DMEA Form 9
Rev. 6/57

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE — Idm-E NO. 87 — DMEA NO. 1140X

Application
- [ ] Denied
- [ ] Withdrawn

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

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

Folder No. 1:

Left Side

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

Right Side

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

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

- [x] 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

Re
17963

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
1-14	Holt	500
	Fumich	500
1/14	Tolbert	800
	Selfridge	120
1/14	Johnson	110
1-14	Frumb	100
		120

JAN 1 4 1963

Pitt Mica Corporation
P. O. Box 489
Franklin, North Carolina

Re: DMA-1140X (Mica)
Reid-Mary Mine
Macon County, North Carolina
Contract Idm-E87

Gentlemen:

By the terms of the subject Exploration Project Contract, as amended by contract Idm-E456, and the certification of discovery or development dated February 21, 1952, all minerals mined or produced from July 27, 1951, to December 4, 1962, were subject to the Government's royalty as set forth in said contract.

As the period during which production was subject to royalty has now expired, the Government according to its present records 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 contract. Your attention, however, is called to the provisions of the contract which require the Operator to keep and preserve certain records for the periods indicated.

Sincerely yours,

George Fumich, Jr.

Director

SPholt/mm
1-11-63
cc: Director's Reading File
Region IV (2)
CA&A Division
✓Docket
Code 500
Mr. A. W. Reid, Box 489, Franklin, N. C.
Mr. W. H. Hooker,
104 Hemlock Drive, Marietta, Georgia

43683

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Washington office pertaining to Contract Idm-E87, Docket DMA-1140 (mica), dated July 27, 1951, with

Pitt Mica Corporation
P. O. Box 489
Franklin, North Carolina

for the purpose of determining the amount of royalty payable to the U. S. Government on sales of minerals from property referred to as the Reid-Mary Mine and the Mary Mine located in Macon County, North Carolina, during the period May 8, 1959, through April 22, 1961.

A certification of discovery or development was issued on February 21, 1952, and, in accordance with Article 15 of the contract, royalty is payable on all minerals produced as a result of such discovery or development from the land described in Article 2 of the contract for a period of 10 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. The 10 year repayment period, however, was extended to December 4, 1962, by the provisions of Annex I to Contract Idm-E456, Docket DMEA-2150, with Reid and Hooker. A Report of Review dated July 11, 1952, indicated accepted costs under the exploration contract amounting to $1,990.00 with the Government's contribution on a 90 percent basis being $1,791.00.

The status of the project, the scope of review, and the reasons therefor are stated on page 2.

This review established no sales subject to the Government's royalty subsequent to the period covered by a prior Report of Royalty Review, which found the sales subject to the Government's royalty through May 7, 1959, to be $1,215.56. The royalty account as of May 7, 1959, was:

Total Royalty Payable	$60.77
Total Royalty Paid	60.77
Balance of Royalty Due	$ -0-

At April 22, 1961, the royalty account of this project was found to be:

Total Royalty Payable	$60.77
Total Royalty Paid	60.77
Balance of Royalty Due	$ -0-

November 22, 1961

E. D. Talbert, OME Auditor

STATUS OF PROJECT, SCOPE OF REVIEW
AND REASONS THEREFOR

At the time this contract was executed, the Operator was in possession of the 116 acres of land under the contract pursuant to an October 5, 1950, deed from A. W. Reid. On August 11, 1951, however, only two weeks after execution of the contract and prior to the performance of any exploration work, the Operator transferred approximately one-third divided interests to each of its only stockholders, A. W. Reid, W. H. Hooker, and F. T. Siersma.

Under date of September 12, 1951, Siersma optioned his interest to Reid. This action was followed by a September 19, 1951, agreement between Reid and Hooker whereby each acquired a one-half undivided interest in the property. On December 14, 1951, the Operator was suspended as a corporation by the Secretary of State of North Carolina.

On December 4, 1952, A. W. Reid and W. H. Hooker executed Exploration Project Contract Idm-E456, Docket DMEA-2150, covering the same land. Annex I thereto provides that, in the event of certification, Reid and Hooker jointly and severally shall pay a royalty on all production under the terms of, and for a period of 10 years from, the date of that contract or until the total Government contribution under both contracts is fully repaid. A certification of discovery or development was issued under the later contract on May 28, 1953.

Examinations of the property, the latest on April 22, 1961, and inquiries by field representatives have confirmed that the property has been inactive since shortly after completion in 1953 of the work under the later contract and that all sales of production were covered by the prior Reports of Royalty Review on this first contract. During a July 13, 1954, inspection of the property Reid stated that his interests had been sold to Hooker, who holds all mineral rights in fee.

