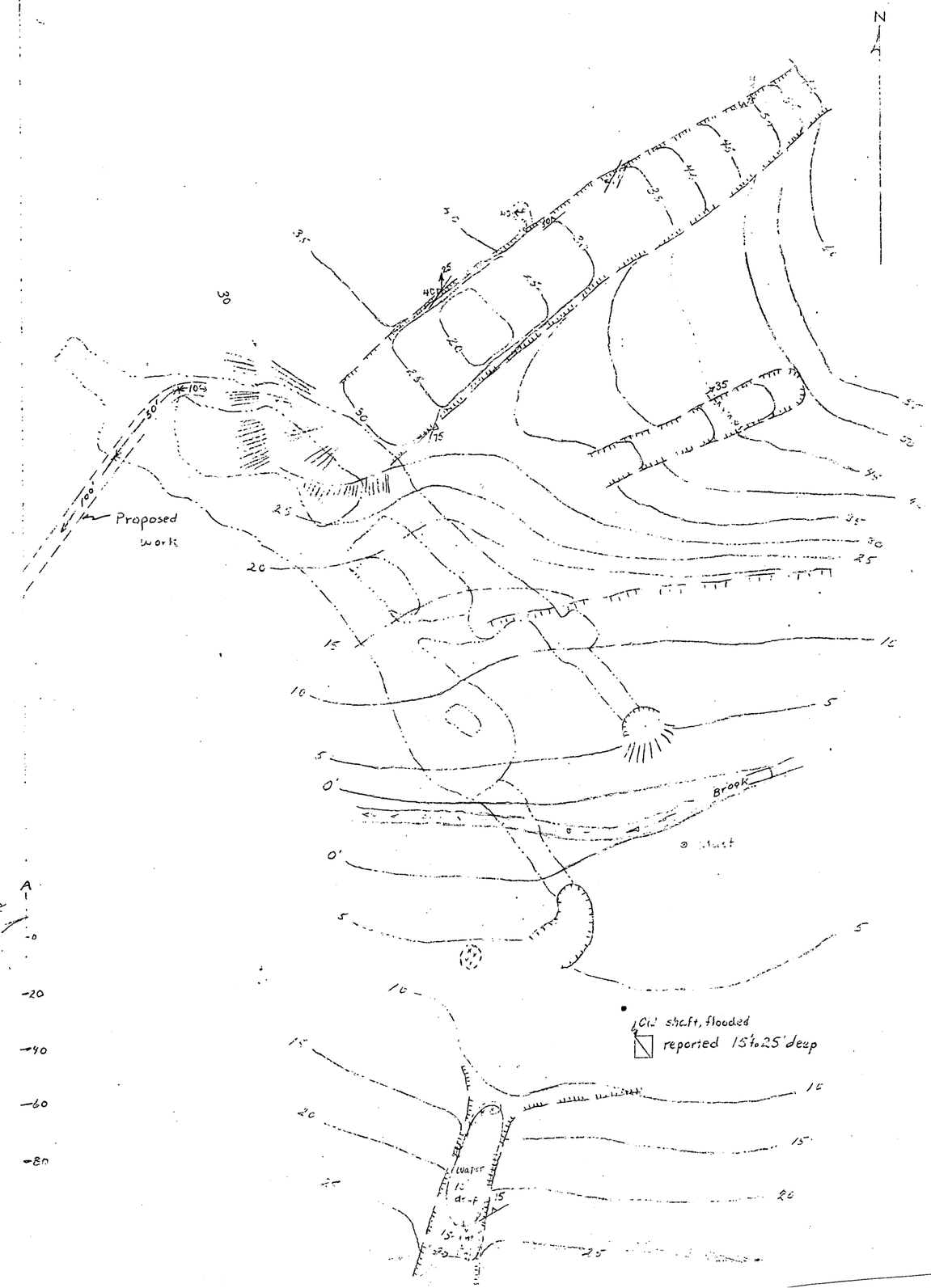
OCT 24 1958
DATE | INITIALS | CODE





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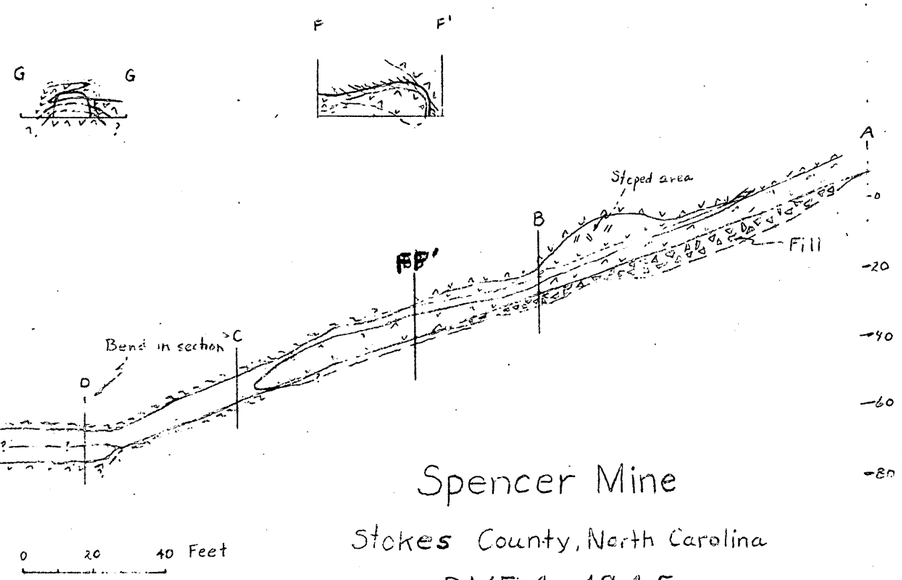
Topo & brunton surveys
contour interval 5'
[illegible] approximate



Spencer Mine

Stokes County, North Carolina

DMEA-4945

EXTRA COPY
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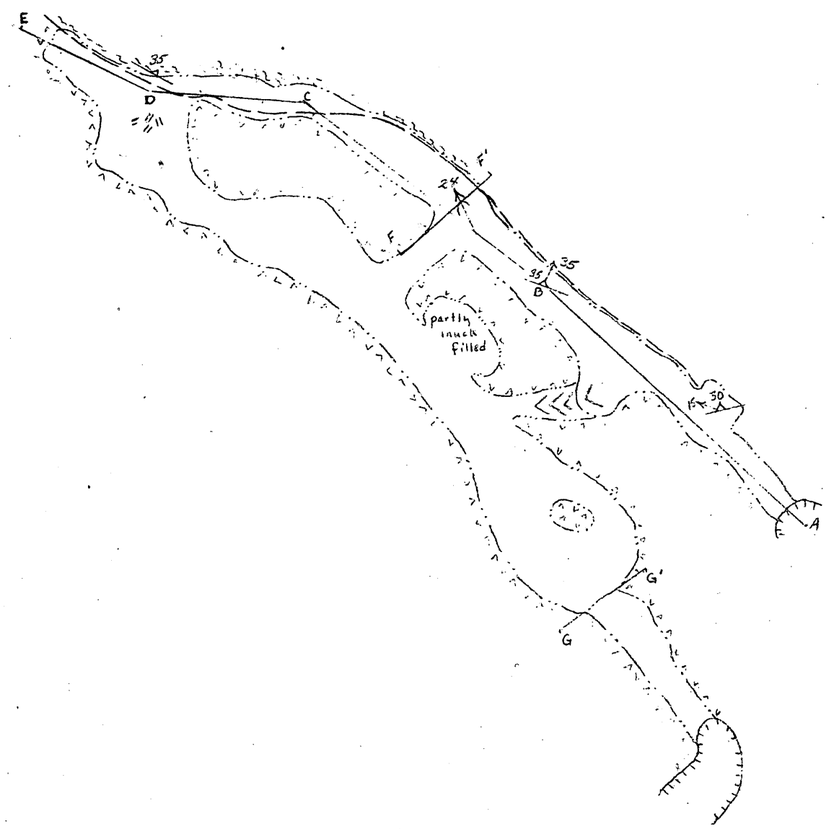
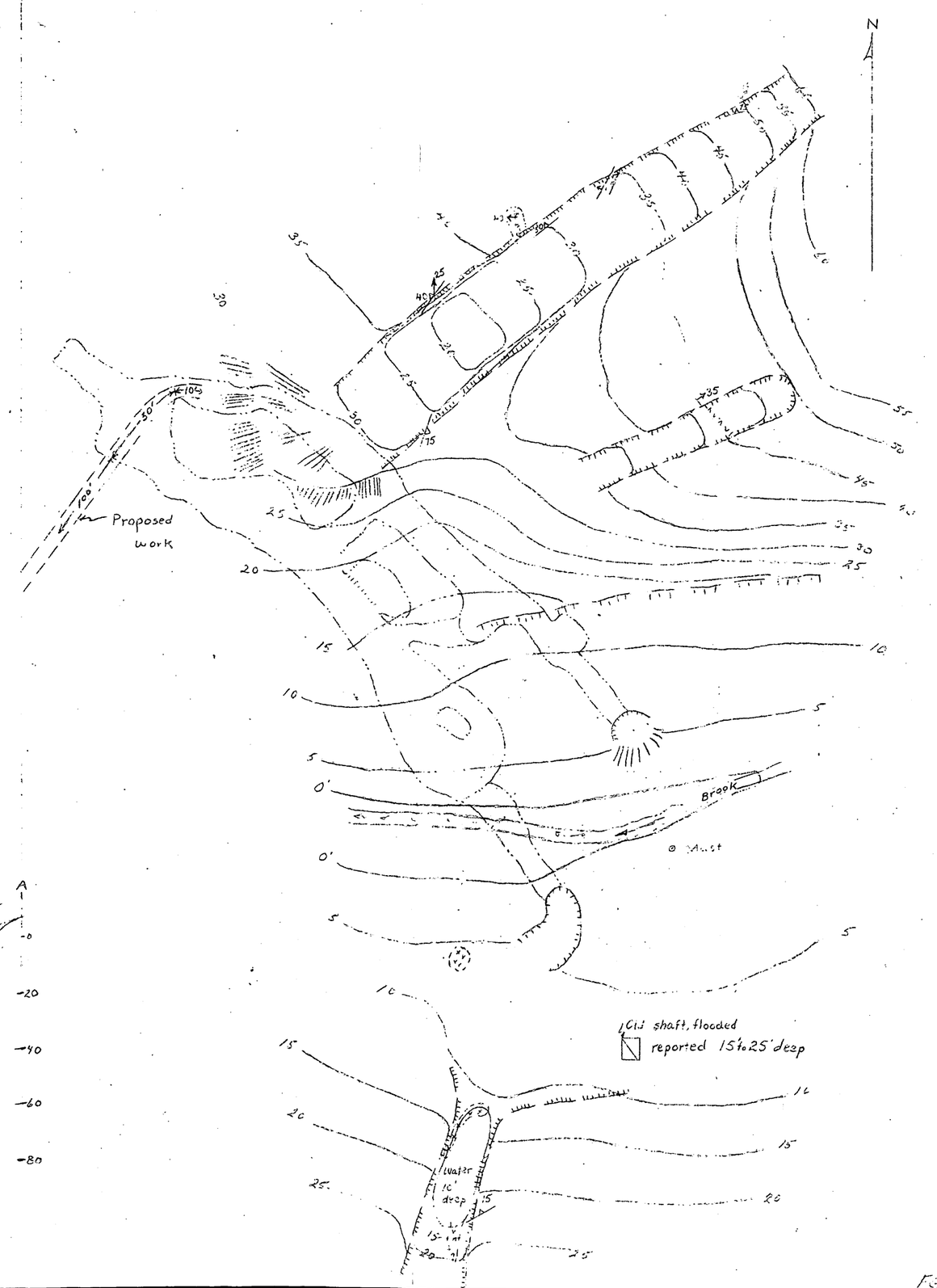
RECEIVED APR 24 1958

DATE	INITIALS	CODE





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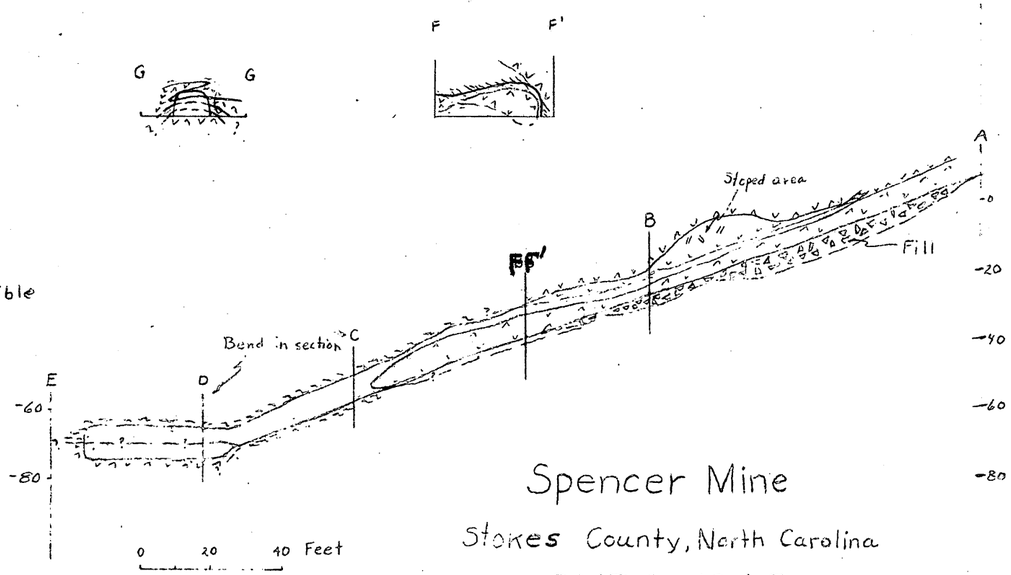

Spencer Mine

Stokes County, North Carolina

DMEA-4945

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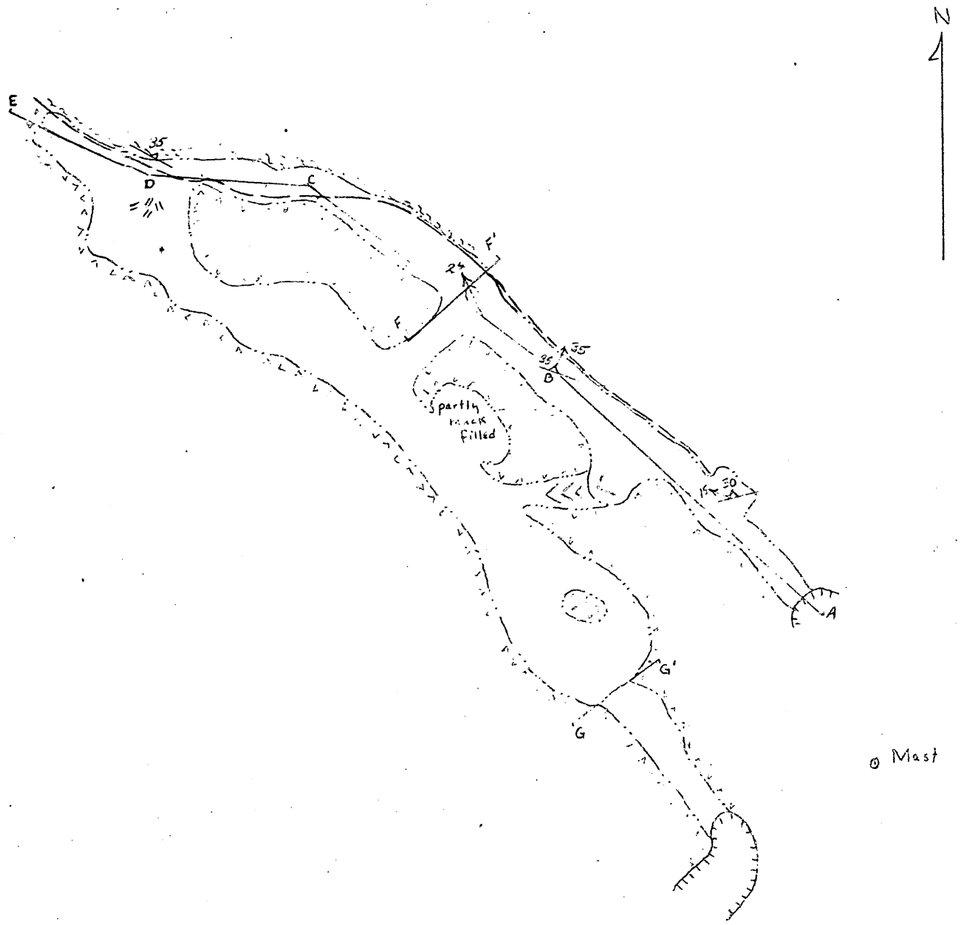
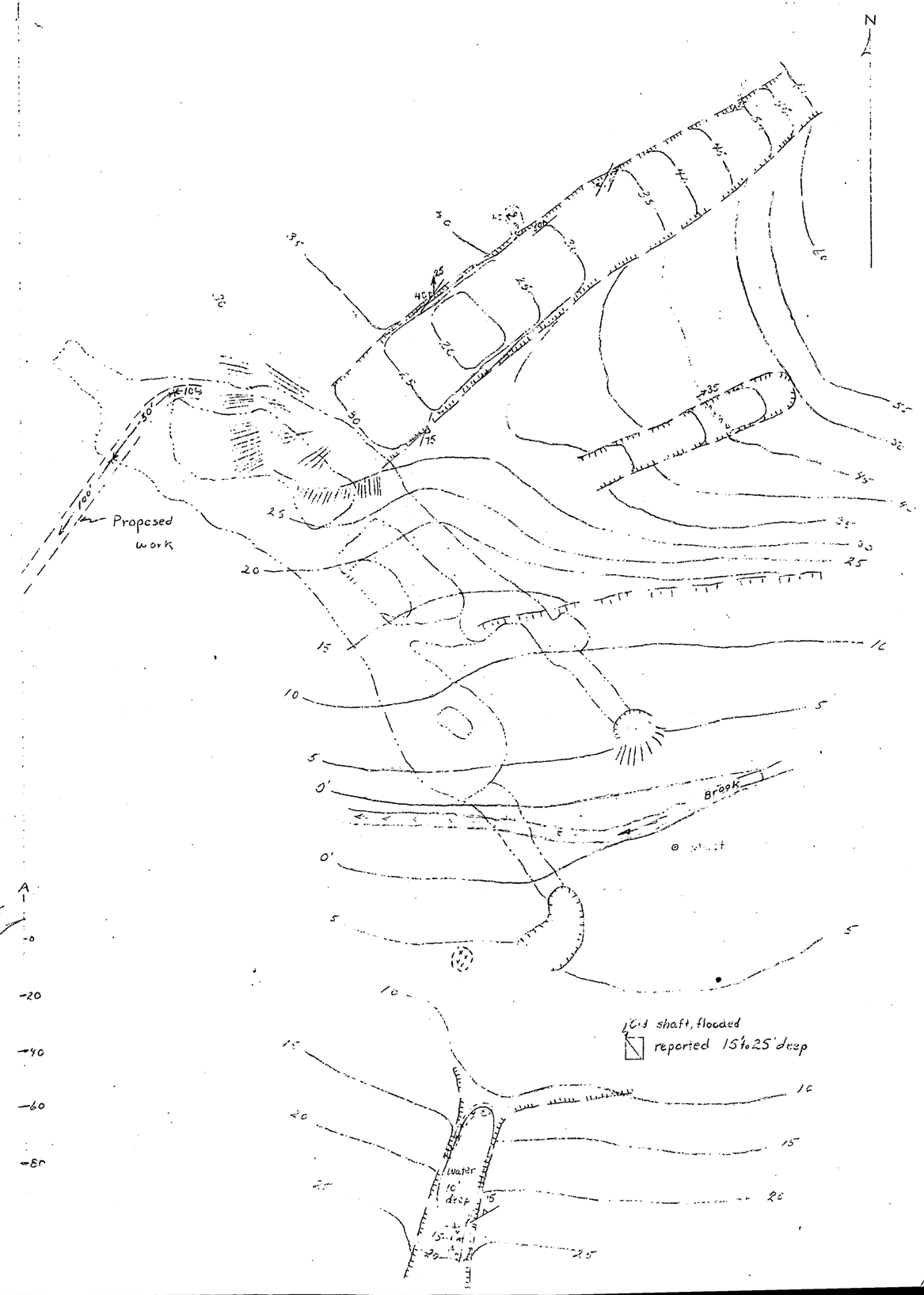
DATE	INITIALS	CODE





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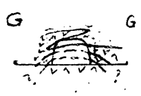

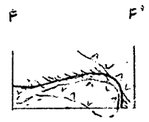

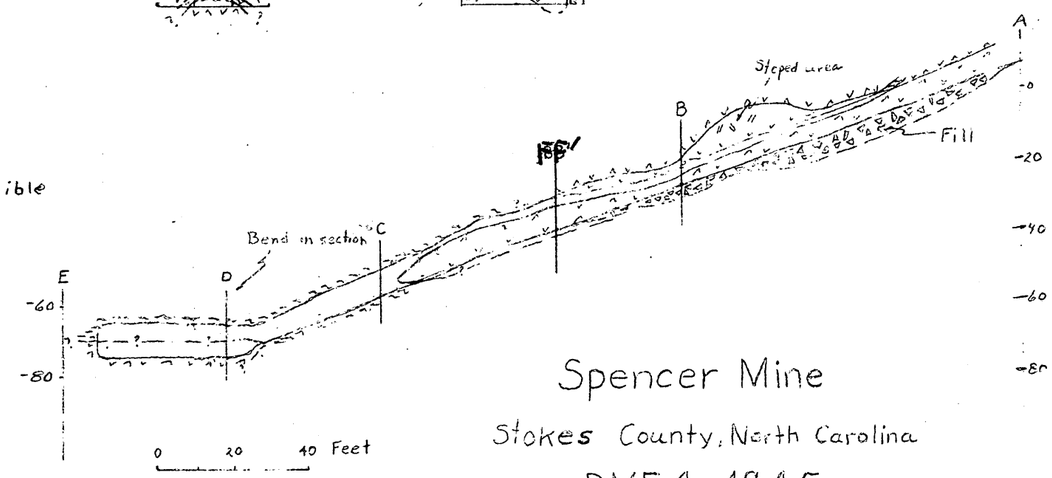

Spencer Mine

Stokes County, North Carolina

DMEA-4945

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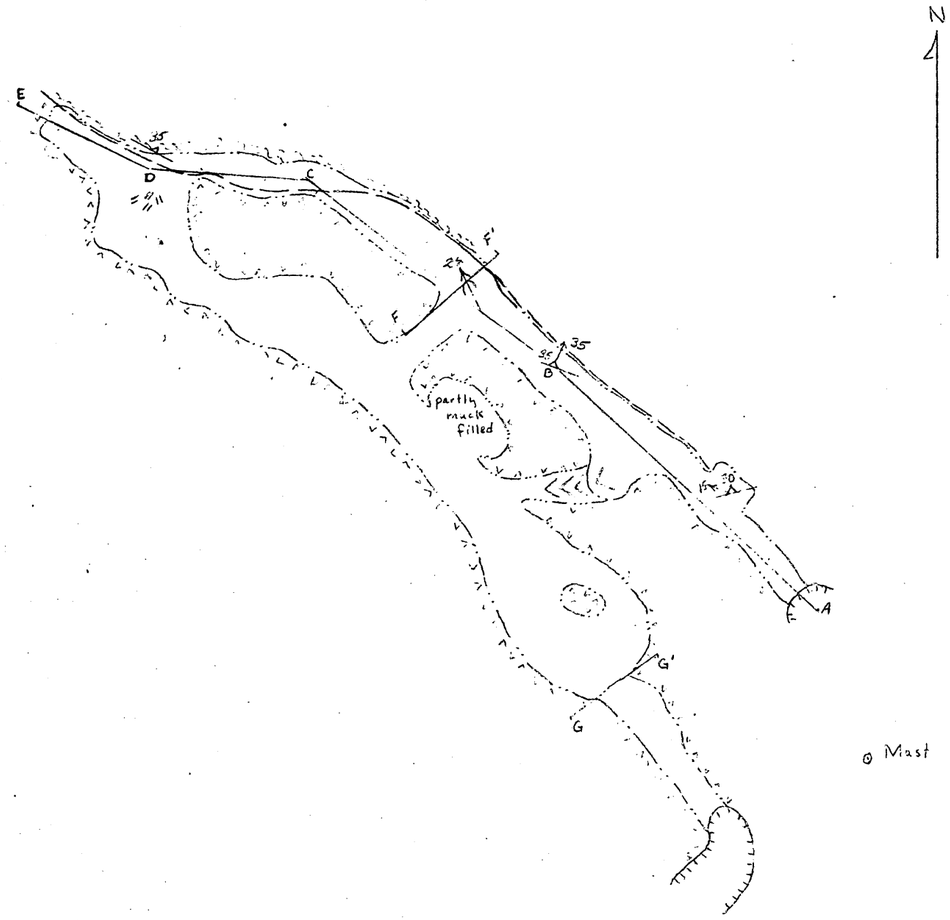
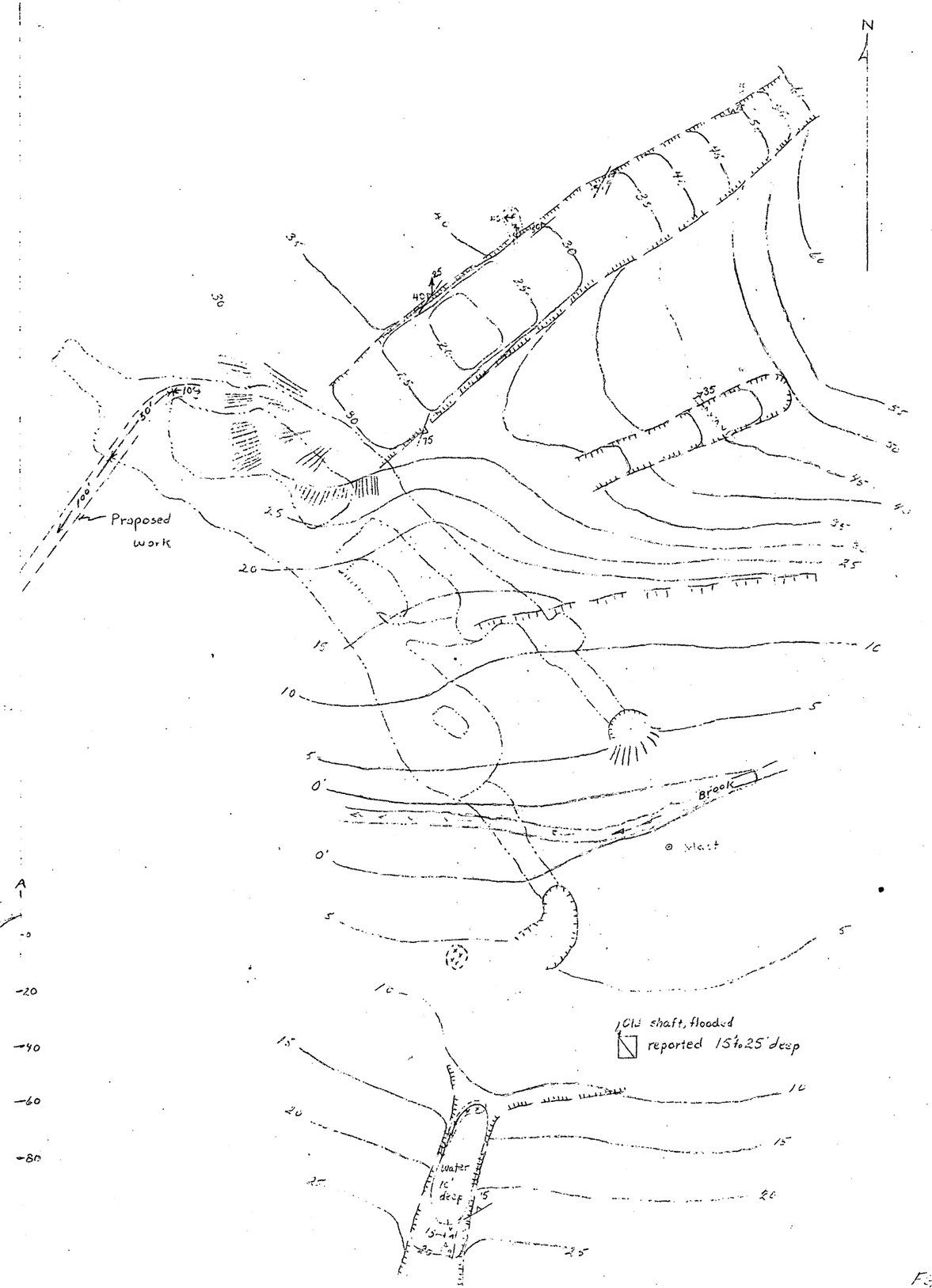
DATE | INITIALS | OBJECT