The last known address of W. H. Hooker was 104 Hemlock Drive, Marietta, Georgia. The last address of record for A. W. Reid was Box 489, Franklin, North Carolina.

This review was made in lieu of an on-site audit of the Operator's accounts and records for the following reasons:

(1) The property has been inactive since 1953;
(2) All sales of production have been accounted for and proper royalty thereon paid; and

(3) The administrative cost to the Government of an on-site royalty audit at this time would be excessive in relation to the amount of possible additional royalty which might be disclosed.

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Division of Nonmetallic Minerals, Office of Minerals Exploration, Washington, D. C., pertaining to Contract No. Idm-E87, Docket No. DMA-1140 (Mica), dated July 27, 1951, with

Pitt Mica Corporation
P. O. Box 489
Franklin, North Carolina

for the purpose of determining the amount of royalty due the U. S. Government on sales of minerals from property referred to as Reid-Mary Mine located in Macon County, North Carolina, during the period March 19, 1955, through May 7, 1959.

A certification of discovery or development was issued on February 21, 1952, and accordingly royalty is payable on all production as a result of such discovery or development for a maximum period of 10 years from the date of the contract. A Report of Review in lieu of final cost audit dated July 11, 1952, indicated accepted costs under the exploration contract amounting to $1,990.00 with the Government's contribution, on a 90 percent basis, being $1,791.00.

A prior report of royalty review dated March 21, 1955, indicated total sales subject to Government royalty amounting to $1,215.56 for the period July 27, 1951, through March 18, 1955, and that the royalty due the U. S. Government amounting to $60.77 had been paid. No royalty has been received by the Government applicable to this project since the latter date.

This review was made in lieu of an on-site royalty audit of the Operator's accounts and records for the following reasons:

(1) Periodic inspections by a representative of the Field Team, Region V, have failed to disclose any evidence of production or sales of minerals from this project during the period covered by this review, and

(2) The administrative cost to the Government of an on-site royalty audit at this time would be excessive in relation to the amount of possible royalty which might be disclosed.

G. E. Fisher

G. E. Fisher, OME Auditor

May 13, 1959

MMT Form 22
April 59

DEPARTMENT OF THE INTERIOR
Office of Minerals Exploration

CHECK SHEET OF EXAMINING ENGINEER

Operator's Name Pitt Mica Corporation

Address Franklin, North Carolina

Exploration Contract No. Idm-E87 (mica) Docket No. 1140

		Check One Yes	Check One No.
1.	(a) Does the Operator stockpile ore subject to royalty repayment?		✓
	(b) If so, is segregation and identification procedure adequate?		
2.	(a) Does Operator commingle production subject to DMEA or OME royalties with exempt production?		✓
	(b) If so, do you consider the allocation of the commingled production equitable?		
3.	(a) Does the Operator stockpile mine or mill rejects (low grade ore, tailing, middlings, etc.) that may have potential value within the royalty payment period?		✓
	(b) If so, are adequate records maintained on such material to protect the Government's interest?		
4.	Do you consider the assay controls in effect are adequate?	✓	
5.	Do you consider that the manner of disposing of production gives the Government its fair royalty returns?	✓	
6.	Do your periodic examinations of operations indicate the Operator is properly reporting his production of ores subject to DMEA or OME royalties?	✓	
7.	Does the Operator buy from or sell to other Operators?		✓
8.	Comment on any item 2 (b) to 6 if answer is No.		

5/7/59
Date

V. J. Lynch
Mining Engineer

53362

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF SECOND ROYALTY REVIEW

I have reviewed all copies of settlement sheets on file with the Executive Officer, DMEA Field Team, Region V, applicable to royalties collected on the sales of mica for the period July 27, 1951, to March 18, 1955, by:

Pitt Mica Corporation
P. O. Box 489
Franklin, North Carolina

produced from property referred to as the Reid-Mary Mine located in Macon County, North Carolina, under terms of Contract Idm-E87, Docket No. DMA-1140.

My review included a conference with Mr. William A. Beck, Mining Engineer, U. S. Bureau of Mines, Knoxville, Tennessee, who is thoroughly familiar with the project.

This review was made in lieu of an on-site audit of the Operator's accounts and records for the following reasons:

(1) This account was previously reviewed by Mr. B. J. Brakhus as indicated by his Royalty Audit Memorandum dated July 26, 1954.

(2) A check of the records of the General Services Administration Mica Purchase Depot, Spruce Pine, North Carolina, did not disclose any sales of mica produced from this mine subsequent to the date of the prior review.