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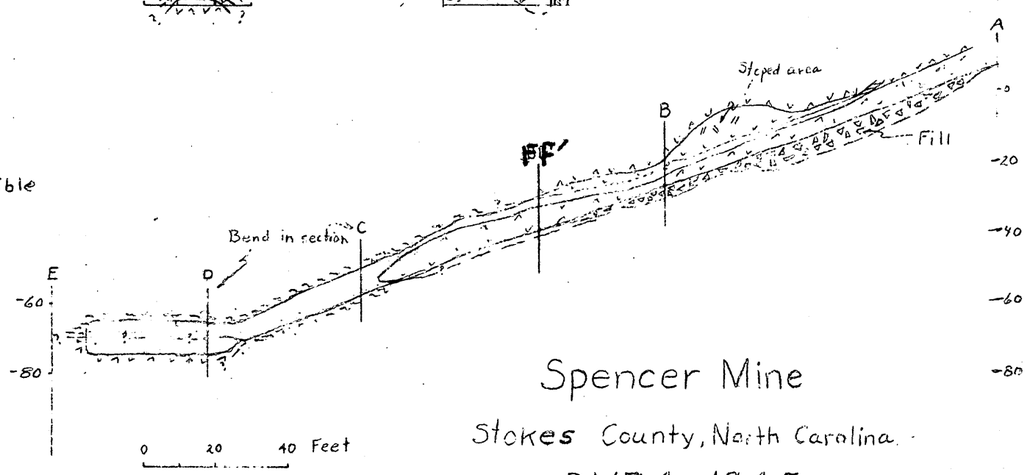
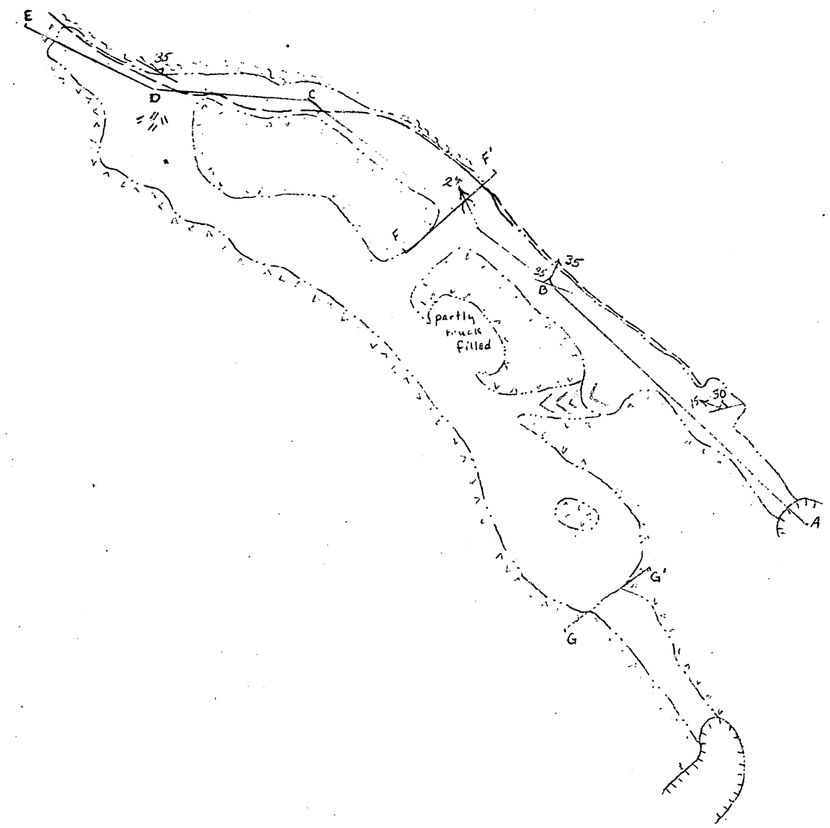
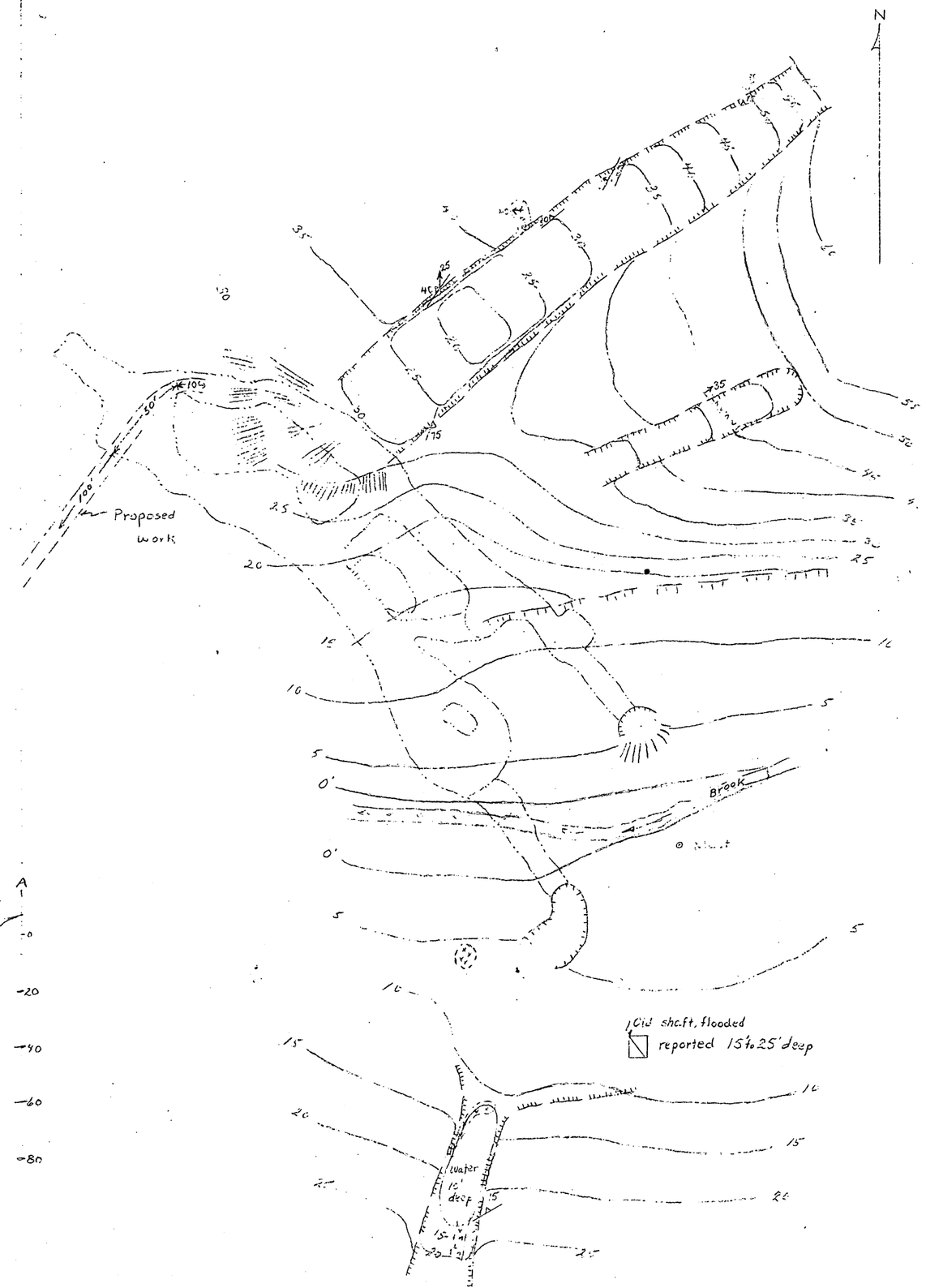


Spencer Mine

Stokes County, North Carolina

DMEA-4945





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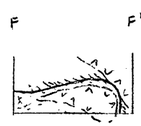
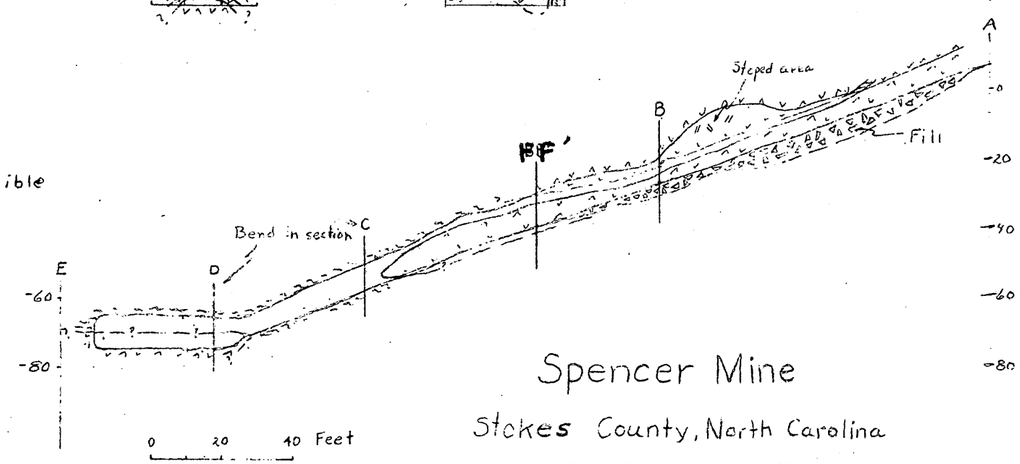
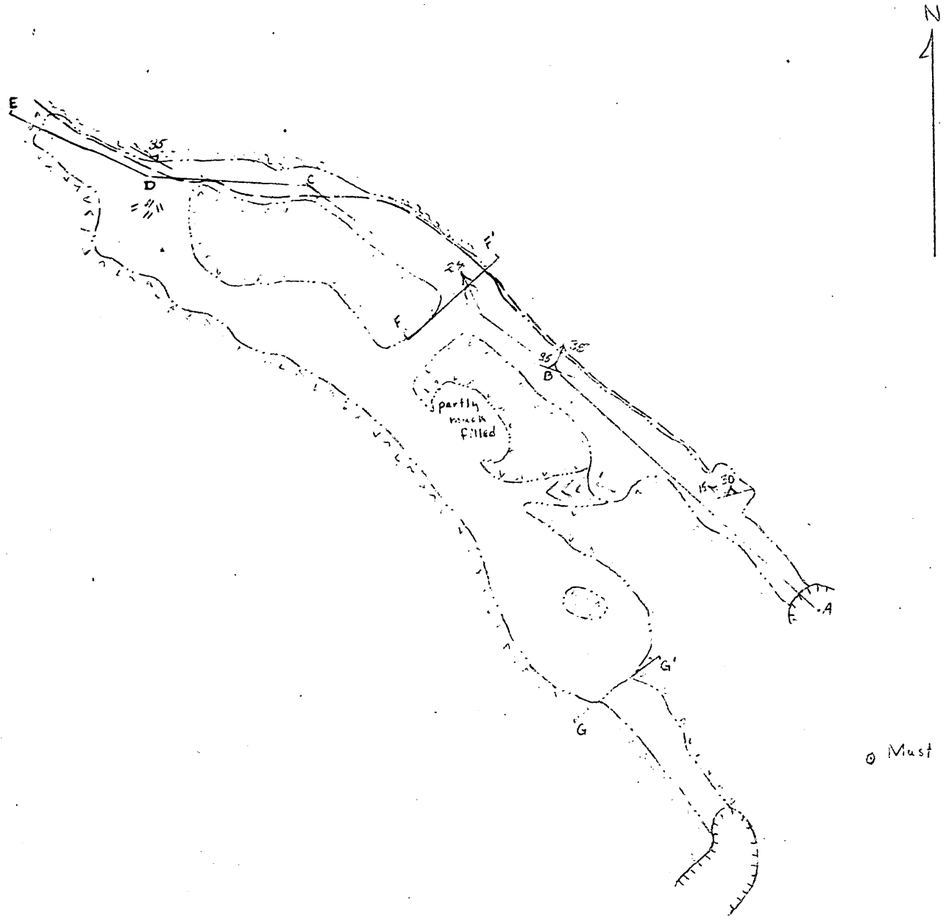


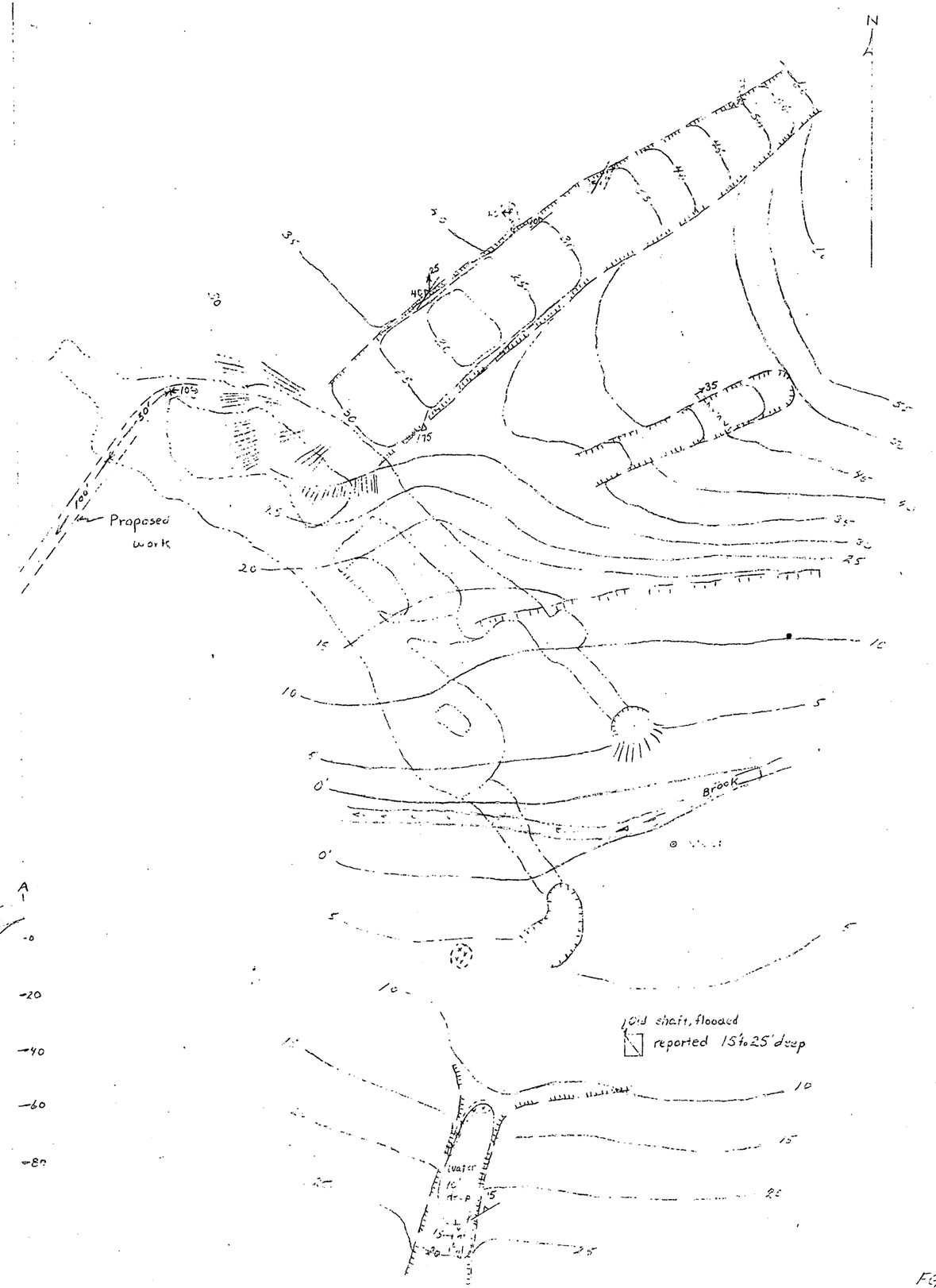


Spencer Mine

Stokes County, North Carolina

DMEA-4945





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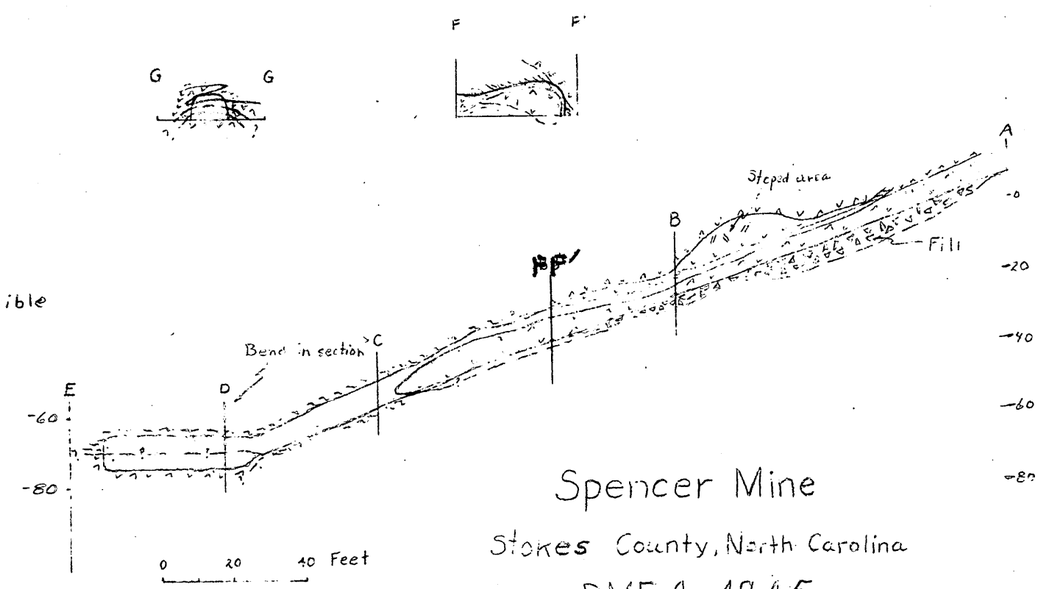

Spencer Mine

Stokes County, North Carolina

DMEA-4945

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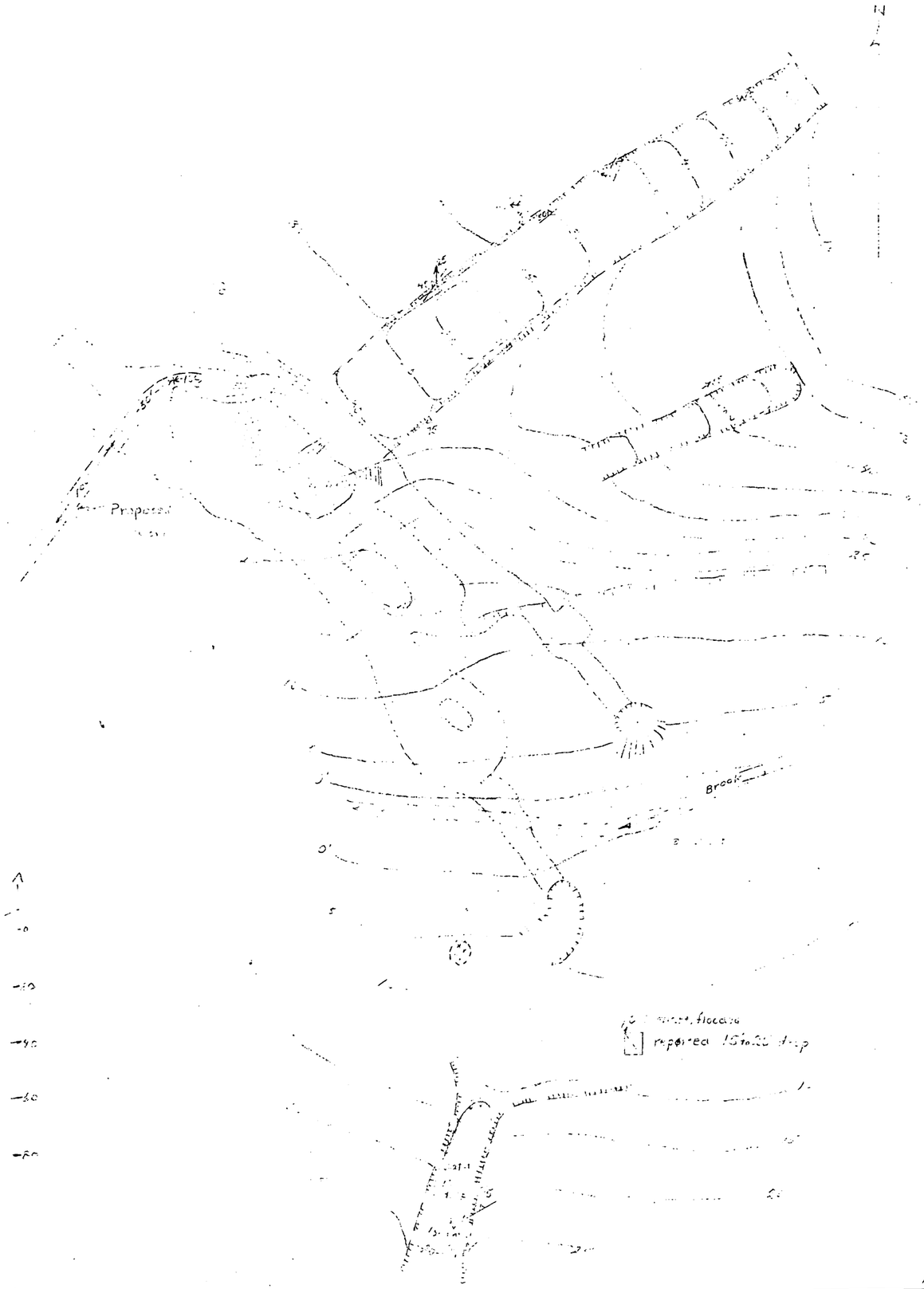

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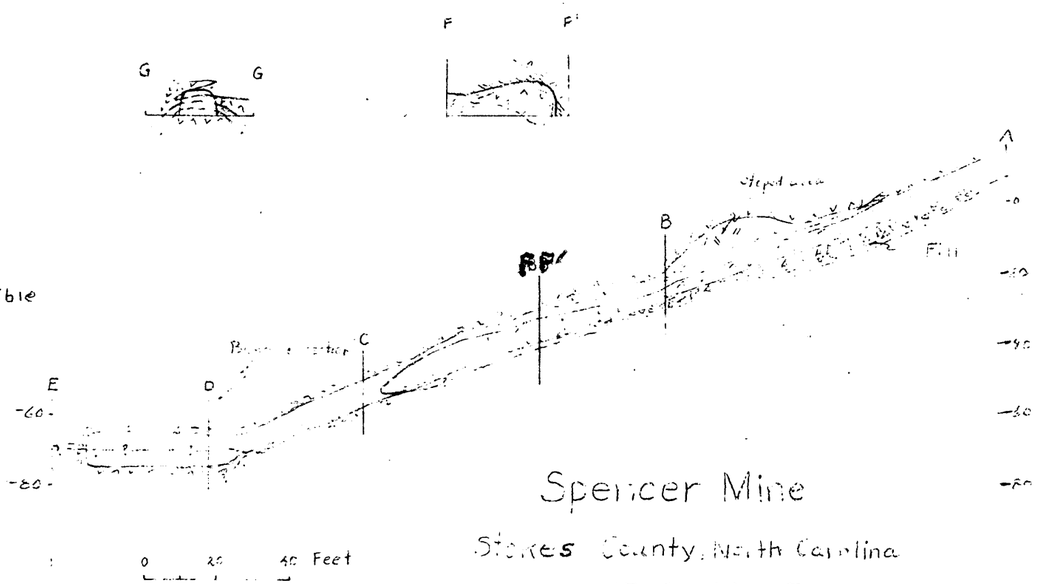

Spencer Mine

Stokes County, North Carolina

DMEA-4945

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DATE

Project Summary Report

By: J. W. Alt May 15, 1959

1. Docket No. DMEA-4945-Mica
Contract No. Idm-E1214
Spencer Mine
Stokes County, North Carolina

Application: Form MF-103 (October, 1957) received February 26, 1958.
Work proposed by Applicants:
175 feet of drifts @ $40.00/ft. $7,000.00

Operators: A. Ward, Ira Ward, Frank Buchanan and H. Lee Medford, a partnership
c/o A. Ward, et al.
Spruce Pine, North Carolina

Operators' property rights: Five year mining lease on the Spencer property consisting of approximately 10 acres, dated May 14, 1957.
Consent to Lien and Subordination Agreement dated February 21, 1958.

2. Contract: Form MF-200(April 1956) dated June 20, 1958
Work authorized: (Fixed Unit Costs)

Drive 100 feet of drifts @ $32.60/ft.	$3,260.00
Estimated total cost of project	$3,260.00
Government participation @ 75%	$2,445.00

Amendments:
No. 1, November 18, 1958
Change in the "Description of the Work."

Work completed:
100 feet of drifts @ $32.60/ft. $3,260.00

Work started July 7, 1958, and was completed in October, 1958. Field Team final report received January 27, 1959. Operators' final report received March 2, 1959. No equipment was purchased under the contract. Production from the contract drifts and the stope developed from them has amounted to 5.5 tons of mine-run mica. Royalty payments received to date amount to $949.59. Amount of mica sold between July 3 and December 18, 1958, amounted to 907.24 lbs. of trimmed mica, and 3540 lbs. of hand cobbed mica worth $18,485.84.

3. Audit: Report of Review issued December 22, 1958.

Total accepted cost	$3,260.00
Government participation @ 75%	$2,445.00

NOTE: July 20, 1959 - amount of loan repaid in full.

DEFENSE MINERALS ADMINISTRATION

97023

PRODUCTION EXPANSION DIVISION

PROCUREMENT APPLICATIONS

Name of Company and Address _____

Name of Mine and Location _____

Docket No. DMA - _____ Date received by P.E.D. _____

Metals or Minerals involved _____

Length of Contract (preproduction plus production) _____

Amount of Metals or Minerals in tons, units or pounds _____

Floor price or Guaranteed price and whether or not escalated _____

Maximum Government Commitment _____

Comments on Contract: _____

_____

_____

_____

_____

_____

Date sent to Legal Division _____

Date of Recommendation to D.P.A. for Certification _____

Date Certification sent to G.S.A. by D.P.A. _____

Date signed into Contract by G.S.A. _____

Additional Remarks: _____

_____

_____

_____

_____

NOTE: If application is denied, or if it is recommended for change into exploration, etc., please state under additional remarks.

Interior—Duplicating Section, Washington, D. C.

Signed _____

4. Certification of discovery: None issued. (See notation at bottom of page.)

5. Comments:

How conducted: All of the work in which the Government participated was acceptable.
Operation: The work was done rapidly and efficiently.
Engineering: Operators' reports contained very little information.
Geological premise: The suggested concentration of northwest plunging mica-rich rolls did not materialize.
Geological criteria upon which work was based:

1. Mica -- rich shoots in an undulating pegmatite sill have been mined at the Spencer Mine in two inclines each about 250 feet long. The mica shoots occur in northwest plunging rolls in the pegmatite. Pegmatite is exposed along the southwest side of the workings and the chances of similar parallel mica shoots to the southwest are worth investigating.
2. Mica -- Strategic quality.
3. Past production.

Criteria developed during project:

1. The northwest part of the Spencer Mine was partly explored by driving three drifts totaling 100 feet. One drift driven 76 feet south and southeast, intersected a small mica shoot from which 5.5 tons of mine-run mica was recovered. A second drift driven 22 feet to the northeast also intersected mica-bearing pegmatite as did a short drift driven to the southwest. The first shoot cut has been mined out and no reserves can be calculated from the limited exposures in the other two drifts.
2. Mica -- ruby, flat, and free splitting. In general the mica at the Spencer Mine is of good quality. An exceptionally large percentage of the books is one foot or more in diameter. Some of the books have edge cracks and are bent and ruled. Such deformation is probably the result of the post-pegmatite shearing.

Future possibilities: The area has not been fully explored and because of the good quality of the mica recovered warrants further exploration.

Recommendations: The Division of Nonmetallic Minerals concurs in the Field Team's recommendation that no certification be made.

No certification was issued because no significant discovery was made under the work of the contract. Most of the production came from work which had been done previous to the date of the contract.

J. W. Alt
Division of Nonmetallic Minerals

DEFENSE MINERALS ADMINISTRATION

97023

PRODUCTION EXPANSION DIVISION

PROCUREMENT APPLICATIONS

Name of Company and Address _____

Name of Mine and Location _____

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Signed _____

Interior—Duplicating Section, Washington, D. C.

Audited

Certified

Name A. Ward, et al.

State No. Carolina

WORK ANALYSIS SHEET - DMEA PROJECT

Analysis as of 1-30-59

Incl. Voucher for Oct. 1958

Commodity Mica

☐ Actual Cost

☑ Agreed Unit Costs

Docket No. 4945

Idm-E No. 1214

OPERATION	AUTHORIZED Units	AUTHORIZED Cost	COMPLETED Units	COMPLETED Cost	NET COST
Drifting & Crosscutting	100 Ft.	$3,260.00	100	3260.00	3260.00
Raising					
Shafts					
Winzes					
Drilling (Specify)					
Surface Excavation					
Underground Excavation					
Roads and Trails					
Operating Equipment Purchased					
Surface Rehabilitation & Repairs					
Underground Rehabilitation					
New Building, Improvements, etc.					
Other (Specify)					
Totals		$3,260.00		3260.00	3260.00

Prepared by Walter C. Anderson

71626

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
ROOM 11 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

December 29, 1959

OFFICIAL FILE COPY O. M. E. RECEIVED DEC 30 1959		
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~~1/4/60~~	~~OCL~~	~~500~~
		225

Memorandum

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

From: Field Team, OME, Region V, Knoxville 2, Tennessee

Subject: Docket No. DMEA-4945, Contract No. Idm-E1214 (Mica)
A. Ward, et al.
Spencer Mine, Stokes County, North Carolina

The attached letters, sent to us with your memorandum of October 9, 1959, are herewith returned in accordance with your instructions. We have been unable to obtain these addresses.