(3) The administrative cost to the Government of an on-site royalty audit at this time would be excessive in relation to the amount of possible additional royalty which might be disclosed.

The review established the total sales of mica for this period to be $1,215.56. Royalty due the U. S. Government at the contract rate of 5 percent is $60.77. The royalty paid and balance due are as follows:

Total Royalties Due	$60.77
Total Royalties Paid	60.77
Balance of Royalties Due	$ -0-

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

March 21, 1955

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

July 28, 1954

Royalty Audit Memorandum

To: Mr. Jay L. Chambers, Chief
Contract Administration and Audit Division

From: E. J. Brekhus, Auditor

Subject: Royalty Audit - Contract Idm-487, Docket No. DMEA-1140
Pitt Mica Corporation
Contract Idm-456, Docket No. DMEA-2150
A. W. Reid and W. H. Hooker, partners
Contract Idm-476, Docket No. DMEA-2327
Andrew W. Reid

On July 13, accompanied by Mr. W. A. Beck, Mining Engineer, Bureau of Mines, Knoxville, Tennessee, I called upon Mr. A. W. Reid for purpose of determining status of royalty payments on the subject contracts.

We found Mr. Reid at home in apparently poor physical condition. He was reported to have been involved in a mine cave in sometime previously, and had spent considerable time in a hospital. Another man was reported killed in this same cave in.

Mr. Reid stated he was now no longer active in the above mining projects and his former partner, Mr. W. H. Hooker, who now resides in Atlanta, Georgia, has taken over the properties and owns the mineral rights, and has the records of the operations. He also stated that there was now no mining being done on these properties and he believed all royalties have been paid. The records of the Field Team and the Mica Depot in Spruce Pine, North Carolina, also support this. Therefore, it was decided not to go to Atlanta, as the probable findings would not justify the trip.

The status of the royalty accounts of the above contracts is as follows:

Contract No.	Sales: Strategic Mica	Sales: Punch & Scrap	Sales: Total Sales	Royalty Paid
Idm-487	$ 530.98	$ 684.58	$1,215.56	$ 60.77
" 456	-	-	-	-
" 476	2,004.90	144.25	2,149.15	107.45

Mr. W. H. Hooker's present business address is c/o Trade Publications, Inc., 1125 Peachtree Street, Atlanta, Georgia.

FILE COPY
SURNAME:

Johnson
Thayer
Hoffman
Hoffman

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

CERTIFICATION BY THE UNITED STATES OF AMERICA OF A DISCOVERY OR DEVELOPMENT UNDER AN EXPLORATION PROJECT CONTRACT

To: Pitt Mica Corporation
P. O. Box 489
Franklin, North Carolina

Pursuant to the provision of Exploration Project Contract No. Idm-837, dated July 27, 1951, (Docket No. DMEA-1140), hereinafter called the "Contract", between you and the United States of America, hereinafter called the "Government"; to establish and fix the claim and lien of the Government under the terms of the Contract, the Government hereby certifies that a discovery or development has resulted from the work under the Contract from which commercial production of ore may be made, in or upon that certain property situated in the State of North Carolina, County of Macon, described as follows: Known as the Reid-Mary Mine located N 20°E - 8.2 miles from Franklin. Legal description follows: "All the mineral rights and mining privileges in 116 acres of land situated on the head waters of Mica City Creek, in Macon County, North Carolina, approximately 14 miles northeast of the Town of Franklin; as conveyed by deed from A. W. Reid to Pitt Mica Corporation on October 5, 1950, and recorded on page 511 of Deed Book X-5, Records of Macon County.

The Government's estimate of said discovery or development is particularly described and delimited as follows: Strategic mica books up to 10" in diameter were discovered at the northeastern end of the exposed area of the southwestern pegmatite at a point marked "Locality 1" on the map attached to the contract and marked "Docket 1140X, Proposed prospecting at the Mary Mine". The mica recovered in the exploration is hard, flat, ruby colored, clear, and splits well. The operator reports 2,175 pounds of mica was recovered during the exploration. The southwestern pegmatite is more than 120 feet in length, and varies from two to twelve feet in thickness.

Dated: Feb 26, 1952

THE UNITED STATES OF AMERICA

By C. D. Mittendorf
Acting Administrator, Defense
Minerals Exploration Administratio

LGHouk:gad 2/20/52
Copy to: Contracts & Audits
Docket
Mr. Houk
Field Team, Region VII
Legal

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

R

REPORT OF REVIEW

I have reviewed the Monthly Report of:

Pitt Mica Corporation

Box 489

Franklin, North Carolina

pertaining to Exploration Project Contract No. Idm-E87, Docket No. DMA-1140X, for the month October, 1951 in which costs for the entire period of the project, from September 20 to October 18, 1951, were included.