Mr. A. Ward is dead, and Mr. H. Lee Medford has not answered our inquiry, although we enclosed stamped, addressed envelope for his reply.

Robert A. Laurence
Robert A. Laurence
Executive Officer

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

Attachments 6

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

OCT 1 1959

Mr. W. Taft Spencer
Mrs. Della Spencer

Winston Salem, North Carolina

Re: Docket No. DMEA-4945 (Mica)
A. Ward, et al.
Spencer Mine
Stokes County, North Carolina
Contract No. Idm-E1214

Dear Mr. and Mrs. Spencer:

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

This correspondence relates to the Consent to Lien and Subordination Agreement signed by you February 21, 1958, under the DMEA program which has now been succeeded by the Office of Minerals Exploration program.

Sincerely yours,

Frank E. Johnson
Acting Director

Enclosure

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

OCT 1 1959

Messrs. A. Ward, Ira Ward, Frank Buchanan
and H. Lee Medford
Spruce Pine, North Carolina

Re: Docket No. [illegible] (Mica)
A. Ward, et al.
Spencer Mine
Stokes County, North Carolina
Contract No. [illegible]1214

Gentlemen:

Thank you for repaying in full the Government's participation of $2,445.00 in your exploration contract for mica. As a result of this repayment the Government retains no lien or claim against the property or on any future production.

We appreciate your interest and participation in the OMA exploration program which has now been succeeded by the Office of Minerals Exploration program.

Sincerely yours,

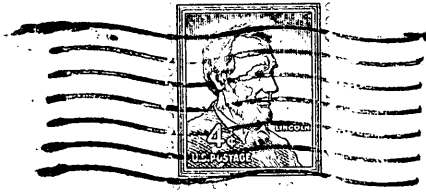
(signed) FRANK E. JOHNSON
Acting Director

cc: Mr. and Mrs. W. Taft Spencer

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

OFFICIAL BUSINESS

WASHINGTON D.C. OCT 1 11 PM 1959



Insufficient address.

Mr. and Mrs. W. Taft Spencer

Winston Salem, North Carolina

RETURN TO WRITER

WINSTON-SALEM N.C. OCT 31 3 30PM 1959

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

OCT 1 1959

Mr. Z. R. Spencer
Mrs. Lela Spencer

Columbia, South Carolina

Re: Docket No. DMEA-4945 (Mica)
A. Ward, et al.
Spencer Mine
Stokes County, North Carolina
Contract No. Idm-E1214

Dear Mr. and Mrs. Spencer:

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

This correspondence relates to the Consent to Lien and Subordination Agreement signed by you February 21, 1958, under the DMEA program which has now been succeeded by the Office of Minerals Exploration program.

Sincerely yours,

Frank E. Johnson
Acting Director

Enclosure

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

OCT 1 1959

Messrs. A. Ward, Ira Ward, Frank Buchanan
and H. Lee Radford
Spruce Pine, North Carolina

Re: Docket No. DMA-4243 (Mica)
A. Ward, et al.
Spencer Mine
Yankee County, North Carolina
Contract No. 16m-R1214

Gentlemen:

Thank you for repaying in full the Government's participation of $2,445.00 in your exploration contract for mica. As a result of this repayment the Government retains no lien or claim against the property or on any future production.

We appreciate your interest and participation in the DMA exploration program which has now been succeeded by the Office of Minerals exploration program.

Sincerely yours,

(signed) FRANK E. JOHNSON

Acting Director

cc: Mr. and Mrs. Z. R. Spencer

OFFICE OF MINERALS EXPLORATION

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

OFFICIAL BUSINESS

WASHINGTON
OCT 1
8 30PM
1959
D.C.
3B

RETURNED TO WRITER

REASON CHECKED
Unclaimed ..... Refused .....
Unknown .....
Insufficient address .....
Moved Left no address .....
No such office in state .....
Do not remail in this envelope

Mr. & Mrs. Z. R. Spencer

Columbia, South Carolina

Insufficient address

NOT IN DIRECTORY

COLUMBIA
OCT. 2
7 30PM
1959
S. C.

ABIL

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
10/7	[illegible]	500
	[illegible]	500
10/9	[illegible]	130
10/9	Johnson	110
		220
10/2	RCW	225

OCT 9 1959

Memorandum

To: Executive Officer, OME Field Team, Region V

From: Chairman, Operating Committee, OME

Subject: Docket No. DMEA-4945 (Mica)
A. Ward, et al.
Spencer Mine
Stokes County, North Carolina
Contract No. Idm-E1214

The attached letters, dated October 1, 1959, to Mr. W. Taft Spencer and Mrs. Della Spencer, Winston Salem, North Carolina, and Mr. Z. R. Spencer and Mrs. Lela Spencer, Columbia, South Carolina, lessors, were returned to us because of insufficient addresses. Will you please endeavor to obtain the correct addresses of these lessors and forward the enclosed letters to them. If you are unable to obtain the addresses, please return the letters to this office.

George C. Selfridge

Enclosures

JWAlt/gla 10-7-59
cc to: Director's Reading File
Operating Committee
Docket
Chron

APPROVED:

Frank D. Lamb

Member, Bureau of Mines

Harold Kirkemo

Member, Geological Survey

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
9/30	[illegible]	500
	[illegible]	500
10/1	[illegible]	800
10/1	[illegible]	120
		~~110~~
10/2	KCW	220
		225

OCT 1 1959

Snow Hill Mining Company
Box 681
Spruce Pine, North Carolina

Re: Docket No. DMEA-4945 (Mica)
A. Ward, et al.
Spencer Mine
Stokes County, North Carolina
Contract No. Idm-E1214

Gentlemen:

We wish to take this opportunity to thank you for the check of $1,244.89 which repays in full the Government's participation of $2,445.00 in the cited contract for mica.

Your interest in the exploration program is appreciated.

Sincerely yours,

(signed) FRANK E. JOHNSON

Acting Director

JWAlt/gla
9-30-59
cc to: Director's Reading File
Operating Committee
Contract Adm. & Audit Div.
M. L. Skow, USBM
Harold Kirkemo, USGS
OME Field Team, Region V (2)
Docket
Chron
500

43683

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
9/29	WP	500
	Mizard	500
9/30	Talbert	800
9/30	Selfridge	190
		110
10/1	RCW	225

OCT 1 1959

Messrs. A. Ward, Ira Ward, Frank Buchanan
and H. Lee Medford
Spruce Pine, North Carolina

Re: Docket No. DMEA-4945 (Mica)
A. Ward, et al.
Spencer Mine
Stokes County, North Carolina
Contract No. Idm-E1214

Gentlemen:

Thank you for repaying in full the Government's participation of $2,445.00 in your exploration contract for mica. As a result of this repayment, the Government retains no lien or claim against the property or on any future production.

We appreciate your interest and participation in the DMEA exploration program which has now been succeeded by the Office of Minerals Exploration program.

Sincerely yours,

(signed) FRANK E. JOHNSON

Acting Director

JWAlt/GMcC
September 29, 1959

cc: Docket
Director's Read. File
Operating Committee
Contract Adm. & Audit Div.
M. L. Skow, USBM
Harold Kirkemo, USGS
OME Field Team, Region V (2)
Chron.

cc: Mr. & Mrs. W. T. Spencer
Mr. & Mrs. J. H. Spencer
Mr. & Mrs. A. T. Spencer
Mr. & Mrs. Z. R. Spencer
Mr. & Mrs. J. W. Shelton
Mr. & Mrs. Robert Rhodes
Mr. & Mrs. W. Taft Spencer
Mr. & Mrs. T. C. Spencer

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
	ALD	500
	Yannis	500
9/30	Talbitt	800
9/30	Selfridge	~~190~~
		~~130~~
		~~130~~
		110
		~~120~~
		HB

10/2 RCW

220
225

OCT 1 1959

Mr. Robert Rhodes
Mrs. Addie S. Rhodes

Lawsonville, North Carolina

Re: Docket No. DMEA-4945 (Mica)
A. Ward, et al.
Spencer Mine
Stokes County, North Carolina
Contract No. Idm-E1214

Dear Mr. & Mrs. Rhodes:

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

This correspondence relates to the Consent to Lien and Subordination Agreement signed by you February 21, 1958, under the DMEA program which has now been succeeded by the Office of Minerals Exploration program.

Sincerely yours,

(signed) FRANK E. JOHNSON

Acting Director

Enclosure
JWAlt/er 7-27-59
Copy to:
Docket
Dir Read File
Op. Committee
Region V (2)
Chron.
Mr. Skow, USBM
Mr. Kirkemo, USGS

Same letters have been sent to the following:
Mr. & Mrs. J. W. Shelton - Mr & Mrs.T.C.Spencer
Mr. & Mrs. Webb Taft Spencer; W.T. & H. Spencer;
J.H. & Ola Spencer; Z.R. & Lela Spencer;
A.T. & Helen Spencer.

by P.O. see memo to Reg. V

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
	Alt	500
	Yarnell	500
		800
		130
		130
		130
		110
		100
		HB

225

Messrs. A. Ward, Ira Ward, Frank Buchanan
and H. Lee Medford
Spruce Pine, North Carolina

Re: Docket No. DMEA-4945 (Mica)
A. Ward, et al.
Spencer Mine
Stokes County, North Carolina
Contract No. Idm-E1214

Gentlemen:

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

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

We appreciate your interest and participation in the DMEA exploration program which has now been succeeded by the Office of Minerals Exploration program.

Sincerely yours,

Acting Director

JWAlt/er 7-27-59
CC: Docket
Dir Read File
Op. Committee
Code 800
Mr. Skow, USBM
Mr. Kirkemo, USGS
Region V (2)
Mr. & Mrs. W. T. Spencer
Mr. & Mrs. J. H. Spencer
Mr. & Mrs. A. T. Spencer
Mr. & Mrs. Z. R. Spencer
Chron.

Mr. & Mrs. J. W. Shelton
Mr. & Mrs. Robert Rhodes
Mr. & Mrs. W. Taft Spencer
Mr. & Mrs. T. C. Spencer

15

8623

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
ROOM 2-B POST OFFICE BLDG.
KNOXVILLE 2, TENN.

July 17, 1959

Memorandum

To: Finance Officer, OME - Region V - Norris, Tennessee

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

Subject: Repayment of Loan. DMEA-4945, Idm-E1214-mica.
Ira Ward, Frank Buchanan and H. Lee Medford
Spencer Mine, Stokes County, North Carolina

Attached is a check dated July 14, 1959, No. 143 from the Snow Hill Mining Company in the amount of $1,244.89, payment in full for the balance due the Government on the loan on the subject contract.

Robert A. Laurence

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUL 20 1959

DATE	INITIALS	CODE
7-20	gad	220
7-21	alt	500

z

cc
F. Johnson, OME
Lynch
Files

SNOW HILL MINING CO.
Box 681
SPRUCE PINE N.C.

July 14, 1959

Mr. Robert A. Laurence
Executive Officer

We were inform by letter June 26, 1959 that the loan on Spencer Mine in Stokes County N.C. amount of $1,495.41 previous operator Stokes County Mining Co. mailed check today for $250.52 .

Inclose check for $1,244.89 which should clear the amount of loan.

Very truly yours,
Snow Hill Mining Co.

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUL 20 1959

DATE	INITIALS	CODE

RECEIVED

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
ROOM 2-B POST OFFICE BLDG.
KNOXVILLE 2, TENN.

July 17, 1959

Memorandum

To: Finance Officer, OME - Region V - Norris, Tennessee

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

Subject: Royalty Payment - DMEA-4945, Idm-E1214-mica.
Spencer Mine, Stokes County, North Carolina

Attached are settlement sheets for mica sold from the subject mine in the amount of $5,010.41 and their check for royalty on these sales in the amount of $250.52.

Robert A. Laurence

16.90
20.77
20.00
250.00
198.90
81.18
59.40
700.00
26.20
1,015.33
627.05
1,994.68
5,010.41

zm.

cc
F. Johnson-OME
Lynch
Files

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUL 20 1959

DATE	INITIALS	CODE
7-20	gad	4-20
7-21	[illegible]	500

FORM APPROVED BY U. S. GEN. ACC. MARCH 25, 1957

GENERAL SERVICES ADMINISTRATION

FINAL SETTLEMENT - MICA PURCHASE

MICA PURCHASE DEPOT - Spruce Pine, N. C.

PROGRAM	DATE PURCHASED
[X] A [ ] B	[illegible]
	ACCEPTANCE NUMBER [illegible]

CERTIFICATE AUTHORIZATION NUMBER	LOT NUMBER	VOUCHER NUMBER	SCHEDULE NUMBER
[illegible] (A	[illegible] (a)		

EVALUATION DATA

QUALITY	HALF TRIM POUNDS	HALF TRIM PRICE PER LB.	HALF TRIM AMOUNT	FULL TRIM POUNDS	FULL TRIM PRICE PER LB.	FULL TRIM AMOUNT
RUBY						
GOOD STAINED AND BETTER						
GRADES NO. 3 AND LARGER		$	$	[illegible]	$ 70.00	$ [illegible]
GRADES NO. 4 AND 5				[illegible]	40.00	[illegible]
GRADES NO. 5½ AND 6				[illegible]	17.70	[illegible]
STAINED						
GRADES NO. 3 AND LARGER		12.00		[illegible]	31.90	[illegible]
GRADES NO. 4 AND 5		5.00		[illegible]	18.25	[illegible]
GRADES NO. 5½ AND 6		3.00		[illegible]	7.55	[illegible]
HEAVY STAINED						
GRADES NO. 3 AND LARGER		8.00		[illegible]	14.80	[illegible]
GRADES NO. 4 AND 5		4.00		[illegible]	6.85	[illegible]
GRADES NO. 5½ AND 6		2.00		[illegible]	4.00	[illegible]
TOTALS			$			$
NONRUBY						
GOOD STAINED AND BETTER						
GRADES NO. 3 AND LARGER		$	$		$ 70.00	$
GRADES NO. 4 AND 5					40.00	
GRADES NO. 5½ AND 6					17.70	
STAINED						
GRADES NO. 3 AND LARGER		9.60			25.55	
GRADES NO. 4 AND 5		4.00			14.60	
GRADES NO. 5½ AND 6		2.40			6.55	
HEAVY STAINED						
GRADES NO. 3 AND LARGER		6.40			11.85	
GRADES NO. 4 AND 5		3.20			5.45	
GRADES NO. 5½ AND 6		1.60			4.00	
TOTALS			$			$

TOTAL YIELD AND VALUE [X] RUBY [ ] NONRUBY (*Half trim plus full trim*)	[illegible] LBS.	$ [illegible]
ADJUSTED VALUE WHEN LESS THAN 18% GS & B (ABOVE VALUE $ _____ X _____ ÷ 18)		$
FOR PROGRAM B, DEDUCT $4.00 PER POUND FOR RIFTING AND TRIMMING		
FINAL BASIS FOR PAYMENT	✓	$ [illegible] 1994.68
LESS: INITIAL PAYMENT VOUCHER NUMBER SCHEDULE NUMBER		[illegible]
BALANCE DUE [X] SELLER [ ] GOVERNMENT		$ [illegible]

NAME AND LOCATION OF MINE

Sandy Ridge, Avery County, N. C.
S 09 & D 22.23

PROCESSED FOR PAYMENT (LBS.)	[illegible]
PROCESSED - NO PAYMENT (LBS.) THINS [illegible]	2.07
BLACK (*Dots, Spots, Stained*)	
UNDERSIZED	
PROCESSING LOSS	.29
TOTAL POUNDS PURCHASED	[illegible]

SELLER'S NAME AND ADDRESS (*Type or print*)

Avery County Mining Co.
Altapass, N. C.

APPROVED

DEPOT SUPERINTENDENT

DATE [illegible]

GSA FORM 1013a SEPTEMBER 1957

Lee Medford sold from the Stokes County Mining Company - approximately three ton of scrap, punch and handcobbed mica, this mica was sold as a lump sum to Keys Mica Co. for $700.00 on January 24, 1959.

Enclosed is royalty check for $35.00 (5% of the above sale)

I certify that this is a true and correct statement.

Signed: [illegible]

$ 91.18 11/22 19 58 No.

RECEIVED OF Stokes County Minerals Co.

~~Eighty one and 18/100~~ DOLLARS

for 902 lbs punch mica

AMOUNT ACCT. $

AMOUNT CREDIT $

BALANCE DUE $

By Sam Duncan

$ 59.40 12/11/58 19 No.

RECEIVED OF Stokes County Minerals Co.

~~Fifty nine and 40/100~~ DOLLARS

~~for punch mica~~

AMOUNT ACCT. $

AMOUNT CREDIT $

BALANCE DUE $

By Sam Duncan

12-4-58

FORM APPROVED BY COMP. GEN., U.S. MARCH 25, 1957

GENERAL SERVICES ADMINISTRATION

FINAL SETTLEMENT - MICA PURCHASE

MICA PURCHASE DEPOT - [redacted]

PROGRAM: [ ] A [ ] B

DATE PURCHASED: [redacted]

ACCEPTANCE NUMBER: [redacted]

CERTIFICATE AUTHORIZATION NUMBER: [redacted]

LOT NUMBER: [redacted]

VOUCHER NUMBER:

SCHEDULE NUMBER:

EVALUATION DATA

RUBY

QUALITY	HALF TRIM POUNDS	HALF TRIM PRICE PER LB.	HALF TRIM AMOUNT	FULL TRIM POUNDS	FULL TRIM PRICE PER LB.	FULL TRIM AMOUNT	
GOOD STAINED AND BETTER							
GRADES NO. 3 AND LARGER		$	$ 90	.90	$ 70.00	$ [redacted]	63.00
GRADES NO. 4 AND 5			7.11	7.11	40.00	[redacted]	284.40
GRADES NO. 5½ AND 6			15.63	15.63	17.70	[redacted]	276.65
STAINED							
GRADES NO. 3 AND LARGER		12.00	.61	.61	31.90	[redacted]	19.46
GRADES NO. 4 AND 5		5.00	6.84	[redacted]	18.25	[redacted]	161.33
GRADES NO. 5½ AND 6		3.00	24.56	[redacted]	7.55	[redacted]	185.43
HEAVY STAINED							
GRADES NO. 3 AND LARGER		8.00	16	.16	14.80	[redacted]	2.37
GRADES NO. 4 AND 5		4.00	1.56	[redacted]	6.85	[redacted]	10.69
GRADES NO. 5½ AND 6		2.00	3.00	[redacted]	4.00	[redacted]	12.00
TOTALS			$			$	

NONRUBY

QUALITY	HALF TRIM POUNDS	HALF TRIM PRICE PER LB.	HALF TRIM AMOUNT	FULL TRIM POUNDS	FULL TRIM PRICE PER LB.	FULL TRIM AMOUNT	
GOOD STAINED AND BETTER							
GRADES NO. 3 AND LARGER		$	$		$ 70.00	$	
GRADES NO. 4 AND 5					40.00		
GRADES NO. 5½ AND 6					17.70		
STAINED							
GRADES NO. 3 AND LARGER		9.60			25.55		
GRADES NO. 4 AND 5		4.00			14.60		
GRADES NO. 5½ AND 6		2.40			6.55		
HEAVY STAINED							
GRADES NO. 3 AND LARGER		6.40			11.85		
GRADES NO. 4 AND 5		3.20			5.45		
GRADES NO. 5½ AND 6		1.60			4.00		
TOTALS			$	62.37		$	1015.33

TOTAL YIELD AND VALUE [X] RUBY [ ] NONRUBY (Half trim plus full trim) [redacted] LBS. $ [redacted]

ADJUSTED VALUE WHEN LESS THAN 18% GS & B (ABOVE VALUE $ _____ X _____ ÷ 18) $

FOR PROGRAM B, DEDUCT $4.00 PER POUND FOR RIFTING AND TRIMMING $ [redacted] 1015.33

FINAL BASIS FOR PAYMENT [redacted] 656.93

LESS: INITIAL PAYMENT VOUCHER NUMBER SCHEDULE NUMBER $ [redacted] 358.40

BALANCE DUE [X] SELLER [ ] GOVERNMENT

NAME AND LOCATION OF MINE

[redacted]

PROCESSED FOR PAYMENT (LBS.)	62.37 [redacted]
PROCESSED - NO PAYMENT (LBS.) THINS	
BLACK (Dots, Spots, Stained)	
UNDERSIZED	20
PROCESSING LOSS	[redacted]
TOTAL POUNDS PURCHASED	[redacted] 62.57

SELLER'S NAME AND ADDRESS (Type or print)

12-4-58

[redacted]

Sold to Diamond Mica Co
1690 lbs @ 31.00
Amt: $26.20

APPROVED

DEPOT SUPERINTENDENT

DATE [redacted] 2-3-59

GSA WASH D C 58-3177

GSA FORM 1013a SEPTEMBER 1957

FORM APPROVED BY COMP. GEN. U.S. MARCH 25, 1957

GENERAL SERVICES ADMINISTRATION

FINAL SETTLEMENT - PROGRAM B - MICA PURCHASE

(MICA REGULATION 7, REVISION 3, AMENDMENT 2, FURTHER AMENDED BY 4 AND 8)

MICA PURCHASE DEPOT - [redacted]

DATE PURCHASED: 9-2-58 [redacted]

ACCEPTANCE NUMBER: [redacted] (a) [redacted]

W.A.I. NUMBER: [redacted]

LOT NUMBER: [redacted] (a)

VOUCHER NUMBER:

SCHEDULE NUMBER:

TYPE OF MICA: [X] RUBY [ ] NONRUBY

POUNDS PURCHASED: [redacted]

INITIAL PAYMENT: $ [redacted] 177.78

STATEMENT OF ACTUAL YIELD

QUALITY	POUNDS	PROGRAM A - VALUE STAINED MICA (5)
1. GOOD STAINED AND BETTER	16.39 [redacted]	
2. STAINED	35.96 [redacted]	$ [redacted] 285.52
3. HEAVY STAINED	37.27 [redacted]	
4. TOTAL YIELD	89.62 [redacted]	

COSTS

6. RIFTING [redacted] 256 HOURS X $ [redacted] 1.05 = [redacted] 47.80

7. TRIMMING [redacted] HOURS X $ [redacted] 1.10 = $ [redacted]

8. RIFTING AND TRIMMING (Per pound)

TOTAL COSTS (Items 6 and 7) $ [redacted] ÷ TOTAL YIELD (Item 4) [redacted] 108.37 = COST PER LB. $ [redacted] 6.18

COMPUTATION OF FINAL PAYMENT

9. POUNDS OF GOOD STAINED AND BETTER (Item 1) [redacted] 16.39 $ [redacted] NONRUBY x $ 37.037 PER LB. - RUBY = $ [redacted] 607.04

10. POUNDS OF STAINED (Item 2) — NUMBER OF POUNDS [redacted] 35.96

11. POUNDS OF GOOD STAINED AND BETTER (Item 1) [redacted] 16.39 x 1.5 = EQUIVALENT LBS. OF STAINED — NUMBER OF POUNDS [redacted] 24.59

12. DIFFERENCE (Item 10 minus 11) — NUMBER OF POUNDS [redacted] 11.37

13. PROGRAM A - VALUE OF STAINED (Item 5) $ [redacted] 285.52 ÷ LBS. OF STAINED (Item 2) [redacted] 35.96 = (Per lb.) $ [redacted] 7.94

14. DUE SELLER ON STAINED (Item 12) [redacted] 11.37 X (Item 13) $ [redacted] 7.94 = $ [redacted] 90.28

15. TOTAL (Item 9 + Item 14) $ [redacted] 697.32

16. COST OF RIFTING AND TRIMMING (Item 12 x Item 8) $ [redacted] 70.27

17. GROSS AMOUNT DUE SELLER (Item 15 - Item 16) $ [redacted] 627.05

18. MAXIMUM ALLOWABLE ([redacted] 2115.00 [redacted] lbs. X 30¢) $ [redacted] 634.50

19. INITIAL PAYMENT $ [redacted] 177.78

20. DUE [X] SELLER [ ] GOVERNMENT $ [redacted] 449.27

NAME AND LOCATION OF MINE: [redacted], [redacted] County, N. C.

SELLER'S NAME AND ADDRESS (Type or print)

[redacted] Mining Co.
[redacted], N. C.

APPROVED

DEPOT SUPERINTENDENT

DATE: 1-14-59

DMEA-4945

GSA FORM 10126 SEPTEMBER 1957

PURCHASE RECORD

PLUMTREE, N. C. 1/16 1959

THE TAR HEEL MICA COMPANY

UGHT OF Stokes County Mining Co.

QUALITY

ME OF MINE LOCATED

LBS.	OZ.		PRICE	
		PUNCH — LARGE		
785		PUNCH — SMALL	.10	78 50
88		1½ x 2	.75	66 00
26		2 x 2	1.00	26 00
10		2 x 3	1.40	14 00
3	8	3 x 3	1.80	6 30
2		3 x 4	2.10	4 20
1	9	3 x 5	2.50	3 90
		4 x 6		
917	7			198 90

Jan. 22 - 1959

Bought of Ava Ward

1010 Mica Flake

25

250.00 Due Property -

Jake Ollis

25.00 f.s.m.

DIAMOND MICA COMPANY
Spruce Pine, N. C.

Date 9-30-58

From Sandy Ridge

Mine

Gross 6930

Tare 5840

Net 1090 Price 31.00

Amt. 16.90 Ck. No. 15165

DIAMOND MICA COMPANY
Spruce Pine, N. C.

Date 10-20-58

From Stokes Mining Co.

Mine

Gross 4810

Tare 3470

Net 1340 Price 31.00

Amt. 20.77 Ck. No. 15311

Spruce Pine, N. C.

ate 10-29-58

om Stokes Mining Co.

Mine

Gross 5330

Tare 4040

Net 1290 Price 31.00

Amt. 20.00 Ck. No. 15361

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
ROOM 2-B POST OFFICE BLDG.
KNOXVILLE 2, TENN.

June 26, 1959

VJL/am
cc: C. Opn. Com-2
Lynch
Files

RECEIVED JUN 29 1959

DATE	INITIALS	CODE
6/30	C	220
6/30	J. W. L.	600
		500

Mr. Glen Buchanan
Beaver Creek Grocery Store
Spruce Pine, North Carolina

Re: DMEA-4945, Idm-E1214-mica.
Spencer Mine
Stokes County, North Carolina

Dear Mr. Buchanan:

I visited the Spencer mine in Stokes County, North Carolina on June 23, 1959. Mr. Cook, who is now working the mine informed me that he has leased the property from Lee Medford and that you are looking after his interests in Spruce Pine.

At Mr. Cook's request I am sending you the following information concerning the above referenced exploration contract:

Total amount spent under terms of the contract	$3,260.00
Government participation @ 75%	2,445.00
Royalty paid on mica production to date	949.59
Balance due from production	1,495.41

We note that a number of sales of mica from the Spencer mine have been made at the Spruce Pine Mica Depot. Royalty at the rate of 5 per cent of the value of all sales of mica, including sales of scrap and punch is due the Government on these sales. You may make your check payable to Defense Minerals Exploration Administration and send it to Robert A. Laurence, Executive Officer, OME, Room 2-B, Post Office Building, Knoxville 2, Tennessee.

Very truly yours,

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
ROOM 2-B POST OFFICE BLDG.
KNOXVILLE 2, TENN.

OFFICIAL FILE COPY
O. M. E.
RECEIVED MAR 6 1959

DATE	INITIALS	CODE
3/6	C	220
3/4	[illegible]	600

March 4, 1959

Mr. Lee H. Hedford
Altapass, North Carolina

Re: DMEA-4945, Idm-E1214-mica
Spencer Mine
Stokes County, N. C.

Dear Mr. Hedford:

Thank you for your letter of February 28, explaining the origin of the lot of mica SP-25, sold on August 8, 1958. Naturally, there is no royalty due on this sale.

You may wish to check with the Depot, as their records show this as a sale from the Spencer mine, and it should be corrected.

Sincerely yours,

Robert A. Laurence
Executive Officer, OME
Region V

RAL/am
cc
Opr. Com-2
Lynch
Laurence

Feb 28 1959

Mr Robert A. Laurence
U.S. Dept. of the Interior
Knoxville 2, Tenn.

RECEIVED
MAR 4 - 1959
U. S. Geological Survey
Tenn. Div. Division
Knoxville, Tenn.

Dear Sir,

Re: DMEA-4945
IDM-1214

Inclosed is a copy, from the Government Depot, for the mica sale you asked about in your letter of Feb. 9, 1959 you will notice that the mica come from the Steel Mine and not from Spencer Mine.

Yours very truely,
H. Lee Medford
Spencer Mine, Stokes Co.

P.S. The balance of the Govt royalty will follow soon.

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
ROOM 2-B POST OFFICE BLDG.
KNOXVILLE 2, TENN.

OFFICIAL FILE COPY
O. M. E.
RECEIVED MAR 2 1959

DATE	INITIALS	CODE
3/2	C	220
3/2	copy	800
3/3	Lynch	600

February 27, 1959

Memorandum

To: Operating Committee, OME - Washington

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

Subject: DMEA-4945, Idm-E1214 (mica) A. Ward, et al., Spruce Pine, N.C. Spencer Mine, Stokes County, N. C.

Enclosed are the original and two copies of the Operator's reply to my letter of February 12, requesting a final report on the subject exploration project.

We realize that this kind of report falls far short of the usual geological and engineering report submitted by a mining company. But we doubt if these Operators are capable of producing a better report - even though they are entirely capable of doing an adequate job of exploration for mica. Therefore, we recommend acceptance of this report as meeting the requirements of the contract. With this and the Field Team final report, we have all the essential data.

Robert A. Laurence
Robert A. Laurence,
Executive Officer, OME
Region V

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

OFFICIAL FILE COPY
O. M. E.
RECEIVED MAR 2 1959

DATE	INITIALS	CODE

Spruce Pine, N.C.
February 17, 1959

Mr. Robert A. Lawrence
Executive Officer, DMEA
Room 13, Post Office Bldg.
Knoxville 2, Tenn.

Re: Contract No. 1214
DMEA 4945

Operations, Final Report

Dear Mr. Lawrence:

In reply to your letter of Feb. 12, 1959, We started out and went about 6 ft. and cut through approxmately 12 ft. of vein, taking out around $3500.00 of Mica. We continued this course for 76 ft. cutting through hard granite with no mica, then we changed to the right side cutting through pegmatite for 24 ft. with no mica. This completed the loan, from this we went back to the left side and turned to the right the same direction of the old original tunneland followed the vein, which we cut through with the Government loan, for approxmately 50 ft. The vein cut completly out. The mine was closed January 15, 1959 with no plans to do further mining.

Very truly yours,
H. Lee Medford
Stokes County Mining Co.

RECEIVED
FEB 26 1959
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

ORIGINAL FILE COPY
C. M.
RECEIVED FEB 16 1959

DATE	INITIALS	
2/16	C	220
2/16	[illegible]	800
2/18	Hough	600

February 12, 1959

Mr. Leo H. Medford
Mr. Ira Ward
Spruce Pine, North Carolina

Re: DMEA-4945 (mica)
A Ward, et al
Spencer Mine, Stokes County, N.C.
Contract Idm-E1214

Dear Messrs. Medford and Ward:

Please refer to the second paragraph of my letter of November 21, 1958, in which I asked you to send me your final engineering and geological report on the Spencer exploration contract. I have not yet received this report, which is a requirement of the contract. Please send it to me as soon as possible. This report should contain an adequate description of work done and results accomplished, with your estimate of mica recovered and reserves discovered, as well as a summary of your future plans.

Sincerely yours,

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

Robert A. Laurence
Executive Officer, OME Region V

Note: Report of Review 10/22/58 issued on basis of Acting Ex. Off. statement in memo 10/17/58 that an adequate report had been received.
Talbot 2/16/59

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
ROOM 2-B POST OFFICE BLDG.
KNOXVILLE 2, TENN.

OFFICIAL FILE COPY
O. M. E.
RECEIVED FEB 16 1959

DATE	INITIALS	CODE
2-16	C	220
2/16	Stout	600

February 12, 1959

Memorandum

To: Operating Committee, OME - Washington

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

Subject: DMEA-4945, Idm-E1214-mica. A. Ward, Ira Ward, Frank Buchanan and H. Lee Medford, Spruce Pine, N.C. Spencer mine, Stokes County, North Carolina.

Reference is made to your letter of February 6.

As pointed out in our transmittal letter of January 21, this might be considered a borderline case, but we do not concur with your conclusion that "the production of over $18,000 and a potential of ten tons of geologically possible reserves in drifts two and three is sufficient justification for certification" because:

1) Most of the $18,000 production came from shoots not explored under the DMEA contract and partially developed before the contract began. Although it is subject to royalty payments, we do not see how this can be considered a "discovery."

2) "Geologically possible" or "inferred" reserves are, in our opinion, justification for exploration, but not for certification. Ore can hardly be considered a discovery until it is raised from "inferred" to at least "indicated" status.

Without further exploration or development, the down-dip potential cannot be evaluated. It is quite likely that other productive shoots may be encountered there, as well as in advance of drifts two and three, but there is no definite indication of them. The Operators have indicated no interest in further exploration, and we are advised that they have abandoned the mine, removed their equipment and gone to southern Georgia to engage in exploration or mining there. It is unlikely that any of the newer underground workings are now accessible.

We have renewed our request to the Operator for an adequate final report.

Robert A. Laurence

Robert A. Laurence, Executive Officer
Field Team, OME - Region V

V. J. Lynch

V. J. Lynch, Member
Bureau of Mines

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
ROOM 2-B POST OFFICE BLDG.
KNOXVILLE 2, TENN.

OFFICIAL FILE COPY
O. M. E.
RECEIVED FEB 11 1959

DATE	INITIALS	CODE
2/11	C	220
2/11	Zfrank	600

February 9, 1959

Mr. Ira Ward

Spruce Pine, N. C.

Re: DMEA-4945, Idm-E1214-mica.
A. Ward, Ira Ward, Frank
Buchanan and H. Lee Medford
Spencer Mine, Stokes County, N.C.

Dear Mr. Ward:

This will acknowledge receipt of your check no. 1031 in the amount of $949.59, together with settlement sheets in payment of the Government's royalty on the sale of $18,991.82 worth of mica. We wish to thank you for your prompt reply to our letter of January 20, requesting this payment.

We note that the above amount did not include the $390.00 received for the sale of 1300 pounds of hand cobbed mica on August 8, 1958 in lot No. SP-25 by H. Lee Medford in the name of Southern Mining Company which was reported to have been produced at the Spencer mine; it also did not include a sale recently made to John Phillips, or any sales of punch or scrap.

Sincerely yours,

Robert A. Laurence, Executive Officer
OME Field Team, Region V -

WAB/zm
cc
Opr. Con-2

Lynch
Files

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
ROOM 2-B POST OFFICE BLDG.
KNOXVILLE 2, TENN.

OFFICIAL FILE COPY
O. M. E.
RECEIVED FEB 9 1959

DATE	INITIALS	CODE
2/9	C	220
2/9	Bowl	600
OME		

February 6, 1959

Memorandum

To: Finance Officer, Region V - OME

From: Executive Officer, Region V - OME - Knoxville

Subject: Royalty Payment - DMEA-4945, Idm-E1214(mica)
Ward, Buchanan & Medford -Spruce Pine, N.C.
Spencer Mine, Stokes County, North Carolina

There are attached settlement sheets for mica sold from the subject project in the amount of $18,991.22.

Their check for 5% royalty on the sales in the amount of $949.59 is attached.

Robert A. Laurence

zm.
cc
F. Johnson-OME
Lynch
Files

enc.
Check No. 1031,
dated 2/2/59--$949.59

Spencer Mica
mica

DMEA-4945

1,047.77
450.60
1,419.96
1,529.02
990.69
544.50
1,211.08
1,100.90
1,667.96
2,478.39
6,118.00
432.35

18,991.22

FORM APPROVED BY COMP. GEN., U.S. MARCH 25, 1957

GENERAL SERVICES ADMINISTRATION

FINAL SETTLEMENT - MICA PURCHASE

MICA PURCHASE DEPOT - Spruce Pine, N. C.

PROGRAM O. M. E. [X] A [ ] B

DATE PURCHASED 9-2-58

ACCEPTANCE NUMBER AMJ-161(a)

OFFICIAL FILE COPY
RECEIVED FEB 9 1959
DATE INITIALS CODE

CERTIFICATE AUTHORIZATION NUMBER	LOT NUMBER	VOUCHER NUMBER	SCHEDULE NUMBER
[illegible]-3-13 A	[illegible]		

EVALUATION DATA

QUALITY	HALF TRIM POUNDS	HALF TRIM PRICE PER LB.	HALF TRIM AMOUNT	FULL TRIM POUNDS	FULL TRIM PRICE PER LB.	FULL TRIM AMOUNT
RUBY						
GOOD STAINED AND BETTER						
GRADES NO. 3 AND LARGER		$	$	1.41	$ 70.00	$ 98.70
GRADES NO. 4 AND 5				8.97	40.00	358.80
GRADES NO. 5½ AND 6				15.75	17.70	278.78
STAINED						
GRADES NO. 3 AND LARGER		12.00		.66	31.90	21.05
GRADES NO. 4 AND 5		5.00		6.66	18.25	125.56
GRADES NO. 5½ AND 6		3.00		16.06	7.55	121.25
HEAVY STAINED						
GRADES NO. 3 AND LARGER		8.00			14.80	
GRADES NO. 4 AND 5		4.00		.22	6.85	1.51
GRADES NO. 5½ AND 6		2.00		.33	4.00	2.12
TOTALS			$			$
NONRUBY						
GOOD STAINED AND BETTER						
GRADES NO. 3 AND LARGER		$	$		$ 70.00	$
GRADES NO. 4 AND 5					40.00	
GRADES NO. 5½ AND 6					17.70	
STAINED						
GRADES NO. 3 AND LARGER		9.60			25.55	
GRADES NO. 4 AND 5		4.00			14.60	
GRADES NO. 5½ AND 6		2.40			6.55	
HEAVY STAINED						
GRADES NO. 3 AND LARGER		6.40			11.85	
GRADES NO. 4 AND 5		3.20			5.45	
GRADES NO. 5½ AND 6		1.60			4.00	
TOTALS			$			$

TOTAL YIELD AND VALUE [X] RUBY [ ] NONRUBY (*Half trim plus full trim*) 51.48 LBS. $ 1047.77

ADJUSTED VALUE WHEN LESS THAN 18% GS & B (ABOVE VALUE $ _____ X _____ ÷ 18) $

FOR PROGRAM B, DEDUCT $4.00 PER POUND FOR RIFTING AND TRIMMING

FINAL BASIS FOR PAYMENT $ 1047.77

LESS: INITIAL PAYMENT VOUCHER NUMBER SCHEDULE NUMBER 608.35

BALANCE DUE [X] SELLER [ ] GOVERNMENT $ 439.42

NAME AND LOCATION OF MINE

Spencer, Stokes County, N. C.

L GS & B 32.70

SELLER'S NAME AND ADDRESS (*Type or print*)

Stokes County Mining Co.
Spruce Pine, N. C.

PROCESSED FOR PAYMENT (LBS.)	51.48
PROCESSED - NO PAYMENT (LBS.) THINS	
BLACK (*Dots, Spots, Stained*)	
UNDERSIZED	
PROCESSING LOSS	.21
TOTAL POUNDS PURCHASED	51.69

APPROVED

DEPOT SUPERINTENDENT

DATE 9-19-58

GSA WASH D C 58-3177

GSA FORM 1013a SEPTEMBER 1957

FORM APPROVED BY COMP. GEN. MAR. 1952

GENERAL SERVICES ADMINISTRATION

OFFICIAL FILE COPY
O. M. E.
RECEIVED FEB 9 1959
DATE | INITIALS

FINAL SETTLEMENT - PROGRAM B - MICA PURCHASE

(MICA REGULATION 7, REVISION 3, AMENDMENT 2, FURTHER AMENDED BY 4 AND 8)

MICA PURCHASE DEPOT - Spruce Pine, N. C.

DATE PURCHASED	8-1-58
ACCEPTANCE NUMBER	CODE SPS-20(a) Max. $600

W.A.I. NUMBER	LOT NUMBER	VOUCHER NUMBER	SCHEDULE NUMBER
DOE-3-8 B	SPS-20 (a)		

TYPE OF MICA	POUNDS PURCHASED	INITIAL PAYMENT
[X] RUBY [ ] NONRUBY	1725.00	$ 203.64

STATEMENT OF ACTUAL YIELD

QUALITY	POUNDS	PROGRAM A - VALUE STAINED MICA (5)
1. GOOD STAINED AND BETTER	12.04	
2. STAINED	22.19	$ 181.00
3. HEAVY STAINED	22.18	
4. TOTAL YIELD	56.41	
	12.37 0 Spotted	1.99 0 Stain

COSTS

6. RIFTING: 133 HOURS X $ 1.05 = $ 160.65

7. TRIMMING: 306½ HOURS X $ 1.10 = $ 337.15

8. RIFTING AND TRIMMING (Per pound)

TOTAL COSTS (Items 6 and 7) $ 497.80 ÷ TOTAL YIELD (Item 4) 70.77 = COST PER LB. $ 7.03

COMPUTATION OF FINAL PAYMENT

9. POUNDS OF GOOD STAINED AND BETTER (Item 1) 12.04 X $ 37.037 PER LB. - RUBY =	$ 445.93
10. POUNDS OF STAINED (Item 2)	NUMBER OF POUNDS 22.19
11. POUNDS OF GOOD STAINED AND BETTER (Item 1) 12.04 X 1.5 = EQUIVALENT LBS. OF STAINED	NUMBER OF POUNDS 18.06
12. DIFFERENCE (Item 10 minus 11)	NUMBER OF POUNDS 4.13
13. PROGRAM A - VALUE OF STAINED (Item 5) $ 181.00 ÷ LBS. OF STAINED (Item 2) 22.19 =	(Per lb.) $ 8.16
14. DUE SELLER ON STAINED (Item 12) 4.13 X (Item 13) $ 8.16 =	$ 33.70
15. TOTAL (Item 9 + Item 14)	$ 479.63
16. COST OF RIFTING AND TRIMMING (Item 12 x Item 8)	$ 29.03
17. GROSS AMOUNT DUE SELLER (Item 15 - Item 16)	$ 450.60
18. MAXIMUM ALLOWABLE (1725.00 lbs. X 30¢)	$ 517.50
19. INITIAL PAYMENT	$ 203.64
20. DUE [X] SELLER [ ] GOVERNMENT	$ 246.96

NAME AND LOCATION OF MINE

Spencer, Stokes County, N. C.

SELLER'S NAME AND ADDRESS (Type or print)

Stokes County Mining Co.
Altapass, N. C.

APPROVED

DEPOT SUPERINTENDENT

DATE 11-26-58

GSA WASH D C 58-3177

GSA FORM 1013b
SEPTEMBER 1957

FORM APPROVED BY COMP. GEN. U.S. MARCH 25, 1957

GENERAL SERVICES ADMINISTRATION

FINAL SETTLEMENT - MICA PURCHASE

MICA PURCHASE DEPOT - [redacted]

PROGRAM: [X] A [ ] B

DATE PURCHASED: 6-23-58 [redacted]

ACCEPTANCE NUMBER: [redacted]

CERTIFICATE AUTHORIZATION NUMBER: [redacted] A

LOT NUMBER: O. [redacted]

VOUCHER NUMBER:

SCHEDULE NUMBER:

OFFICIAL FILE COPY

RECEIVED FEB 9 1959

EVALUATION DATA

QUALITY	HALF TRIM POUNDS	HALF TRIM PRICE PER LB.	HALF TRIM AMOUNT	FULL TRIM POUNDS	FULL TRIM PRICE PER LB.	FULL TRIM AMOUNT	CODE
GOOD STAINED AND BETTER							
GRADES NO. 3 AND LARGER		$	$ 4.31	[redacted]	$ 70.00	$ [redacted]	301.70
GRADES NO. 4 AND 5			9.25	[redacted]	40.00	[redacted]	370.00
GRADES NO. 5½ AND 6			8.54	[redacted]	17.70	[redacted]	152.04
STAINED							
GRADES NO. 3 AND LARGER		12.00	6.16	[redacted]	31.90	[redacted]	196.50
GRADES NO. 4 AND 5		[illegible]	14.76	[redacted]	18.25	[redacted]	269.37
GRADES NO. 5½ AND 6		[illegible]	12.22	[redacted]	7.55	[redacted]	92.26
HEAVY STAINED							
GRADES NO. 3 AND LARGER		8.00	.47	[redacted]	14.80	[redacted]	6.96
GRADES NO. 4 AND 5		4.00	2.50	[redacted]	6.85	[redacted]	17.13
GRADES NO. 5½ AND 6		2.00	3.50	[redacted]	4.00	[redacted]	14.00
TOTALS			$			$	
NONRUBY							
GOOD STAINED AND BETTER							
GRADES NO. 3 AND LARGER		$	$		$ 70.00	$	
GRADES NO. 4 AND 5					40.00		
GRADES NO. 5½ AND 6					17.70		
STAINED							
GRADES NO. 3 AND LARGER		9.60			25.55		
GRADES NO. 4 AND 5		4.00			14.60		
GRADES NO. 5½ AND 6		2.40			6.55		
HEAVY STAINED							
GRADES NO. 3 AND LARGER		6.40			11.85		
GRADES NO. 4 AND 5		3.20			5.45		
GRADES NO. 5½ AND 6		1.60			4.00		
TOTALS			$	61.76		$ 1419.96	

TOTAL YIELD AND VALUE [X] RUBY [ ] NONRUBY (*Half trim plus full trim*) [redacted] LBS. $ [redacted]

ADJUSTED VALUE WHEN LESS THAN 18% GS & B (ABOVE VALUE $ _____ X _____ ÷ 18) $

FOR PROGRAM B, DEDUCT $4.00 PER POUND FOR RIFFING AND TRIMMING 1419.96

FINAL BASIS FOR PAYMENT $ [redacted]

LESS: INITIAL PAYMENT VOUCHER NUMBER SCHEDULE NUMBER [redacted] 995.48

BALANCE DUE [X] SELLER [ ] GOVERNMENT $ [redacted] 424.48

NAME AND LOCATION OF MINE

[redacted]

PROCESSED FOR PAYMENT (LBS.)	[redacted] 61.76
PROCESSED - NO PAYMENT (LBS.) THINS	
BLACK (*Dots, Spots, Stained*)	
UNDERSIZED	
PROCESSING LOSS	.17 .17
TOTAL POUNDS PURCHASED	61.93 [redacted]

SELLER'S NAME AND ADDRESS (*Type or print*)

[redacted]

APPROVED

DEPOT SUPERINTENDENT

DATE 8-1-58 [redacted]

GSA WASH D C 58-3177

GSA FORM 1013c

DMEA-4945

FORM APPROVED BY COMP. GEN. U.S. MARCH 25, 1957

GENERAL SERVICES ADMINISTRATION

FINAL SETTLEMENT - MICA PURCHASE

MICA PURCHASE DEPOT - [redacted]

PROGRAM	DATE PURCHASED
[X] A [ ] B	[redacted]
ACCEPTANCE NUMBER	[redacted]

CERTIFICATE AUTHORIZATION NUMBER	LOT NUMBER	VOUCHER NUMBER	SCHEDULE NUMBER
[redacted]	[redacted]		

EVALUATION DATA

RUBY

QUALITY	HALF TRIM POUNDS	HALF TRIM PRICE PER LB.	HALF TRIM AMOUNT	FULL TRIM POUNDS	FULL TRIM PRICE PER LB.	FULL TRIM AMOUNT	
GOOD STAINED AND BETTER							
GRADES NO. 3 AND LARGER		$	$	[redacted]	$ 70.00	$ [redacted]	81.20
GRADES NO. 4 AND 5		1.16	16.47	[redacted]	40.00	[redacted]	658.80
GRADES NO. 5½ AND 6		9.28	[redacted]	[redacted]	17.70	[redacted]	341.26
STAINED							
GRADES NO. 3 AND LARGER		12.00	.56	[redacted]	31.90	[redacted]	81.66
GRADES NO. 4 AND 5		5.00	11.94	[redacted]	18.25	[redacted]	217.96
GRADES NO. 5½ AND 6		3.00	16.44	[redacted]	7.55	[redacted]	124.12
HEAVY STAINED							
GRADES NO. 3 AND LARGER		8.00	.41	.41	14.80	[redacted]	6.07
GRADES NO. 4 AND 5		4.00	4.22	[redacted]	6.85	[redacted]	8.36
GRADES NO. 5½ AND 6		2.00	2.41	[redacted]	4.00	[redacted]	9.64
TOTALS			$			$	

NONRUBY

QUALITY	HALF TRIM POUNDS	HALF TRIM PRICE PER LB.	HALF TRIM AMOUNT	FULL TRIM POUNDS	FULL TRIM PRICE PER LB.	FULL TRIM AMOUNT
GOOD STAINED AND BETTER						
GRADES NO. 3 AND LARGER		$	$		$ 70.00	$
GRADES NO. 4 AND 5					40.00	
GRADES NO. 5½ AND 6					17.70	
STAINED						
GRADES NO. 3 AND LARGER		9.60			25.55	
GRADES NO. 4 AND 5		4.00			14.60	
GRADES NO. 5½ AND 6		2.40			6.55	
HEAVY STAINED						
GRADES NO. 3 AND LARGER		6.40			11.85	
GRADES NO. 4 AND 5		3.20			5.45	
GRADES NO. 5½ AND 6		1.60			4.00	
TOTALS			$			

TOTAL YIELD AND VALUE [X] RUBY [ ] NONRUBY (*Half trim plus full trim*)	71.89 [redacted]	$ 1529.02
ADJUSTED VALUE WHEN LESS THAN 18% GS & B (ABOVE VALUE $ _____ X _____ ÷ 18)	LBS.	$ [redacted]
FOR PROGRAM B, DEDUCT $4.00 PER POUND FOR RIFTING AND TRIMMING		$
FINAL BASIS FOR PAYMENT		1529.02
LESS: INITIAL PAYMENT VOUCHER NUMBER SCHEDULE NUMBER		$ [redacted]
BALANCE DUE [X] SELLER [ ] GOVERNMENT		[redacted] 840.80
		$ [redacted] 688.22

NAME AND LOCATION OF MINE

[redacted] Co., N. C.
% GS & B [redacted]

PROCESSED FOR PAYMENT (LBS.)	71.89 [redacted]
PROCESSED - NO PAYMENT (LBS.) THINS	
BLACK (*Dots, Spots, Stained*)	
UNDERSIZED	14
PROCESSING [redacted]	.10 [redacted]
TOTAL POUNDS PURCHASED	71.75

SELLER'S NAME AND ADDRESS (*Type or print*)

[redacted] Mining Co.
[redacted], N. C.

APPROVED

DEPOT SUPERINTENDENT

DATE 8-20-58 [redacted]

OFFICIAL FILE COPY
O. M. E.
RECEIVED FEB 9 1959

GSA WASH D C 58-3177

DMEA-4945

GSA FORM 1013a
SEPTEMBER 1957

FORM APPROVED BY GSA-GEN. ACT. MARCH 25, 1957

GENERAL SERVICES ADMINISTRATION

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FINAL SETTLEMENT - MICA PURCHASE

MICA PURCHASE DEPOT - Spruce Pine, N. C.

PROGRAM: [X] A [ ] B

DATE PURCHASED: 6-27-58

ACCEPTANCE NUMBER: AR3-1096(a)

CERTIFICATE AUTHORIZATION NUMBER: [illegible]-3-13 A

LOT NUMBER: SPAR-1096 (a)

VOUCHER NUMBER:

SCHEDULE NUMBER:

EVALUATION DATA

RUBY

QUALITY	HALF TRIM POUNDS	HALF TRIM PRICE PER LB.	HALF TRIM AMOUNT	FULL TRIM POUNDS	FULL TRIM PRICE PER LB.	FULL TRIM AMOUNT	
GOOD STAINED AND BETTER							
GRADES NO. 3 AND LARGER		$	$ 1.69	1.69	$ 70.00	$ 118.30	118.30
GRADES NO. 4 AND 5			8.60	8.60	40.00	344.00	344.00
GRADES NO. 5½ AND 6			1.63	3.63	17.70	152.75	152.75
STAINED							
GRADES NO. 3 AND LARGER		12.00	3.63	3.63	31.90	115.80	115.80
GRADES NO. 4 AND 5		5.00	9.22	9.22	18.25	168.27	168.27
GRADES NO. 5½ AND 6		3.00	8.19	8.19	7.55	61.83	61.83
HEAVY STAINED							
GRADES NO. 3 AND LARGER		8.00	.22	.22	14.80	3.26	3.26
GRADES NO. 4 AND 5		4.00	1.53	1.53	6.85	10.48	10.48
GRADES NO. 5½ AND 6		2.00	4.00	4.00	4.00	16.00	16.00
TOTALS			$			$	

NONRUBY

QUALITY	HALF TRIM POUNDS	HALF TRIM PRICE PER LB.	HALF TRIM AMOUNT	FULL TRIM POUNDS	FULL TRIM PRICE PER LB.	FULL TRIM AMOUNT
GOOD STAINED AND BETTER						
GRADES NO. 3 AND LARGER		$	$		$ 70.00	$
GRADES NO. 4 AND 5					40.00	
GRADES NO. 5½ AND 6					17.70	
STAINED						
GRADES NO. 3 AND LARGER		9.60			25.55	
GRADES NO. 4 AND 5		4.00			14.60	
GRADES NO. 5½ AND 6		2.40			6.55	
HEAVY STAINED						
GRADES NO. 3 AND LARGER		6.40			11.85	
GRADES NO. 4 AND 5		3.20			5.45	
GRADES NO. 5½ AND 6		1.60			4.00	
TOTALS			$			$

TOTAL YIELD AND VALUE [X] RUBY [ ] NONRUBY (*Half trim plus full trim*) 45.71 LBS. $ 990.69 — 990.69

ADJUSTED VALUE WHEN LESS THAN 18% GS & B (ABOVE VALUE $ _____ X _____ : 18) $

FOR PROGRAM B, DEDUCT $4.00 PER POUND FOR RIFTING AND TRIMMING — 990.69

FINAL BASIS FOR PAYMENT $ 990.69

LESS: INITIAL PAYMENT VOUCHER NUMBER 664.33 $ 664.33

BALANCE DUE [X] SELLER [ ] GOVERNMENT 326.36 $ 326.36

NAME AND LOCATION OF MINE

Sandy Ridge, Stokes Co., N. C.
X GS & B 41.39

PROCESSED FOR PAYMENT (LBS.)	45.71	45.71
PROCESSED - NO PAYMENT (LBS.) THINS unqualified	.87	.87
BLACK (*Dots, Spots, Stained*)		
UNDERSIZED		
PROCESSING LOSS	.03	.03
TOTAL POUNDS PURCHASED	46.61	46.61

SELLER'S NAME AND ADDRESS (*Type or print*)

Stokes County Mining Co.
Spruce Pine, N. C.

APPROVED

DEPOT SUPERINTENDENT

DATE 8-11-58

GSA WASH D C 68-3177

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DATE PURCHASED: 7-1-50

FINAL SETTLEMENT - PROGRAM B - MICA PURCHASE

(MICA REGULATION 7, REVISION 3, AMENDMENT 2, FURTHER AMENDED BY 4 AND 8)

ACCEPTANCE NUMBER: [illegible]

MICA PURCHASE DEPOT - Spruce Pine, N. C.

W.A.I. NUMBER	LOT NUMBER	VOUCHER NUMBER	SCHEDULE NUMBER
[illegible]	[illegible]		

TYPE OF MICA	POUNDS PURCHASED	INITIAL PAYMENT
[X] RUBY [ ] NONRUBY	1615.00	$ 259.26

STATEMENT OF ACTUAL YIELD

QUALITY	POUNDS	PROGRAM A - VALUE STAINED MICA (5)
1. GOOD STAINED AND BETTER	14.97	
2. STAINED	35.18	$ 266.57
3. HEAVY STAINED	23.62	
4. TOTAL YIELD	76.77	
	36.55	5.62 B stain

COSTS

6. RIFTING: 213 HOURS X $1.05 = $223.65

7. TRIMMING: 446.75 HOURS X $1.10 = $ 491.43

8. RIFTING AND TRIMMING (Per pound)

TOTAL COSTS (Items 6 and 7) $ 715.08 ÷ TOTAL YIELD (Item 4) 120.94 = COST PER LB. $ 5.91

COMPUTATION OF FINAL PAYMENT

9. POUNDS OF GOOD STAINED AND BETTER (Item 1) 14.97 X $ 37.037 PER LB. - RUBY =	554.44
10. POUNDS OF STAINED (Item 2)	NUMBER OF POUNDS 35.18
11. POUNDS OF GOOD STAINED AND BETTER (Item 1) 14.97 X 1.5 = EQUIVALENT LBS. OF STAINED	NUMBER OF POUNDS 22.46
12. DIFFERENCE (Item 10 minus 11)	NUMBER OF POUNDS 12.72
13. PROGRAM A - VALUE OF STAINED (Item 5) $ 266.57 ÷ LBS. OF STAINED (Item 2) 35.18 =	(Per lb.) $ 7.58
14. DUE SELLER ON STAINED (Item 12) 12.72 X (Item 13) $ 7.58 =	$ 96.42
15. TOTAL (Item 9 + Item 14)	$ 650.86
16. COST OF RIFTING AND TRIMMING (Item 12 x Item 8)	$ 75.18 75.18
17. GROSS AMOUNT DUE SELLER (Item 15 - Item 16)	$ 575.68
18. MAXIMUM ALLOWABLE (1815.00 lbs. X 30¢)	$ 544.50 544.50
19. INITIAL PAYMENT	$ 259.26
20. DUE [X] SELLER [ ] GOVERNMENT	285.24

NAME AND LOCATION OF MINE: Sandy Ridge, Stokes County, N. C.

SELLER'S NAME AND ADDRESS (Type or print)

Stokes County Mining Co.
Altapass, N. C.