My review included an examination of the Monthly Report (Form MF-104) and supporting documents attached thereto, comparison of the costs claimed with the contract and pertinent schedules, consultation with the Government representative who visited and examined the project, and a determination of the reasonableness and propriety of the costs.

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

(a) the administrative cost to the Government of an audit would be excessive in relation to value of the contract or the estimated amount of possible disallowances thereunder;
(b) the Monthly Reports were partially supported by documentary proof of the costs incurred under the contract; and
(c) a large portion ($1,000) of costs was for bulldozing work at standard rates.

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

Total cost as billed by Contractor		$ 1,990.00
Exceptions:		
By DMEA Finance Officer	$ -0-	
Herewith	-0-	-0-
Total Accepted Cost		$ 1,990.00

The contract calls for a 90 per cent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of One thousand seven hundred ninety-one Dollars and 00/100

- $ 1,791.00 -

is considered valid and proper.

July 11, 1952

E. D. Talbert

MF-200
(June, 1951)

Docket No. DMA 1140X
Commodity Mica
Idm-E 87

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Docket Copy

EXPLORATION PROJECT CONTRACT[1]

It is agreed this 27th day of July, 1951 between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and[2]

Pitt Mica Corporation
P.O. Box 489
Franklin, North Carolina

hereinafter called the "Operator," as follows:

1. *Authority for contract.* This agreement is entered into under the authority of the Defense Production Act of 1950, pursuant to Mineral Order 5, entitled "Regulations Governing Government Aid in Defense Exploration Projects."

2. *Operator's property rights.* The exploration project shall be conducted on that certain property situated in the State of North Carolina, County of Macon described as follows:[3] Known as the Reid-Mary Mine located N 20°E - 8.2 miles from Franklin. Legal description follows: "All the mineral rights and mining privileges in 116 acres of land situated on the head waters of Mica City Creek, in Macon County, North Carolina, approximately 14 miles northeast of the Town of Franklin; as conveyed by deed from A. W. Reid to Pitt Mica Corporation on October 5, 1950 and recorded on page 511 of Deed Book x-5, Records of Macon Co.

with respect to which the Operator represents and undertakes:

(*a*) That he is the sole owner, in possession and entitled to possession, and that the property is subject only to the following claims, liens, or encumbrances as to each of which the subordination agreement of the holder is attached:

(*b*) ~~That he is a lessee in possession and entitled to possession, and the subordination agreement of the lessor is attached.~~

3. *Exploration project.* The Operator, within Thirty (30) days from the date of this contract shall commence work on a project of exploration for[5] Mica; shall prosecute the work efficiently, expertly, in a workmanlike manner, in accordance with good mining standards, with suitable and adequate equipment, materials, and labor, all properly designed to bring the project to completion within a period of[6] Three (3) Months from the date of this contract. The exploration project and the work to be performed are more fully described on Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, is made a part of this contract.

4. *Performance of the work.* The work shall be performed by the Operator, under his sole direction and control: *Provided,* That with the consent of the Government and its written approval of the contract or contracts, all or any part of the work may be performed by the Operator through contract or contracts with independent contractors. The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

5. *Fixtures and improvements.* The Operator shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of the exploration project without any allowance for the use, rental value, depreciation, depletion, or other cost of acquiring, owning, or holding possession thereof. Any additional facilities, buildings, and fixtures, to be purchased, installed, or erected by the Operator, with the estimated cost of each, to which the Government will contribute currently its agreed pro rata share, are listed in Exhibit "A" attached hereto. The difference between the cost of such additional facilities, buildings, or fixtures, and the salvage value thereof at the conclusion of the work, shall be charged as a cost of the project to which the Government has contributed its pro rata share.

6. *Operating equipment.* Any operating equipment to be rented, purchased, or furnished by the Operator, with the allowable rental, purchase price, or depreciation, as the case may be, is listed under appropriate headings in Exhibit "A" attached hereto. As to equipment purchased for the project, the Government will contribute its agreed pro rata share of the cost thereof, and the difference between the cost and the salvage value at the conclusion of the work shall be charged as a cost of the project to which the Government has contributed its pro rata share.

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] State name, address, and nature of organization if any.
[3] Give legal description or enough to identify the property.
[4] Strike out the provision not applicable.
[5] Name of mineral.
[6] Not in excess of 2 years.

7. *Title to and disposition of property.*—[illegible] facilities, buildings, fixtures, equipment, or other items costing more than $50 each, paid for or purchased with funds contributed jointly by the Operator and the Government, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the termination of the contract, if they have any salvage value, shall be disposed of for their joint account unless the Government, in writing, waives its interest in any such items. The Government may require the dismantling, severance from land, and removal of any such items in order to realize its interest in the salvage value thereof, and the cost of any such removal and of the disposal of the items shall be for the joint account of the parties in proportion to their respective interests.

8. *Labor and supervision.* An itemized schedule of labor, by numbers and classes (miners, muckers, millmen, etc.), and of supervisors, by numbers and positions, with the maximum wages or salaries that may be paid to each as an allowable cost of the project is set forth in Exhibit "A" attached hereto.

9. *Rehabilitation and repairs.* A statement of the cost of any necessary rehabilitation or repairs to put existing facilities, buildings, installations, and fixtures into useful and operable condition and which are to be allowed as costs of the project is included in Exhibit "A."

10. *Allowable costs of the project.* The costs of the project in which the Government will participate are limited to the necessary, reasonable, direct costs of performing the exploration work, including the costs of materials, supplies, engineering, power, water, analytical work, accounting, and utilities, including items of equipment costing less than $50 each; and the costs referred to in Articles 5, 6, 8, and 9, and the exhibits annexed to and referred to in this contract. Although the Government may pay part of the cost of new or additional facilities, structures, buildings, and equipment, only the depreciation on such items, computed as indicated in Articles 5 and 6, will be charged as a cost of the project. No items of general overhead, corporate management, interest, taxes, or any other indirect costs not expressly allowed by these provisions, or work performed or costs incurred before the date of this contract, shall be allowed as costs of the project in which the Government will participate.

11. *Accounts and audits.* The Operator shall keep suitable records and accounts of operations, which the Government may inspect and audit at any time. The Government may at any time require an audit of the Operator's records and accounts by a certified public accountant, the cost thereof to be treated as a cost of the project. The Operator shall keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract.

12. *Progress reports.* The Operator shall provide the Government with monthly reports of work performed under the contract upon forms to be provided by the Government. Each monthly progress report shall bear the certification of the Operator and shall constitute the Operator's invoice of costs incurred on the project during the period covered by the report.

13. *Payment to the Operator.* The monthly progress report (invoice), to the extent approved by the Government, shall be processed for payment by the Government. Payment shall be made in the amount of 90 percent of the approved costs incurred; *Provided,* That the aggregate total of all sums paid by the Government under this agreement shall not exceed $ 2,371.50, which is 90 percent of the agreed estimated total cost of this project, $ 2,635.00.

14. *Final reports by Operator.* Upon completion of the project or termination of this contract, the Operator shall provide the Government with a comprehensive geologic and engineering report, including an estimate of ore reserves, to the best of his ability. Four copies of all reports shall be furnished to the Government.

15. *Repayment by Operator.* If, upon the completion of the exploration project or termination of the contract, the Government considers that a discovery or development has resulted from the work from which commercial production of ore may be made, the Government, within 6 months thereafter, shall so certify to the Operator, particularly describing and delimiting its estimate of the discovery or the development. Thereafter, if and as ore is produced as a result of such discovery or development, the Operator and his successor in interest shall be and become obligated to pay to the Government a percentage royalty on the net smelter returns or other net proceeds realized from such ore, concentrates, or metal produced within ten (10) years from the date of this contract, until the total amount contributed by the Government, without interest, is fully repaid or said 10 years have elapsed, whichever occurs first, as follows:

Of net smelter returns or other net proceeds not in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent.

Of net smelter returns or other net proceeds in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent, plus one-half (½) percent for each additional full fifty cents ($0.50) in excess of eight dollars ($8.00) per ton of ore, but not in excess of a maximum of five (5) percent.

This obligation to repay from net returns or proceeds shall be and remain a claim and lien upon the mineral deposit which is the subject of the exploration project and upon any production resulting from such discovery or development, in favor of the Government, until fully paid, or until said 10-year period has elapsed; and this claim and lien and the Government's right to repayment shall survive any termination of the contract, whether by completion of the exploration project or otherwise. This article is not to be construed as imposing any obligation on the Operator or his successor in interest to produce ore from any such discovery or development.

16. *No assignment of contract.* Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder.