APPROVED

DEPOT SUPERINTENDENT

DATE: 11-18-58

GSA WASH D C 58-3177

DMEA-4945

GSA FORM 1013b

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FORM APPROVED BY COMP. GEN. U.S. MAR. 2, 1957

GENERAL SERVICES ADMINISTRATION

FINAL SETTLEMENT - MICA PURCHASE

MICA PURCHASE DEPOT - [illegible]

PROGRAM: CODE A / B

DATE PURCHASED: 9-29-58 [illegible]

ACCEPTANCE NUMBER: [illegible]

CERTIFICATE AUTHORIZATION NUMBER: [illegible]

LOT NUMBER: [illegible]

VOUCHER NUMBER:

SCHEDULE NUMBER:

EVALUATION DATA

RUBY

QUALITY	HALF TRIM POUNDS	HALF TRIM PRICE PER LB.	HALF TRIM AMOUNT	FULL TRIM POUNDS	FULL TRIM PRICE PER LB.	FULL TRIM AMOUNT	
GOOD STAINED AND BETTER							
GRADES NO. 3 AND LARGER		$	$	3.65	$ 70.00	$ 255.50	255.50
GRADES NO. 4 AND 5				9.74	40.00	389.60	389.60
GRADES NO. 5½ AND 6				18.37	17.70	325.15	325.15
STAINED							
GRADES NO. 3 AND LARGER		12.00		.50	31.90	15.95	15.95
GRADES NO. 4 AND 5		5.00		5.69	18.25	103.86	
GRADES NO. 5½ AND 6		3.00		14.81	7.55	111.82	111.82
HEAVY STAINED							
GRADES NO. 3 AND LARGER		8.00		.19	14.80	2.81	2.81
GRADES NO. 4 AND 5		4.00		.41	6.85	2.81	2.81
GRADES NO. 5½ AND 6		2.00		.90	4.00	3.60	3.60
TOTALS			$			$	

NONRUBY

QUALITY	POUNDS	PRICE PER LB.	AMOUNT	POUNDS	PRICE PER LB.	AMOUNT
GOOD STAINED AND BETTER						
GRADES NO. 3 AND LARGER		$	$		$ 70.00	$
GRADES NO. 4 AND 5					40.00	
GRADES NO. 5½ AND 6					17.70	
STAINED						
GRADES NO. 3 AND LARGER		9.60			25.55	
GRADES NO. 4 AND 5		4.00			14.60	
GRADES NO. 5½ AND 6		2.40			6.55	
HEAVY STAINED						
GRADES NO. 3 AND LARGER		6.40			11.85	
GRADES NO. 4 AND 5		3.20			5.45	
GRADES NO. 5½ AND 6		1.60			4.00	
TOTALS			$			$ 1211.08

TOTAL YIELD AND VALUE [X] RUBY [ ] NONRUBY (*Half trim plus full trim*) 54.26 LBS. $ 1211.08

ADJUSTED VALUE WHEN LESS THAN 18% GS & B (ABOVE VALUE $ _____ X _____ ÷ 18) $

FOR PROGRAM B, DEDUCT $4.00 PER POUND FOR RIFTING AND TRIMMING 1211.08

FINAL BASIS FOR PAYMENT $ [illegible] 652.63

LESS: INITIAL PAYMENT VOUCHER NUMBER SCHEDULE NUMBER [illegible] 558.45

BALANCE DUE [X] SELLER [ ] GOVERNMENT $ [illegible]

NAME AND LOCATION OF MINE

[illegible]

PROCESSED FOR PAYMENT (LBS.)	54.26
PROCESSED - NO PAYMENT (LBS.) THINS	
BLACK (*Dots, Spots, Stained*)	
UNDERSIZED	
PROCESSING LOSS	.17
TOTAL POUNDS PURCHASED	54.43

SELLER'S NAME AND ADDRESS (*Type or print*)

[illegible]

APPROVED

DEPOT SUPERINTENDENT

DATE [illegible]

DMEA-4945

GSA WASH D C 58-3177

GSA FORM 1013a SEPTEMBER 1957

FORM APPROVED BY COMP. GEN., U.S. MARCH 25, 1957

GENERAL SERVICES ADMINISTRATION

FINAL SETTLEMENT - MICA PURCHASE

OFFICIAL SEE COPY

MICA PURCHASE DEPOT - Spruce Pine, N. C. O. M. E.

PROGRAM: [X] A [ ] B

DATE PURCHASED: 9-9-58

ACCEPTANCE NUMBER: A83-178(a)

CERTIFICATE AUTHORIZATION NUMBER: SMC-3-13 A

LOT NUMBER: 1235-178 (a)

RECEIVED FEB 9 1959 DATE INITIALS CODE

VOUCHER NUMBER:

SCHEDULE NUMBER:

EVALUATION DATA

RUBY

QUALITY	HALF TRIM POUNDS	HALF TRIM PRICE PER LB.	HALF TRIM AMOUNT	FULL TRIM POUNDS	FULL TRIM PRICE PER LB.	FULL TRIM AMOUNT	
GOOD STAINED AND BETTER							
GRADES NO. 3 AND LARGER		$	$ 2.37	2.37	$ 70.00	$ 165.90	165.90
GRADES NO. 4 AND 5			9.50	9.50	40.00	380.00	380.00
GRADES NO. 5½ AND 6			16.19	16.19	17.70	286.56	286.56
STAINED							
GRADES NO. 3 AND LARGER		12.00	1.06	1.06	31.90	33.81	33.81
GRADES NO. 4 AND 5		5.00	5.75	5.75	18.25	104.94	104.94
GRADES NO. 5½ AND 6		3.00	16.50	16.50	7.55	124.58	124.58
HEAVY STAINED							
GRADES NO. 3 AND LARGER		8.00	.25		14.80		
GRADES NO. 4 AND 5		4.00	.85	.23	6.85	1.71	1.71
GRADES NO. 5½ AND 6		2.00		.85	4.00	3.40	3.40
TOTALS			$			$	

NONRUBY

GOOD STAINED AND BETTER						
GRADES NO. 3 AND LARGER		$	$		$ 70.00	$
GRADES NO. 4 AND 5					40.00	
GRADES NO. 5½ AND 6					17.70	
STAINED						
GRADES NO. 3 AND LARGER		9.60			25.55	
GRADES NO. 4 AND 5		4.00			14.60	
GRADES NO. 5½ AND 6		2.40			6.55	
HEAVY STAINED						
GRADES NO. 3 AND LARGER		6.40			11.85	
GRADES NO. 4 AND 5		3.20			5.45	
GRADES NO. 5½ AND 6		1.60			4.00	
TOTALS			$	52.47		$

TOTAL YIELD AND VALUE [X] RUBY [ ] NONRUBY (*Half trim plus full trim*) 52.47 LBS. $ 1100.90

ADJUSTED VALUE WHEN LESS THAN 18% GS & B (ABOVE VALUE $ _____ X _____ ÷ 18) $

FOR PROGRAM B, DEDUCT $4.00 PER POUND FOR RIFTING AND TRIMMING

FINAL BASIS FOR PAYMENT $ 1100.90 1100.90

LESS: INITIAL PAYMENT VOUCHER NUMBER SCHEDULE NUMBER 685.13 685.13

BALANCE DUE [X] SELLER [ ] GOVERNMENT $ 415.77 415.77

NAME AND LOCATION OF MINE

Spencer, Stokes County, N. C.

% GS & B 93.48

PROCESSED FOR PAYMENT (LBS.)	52.47
PROCESSED - NO PAYMENT (LBS.) THINS	
BLACK (*Dots, Spots, Stained*)	
UNDERSIZED	
PROCESSING LOSS	.15
TOTAL POUNDS PURCHASED	52.62

SELLER'S NAME AND ADDRESS (*Type or print*)

Stokes County Mining Co.
Altapass, N. C.

APPROVED

DEPOT SUPERINTENDENT

DATE 9-24-58

GSA WASH D C 58-3177

GSA FORM 1013a SEPTEMBER 1957

FORM APPROVED BY COMP. GEN. U.S. MARCH 25, 1957

GENERAL SERVICES ADMINISTRATION

FINAL SETTLEMENT - MICA

MICA PURCHASE DEPOT - Spruce Pine,

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DATE INITIALS

PROGRAM CODE: A / B

DATE PURCHASED: 9-22-58

ACCEPTANCE NUMBER: ACO-233 (a)

CERTIFICATE AUTHORIZATION NUMBER: [illegible]-13 A

LOT NUMBER: [illegible]

VOUCHER NUMBER:

SCHEDULE NUMBER:

EVALUATION DATA

RUBY

QUALITY	HALF TRIM POUNDS	HALF TRIM PRICE PER LB.	HALF TRIM AMOUNT	FULL TRIM POUNDS	FULL TRIM PRICE PER LB.	FULL TRIM AMOUNT	
GOOD STAINED AND BETTER							
GRADES NO. 3 AND LARGER		$	$	6.29	$ 70.00	$ 440.30	440.30
GRADES NO. 4 AND 5				11.04	40.00	441.60	441.60
GRADES NO. 5½ AND 6				13.05	17.70	230.99	230.99
STAINED							
GRADES NO. 3 AND LARGER		12.00		5.75	31.90	183.43	183.43
GRADES NO. 4 AND 5		5.00		10.84	18.25	197.83	197.83
GRADES NO. 5½ AND 6		3.00		19.75	7.55	149.11	149.11
HEAVY STAINED							
GRADES NO. 3 AND LARGER		8.00		.48	14.80	7.10	7.10
GRADES NO. 4 AND 5		4.00		1.22	6.85	8.36	8.36
GRADES NO. 5½ AND 6		2.00		2.31	4.00	9.24	9.24
TOTALS			$			$	

NONRUBY

QUALITY	HALF TRIM POUNDS	HALF TRIM PRICE PER LB.	HALF TRIM AMOUNT	FULL TRIM POUNDS	FULL TRIM PRICE PER LB.	FULL TRIM AMOUNT
GOOD STAINED AND BETTER						
GRADES NO. 3 AND LARGER		$	$		$ 70.00	$
GRADES NO. 4 AND 5					40.00	
GRADES NO. 5½ AND 6					17.70	
STAINED						
GRADES NO. 3 AND LARGER		9.60			25.55	
GRADES NO. 4 AND 5		4.00			14.60	
GRADES NO. 5½ AND 6		2.40			6.55	
HEAVY STAINED						
GRADES NO. 3 AND LARGER		6.40			11.85	
GRADES NO. 4 AND 5		3.20			5.45	
GRADES NO. 5½ AND 6		1.60			4.00	
TOTALS			$	70.73		$ 1667.96

TOTAL YIELD AND VALUE [X] RUBY [ ] NONRUBY (*Half trim plus full trim*) 70.73 LBS. $ 1667.96

ADJUSTED VALUE WHEN LESS THAN 18% GS & B (ABOVE VALUE $ _____ X _____ ÷ 18) $

FOR PROGRAM B, DEDUCT $4.00 PER POUND FOR RIFTING AND TRIMMING 1667.96

FINAL BASIS FOR PAYMENT $ 1667.96

LESS: INITIAL PAYMENT VOUCHER NUMBER SCHEDULE NUMBER 1083.47

BALANCE DUE [X] SELLER [ ] GOVERNMENT $ 584.49

NAME AND LOCATION OF MINE

Sandy Ridge, McDowell County, N. C.

% GS & B 42.93

PROCESSED FOR PAYMENT (LBS.)	70.73
PROCESSED - NO PAYMENT (LBS.) THINS	
BLACK (*Dots, Spots, Stained*)	
UNDERSIZED	39
PROCESSING LOSS	.30
TOTAL POUNDS PURCHASED	71.12

SELLER'S NAME AND ADDRESS (*Type or print*)

McDowell County Mining Co.
Altapass, N. C.

APPROVED

DEPOT SUPERINTENDENT

DATE 10-7-58

DMEA-4945

GSA WASH D C 58-3177

GSA FORM 1013a SEPTEMBER 1957

FORM APPROVED BY COMP. GEN., U.S. MARCH 25, 1957

GENERAL SERVICES ADMINISTRATION

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FINAL SETTLEMENT - MICA PURCHASE

MICA PURCHASE DEPOT - [illegible]

PROGRAM: [X] A [ ] B

DATE PURCHASED: 10-6-58

ACCEPTANCE NUMBER: [illegible]

CERTIFICATE AUTHORIZATION NUMBER: [illegible]

LOT NUMBER: DATE | INITIALS | CODE

VOUCHER NUMBER

SCHEDULE NUMBER

EVALUATION DATA

RUBY

QUALITY	HALF TRIM POUNDS	HALF TRIM PRICE PER LB.	HALF TRIM AMOUNT	FULL TRIM POUNDS	FULL TRIM PRICE PER LB.	FULL TRIM AMOUNT	
GOOD STAINED AND BETTER							
GRADES NO. 3 AND LARGER		$	$	10.04	$ 70.00	$ 702.80	702.80
GRADES NO. 4 AND 5				23.47	40.00	938.80	938.80
GRADES NO. 5½ AND 6				23.34	17.70	413.12	413.12
STAINED							
GRADES NO. 3 AND LARGER		12.00		1.65	31.90	52.64	52.64
GRADES NO. 4 AND 5		5.00		12.93	18.25	228.67	228.67
GRADES NO. 5½ AND 6		3.00		17.37	7.55	131.14	131.14
HEAVY STAINED							
GRADES NO. 3 AND LARGER		8.00			14.80		
GRADES NO. 4 AND 5		4.00		.78	6.85	5.34	5.34
GRADES NO. 5½ AND 6		2.00		1.47	4.00	5.88	
TOTALS			$			$	

NONRUBY

GOOD STAINED AND BETTER						
GRADES NO. 3 AND LARGER		$	$		$ 70.00	$
GRADES NO. 4 AND 5					40.00	
GRADES NO. 5½ AND 6					17.70	
STAINED						
GRADES NO. 3 AND LARGER		9.60			25.55	
GRADES NO. 4 AND 5		4.00			14.60	
GRADES NO. 5½ AND 6		2.40			6.55	
HEAVY STAINED						
GRADES NO. 3 AND LARGER		6.40			11.85	
GRADES NO. 4 AND 5		3.20			5.45	
GRADES NO. 5½ AND 6		1.60			4.00	
TOTALS			$			$

TOTAL YIELD AND VALUE [X] RUBY [ ] NONRUBY (*Half trim plus full trim*) 90.65 LBS. $ 2478.39

ADJUSTED VALUE WHEN LESS THAN 18% GS & B (ABOVE VALUE $ _____ X _____ ÷ 18) $

FOR PROGRAM B, DEDUCT $4.00 PER POUND FOR RIFTING AND TRIMMING

FINAL BASIS FOR PAYMENT $ 2478.39 2478.39

LESS: INITIAL PAYMENT VOUCHER NUMBER SCHEDULE NUMBER 1412.51 1412.51

BALANCE DUE [ ] SELLER [ ] GOVERNMENT $ 1065.88 1065.88

NAME AND LOCATION OF MINE

[illegible] 92.71

PROCESSED FOR PAYMENT (LBS.)	90.65
PROCESSED - NO PAYMENT (LBS.) THINS	
BLACK (*Dots, Spots, Stained*)	
UNDERSIZED	
PROCESSING LOSS	.09
TOTAL POUNDS PURCHASED	90.74

SELLER'S NAME AND ADDRESS (*Type or print*)

[illegible] County, [illegible] Co.
Alleppey, [illegible]

APPROVED

DEPOT SUPERINTENDENT

DATE [illegible]

DMEA-4945

GSA WASH D C 58-3177

GSA FORM 1013a SEPTEMBER 1957

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RECEIVED FEB 9 1959

DATE INITIALS

GENERAL SERVICES ADMINISTRATION

FINAL SETTLEMENT - MICA PURCHASED

MICA PURCHASE DEPOT - [illegible]

PROGRAM	DATE PURCHASED
[X] A	11-6-58
[ ] B	ACCEPTANCE NUMBER ARD-336(a)

CODE

CERTIFICATE AUTHORIZATION NUMBER	LOT NUMBER	VOUCHER NUMBER	SCHEDULE NUMBER
[illegible]-3-13 A	[illegible]-336 (a)		

EVALUATION DATA

RUBY

QUALITY	HALF TRIM POUNDS	HALF TRIM PRICE PER LB.	HALF TRIM AMOUNT	FULL TRIM POUNDS	FULL TRIM PRICE PER LB.	FULL TRIM AMOUNT	
GOOD STAINED AND BETTER							
GRADES NO. 3 AND LARGER		$ [illegible]	$ 7.41	7.41	$ 70.00	$ 518.70	518.70
GRADES NO. 4 AND 5			35.51	35.51	40.00	1420.40	2220.40
GRADES NO. 5½ AND 6			58.27	88.27	17.70	1562.38	1562.38
STAINED							
GRADES NO. 3 AND LARGER		12.00	3.78	3.78	31.90	120.58	120.58
GRADES NO. 4 AND 5		5.00	45.91	45.91	18.25	837.86	837.86
GRADES NO. 5½ AND 6		3.00	104.35	104.35	7.55	787.84	787.84
HEAVY STAINED							
GRADES NO. 3 AND LARGER		8.00	.91	.91	14.80	13.47	13.47
GRADES NO. 4 AND 5		4.00	2.50	2.50	6.85	17.13	17.13
GRADES NO. 5½ AND 6		2.00	9.91	9.91	4.00	39.64	39.64
TOTALS			$			$	

NONRUBY

QUALITY	HALF TRIM POUNDS	HALF TRIM PRICE PER LB.	HALF TRIM AMOUNT	FULL TRIM POUNDS	FULL TRIM PRICE PER LB.	FULL TRIM AMOUNT
GOOD STAINED AND BETTER						
GRADES NO. 3 AND LARGER		$	$		$ 70.00	$
GRADES NO. 4 AND 5					40.00	
GRADES NO. 5½ AND 6					17.70	
STAINED						
GRADES NO. 3 AND LARGER		9.60			25.55	
GRADES NO. 4 AND 5		4.00			14.60	
GRADES NO. 5½ AND 6		2.40			6.55	
HEAVY STAINED						
GRADES NO. 3 AND LARGER		6.40			11.85	
GRADES NO. 4 AND 5		3.20			5.45	
GRADES NO. 5½ AND 6		1.60			4.00	
TOTALS			$	318.55		$

TOTAL YIELD AND VALUE [X] RUBY [ ] NONRUBY (Half trim plus full trim) 318.55 LBS. $ 6118.00 — 6118.00

ADJUSTED VALUE WHEN LESS THAN 18% GS & B (ABOVE VALUE $ _____ X _____ ÷ 18) $

FOR PROGRAM B, DEDUCT $4.00 PER POUND FOR RIFTING AND TRIMMING

FINAL BASIS FOR PAYMENT $ 6118.00 — 6118.00

LESS: INITIAL PAYMENT VOUCHER NUMBER SCHEDULE NUMBER 3866.78 — 3866.78

BALANCE DUE [X] SELLER [ ] GOVERNMENT $ 2251.22 — 2251.22

NAME AND LOCATION OF MINE

[illegible] Ridge, [illegible] County, N. C.

[illegible] 47.00

PROCESSED FOR PAYMENT (LBS.)	318.55
PROCESSED - NO PAYMENT (LBS.) THINS	
BLACK (Dots, Spots, Stained)	
UNDERSIZED	.65
PROCESSING LOSS	.03
TOTAL POUNDS PURCHASED	319.20

SELLER'S NAME AND ADDRESS (Type or print)

[illegible] County Mining Co.
Altapass, N. C.

APPROVED

DEPOT SUPERINTENDENT

DATE [illegible]

DMEA-4945

FORM APPROVED BY COMP. GEN. U.S. MARCH 25, 1957

GENERAL SERVICES ADMINISTRATION

FINAL SETTLEMENT - MICA PURCHASE

MICA PURCHASE DEPOT - [illegible] O. M. E.

PROGRAM: [ ] A [ ] B

DATE PURCHASED: 11-12-58

ACCEPTANCE NUMBER: [illegible]

CERTIFICATE AUTHORIZATION NUMBER: [illegible]

LOT NUMBER: [illegible]

VOUCHER NUMBER:

SCHEDULE NUMBER:

CONFIDENTIAL FILE COPY
FEB 9 1959
DATE INITIALS CODE

EVALUATION DATA

RUBY

QUALITY	HALF TRIM POUNDS	HALF TRIM PRICE PER LB.	HALF TRIM AMOUNT	FULL TRIM POUNDS	FULL TRIM PRICE PER LB.	FULL TRIM AMOUNT	
GOOD STAINED AND BETTER							
GRADES NO. 3 AND LARGER		$	$	.03	$ 70.00	$ 2.10	2.10
GRADES NO. 4 AND 5				2.94	40.00	117.60	117.60
GRADES NO. 5½ AND 6				11.62	17.70	205.67	205.67
STAINED							
GRADES NO. 3 AND LARGER		12.00			31.90		
GRADES NO. 4 AND 5		5.00		1.85	18.25	33.76	33.76
GRADES NO. 5½ AND 6		3.00		9.16	7.55	69.16	69.16
HEAVY STAINED							
GRADES NO. 3 AND LARGER		8.00			14.80		
GRADES NO. 4 AND 5		4.00		.19	6.85	1.30	1.30
GRADES NO. 5½ AND 6		2.00		.69	4.00	2.76	2.76
TOTALS			$			$	

NONRUBY

GOOD STAINED AND BETTER						
GRADES NO. 3 AND LARGER		$	$		$ 70.00	$
GRADES NO. 4 AND 5					40.00	
GRADES NO. 5½ AND 6					17.70	
STAINED						
GRADES NO. 3 AND LARGER		9.60			25.55	
GRADES NO. 4 AND 5		4.00			14.60	
GRADES NO. 5½ AND 6		2.40			6.55	
HEAVY STAINED						
GRADES NO. 3 AND LARGER		6.40			11.85	
GRADES NO. 4 AND 5		3.20			5.45	
GRADES NO. 5½ AND 6		1.60			4.00	
TOTALS			$	26.48		$

TOTAL YIELD AND VALUE [X] RUBY [ ] NONRUBY (*Half trim plus full trim*) 26.48 LBS. $ 432.35 — 432.35

ADJUSTED VALUE WHEN LESS THAN 18% GS & B (ABOVE VALUE $ _____ X _____ ÷ 18) $

FOR PROGRAM B, DEDUCT $4.00 PER POUND FOR RIFTING AND TRIMMING

FINAL BASIS FOR PAYMENT $ [illegible] — 432.35

LESS: INITIAL PAYMENT VOUCHER NUMBER SCHEDULE NUMBER [illegible] — 233.76

BALANCE DUE [X] SELLER [ ] GOVERNMENT $ [illegible] — 198.59

NAME AND LOCATION OF MINE

[illegible]

SELLER'S NAME AND ADDRESS (*Type or print*)

[illegible]

PROCESSED FOR PAYMENT (LBS.)	26.48 26.48
PROCESSED - NO PAYMENT (LBS.) THINS	
BLACK (*Dots, Spots, Stained*)	
UNDERSIZED	
PROCESSING LOSS	.21
TOTAL POUNDS PURCHASED	26.69 26.69

APPROVED

DEPOT SUPERINTENDENT

DATE 12-31-58

DMEA-4945

GSA WASH D C 58-3177

GSA FORM 1013a SEPTEMBER 1957

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
1/21	Houk	600
2/6	[illegible]	1304
"	Johnson	110
2/9	C	220
		600

9 600

FEB 6 1959

Mr. Robert A. Laurence
Executive Officer, OME
Field Team, Region V
Room 2-B, Post Office Bldg.
Knoxville 2, Tennessee

Re: Docket No. DMEA-4945-Mica
A. Ward, et al.
Spencer Mine
Stokes County, North Carolina

Dear Mr. Laurence:

Reference is made to the Final Field Team Report of January 21, 1959, recommending that no certification of discovery be made.

We do not concur with your recommendation. The production of over $18,000 and a potential of ten tons of geologically possible reserves in drifts two and three is, in our opinion, sufficient justification for a certification of discovery or development. Before we make a firm decision, please determine if the Operators are continuing work at the mine. We would be pleased to have a statement from the Field Team on the down dip mica potential. We note the Operators' Final Report is most inadequate and also the Field Team's statement that the area has potential and warrants additional exploration.

The Operators should be required to furnish an adequate report, including an estimate of the results of the project. As to further exploration on the property, the Operators would have to file an application under the OME program before consideration would be given to it.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee (HB)

Approved:

H. G. Iverson (HB)
Member, Bureau of Mines

N. E. Nelson (HB)
Member, Geological Survey

LGHouk:gad 2/2/59
Rewritten
FEJohnson:gad 2/4/59

Copy to: Dir. R. File
Operating Committee
Mr. Kiilsgaard, USGS
Mr. Dietrich, USBM
Mr. Houk

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
2/2	Houk	600
2/3	[illegible]	130
		110
		220

600

Mr. Robert A. Laurence
Executive Officer, OME
Field Team, Region V
Room 2-B, Post Office Bldg.
Knoxville 2, Tennessee

Re: Docket No. DMEA-4945-Mica
A. Ward, et al.
Spencer Mine
Stokes County, North Carolina
Contract No. Idm-E1214

Dear Mr. Laurence:

Reference is made to the Final Field Team Report of January 21, 1959, recommending that no certification of discovery be made.

We do not concur with your recommendation. The production of over $18,000 and a potential of ten tons of geologically possible reserves in drifts two and three is, in our opinion, sufficient justification for a certification of discovery or development. Before we make a firm decision, please determine if the Operators are continuing work at the mine. We would be pleased to have a statement from the Field Team on the down dip mica potential. We note the Operators' Final Report is most inadequate and also the Field Team's statement that the area has potential and warrants additional exploration. ~~Any additional work must be under the new program and a new application must necessarily be filed.~~

The operator should be required to furnish an adequate report, including the estimate of the results of the project, as to further exploration on the property. The operator would have to file an application under the new program before consideration would be given to it.

Sincerely yours,

George O. Selfridge

Chairman, Operating Committee

Approved:

H. G. Iverson

Member, Bureau of Mines

N. E. Nelson

Member, Geological Survey

LGHouk:gad 2/2/59

Copy to: Dir. R. File
Operating Committee
Mr. Kiilsgaard
Mr. Dietrich
Mr. Houk

8623

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
ROOM 2-B POST OFFICE BLDG.
KNOXVILLE 2, TENN.

OFFICIAL FILE COPY
O. M. E.
RECEIVED JAN 23 1959

DATE	INITIALS	CODE
1/23	C	220
1/23		199
1/27		130
1-27	C	220
1/30		600

January 21, 1959

Memorandum

To: Operating Committee, OME - Washington, D. C.

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

Subject: Final Field Team Report - DMEA-4945, Idm-E1214-mica. A. Ward, R. W. Love, Ira Ward and Frank Buchanan. Spencer mine, Stokes County, N.C.

Enclosed are the original and two copies of the Field Team final report on the subject exploration contract.

This project reminds us, in some ways, of the Elk mine (DMEA-2466). There are many small, disconnected mica shoots in a pegmatite zone; several of these have been mined out and many more undiscovered ones may be present. But the exploratory work under DMEA-4945 found only one good shoot which has already been mined out. Much of the $18,000+ worth of mica mined since last June came from parts of the mine not connected with the DMEA exploration and not helped by it.

Thus, although no present reserves can be estimated, there is a possibility that new shoots will be found and mined. But on the basis of the DMEA work and the status of this mine at completion of the contract, we do not think certification can be justified, and therefore do not recommend it.

Robert A. Laurence
Robert A. Laurence
Executive Officer, OME - Reg. V

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

Reviewed by
OME OPERATING COMMITTEE
1-29-59
(date)

OFFICIAL FILE COPY
O. M. E.
RECEIVED JAN 23 1959

DATE	INITIALS	CODE
1/27	HB	130
		220

UNITED STATES
DEPARTMENT OF THE INTERIOR

OFFICE OF MINERALS EXPLORATION

FINAL REPORT

DMEA-4945, Idm-E1214 (mica) SPENCER MINE
Stokes County, North Carolina

Frank G. Lesure, Geologist
Geological Survey

--

Stanley A. Feitler, Mining Engineer
Bureau of Mines

--

Wm. A. Beck, Mining Engineer
Bureau of Mines

Reviewed by
OME OPERATING COMMITTEE
1-27-59
(date)

January 21, 1959

DMEA EXPLORATION PROJECT

FINAL REPORT

DMEA-4945, SPENCER MINE
Stokes County, N. C.

Operators: A. Ward, et al., Spruce Pine, North Carolina

SUMMARY

The northwest part of the Spencer mine was partly explored by driving three drifts totaling 100 feet. One drift, driven 76 feet south and southeast, intersected a small mica shoot from which 5.5 tons of mine-run mica was recovered. A second drift driven 22 feet to the northeast also intersected mica-bearing pegmatite as did a short third drift driven to the southwest. The first shoot cut has been mined out and no reserves can be calculated from the limited exposures in the other two drifts. The area, however, has not been fully explored and because of the good quality mica recovered warrants further exploration. We recommend that no certification be made because no reserves were outlined.

INTRODUCTION

Location: The Spencer mine is on a small tributary of snow Creek about 500 feet southwest of the Hawkins mine and two- and one-half miles S65°W of Sandy Ridge, Stokes County, North Carolina. The mine can be reached by car from Sandy Ridge by taking State Highway 704 west to the Snow Hill road. Turn left, proceed 0.6 mile, and turn left again on a dirt road. Proceed 0.9 mile to the mine.