17. *Termination and completion.* The Government may, at any time, by written notice to the Operator, terminate this contract: (*a*) If the Operator fails to provide his share of the money necessary to prosecute operations pursuant to the terms of the contract; (*b*) if the Operator, in the opinion of the Government, fails to prosecute operations pursuant to the terms of the contract; or (*c*) if in the opinion of the Government, operations up to the time of the notice have not indicated the probability of making any worthwhile discovery and in the opinion of the Government further operations are not justified. Upon the completion of the project or any termination of the contract the Operator shall render to the Government a full and final accounting of his operations under the contract and his expenditures of money; shall dispose of any unused materials, supplies, and equipment for the joint account of the Operator and the Government in the proportion of their respective interests; and shall pay to the Government its pro-rata share of any money remaining.

Executed in sextuplicate the day and year first above written.

Pittsburgh Corporation
(Operator)

By [illegible]

Treasurer

THE UNITED STATES OF AMERICA

By C O Mettenberg

Director
Production Expansion Division
Defense Minerals Administration

U. S. GOVERNMENT PRINTING OFFICE 16—64066

"EXHIBIT "A"

Performance of Work:

Work will consist of:

Sub-Project 1: Three tractor-dozer trenches about 50 feet long, 6 to 10 feet wide and 6 feet deep across the altered pegmatite and through the overburden, followed by shallow test pits and sampling of the pegmatite exposed in the trenches. The test pits to be put down with hand tools.
Total expenditure allowed $1,725.00

Sub-Project 2: If Project 1 exposes promising mineralization of strategic grade mica (in the opinion of the Government field engineers) the following additional work will be approved to explore the strike extension of the pegmatite. Two tractor dozer trenches about 50 feet long, 6 to 10 feet wide and 6 feet deep across the altered pegmatite and through the overburden, followed by shallow test pits and sampling of the pegmatite exposed in the trenches. The test pits to be put down with hand tools.
Total expenditure allowed $ 910.00

Location of tractor dozer trenches and test pits to have the prior approval of the Government field engineers. Approximate location of the trenches is outlined on the attached map. All sampling to be supervised by Government field engineers.

Total Cost of Project:

Sub-Project No. 1

Tractor dozer trenching - tractor rental @ $10.00/hr - 60 hrs.	$ 600.00	
1 - Engineer-Superintendent @ $20.00/day 10 days	200.00	
1 - Working Foreman @ $15.00/day - 15 days	225.00	
3 - Laborers @ $10.00/day - each 15 days	450.00	
Tools	100.00	
Jeep rental @ $6.00/day - 15 days	90.00	
Miscellaneous expenses, supplies, office, etc.	60.00	
Total Sub-Project No. 1		$ 1,725.00

Sub-Project No. 2

Tractor dozer trenching - tractor rental @ $10.00/hr - 40 hrs.	$ 400.00	
1 - Engineer-Superintendent @ $20.00/day 7 days	140.00	
1 - Working Foreman @ $15.00/day - 6 days	90.00	
3 - Laborers @ $10.00/day - each 6 days	180.00	
Jeep rental @ $6.00/day - 10 days	60.00	
Miscellaneous expenses, supplies, office, etc.	40.00	
		$ 910.00
Total Cost of Project		$2,635.00

Fixtures and Improvements:

Does not apply to this contract

Operating Equipment:

Equipment to be purchased

Hand tools	$ 100.00

Equipment to be rented

1/ Jeep at $6.00/day
2/ Tractor w/dozer blade $10/hr.

1/ Rate does not include gasoline or oil cost, but includes cost of any repairs to the equipment

2/ Total cost including supplies, operators' wages, and repair cost. Rental rate to be charged will be for actual operating time.

Labor and Supervision:

By quantity, classification and rate of compensation
1 - Engineer-Superintendent @ $20.00/day
1 - Working Foreman @ $15.00/day
3 - Laborers @ $10.00/day

Rehabilitation and Repairs:

Does not apply to this contract

DMA-1140X

AMENDED SCHEDULE OF COSTS AND REQUIREMENTS.

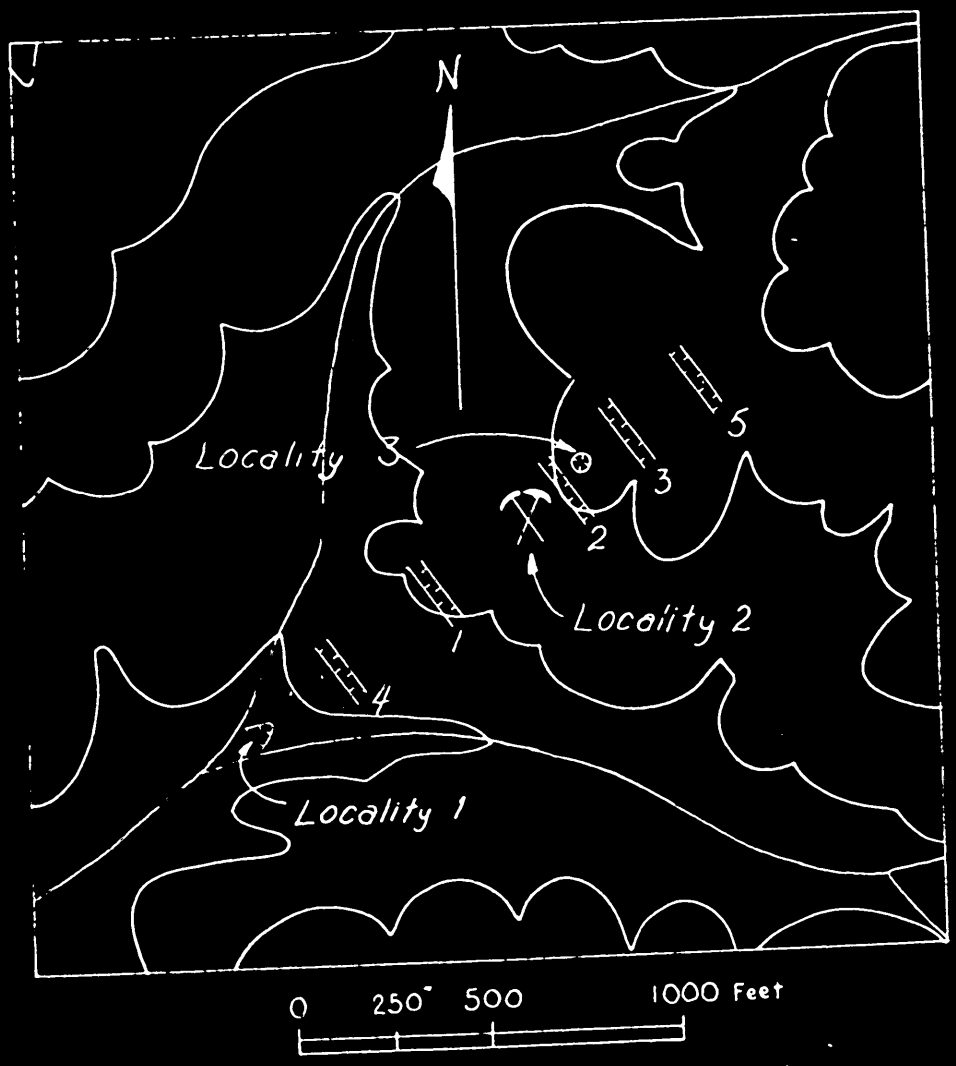
Sub-project 1

Tractor Rental	60 hrs	@	$10 hr.	600.00
1 Engineer Superintendent	10 days	@	20 day	200.00
1 Foreman	15 days	@	15 day	225.00
3 Laborers (each)	15 days	@	10 day	450.00
Tools				100.00
~~Tool shed and shelter~~ Supplies & Wiring.				~~100.00~~ 90
Jeep rental	15 days	@	6 day	~~90.00~~ 60
				$ 1,765.00

Sub-project 2

Tractor rental	40 hrs	@	$10 hr.	400.00
1 Engineer Superintendent	7 days	@	20 day	140.00
1 Foreman	6 days	@	15 day	90.00
3 Laborers (each)	6 days	@	10 day	180.00
Jeep rental	10 days	@	6 day	60.00
				$ 870.00

40



Docket 1140X Proposed prospecting at the Mary mine

Form MF-103
(April 1951)

DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.
Approval expires 6-30-51.

APPLICATION FOR AID FOR AN EXPLORATION PROJECT PURSUANT TO MINERAL ORDER 5, UNDER DEFENSE PRODUCTION ACT OF 1950

DO NOT FILL IN THIS BLOCK

Docket No. dma 1140 X

Date received 5/9/51

Participation

REID-MARY MINE

PITT MICA CORPORATION
P. O. BOX 489
Main St. & Highlands Rd.
Franklin, North Carolina

Name and address of applicant

Date May 4, 1951

FILL IN THIS BLOCK

Date of application May 4, 1951

Estimated cost $13,500.00

Mineral or metal Strategic Mica (Punch & Sheet)

Percentage of Government participation 90%

Location of mine 14 miles northeast of Franklin, N. C.