History: The Spencer mine is reported to have been worked before World War II, and some prospecting was done during the war. In 1954 the prospect consisted of 70 feet of incline and some surface pits. The incline was extended 180 feet in 1955 and mica valued at $180,000 sold. A parallel incline was sunk

for 240 feet, separated from the older one by a pillar (fig.1). Returns from this work included sales of trimmed mica amounting to $56,000 and 52 tons of hand cobbed mica sold in the block. Several large open cuts have been bulldozed north of the portals of the inclines and a small cut and shallow shaft have been dug south of the portals. The amount of mica recovered from the surface work is unknown.

CONTRACT WORK

Between the time of the examination of the property in March, 1958 and the beginning of contract work on July 7, 1958, the Operator drove several short exploratory inclines from the larger inclines (see fig.1). Because the northwest heading had been advanced the contract drift was begun near the end of the new work. This drift was driven 29 feet south and 47 feet S25°E. One mica shoot was cut in the first 40 feet. A second drift was driven 22 feet N15°E near the end of the incline and a second mica concentration cut about five feet from the face. A third drift was driven six feet S35°W about 30 feet northwest of the first DMEA drift, four feet at the Operator's expense. This drift intersected another mica concentration below and possibly parallel to the first mica shoot found.

The work was done rapidly and efficiently. Not only was the contract work advanced at a reasonable rate but the first mica shoot was largely stoped out between inspection trips.

GEOLOGY

The Spencer mine is in a complex pegmatite zone that contains numerous long narrow sills of pegmatite associated with sills of gneissic granite. The pegmatite and granite are intruded into a massive biotite gneiss interlayered with some hornblende gneiss. Foliation in the gneiss strikes generally east or northeast and dips north or northwest. Foliation in the granite gneiss closely parallels that in the country rock. The pegmatite sills have also been sheared and locally have a crude foliation sub-parallel to the foliation in the gneiss.

The first contract drift cut a lenticular pegmatite mass about 50 feet long, up to 15 feet wide and 4 to 5 feet thick that overlies a sill of gneissic granite. At its southeastern end the pegmatite is separated from an overlying granite sill by one or more feet of biotite gneiss. The long axis of the pegmatite lens plunges about 10° to the northwest.

The pegmatite is composed of coarse-grained plagioclase, perthite, quartz, and muscovite. Fine-grained biotite and sulfides are the principal accessory minerals. Muscovite in large books up to 1.5 feet in diameter was concentrated in a mica shoot along the lens axis. At the time of the final inspection this mica shoot had been largely worked out. Total production was about 5.5 tons of mine-run mica. The mica concentration in the pegmatite was about five percent.

South of this pegmatite lens the first contract drift cut two or more sills of gneissic granite separated by thin

layers of biotite and hornblende gneiss. About 10 to 15 feet from the end of the drift several small normal faults cut the granite and biotite gneiss. Eight-foot percussion drill holes in the back and floor of the drift failed to find any parallel pegmatite lenses associated with the granite sills.

The second contract drift driven 22 feet to the north cut a poorly defined pegmatite body within a granite sill. The pegmatite is composed of coarse-grained plagioclase, perthite, quartz, and muscovite. Fine-grained garnet is the principal accessory mineral. Near the portal of the drift mica in the pegmatite is in books up to 5 x 6 inches and is of poor quality. Near the contact between pegmatite and granite near the face of the drift mica is in books up to 12 inches across and is of better quality.

Both pegmatite and granite are sheared. Some of the mica books are broken, bent and ruled. The limited exposures suggest that this pegmatite is more or less parallel to the lens found in the first contract drift. In the stoped area to the west the contacts between pegmatite and granite become indefinite and the two pegmatite masses and their associated granite sills may merge into one sill.

The third contract drift which was driven six feet to the southwest near the western end of the recent stoping cut another mica bearing pegmatite separated from the pegmatite cut in the first drift by 6 to 12 inches of biotite gneiss. This pegmatite is also composed of coarse-grained plagioclase,

perthite, quartz and mica. About 200 pounds of mica was recovered in about five feet near the drift floor. Exposures at the time of the final inspection were too limited to tell whether or not this would develop into a mica shoot similar to the first one found.

In general the mica at the Spencer mine is of good quality. An exceptionally large percentage of the books is one foot or more in diameter. The mica is ruby, flat, and free splitting. Some of the books have edge cracks and are bent and ruled. Such deformation is probably the result of the post-pegmatite shearing. Locally in the mine, as near the portal of of the second contract drift, the mica has "sand holes" or is locky.

One exceptionally large and good quality book from the recent pre-contract work in the southern part of the southwest incline supplied the mica from which a ceremonial key was cut and presented to Vice President Nixon at the annual Rhododendron festival on Roan Mountain, North Carolina-Tennessee June 1958.

PRODUCTION AND RESERVES

Production from the contract drifts and the stope developed from them has amounted to about 5.5 tons of mine-run mica. No sales records have been received to date from the Operator but records at the Spruce Pine Mica Depot show sales between July 3 and December 18, 1958 of 907.24 lbs. of trimmed mica and 3540 lbs. of handcobbed mica worth $18,485.84. Some

of this mica may have been produced before the contract drifting was started but all of it was probably produced after the date of the contract.

No reserves can be calculated from the limited exposures in the contract work. The one good mica shoot cut in the first drift has been mostly mined out. If the other two mica concentrations cut in drifts two and three are of similar size geologically possible reserves of 10 tons of mica may be present.

RECOMMENDATION AND CONCLUSIONS

We recommend that no certification be made. Although one mica shoot was cut during the contract work it has been largely worked out and produced about 5 tons of mica. Indications of other possible mica shoots are too limited to calculate reserves. The area, however, still has potential and warrants continued exploration. It is possible that more detailed geologic mapping in the area would produce additional evidence of structural control of pegmatite occurrence and provide data on which to base further exploration.

The recent contract work and past mining indicate the presence of numerous long narrow pegmatite sills closely associated with sills of gneissic granite. Locally the pegmatite is separated from granite by thin layers of country rock, but elsewhere the contact between pegmatite and granite is poorly defined and gradational. The axes of the long lenticular sills

seem to plunge gently to the northwest. Pegmatite sills along the southwest side of the mine seem to lie "stratigraphically" lower than those on the northeast side.

EXPENDITURES

Total approved	$3,260.00
Total cost of project	3,260.00
Government's share of cost	2,445.00
Government's share unexpended	0
Value of production	18,485.84*

*(Includes 2 sales on which final payment not yet made)

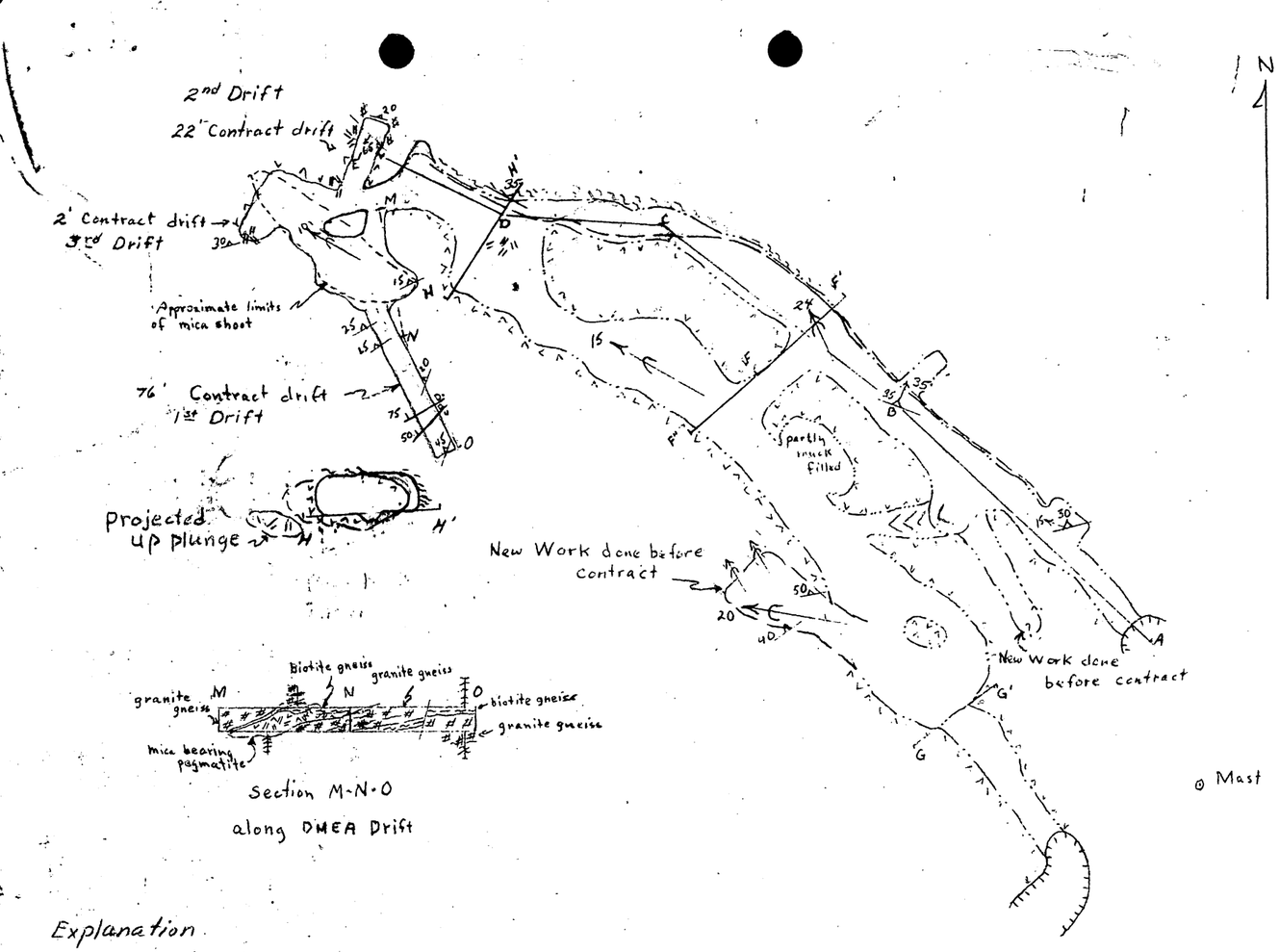
Royalty (not yet received)	924.29

Frank G. Lesure, Geologist
Geological Survey

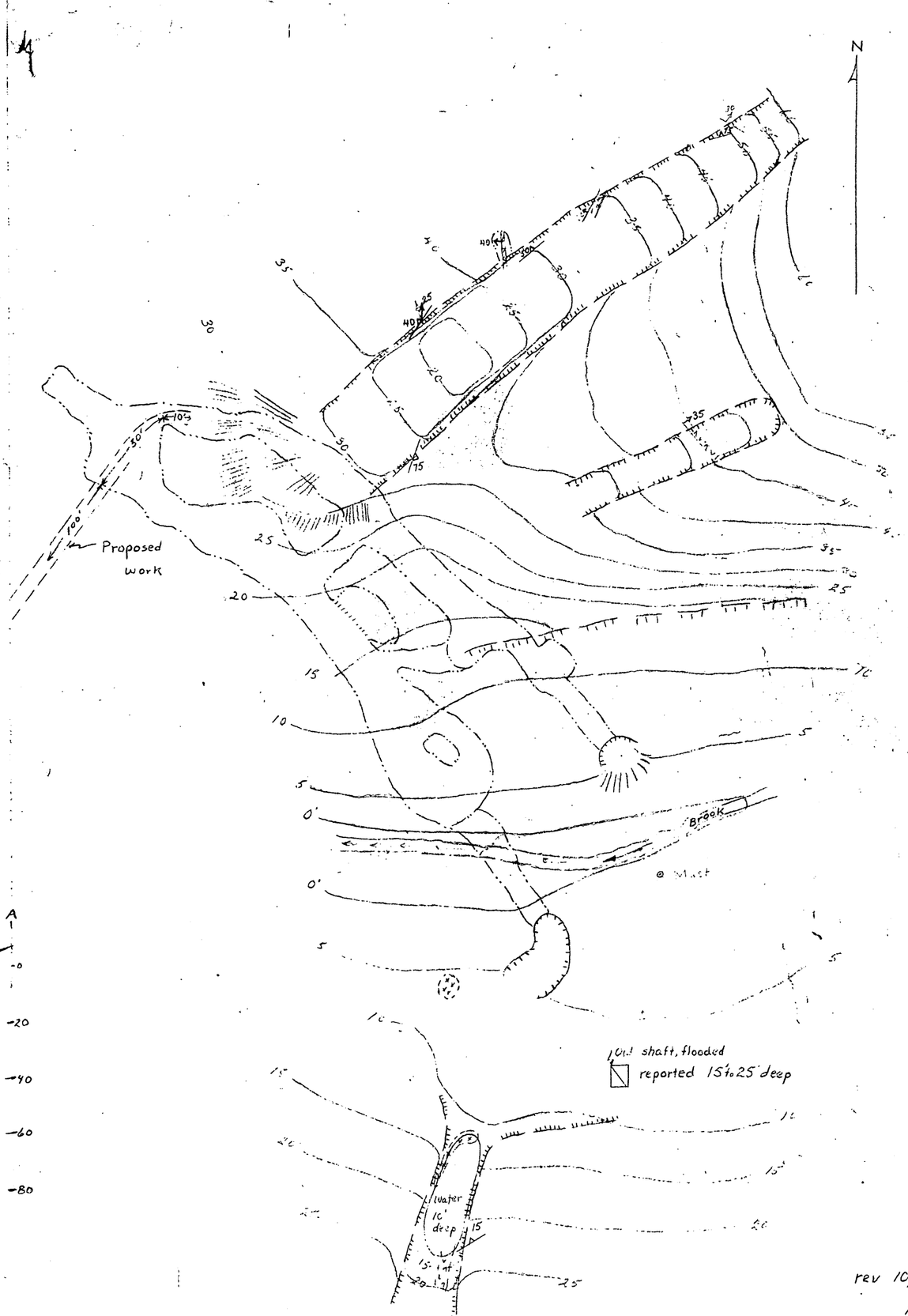
S. A. Feitler and Wm. A. Beck, Mining Engineers
U. S. Bureau of Mines

January 21, 1959.

z



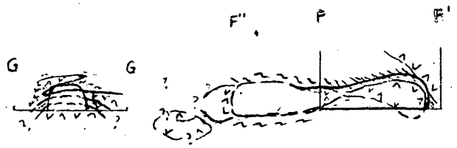
Section M-N-O
along DMEA Drift

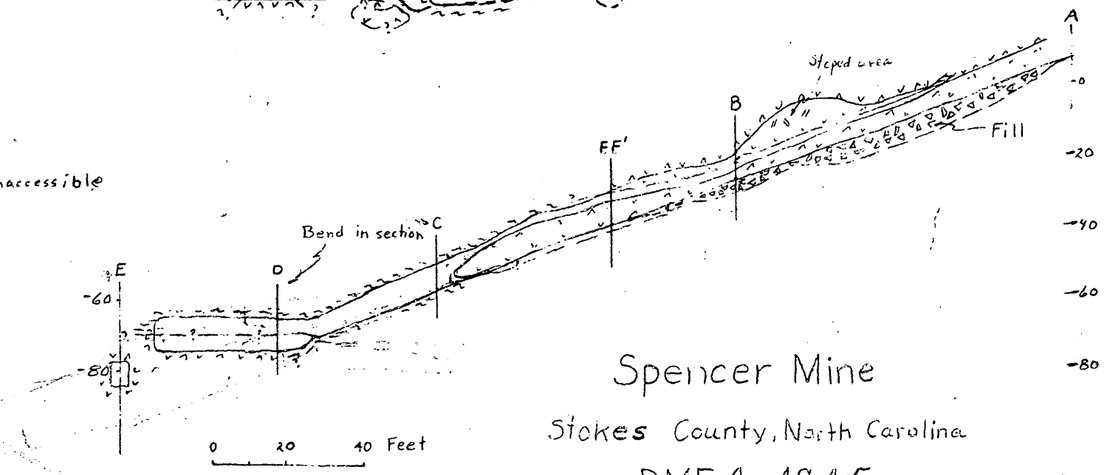


Explanation

- Pegmatite
- Muscovite-rich granite gneiss
- Mica schist
- Strike & dip of foliation
- Plunge of lineation
- Plunge of roll
- Contact showing dip
- Underground workings
- Underground workings inaccessible
- Edge of cut

Tape & brunton survey
Contour interval 5'
Contours approximate





Spencer Mine

Stokes County, North Carolina

DMEA-4945

rev 10/58

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
ROOM 2-B POST OFFICE BLDG.
KNOXVILLE 2, TENN.

OFFICIAL FILE COPY
O. M. E.
RECEIVED JAN 28 1959

DATE	INITIALS	CODE
1-28	C	220
1/28	[illegible]	600

January 26, 1959

Memorandum

To: Operating Committee, OME - Washington 25, D. C.

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

Subject: DMEA-4945, Idm-E1214 (mica) A. Ward, Ira Ward, Frank Buchanan and H. Lee Medford, Spencer Mine, Stokes County, North Carolina.

Reference is made to your letter of January 20, 1959.

At the time the final voucher was approved in this office (December 29, 1958), we were unaware that such a large royalty was due. The interim reports showed that a total of 5½ tons of mine-run mica had been produced; the Operator's final report indicated a value of $525.00.

Because of the long lag between initial payments and final settlements at the Spruce Pine Depot, we have not pressed any operators for payment of royalty until they have received the final settlement so as to avoid the necessity of many refunds of overpaid royalty.

When Mr. Beck visited the Depot on January 15, 1959, he obtained records of sales from many DMEA mines, including the Spencer, and reported these data to us upon his return to Knoxville. It was then that we realized the amount of unpaid royalty due, and wrote to the Operator requesting immediate payment.

Because both the Executive Officer and the Certifying Officer were on leave during the Christmas holidays, this voucher was not actually certified for payment until January 13, although it had been approved more than two weeks earlier.

Robert A. Laurence
Robert A. Laurence,
Executive Officer, OME, Reg.V

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

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

OFFICIAL FILE COPY
O. M. E.
RECEIVED JAN 27 1959

DATE	INITIALS	CODE
1-27	C	220
1-28	[illegible]	600

January 26, 1959

Memorandum

To: Nonmetallic Minerals Division
Office of Minerals Exploration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-4945 (mica)

Applicant: A. Ward, et al.

Name and Location of Property: Spencer Mine, Stokes County, N. C.

Contract Number: Idm-E 1214

Date of Field Team Final Report: 1/21/1959

Date Rec'd. by Br. of Ceramic and Fertilizer Materials: 1/26/59

Field Team Recommendation: Recommend that no certification be issued.

Comments:

1. Contract work resulted in locating several small mica shoots from which 5.5 tons of good-quality, mine-run mica was recovered.

2. Although other rich mica shoots possibly occur in the area, no reserves were outlined by work covered in the contract.

3. Expenditures -

Total approved	$3,260.00
Total cost	3,260.00
Gov't. share of the cost	2,445.00
Value of production during operation	18,485.84
Royalty	924.29

Recommendation:

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

W. F. Dietrich

W. F. Dietrich

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
1/22	Talbert	800
1-22	Chambers	800
1-22	Anderson	600
1-22	Hoult	600
1/23	[illegible]	130
[illegible]	[illegible]	110
		~~100~~
1/26	C	220
		600

Mr. Robert A. Laurence
Executive Officer
OME Field Team, Region V
Room 2-B, Post Office Building
Knoxville 2, Tennessee

JAN 23 1959

Re: Docket No. DMEA-4945 (Misc)
A. Ward, Ira Ward, Frank Buchanan
and H. Lee Medford
Spencer Mine
Stokes County, North Carolina
Contract No. Idm-E1214

Dear Mr. Laurence:

By letter dated January 20, 1959, you requested the referenced Operator to immediately pay royalty, aggregating at least $924.29, due the Government on sales of mica produced since the date of the contract.

In view of this indebtedness to the Government it is not understood why the final Form MF-104 was certified for payment in the amount of $586.80 on January 13, 1959. It would appear that properly the payment of this final voucher should have been withheld for possible offset in the event that the Operator fails to promptly settle his royalty indebtedness.

An explanation will be appreciated.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (WEB)

APPROVED:

C. V. BAROCH (WEB)
Member, Bureau of Mines

N. E. Nelson (WEB)
Member, Geological Survey

cc: Docket
Director's Reading File
Operating Committee
THKiilsgaard
WEDietrich
Mr. Chambers
Mrs. Helen Miller

EDTalbert/GMcC
January 22, 1958

8623

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
ROOM 2-B POST OFFICE BLDG.
KNOXVILLE 2, TENN.

January 20, 1959

OFFICIAL FILE COPY
O. M. E.
RECEIVED JAN 22 1959

DATE	INITIALS	CODE
1/22	C	220
		600

Mr. Ira Ward

Spruce Pine, North Carolina

Re: DMEA-4945, Idm-E1214-mica
A. Ward, Ira Ward, Frank
Buchanan and H. Lee Medford.
Spencer Mine
Stokes County, N.C.

Dear Mr. Ward:

To date, we have received no payments of royalty on mica produced at the Spencer mine, as required by Artile 6b of the contract. Please note that, regardless of whether or not a certification of discovery is issued, royalty of 5 percent is due on all mica (sheet, punch or scrap) and other minerals produced (regardless of sale date) between June 20, 1958 and May 14, 1959 unless thetotal amount of $2,445.00 is repaid before that date.

Records at the Government Depot indicate that at least $18,485.84 worth of mica which is subject to DMEA royalty has been purchased to date, not including two additional sales made on December 4 and 18, 1958, for which final settlement has not been made. Thus there is at least $924.29 due the Government at this time.

Please send me immediately your check for 5 percent of the value of all mica produced since the date of the contract, with sales tickets or other documentary evidence of the value. Sales of scrap and punch, and feldspar (if any) should be included.

Sincerely yours,

Robert A. Laurence
Executive Officer, OME
Region V

RAL/zm
cc
Opr.Com-2

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPORTATION ADMINISTRATION

JAN 15 1959

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K- 38

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of October, 1958 Docket No. DMEA 4945 Contract No. 1214
Operator's Name Ira Ward, Frank Buchanan and H. Lee Medford Minerals Mica
Address Spruce Pine, N.C. & Ira Ward
Contract Amount, $ 3260.00 Government Participation: 75% Amount, $ 2445.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting	$ 782.40	2477.60	3260.00			
(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.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$ 782.40	$ 2477.60	$ 3260.00	782.40	2477.60	3260.00

I certify that the above bill is correct and just and that payment therefor has not been received.
Date Oct. 28-58 Payee Ira Ward
Per _____ 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:

$ 586.80

Signature Felix R. Miller
(Authorized Certifying Officer)

Date JAN 13 1959 Vou. No. 77

(See other side)

195.60

(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-E1214 in accordance with the terms of the contract.

Signature W. M. Beck Title MINING ENGINEER U. S. BUREAU OF MINES Date DEC 29 1958

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature V. J. Lynch Title ACTING EXECUTIVE OFFICER DME FIELD TEAM REGION V Date DEC 29 1958

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

JAN 15 1959 O.M.E.

Month of October 1958 Docket No. DMEA 4945 Contract No. 1214
Operator's Name Ira Ward, Frank Buchanan and H. Lee Medford Minerals Mica
Address Spruce Pine, N.C. % Ira Ward

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.	$ 782.40	24	$ 3260.00	100	3260.00	100	3260.00
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Total Distributed Costs		$782.40	24	3260.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs								

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 Oct. 28-58 Operator Ira Ward

Per _____ 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)

W. M. Beck
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

WORK ACCOMPLISHED:

Drilling, shooting and mucking was carried on as usual. Upon permission of the field team, a drift was started on the right side of the mine and we drove through 24 feet of vein material, but got no mica.

SIGNED Dea Ward TITLE foreman DATE 10-12-58

RECEIVED
NOV 14 1958
U. S. Geological Survey
Central Mineral
Branch

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
12/22	G. McCarthy	800
12/23	Fisher	800
12/23	C	220
/		600

DEC 23 1958

Mr. Robert A. Laurence
Executive Officer
OME Field Team, Region V
Room 2-B, Post Office Building
Knoxville 2, Tennessee

Re: Docket No. DMEA-4945 (Mica)
A. Ward, Ira Ward, Frank Buchanan,
and H. Lee Medford
Contract No. Idm-E1214

Dear Mr. Laurence:

Enclosed are the original and three copies of a Report of Review, as requested by Mr. Lynch's December 17 memorandum. Also enclosed is the Operator's final (October 1958) MF-104, which was submitted with his request.

If you concur with the facts as stated in this report please make the usual distribution. If for any reason you do not concur, please return the original and all copies with your comments to this Division.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers
Contract Administration
and Audit Division

Enclosures

GMcCarthy/GMcC
December 22, 1958

cc: Docket
Director's Reading File
Mr. Chambers
Helen R. Miller

8623

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

ROOM 2-B POST OFFICE BLDG.
KNOXVILLE 2, TENN.

OFFICIAL FILE COPY
O. M. E.
RECEIVED DEC 19 1958

DATE	INITIALS	FILE
12/19	C	220
12/19	Hmk	620

December 17, 1958

Memorandum

To: Jay L. Chambers, Contract Administration and Audit Division, OME - Washington, D. C.

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

Subject: Completion: DMEA-4945, Idm-E1214 (mica)
A. Ward, et al. Spencer Mine, Stokes County, N. C.

Work on the subject contract has been completed.

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

1. 100 feet of drift work.

An adequate final engineering and geological report has been received.

Attached is the original of the Operator's final Monthly Report and Voucher. A Report of Review is requested.

V. J. Lynch

VJL/zm
cc
Opr. Com-2
Lynch
Files

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

OFFICIAL FILE COPY
O. M. E.
RECEIVED DEC 19 1958

DATE	INITIALS	CODE
12/19	C	220
"	CEF	800
		600

D^ecember 17, 1958

Memorandum

To: Operating Committee, OME - Washington

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

Subject: Operator's final Engineering and Geological Report DMEA-4945, Idm-E1214 (mica) Spencer Mine, Stokes County, N. C. A. Ward et al, Operators.

Attached are the original and two copies of the subject report.

V. W. Lynch

V. W. Lynch

OFFICIAL FILE COPY
O. M. E.
RECEIVED DEC 19 1958

DATE	INITIALS	CODE

Spruce Pine, N.C.
October 28, 1958

Mr. Robert A. Laurence
Executive Officer, DMEA
Room 13, Post Office Bldg.
Knoxville 2, Tenn.

Operations Final Rpt.

Re: Contract No. 1214
DMEA 4945

Dear Mr. Laurence:

There are enclosed final reports on Contract No. 1214. This was started in July 1958 and completed in October 1958. We drifted the full 100 feet allowed in the contract, changing to the right side of the mine the last 24 feet. The mica we got during the 100 feet of drifting, has been estimated at approximately $ 525.00.

We wish to extend our thanks and appreciation to you and the field team for your cooperation and help.

Very truly yours,

Ira Ward, partner

Spencer Mine, Stokes County, N.C.

RECEIVED
NOV 14 1958
U. S. Geological Survey
Contract Division
Knoxville, Tenn.

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
11-18	Anderson	600
11/18	Houk	600
11-18	Chamber	800
11/18	GCS	130
"	Johnson	110
11/19	C	220
		600

600

Mr. Robert A. Laurence
Executive Officer, OME
Field Team, Region V
Room 2-B, Post Office Bldg.
Knoxville 2, Tennessee

NOV 18 1958

Re: Docket No. DMEA-4945-Mica
A. Ward, et al.
Spencer Mine
Stokes County, North Carolina
Contract No. Idm-E1214

Dear Mr. Laurence:

Concerning your question in memorandum of October 30, 1958, please be advised we consider it necessary and accordingly have prepared the enclosed original and four copies of proposed Amendment No. 1 which have been signed by the Acting Director for the Government. Two extra copies of the amendment are enclosed for the use of the Field Team.

If the amendment meets with your approval, present it to the Operators for approval and signature. If any part of this amendment does not have either your approval or that of the Operators and cannot be amended within your delegated authority, then the original and all copies 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 (esf)
ACTING Chairman, Operating Committee

Approved:

Richard H. Mote (esf)
Member, Bureau of Mines

N. E. Nelson (esf)
Member, Geological Survey

Enclosures 7

WCAnderson:gad 11/18/58
Copy to: Dir. R. File
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
11/18	Anderson	600
11/18	Houk	600

November 17, 1958

Memorandum

To: Mr. Frank E. Johnson, Acting Director

From: Lawrence G. Houk, Chief, Division of Nonmetallic Minerals

Subject: Amendment No. 1 - Docket No. DMEA-4945-Mica
A. Ward, et al.
Spencer Mine
Stokes County, North Carolina
Contract No. Idm-E1214

The Division of Nonmetallic Minerals has prepared the attached Amendment No. 1 because the contract does not provide for drifting in a northeasterly direction. It was advantageous to follow the pegmatite in the direction having the most favorable mica showing.

Accordingly, the amendment deletes the words, "in a southwesterly direction" to allow for drifting in any direction which is the most favorable for the discovery of mica-rich shoots.

Walter C. Anderson
Walter C. Anderson

Note: Mr. Frank E. Johnson added the sentence:

"It was advantageous to follow the pegmatite in the direction having the most favorable mica showing."

WCAnderson:gad 11/17/58
Copy to: Dir. R. File
Mr. Houk

8623

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
ROOM 2-B POST OFFICE BLDG.
KNOXVILLE 2, TENN.

October 30, 1958

OFFICIAL FILE COPY
O. M. E.
RECEIVED NOV 3 1958

DATE	INITIALS	CODE
11/3	C	220
11	TEJ	110
11/6	[illegible]	800
11/6	Hunt	600

Memorandum

To: Operating Committee, OME - Washington

From: Field Team, OME - Knoxville, Tennessee

Subject: DMEA-4945, Idm-E1214 (mica), A. Ward, et al, Spruce Pine, N.C. Spencer Mine, Stokes County, N.C.

Enclosed are the original and two copies of the final interim report on the Spencer project, accompanied by a map showing location of the work. The project has been completed.

It will be noted that not all of the drifting is in a southwesterly direction, although all of it was on the pegmatite and in a direction generally perpendicular to the plunge of the rolls or other structures. As that is the most favorable direction for exploring the shoots, it is our opinion that this follows the intent of the contract, if not the letter. This is borne out by discovery of good mica shoots as indicated on the map. Is an amendment necessary to delete the word "southwesterly" from the second paragraph of exhibit "A"?

Robert A. Laurence
Robert A. Laurence
Executive Officer, OME
Region V

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

Yes, because some drifting was N.E.
Chambers

Official
EXTRA COPY
O. M. E.
RECEIVED NOV 3 1958
DATE | INITIALS | COPY

DMEA EXPLORATION PROJECT

INTERIM REPORT

DMEA-4945, Idm-E1214 (mica) SPENCER MINE
Stokes County, N. C.

Operator: A. Ward, et al. Spruce Pine, North Carolina

Location: Two and one-half miles S65°W of Sandy Ridge, Stokes County, North Carolina.

The contractor has completed the 100 feet of drifting set up in the contract. Since the last interim report he has drifted 22 feet N15°E from near the end of the incline. This drift was all in pegmatite which was fine-to coarse-grained. A concentration of mica was cut in the NW rib about 5 feet from the face. This concentration had mica books up to 12-inches across and may represent another shoot. The Operator has also started another drift at the bottom of the incline about 30 feet NW of the first DMEA drift. The drift was in 6 feet in a S35°W direction. Four feet of it is at the Operator's expense as all the contract footage has been used. This work has cut the top of possibly another mica shoot below and parallel to the shoot first intercepted which has largely been worked out.

Since the last inspection about 1500 pounds of mine-run mica has been produced.

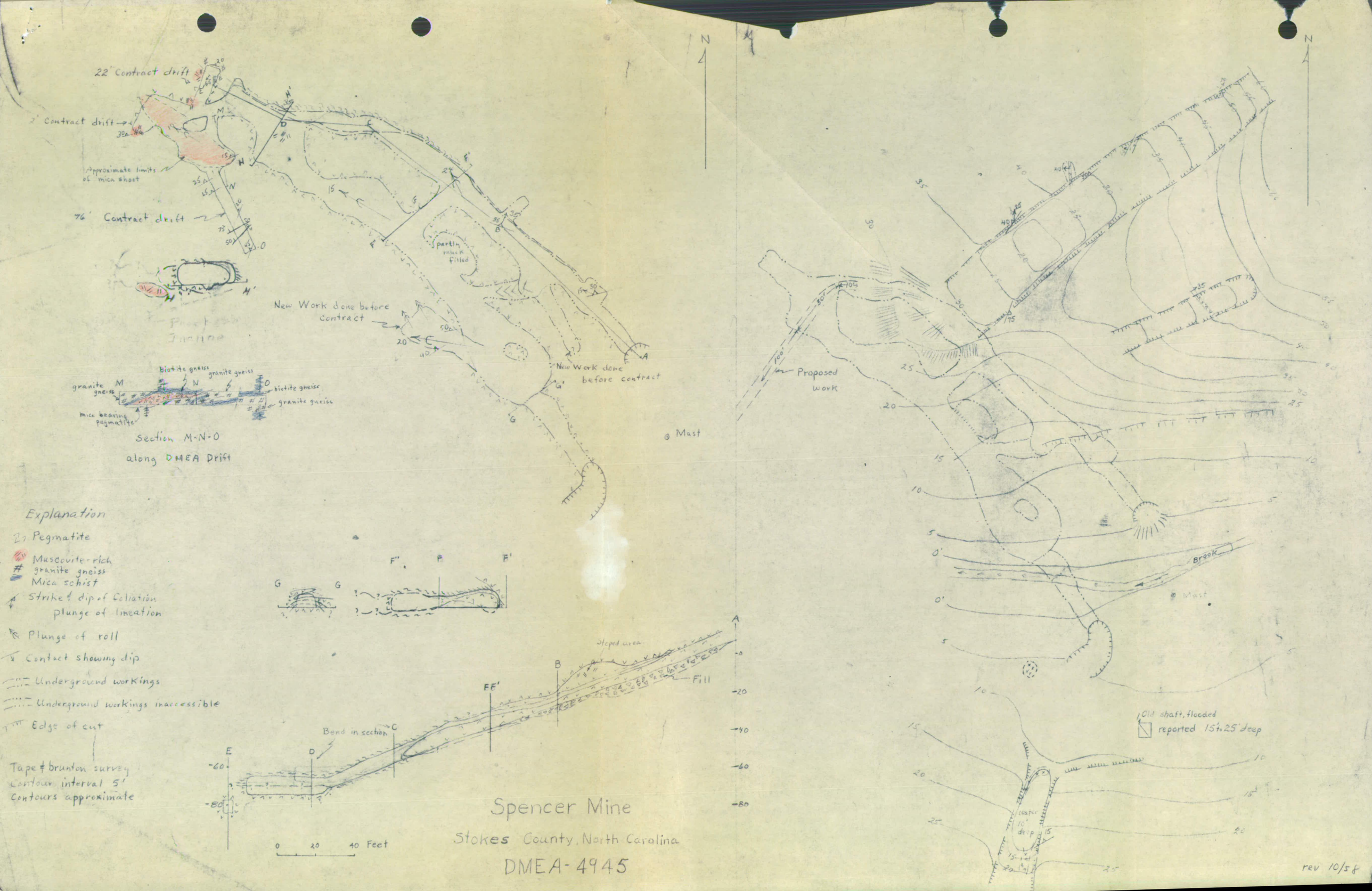
Although no reserves can be calculated it is probable that a recommendation for certification will be made.

Inspected: October 22, 1958

Wm. A. Beck, Mining Engineer
Bureau of Mines (OME)

F. G. Lesure, Geologist
Geological Survey (OME)

z


22' Contract drift
2' Contract drift
Approximate limits of mica shoot
76' Contract drift
partly mine filled
New Work done before contract
New Work done before contract
Proposed work
Brook
Mast
Old shaft, flooded reported 15' to 25' deep
water 15' deep
biotite gneiss
granite gneiss
granite gneiss
biotite gneiss
granite gneiss
mica bearing pegmatite
Section M-N-O along DMEA Drift
Explanation
Pegmatite
Muscovite-rich granite gneiss
Mica schist
Strike & dip of foliation
plunge of lineation
Plunge of roll
Contact showing dip
Underground workings
Underground workings inaccessible
Edge of cut
Tape & brunton survey
Contour interval 5'
Contours approximate
Stoped area
Fill
Bend in section
0 20 40 Feet
Spencer Mine
Stokes County, North Carolina
DMEA-4945
rev 10/58

Official
~~EXTRA~~ COPY
O. M. E.
RECEIVED NOV 3 1958
DATE | INITIALS | CODE

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

Budget Bureau No. 42-R1036.5

RECEIVED OCT 20 1958

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K- 23

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of September, 1958 Docket No. DMEA 4945 Contract No. 1214

Operator's Name Ira Ward, Frank Buchanan and H. Lee Medford Minerals Mica

Address Spruce Pine, N.C. % Ira ward

Contract Amount, $ 3260.00 Government Participation: 75 % Amount, $ 2445.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting	1238.80	1238.80	2477.60			
(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.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	1238.80	1238.80	2477.60	1238.80	1238.80	2477.60

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

Date 10-6-58 *Payee Ira Ward

Per _____ 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:

$ 929.10

Signature Helen R. Mellen
(Authorized Certifying Officer)

Date OCT 17 1958 Vou. No. 50
(See other side)

2

309.70

(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-1214 in accordance with the terms of the contract.

Signature W. J. Lynch Title MINING ENGINEER U. S. BUREAU OF MINES Date OCT 16 1958

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER OME FIELD TEAM REGION V Date OCT 16 1958

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of September 1958 Docket No. DMEA 4945 Contract No. 1214

Operator's Name Ira Ward, Frank Buchanan and H. Lee Medford Minerals Mica

Address Spruce Pine, N.C. % Ira Ward

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.	$ 1238.80	38	2477.60	76	2477.60	100	3260.00
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		$ 1238.80	38	$ 2477.60				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc								
TOTAL COSTS								

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 10-6-58 Operator Ira Ward

Per Title partner

REMARKS:

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

(Instructions on reverse)

(For Government use only)

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

INSTRUCTIONS

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

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

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

GPO 872894

WORK ACCOMPLISHED.

Drilling, shooting and mucking was carried on. We drove through slate and granite but no vein. The water remains about the same.

Signed Ira Ward Title partner Date 10-6-58

RECEIVED
OCT 15 1958
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

OFFICIAL FILE COPY
O. M. E.
RECEIVED OCT 3 1958

DATE		
10/3	C	220
6	Com	100
11	FJ	110
13	EEB	800
	Hour	600

DMEA EXPLORATION PROJECT

INTERIM REPORT

DMEA-4945, Idm-E1214 (mica) SPENCER MINE
Stokes County, North Carolina

Applicant: A. Ward, et al. Spruce Pine, North Carolina

Two and one-half miles S65°W of Sandy Ridge, Stokes County, N.C.

The contract drift has been driven 76 feet from the incline. It is 29 feet south and 47 feet S25°E.

At 40 feet in the drift the pegmatite pinched to an occasional thin stringer. The lower half of the face is granite gneiss and the upper part is biotite gneiss. Between 58 and 66 feet in the drift is a fault zone with 2 or 3 principal planes of movement. The faults strike across the drift and dip north. The movement is normal.

Eight foot holes into the back and sill near the face penetrated only biotite gneiss and granite gneiss respectively.

During the interim the Operator carried the stope down plunge along the shoot found in the drift. He reports recovery of 4 tons of large mica of excellent quality. The Examiners saw part of a truck load of this mica, the largest book was 18 x 20 inches across and about 6 inches thick. Many other books were of almost this size. Good

The remaining 24 feet of drift will be driven north from the incline to explore for a mica shoot in that direction.

not in keeping with contract

Inspected: Sept. 24, 1958

Stanley A. Feitler, Mining Engineer
Bureau of Mines

F. G. Lesure, Geologist
Geological Survey

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OFFICIAL FILE COPY
DMEA
RECEIVED SEP 8 1958

DATE	INITIALS	CODE
9-8	C	220
9	Com	100
"	FEJ	110
9/10	[illegible]	800
9/10	Hoch	600

DMEA EXPLORATION PROJECT

INTERIM REPORT

DMEA-4945, Idm-E1214 (mica) SPENCER MINE
Stokes County, North Carolina

Applicant: A. Ward, et al. Spruce Pine, North Carolina

Location: Two and one-half miles S65°W of Sandy Ridge, Stokes County, North Carolina.

The contract drift has been driven 38 feet S10°E, an advance of 14 feet during the interim. A roll in the pegmatite centered about 23 feet from the portal plunges 10°N 65°W. A triangle has been slabbed out of the west rib of the drift to test the continuity of and to recover mica from this roll. The slabbing operation can be considered a success. The roll continues down plunge and about 1000 pounds of mica was recovered from approximately 19 tons of rock.

The drift has been carried 6 feet wide. In the face, the lower 5 feet is granite gneiss overlain by 4 to 8 inches of schist. Above the schist is the pegmatite pinched down to 1 to 8 inches, striking N80°E 35°NW, and containing plagioclase, quartz, scattered thin books of muscovite up to 2 x 2 inches, and garnet.

The drift will be continued along the strike of this pegmatite.

Inspected: August 28, 1958

S. A. Feitler, Mining Engineer
Bureau of Mines (DMEA)

F. G. Lesure, Geologist
Geologist 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

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K- D.M.E.A.

RECEIVED SEP 18 1958 D.M.E.A.

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of August, 1958 Docket No. DMEA 4945 Contract No. 1214
Operator's Name A. Ward, Ira Ward, Frank Buchanan and H. Lee Medford Minerals Mica
Address Spruce Pine, N.C. % Ira Ward
Contract Amount, $ 3260.00 Government Participation: 75% Amount, $ 2445.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent / Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting	456.40	782.40	1238.80			
(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.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	456.40	782.40	1238.80	456.40	782.40	1,238.80

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 8-30-58 *Payee Ira Ward
Per _____ 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:
$ 342.30
Signature Helen R. Miller
(Authorized Certifying Officer)
Date SEP 5 1958 Vou. No. 30
(See other side)

114.10

(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. E1214 in accordance with the terms of the contract.

Signature S. Keeler Title MINING ENGINEER U. S. BUREAU OF MINES Date SEP 4 1958

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title EXECUTIVE OFFICER DMEA FIELD TEAM REGION V Date SEP 4 1958

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 SEP 8 1958 D.M.E.A.

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

Month of August 1958 Docket No. DMEA 4945 Contract No. 1214
Operator's Name A. Ward, Ira Ward, Frank Buchanan & H. Lee Medford Minerals Mica
Address Spruce Pine, N.C. % Ira Ward

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.	456.40	14	1238.80	38	1238.80	100	3260.00
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		456.40	14	1238.80				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS								

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 8-30-58 Operator Ira Ward

Per Title partner

REMARKS:

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

(Instructions on reverse)

(For Government use only)

S A Feiler
MINING ENGINEER
U. S. BUREAU OF MINES
SEP 4 1958

INSTRUCTIONS

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

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

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

GPO 872894

Month of August 1958 Docket No. DMEA 4945 Contract No. 1214
Operator's Name-- A.Ward, Ira Ward, Frank Buchanan & H. Lee Medford Minerals- Mica
Address- Ira Ward, Spruce Pine, N.C.

WORK ACCOMPLISHED:

Drilling, Shooting and Mucking was carried on, We were slowed down considerably due to the increase in water. We also had pump trouble. We have cut through slate into some more vein material.

DATE -- 8-30-58 Signed -- Ira Ward Title-- partner

RECEIVED
SEP 3 - 1958
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

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

Budget Bureau No. 42-R1036.5

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

RECEIVED SEP 8 1958 D.M.E.A.

PAID OF VOUCHER & SCHEDULE OF PAYMENTS

Month of July, 1958 Docket No. DME4945 Contract No. 1214
Operator's Name A. Ward, Ira Ward, Frank and H.Lee Medford Minerals Mica
Address Spruce Pine, N.C. % Ira Ward
Contract Amount, $ 3260.00 Government Participation: 75 % Amount, $ 2445.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting	782.40	None	782.40			
(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.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	782.40	None	782.40	782.40	—	782.40

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

Date ..... *Payee Ira Ward

Per ..... 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)

195.60

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

$ 586.80

Signature Helen R. Miller (Authorized Certifying Officer)

Date SEP 5 1958 Vou. No. 30

(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. E1214 in accordance with the terms of the contract.

Signature S. Feitler Title MINING ENGINEER U. S. BUREAU OF MINES Date SEP 4 1958

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA FIELD TEAM REGION V Date SEP 4 1958

MONTHLY REPORT OF OPERATOR

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(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.

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

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

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

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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 SEP 8 1958 D. E.A.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of July 1958 Docket No. DMEA 4945 Contract No. 1214
Operator's Name A.Ward, Ira Ward, Frank Buchanan & H. Lee Medford Minerals Mica
Address Spruce Pine, N.C. % Ira Ward

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.	782.40	24	782.40	24	782.40	100	3260.00
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		782.40	24	782.40				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS								

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 8-20-58 Operator Ira Ward

Per 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
SEP 4 1958

INSTRUCTIONS

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

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

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

GPO 872894

Month of July 1958 Docket No. DMEA 4945 Contract

Operators Name-- A. Ward, Ira Ward, Frank Buchanan and H. Lee Medford

Address--- Spruce Pine, N.C. % Ira Ward

WORK ACCOMPLISHED:

Drilling, Shooting and Mucking of waste material was carried on XXXXX regular.
We have hit a vein with some mica showing, We got around 700 lbs. of block mica.
The water has increased.

Date---8-20-58 Operator--- Ira Ward
Title--- partner

RECEIVED
SEP 2 - 1958
U. S. Geological Survey
Portage, Wisconsin

OFFICIAL FILE COPY
DMEA
RECEIVED AUG 21 1958

DATE	INITIALS	CODE
8/21	H. J.	225
21	[illegible]	100
14	[illegible]	110
8/25	EEF	800
8/25	Hoch	600

DMEA EXPLORATION PROJECT

INTERIM REPORT

DMEA-4945, Idm-E1214 (mica) SPENCER MINE
Stokes County, N. C.

Applicant: A. Ward, et al. Spruce Pine, North Carolina

Location : Two and one-half miles S65°W of Sandy Ridge, Stokes County, North Carolina

Work under the contract was started July 7, 1958.

To prepare for the contract work, the Operator steepened the incline N82°W to the northwest heading for 39 feet and drove 16 feet of new incline on the same bearing. The contract drift starts 10 feet back from the face and has been driven 24 feet S 3°W, in pegmatite.

The pegmatite exhibits crude foliation roughly parallel to inclusions which strike N35°W and dip 25°SW. It is medium to coarse-grained and contains plagioclase, quartz, perthite, muscovite and some sulfides, biotite and garnet.

About 400 pounds of mica up to 9 x 12 inches has been recovered from the 24 feet of contract drift.

Inspected: August 13, 1958.

S. A. Feitler, Mining Engineer
Bureau of Mines, (DMEA)

F. G. Lesure, Geologist
Geological Survey (DMEA)

z

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DMEA
RECEIVED AUG 1 1958

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"	[illegible]	110
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8/4	[illegible]	600

DMEA EXPLORATION PROJECT

INTERIM REPORT

DMEA-4945, Idm-E1214 (mica) SPENCER MINE
Stokes County, N. C.

Applicant: A. Ward, et al. Spruce Pine, N.C.

Location: Two and one-half miles S65°W of Sandy Ridge, Stokes County, N.C.

The Operator is preparing a drift site by continuing the northeast incline to the northwest. As the footwall has dipped down away from grade, the incline will be steepened and the contract drift collared at or near the footwall. The contract drift will be parallel to but about 50 feet northwest of the location indicated on the examination map.

Inspected: July 23, 1958

S. A. Feitler, Mining Engineer
Bureau of Mines (DMEA)

F. G. Lesure, Geologist
Geological Survey (DMEA)

z

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
6/20	Anderson	600
6/20	Houk	600
6/20	Talbert	800
6/20	[illegible]	130
"	Johnson	110
"	Wednesday	100
6/23	C	220
		600

600

JUN 20 1958

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

Re: Docket No. DMEA-4945-Nic
A. Ward, et al.
Spencer Mine
Stokes County, North Carolina

Dear Mr. Laurence:

Enclosed are the original and four copies of a proposed short-form contract signed by the Administrator for the Government. It consists of the form, Annex I (1 page), one Consent to Lien and Subordination Agreement, Exhibit A (1 page), 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. Copies of the executed contract are to be distributed in the usual manner. If any part of this proposed contract does not have either your approval or that of the applicant and cannot be amended within your delegated authority, then the original and all copies of the contract and the two extra copies of Annex I, Exhibit A and the maps are to be returned to this office, together with the proposed changes for consideration.

Copies of memoranda dated April 30 and May 14, 1958, by Mr. T. H. Kiilsgaard, USGS, and Mr. W. F. Dietrich, USBM, respectively, relating to the project are enclosed.

If you mail the contract to the applicant for execution, advise him that the envelope returning the executed contract must be postmarked prior to midnight, June 30, 1958.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (GHB)

Approved:

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

N. E. Nelson (GHB)
Member, Geological Survey

Enclosures 11

WCAnderson:rsi 6/19/58
Copy to: Admr. R. File
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

JOHN C. McBEE
J. C. McBEE, JR.

McBEE & McBEE
ATTORNEYS AT LAW
SPRUCE PINE, N. C.

TELEPHONE
POPLAR 5-2591

OFFICIAL FILE COPY
DMEA
RECEIVED JUN 11 1958

DATE		CODE
6/11	C	220
		600

June 9th, 1958

United States Department of the Interior
Defense Minerals Exploration Administration
Washington 25, D. C. 600

Re: Docket No. DMEA-4945-Mica
A. Ward, et al.
Spencer Mine
Stokes County, N. C.

Gentlemen:

Referring to your communication to A. Ward on May 19th, 1958, we hereby enclose:

Certified copy of the original lease from Spencers to A. Ward, which lease is of record in the office of Register of Deeds for Stokes County, N. C., in Book #124 of Deeds page 399.

Certified copy of transfer from R. W. Love to H. Lee Medford conveying to him a ¼ undivided interest in the above referred to lease.

Map of the leased premises containing exactly 10 acres and indicating the shafts and mines as surveyed by Ross Thompson, Surveyor, and

5 copies of certification by partners that said map shows the definite and specific location of the leased premises, which leased premises are identical with said map.

Very truly yours,

McBEE & McBEE, ATTORNEYS,

By John C. McBee

JCM:nb

Encls.

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
6/6	[illegible]	600
6/6	[illegible]	120
"	[illegible]	110
"		100
	G Mittendorf	220
6/9	N.G.	225
		600

600

JUN 9 1958

Mr. A. Ward

Spruce Pine, North Carolina

Re: Docket No. DMEA-4945-Mica
A. Ward, et al.
Spencer Mine
Stokes County, North Carolina

Dear Mr. Ward:

It is imperative that you supply the map and the information requested in our letter of May 19, 1958, to this office before June 19, 1958, if you wish to have your application processed before June 30, 1958, when the DMEA Program terminates.

Sincerely yours,

C. O. Mittendorf (for)

Administrator

LGHouk:gad 6/6/58
Copy to: Admr. R. File
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

OFFICIAL FILE COPY
DMEA
RECEIVED 19 1958
5/19 C 220
5/19 Hank 600
5/19 Kenneth 600

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

May 16, 1958

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: DMEA-4945 (mica) A. Ward, et al. Spruce Pine, N.C.
Spencer Mine, Stokes County, North Carolina

Reference is made to your letter of May 2.

Enclosed are three copies of the report map and sections, with the additional sections you requested added. Exposures are not adequate to make an extension of section GG'.

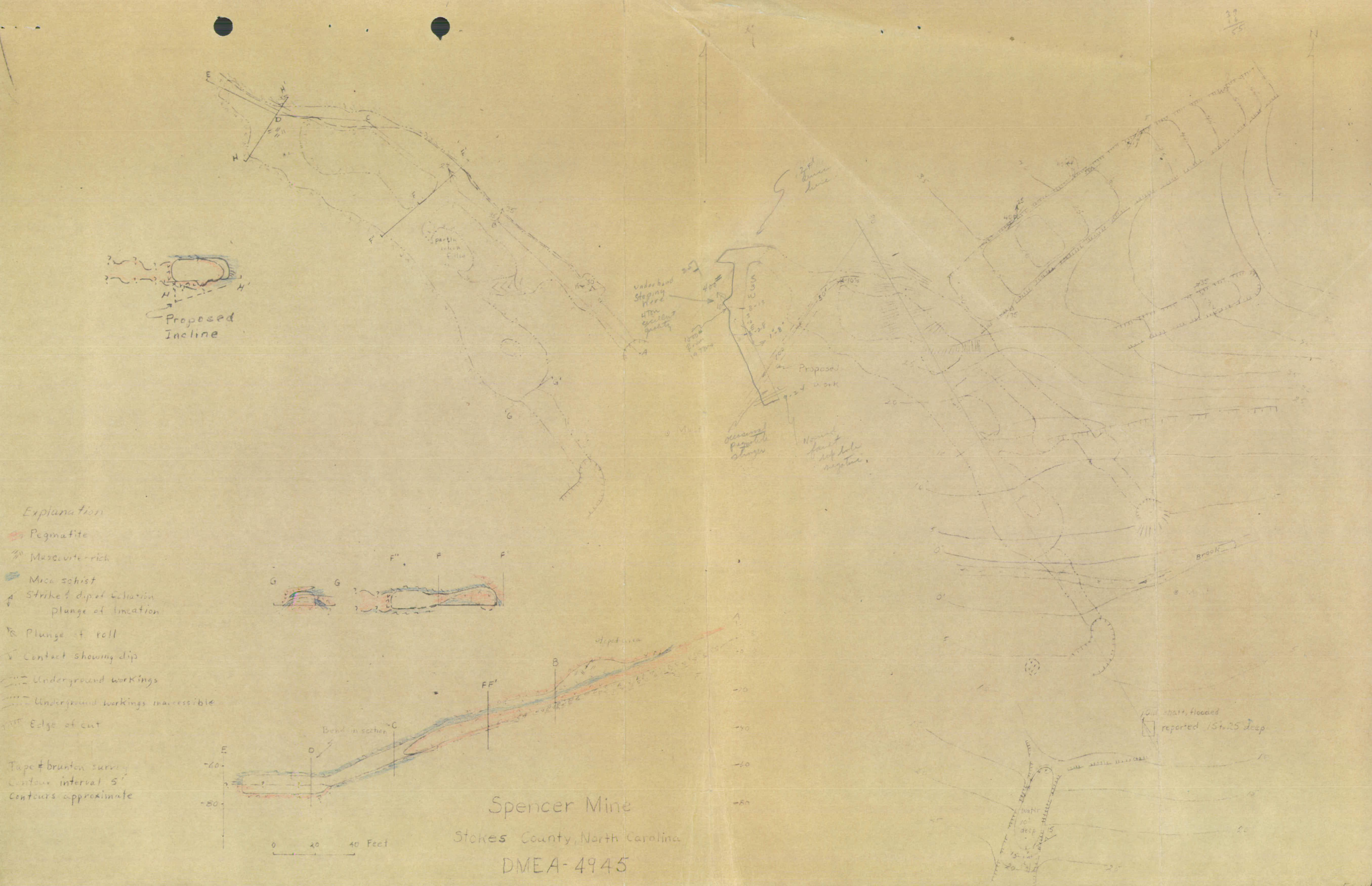
As we have not contacted the Applicants since receiving your letter, we do not know if they are willing to do the preliminary work. However, since it amounts to only $25.00 out of an estimated total of $3,732.75, we assume that they would be willing. Please note that the $450 for the 30-foot incline is not "preliminary" work, but is an integral part of the proposed exploration, to explore the footwall zone and ascertain the full thickness of the pegmatite. It is proposed in lieu of a 12-foot winze.

We have been advised by Mr. Lee Medford, that a new incline, driven down the pillar between the two existing inclines, has found and followed a mica shoot and resulted in the production of considerable strategic quality mica. This tends to confirm the idea of multiple plunging shoots and affords additional support for the proposed drifting.

Copy of this map & memo sent to Mines & Survey 6-6-58 gae

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

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



Spencer Mine

Stokes County, North Carolina

DMEA-4945

OFFICIAL FILE COPY
D M E A
RECEIVED MAY 19 1958

DATE	INITIALS	CODE

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
5/19	[illegible]	600
5/19	Houk	600
"	Johnson	110
"	Butterworth	100
5/19	C	220
		600

600

MAY 19 1958

Mr. A. Ward

Spruce Pine, North Carolina

Re: Docket No. DMEA-4945-Mica
A. Ward, et al.
Spencer Mine
Stokes County, North Carolina

Dear Mr. Ward:

Before we can continue the processing of your application to explore the subject property we will require the following:

1. A map of the property showing (a) metes and bounds of the tract owned by the Lessors, and described in the lease and Consent to Lien and Subordination Agreement submitted with your application; (b) adjoining property owners; and (c) ties to an identifiable land mark, and to the collar of the old shaft (flooded) and the two inclined shafts.

2. A statement signed by all of the partners that the tract of land described in the lease and Consent to Lien and Subordination Agreement submitted with your application, is the same as the one shown on the above map.

Sincerely yours,

S

Lawrence G. Houk, Director
Division of Nonmetallic Minerals

FLKnouse:rsi 5/19/58
Copy to: Admr. R. File
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Knouse
Field Team, Region V

8623

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

DMEA
5/14/58 KVB 220
May 14, 1958
600

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-4945 (mica)

Applicant: A. W. Ward, et al.

Name and Location of Property: Spencer Mine, Stokes County, N. C.

Date of Field Team Report: 4/21/58

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 4/28/58

Field Team Recommendation: Recommend that exploration assistance be granted.

Comments:

1. This is an old mine from which field examiners state that $236,000 worth of high quality mica has been produced by applicants between 1955 and 1958.

2. The mica has come from two parallel inclines intercepting northwest plunging shoots of mica.

3. Applicants request assistance in exploring southwest wall of the southwestern incline where pegmatite is exposed to test the possibility of occurrence of parallel mica shoots. The pegmatite continues to the southwest on the surface.

4. Proposed exploration outlined by the field team is consistent with good engineering practices and estimated costs are in line with other DMEA projects.

Recommendation:

I concur with the recommendation of the field team that DMEA assistance be approved.

W. F. Dietrich

W. F. Dietrich

Form 7
56)

OFFICIAL FILE C

Date	Surname	C
5/2	Houk	600
5/2	GCS	130
"	Johnson	110
"	[illegible]	100
5/5	C	220
		600

MAY 2 1958 600

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

Re: Docket No. DMEA-4945-Mica
A. Ward, et al.
Spencer Mine
Stokes County, North Carolina

Dear Mr. Laurence:

Reference is made to your recommendations for a contract at the subject mine. We will not participate in the cost of the preliminary work. We will consider but not promise a program of drifting and/or crosscutting southwest of about 80 feet if the Applicant will do the preliminary work.

In order to give us a clearer picture of the relationship between the two inclines, please extend Section FF' and GG' to include both inclines and make us a section near the bottom of the stope at D, if it can be done without a field examination.

We will continue processing the application if the Applicant indicates his willingness to do the preliminary work.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

Frank D. Lamb

Member, Bureau of Mines

W. P. Williams

Member, Geological Survey

LGHouk:gad 5/2/58
Copy to: Admr. R. File
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

Form 7
56)

OFFICIAL FILE C

Date	Surname	C
4/30	Houk	600
		130
		110
		100
		220

600

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

Re: Docket No. DMEA-4945-Mica
A. Ward, et al.
Spencer Mine
Stokes County, North Carolina

Dear Mr. Laurence:

Reference is made to your recommendations for a contract at the subject mine. The preliminary work recommended is not justified in a mine so recently operated. It would seem that the Operators are in a position to pursue mining of the mica rich strike in the bottom without Government aid.

Please extend Sections FF' and GG' to give us a clearer picture of the relationship of the two inclines. A section at D would also be helpful. Would bulldozing the pegmatite exposure nearest the first incline be beneficial? What does the statement on Page 2, "The northeastern incline follows the roll edge of the sill" mean? What are your objections to drifting off the southwest wall?

We will continue to process the application when we have the above requested information.

Sincerely yours,

Approved:

Member, Bureau of Mines

Chairman, Operating Committee

Member, Geological Survey

LGHouk:gad 4/30/58
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.

5/1 C 220 600

April 30, 1958

Memorandum

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

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

Subject: Review of Field Team Report, DMEA 4945 (Mica), Spencer Mine, Stokes County, North Carolina

Field Examiners report that the Spencer mine has produced $236,000 of high quality mica from two parallel inclines that have explored northwest plunging shoots of mica in a pegmatitic sill that strikes northeast and dips northwest. They report that pegmatite is exposed all along the southwest wall of the southwestern incline, but that no work has been done in this wall to test the possibility of parallel mica shoots. As the pegmatite continues to the southwest on the surface, they believe it would be prudent exploration to drift from the end of the northeast incline to come under this southwestward extension of the pegmatite and search for parallel mica shoots. A modest program of $3,732 would adequately test this target area.

In a recent telephone conversation with the Executive Officer, it was learned that the applicant currently is mining from the pillar between the two incline stokes and recovering good quality mica. It also was learned that the Field Team does not have a copy of the applicant's property map, and that they are not sure that such a map was submitted with the application. If the applicant's map is not available, it is recommended the Field Team map be used with the recommended contract.

The Field Examiners have presented good reasons for exploring what appears to be a promising pegmatite. I concur with them and recommend that a contract be drawn to explore this target area as they have proposed.

T. H. Kiilsgaard

T. H. Kiilsgaard

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

ROOM 13 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

OFFICIAL FILE COPY
DMEA
RECEIVED APR 24 1958

DATE	INITIALS	CODE
4/24	H. S.	220
4/28	JB	130
4/28	C	228

April 21, 1958

Memorandum

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

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

Subject: Examination Report - DMEA-4945 (Mica)
A. Ward, et al., Spruce Pine, North Carolina
Spencer Mine, Stokes County, North Carolina

Enclosed are the original and two copies of the subject report, and eight extra copies of the geologic map.

When this mine was examined, a little over three years ago, the examiners concluded that "a deposit which has produced the quantity of mica as this one and still will not support an operation has little merit for exploration." From the safe position of hindsight, it is now obvious that this opinion was incorrect, as nearly a quarter of a million dollars' worth of mica has been produced from the two inclines, and a small amount of stoping.

Therefore, it seems reasonable to assume that additional "rolls" like the productive ones, if present, may well justify a small expense for exploration. The examiners have outlined an inexpensive program designed to intersect such plunging rolls, and we recommend approval of a contract, as outlined in the report.

As stated in other memoranda, we think it would be better to use the Applicant's property map as the contract map, instead of the examiners' map, but we are enclosing eight extra copies of the geologic and topographic map in case you prefer to use it, if a contract is to be prepared.

Robert A. Laurence
Robert A. Laurence
Executive Officer

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

Reviewed by
DMEA OPERATING COMMITTEE
4-28-58
(date)

Enclosures 11

Ar - Site
Exam Rpt

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DMEA
RECEIVED APR 24 1958

DATE	INITIALS	CODE
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UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FIELD EXAMINATION REPORT

On

DMEA-4945(mica) SPENCER MINE
Stokes County, N. C.

By

F. G. Lesure, Geologist
Geological Survey

S. A. Feitler, Mining Engineer
Bureau of Mines

Reviewed by
DMEA OPERATING COMMITTEE
4-28-58
(date)

April 21, 1958

DMEA
RECEIVED
DATE | INITIALS | CODE

DMEA FIELD EXAMINATION REPORT

On

DMEA-4945(mica) SPENCER MINE
Stokes County, N. C.

Applicants: A. Ward, et al. Spruce Pine, North Carolina

SUMMARY

Mica-rich shoots in an undulating pegmatite sill have been mined at the Spencer mine in two inclines each about 250-feet long. The mica shoots occur in northwest plunging rolls in the pegmatite. This mine had a production of $236,000 worth of mica between 1955 and 1958. Pegmatite is exposed along the southwest side of the workings and the chances of similar parallel mica shoots to the southwest are worth investigating. It is recommended that exploration assistance be granted.

INTRODUCTION

Location: The Spencer mine is on a small tributary of Snow Creek about 500 feet southwest of the Hawkins mine and 2 1/2 miles S65°W of Sandy Ridge, Stokes County, North Carolina. The mine can be reached by car from Sandy Ridge by taking State Highway 704 west to the Snow Hill road. Turn left, proceed 0.6 mile, and turn left again on a dirt road. Proceed 0.9 mile to the mine.

Examination: The examination of the Spencer Mine was made March 19, 1958 and lasted five hours. Messrs. Frank Buchanan, A. Ward, Lee Medford, and Ira Ward accompanied the Examiners.

Past Operations: The Spencer Mine is reported to have been worked before World War II, and some prospecting was done during the war. In 1954 the prospect was examined by Teague, Amos and Shirley (DMEA-3573, Spencer Mine, Field examination Report, Dec. 1954). At that time 70 feet of the southwest incline had been driven. In 1955 the Spencer Mining Company (Bud Love, R. A. Ward and Rev. Henline) extended the incline for 180 feet producing mica that sold for about $180,000. The Applicants obtained the property in 1957 and sank a parallel incline 240 feet long separated from the older one by a pillar. Returns from this work include sales of trimmed mica amounting to $56,000 with 48.3% of the mica good-stained. Final settlement has not yet been made on a sale of 52-tons of hand-cobbed mica. Several large open cuts have been bulldozed north of the portals of the inclines and a small cut and shallow shaft have been dug south of the portal. The amount of mica recovered from this surface work is unknown.

A tool shed, hoist, and compressor were on the property at the time of the examination. Both water and electric power are available at the mine.

GEOLOGY

The Spencer Mine is in an undulant pegmatite sill that strikes generally northeast and dips northwest. The mica-rich sill is overlain by a second pegmatite sill that has not been fully explored but contains only a minor amount of strategic muscovite. The target sill varies in thickness from one foot to more than six feet. The northeastern incline follows the roll edge of the sill. Rolls in the hanging wall of the mica-bearing pegmatite and in the footwall of the overlying mica-poor pegmatite plunge generally northwest.

The mica-bearing pegmatite is composed of medium-to coarse-grained plagioclase, perthite, quartz, and muscovite. Muscovite is apparently concentrated in shoots which, from the Applicants descriptions, generally occur in the northwest plunging rolls. The Applicants report finding good mica in the water hole near the junction of the two inclines at the lower level. This may be part of one of the plunging shoots.

The mica is of good quality. Books up to 13" x 14" were seen in the material recovered from the water hole.

The pegmatite sills are apparently associated with a gneissic granite and are intruded into a fine-grained quartz biotite schist, The lower or mica-rich sill is separated from the upper one by a schist septum about two-feet thick. Near the south end of the large stoped area in the southwest incline (Sec. G-G' on the map) there are several layers of schist in the pegmatite.

Throughout the inclines both pegmatite and schist are hard and unweathered.

RECOMMENDATIONS AND DISCUSSION

We recommend that exploration assistance be granted. Production in several mica-rich shoots in the pegmatite sill in the Spencer mine has amount to $236,000 in the past three years. Pegmatite is exposed all along the southwest wall of the southwest incline but no exploration for parallel mica-bearing structures to the southwest has been done. The shoots followed by the northeast incline seem to have pinched out. A mica-rich area in the water hole near the junction of the incline suggests that the incline leveled off and may be above a northwest-plunging mica shoot. This mine is similar geologically to the nearby

Hawkins Mine (Griffitts, W. R., Jahns, R.H. and Lemke, R.W.,1953, Mica Deposits of the Southeastern Piedmont, U.S. Geol Survey Prof. Paper 248-C, p.168-169). The presence of several northwest plunging shoots increases the possibilities of the occurence of others. We recommend that near the end of the northeast incline the floor be taken up for about 10 feet to steepen the grade to 30°. From this the incline should be turned about 60° and continued at -30° or along the footwall of the pegmatite sill to the southwest wall of the workings. From this point 100 feet of drift would be driven to the southwest to explore for additional northwest-plunging mica-rich rolls. The level at which the drift is to be driven would be determined by the Examiners after a study of the footwall along the steepened incline and of the face where the drift is to start.

COST ESTIMATES

Incline (see attached map)

Take up bottom to slope existing track at minus 30°. Curve track to southwest and drive 30 feet to southwest wall of present workings at minus 30 degrees. This incline is not to be driven deeper than the footwall of the pegmatite.

Relay track at -30° 50 c.f. @ 50¢/c.f.	$25.00	
Incline 30 ft at -30° by 5' wide 900 c. f. @ 50¢/c.f.	450.00	
Total incline.....		$475.00

Drift 100 ft 5' x 7' in cross-section from southwest wall near bottom of workings (50 shifts)

Labor:

1 - Foreman-Miner	$14/shift	
1 - Hoistman	12/shift	
1 - Laborer	8/shift	
Per 8 hour shift.....	$34	
Total labor, 50 shift @ $34/shift.....		$1,700.00

Depreciation on Equipment:

Ingersoll Rand 105 compressor	$4000.00	
Jack hammer	400.00	
Jack leg	225.00	
Hose-Air and water	150.00	
Hoist and rope	1000.00	
Pumps-4	1225.00	
Discharge hose	150.00	
Track and car	500.00	
Total value of equipment.....	7650.00	
Depreciation-2 1/2 mos. @ $127.50/Mo.		$318.75

Supplies, Tax, & Insurance:

Gasoline and oil	225.00	
Explosives	400.00	
Drill Steel	180.00	
Small tools & Misc.	200.00	
Sales Tax	30.00	
Social Sec. & Ins.	204.00	
Total supplies, etc.		1,239.00
Estimated cost of drift.....		$3,257.75

Est. Cost /ft of drift--$32.58

SUMMARY OF ESTIMATES

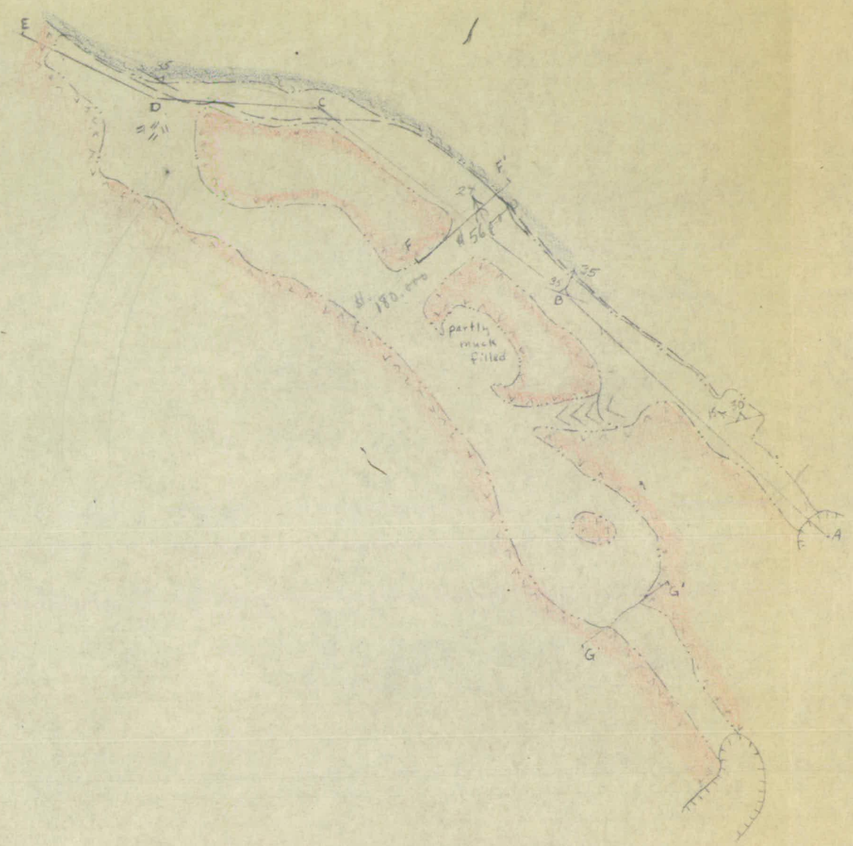
Incline	$475.00
Drift	$3,257.75
Total Est. of project.....	$3,732.75

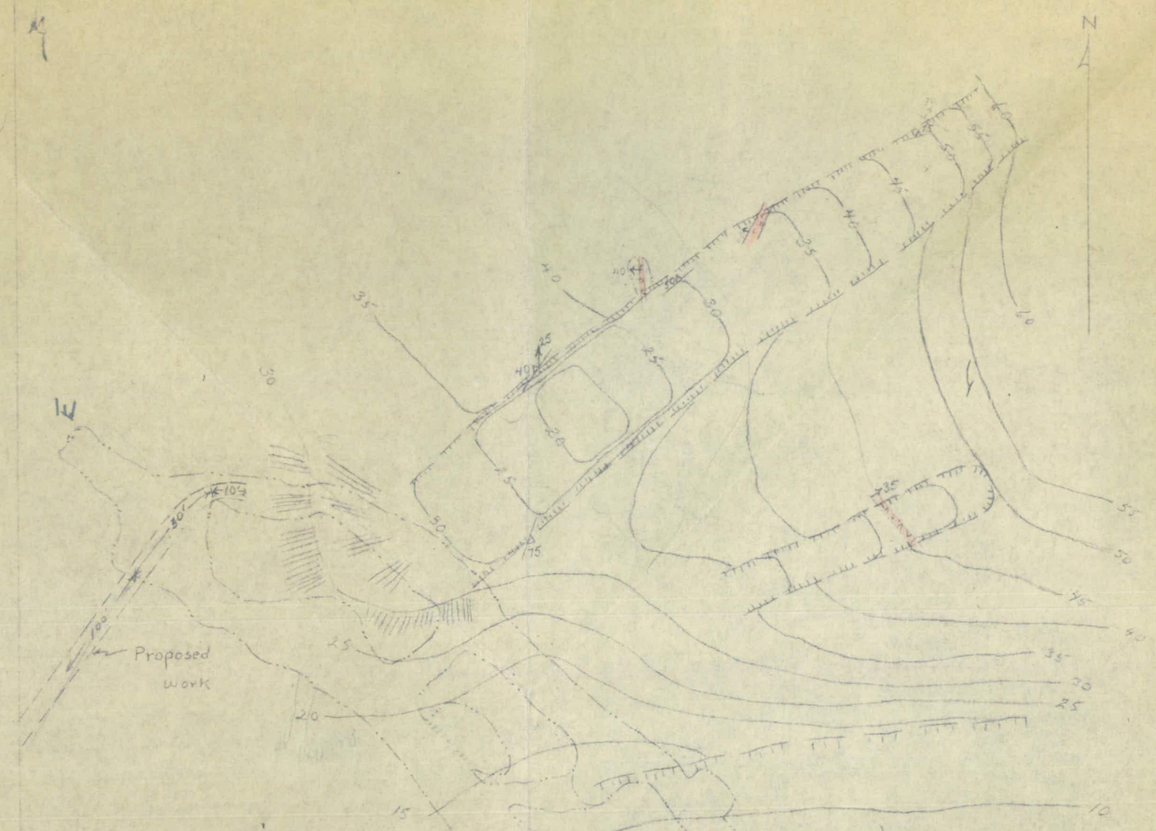
3708
23
3733

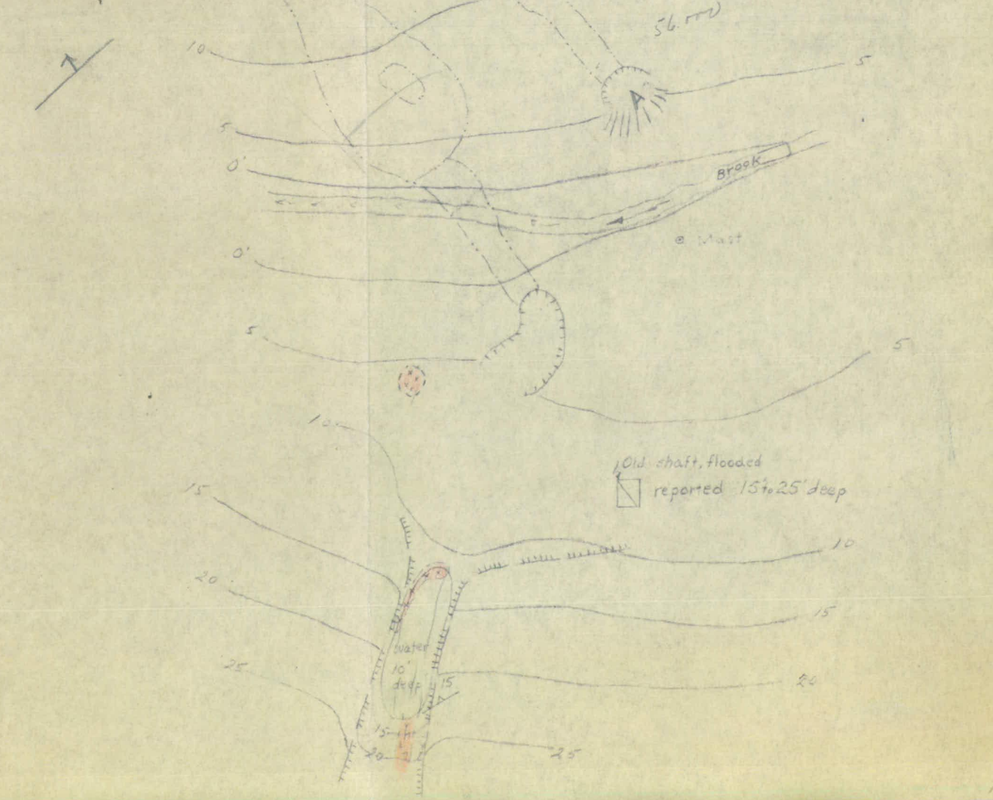
F. G. Lesure, Geologist
Geological Survey

4-21-58
z

S. A. Feitler, Mining Engineer
Bureau of Mines



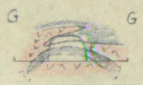


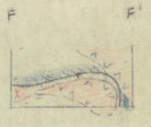


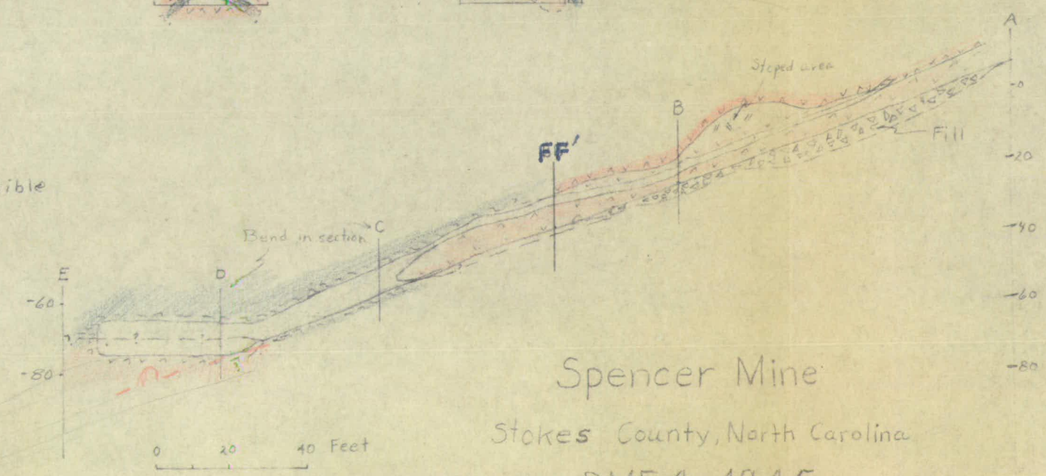
Explanation

- Pegmatite
- Muscovite-rich
- Mica schist
- Strike & dip of foliation
  plunge of lineation
- Plunge of roll
- Contact showing dip
- Underground workings
- Underground workings inaccessible
- Edge of cut

Tape & brunton survey
contour interval 5'
Contours approximate







Spencer Mine

Stokes County, North Carolina

DMEA-4945

OFFICIAL FILE COPY
D M E A
RECEIVED APR 24 1958
DATE | INITIALS | CODE

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RECEIVED APR 24 1958
DATE | INITIALS | CODE

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
3/5	Anderson	600
3/5	GCS	130
"	Johnson	110
"	Mittendorf	100
3/6	C	220
		600

600

MAR 6 1958

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

Re: Docket No. DMEA-4945-Mica
A. Ward, et al.
Spencer Mine
Stokes County, North Carolina

Dear Mr. Laurence:

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

If a contract is recommended please have the Applicants supply the book and page of recording of the tract of land involved. A location map should be prepared showing the outline of the leased area related to the location of the proposed DMEA work. A tie from one of the corners of the leased area to a permanent corner of the tract or to some permanent immovable object or monument should be made.

Copies of memoranda dated February 28 and March 3, 1958, by Mr. W. F. Dietrich, USBM, and Mr. N. E. Nelson, USGS, respectively, 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 (JHB)

Approved:

O. M. Bishop (JHB)
Member, Bureau of Mines

Thor H. Kiilsgaard (JHB)
Member, Geological Survey

Enclosures 5

LGHouk:gad 3/5/58
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
3/5	Anderson	600
3/5	Selfridge	130
3/5	Bishop	130
3/5	Kilsgaard	130
"	Glynn	110
"	Mittendorf	100
		220

600

MAR 6 1958

Mr. A. Ward, et al.

Spruce Pine, North Carolina

Re: Docket No. DMEA-4945-Mica
A. Ward, et al.
Spencer Mine
Stokes County, North Carolina

Dear Mr. Ward:

Your application for assistance in exploring the subject property has been reviewed by the Division of Nonmetallic Minerals of the Defense Minerals Exploration Administration and has been referred to Mr. Robert A. Laurence, Executive Officer, DMEA Field Team, Region V, Room 13, Post Office Building, Knoxville 2, Tennessee, for further consideration and possibly a field examination.

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

Sincerely yours,

C. O. Mittendorf (for)

Administrator

LGHouk:gad 3/5/58
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 4 1958

DATE	INITIALS	CO
3/4	C	220
		600

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

March 3, 1958

Re: DMEA 4945
A. Ward et al
Spencer Mine
Stokes County, N. C.
$7,000 - Mica

Memorandum

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

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

Subject: Review of application

The applicants request assistance in exploring a pegmatite by drifting and crosscutting. The drifting would be a 125-foot continuation of an existent drift and the crosscutting 50 feet to right and left from the drift.

The mine has been in production in the past two years but the value of the production is not given. The proposed work savors of development.

Referral of the application is recommended.

N. E. Nelson

N. E. Nelson

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

February 28, 1958

FILE COPY
DMEA
RECEIVED MAR 3 1958

DATE	INITIALS	CODE
3/3	C	220
		600

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA - 4945 (mica)

Applicant: A. Ward

Name and Location of Property: Spencer Mine,
Stokes County, North Carolina

Date Application Rec'd. by Br. of Ceramic and Fertilizer Materials: 2/26/58

Comments:

1. This is an old mine from which applicant states a considerable amount of ruby mica has been produced in the past two years.

2. Work outlined by the applicant appears to be development work.

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.

February 26, 1958

Mr. A. Ward
Spruce Pine, North Carolina

Subject: DMEA-4945

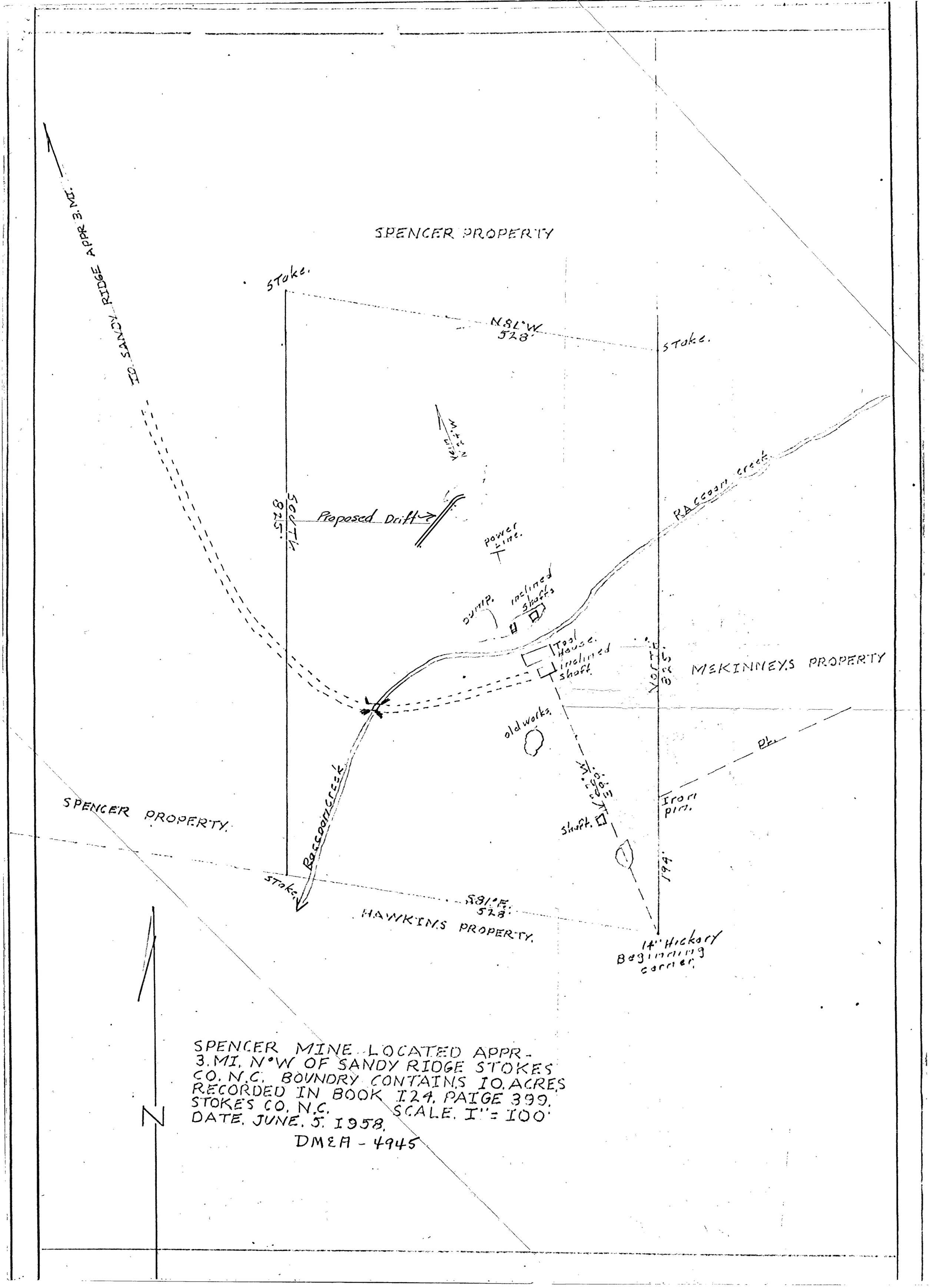
Dear Mr. Ward:

Your application for exploration assistance, dated February 21, 1958 submitted to our office at Knoxville, Tennessee has been assigned Docket Number DMEA-4945 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, Director
Operations Control and
Statistics Division

Copy to: Region V



SPENCER MINE LOCATED APPR. 3. MI. N°W OF SANDY RIDGE STOKES CO. N.C. BOUNDRY CONTAINS 10. ACRES RECORDED IN BOOK 124. PAIGE 399. STOKES CO. N.C. SCALE. 1" = 100'
DATE. JUNE. 5. 1958.
DM&A - 4945