Date of filing MF-100 May 4, 1951

DMA Docket Number, if available dma 1140 X

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four signed copies of the application to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive officer thereof, with your name and address on each sheet of the application and all accompanying papers. If any question is inapplicable, or if you cannot answer it, so state on the form. Where the space provided for answer is insufficient, answer on a separate sheet, annex it to the application form, and refer to it in space for answer. If the application is approved, you will be presented with an exploration project contract on Form MF-200, for your signature.

THE APPLICANT

*1. Is applicant an individual, partnership, or corporation?
*2. If a partnership, state names and addresses of partners.
*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders.
*4. Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who will manage the project.
*5. Are you the owner or the lessee of the property?
6. If owner, state what claims, liens, or encumbrances, if any, are against the property.
7. If lessee, attach a copy of the lease and state if it is in good standing.

NOTE.—It will be necessary to procure and attach to the exploration project contract agreements of claimants, lienors, encumbrances and lessors subordinating their interests in the property to the interest of the Government under the contract.

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement.
9. How much money is applicant prepared to invest in proposed project? Is it sufficient to pay your part of the cost of the project as detailed in question 23 of this application form, in accordance with the regulations on Government participation (Section 9 of Mineral Order 5)?

*If you have already answered these questions on MF-100, you are not required to answer the questions for this application.

16—64067-1

THE PROPERTY

10. (*a*) Give a description of the real property that will be in any way involved in the exploration project, including any existing mine or operating property.

(*b*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

NOTE.—If both areas are the same, so state. The only obligation to repay the Government is from the net earnings from any commercial discovery made in the area specified in (*b*) above in which the exploration is to be conducted, and the expenditure of funds which may be charged as costs of the project must be limited to that area or to work necessary to perform the exploration in that area.

*11. State the present and former names of the property, if any.

*12. State, in detail, the location of the property with reference to towns, railroads, roads, shipping points, including distances and directions and kinds and conditions of roads.

*13. State source and quantity of water available for operations and its sufficiency at all seasons.
State amount of power to be used, rate per hour or other cost, and source.

*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work.

15. State in detail how the ore could be shipped and how and where milled.

*16. History:

(*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for any past suspensions of operations.

(*b*) State briefly the known history and production of adjoining and neighboring properties.

(*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

*17. Production:

(*a*) If mine is in production, furnish the following information:

	Tons per day	*Grade or analysis*	*Cost per ton*	*Net value per ton*
(1) Mining				
(2) Milling				
(3) Shipped or sold				

*18. Ore or mineral reserves: (If property is or has been operating.)

(*a*) Describe the ore or mineral deposits briefly.

(*b*) Submit available maps and assay data.

(*c*) Give estimated tonnage and grade of each class of ore reserves.

19. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

THE EXPLORATION

20. For what mineral or minerals and for what types of deposits and ores will the exploration be conducted?

21. Describe briefly, but concisely, the proposed work and the estimated time required to complete it.

NOTE.—The Government will not participate in a project that will require more than 2 years to complete.

22. Furnish statement of the geological basis of the project with particular emphasis on factors leading the operator to expect the finding of commercial ore bodies. This statement should be accompanied by supporting maps such as geological maps, maps of the proposed openings and assay maps, sample lists, and other pertinent data.

THE REQUIREMENTS AND COSTS

23. Tabulate in the form of an itemized statement with a sum for each item the estimated requirements and costs of the project so that the total will give the estimated cost of the project in which the Government will participate, as follows:

(*a*) Labor, by numbers and classes (miners, muckers, millmen, etc.), with wages of each.

(*b*) Supervisors, by numbers and positions, with salaries of each.

(*c*) Cost of necessary repairs to existing facilities, structures, and buildings.

(*d*) Cost of necessary installation or construction of additional facilities, structures, and buildings.

(*e*) Cost of items of equipment, not now owned by the applicant which must be purchased for operations at a cost of $50 or more each.

(*f*) Cost of rental for equipment which the operator proposes to rent.

(*g*) Rental value of items of equipment which the operator now owns and which will be devoted to the work.

(*h*) Cost of materials and supplies, including items of equipment costing less than $50 each.

(*i*) Cost of power, water, utilities, and any other items not provided for above.

24. Furnish a time schedule of the project, stated in terms of months after project is approved, showing progress expected to be accomplished and the money expected to be spent.

CERTIFICATION

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

PITT MICA CORPORATION
(Name of company)

By [illegible]
(Signature of authorized official)

May 4, 1951
(Date)

Treasurer
(Title)

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.

*Same as footnote on page 1.

16—64067-1 U. S. GOVERNMENT PRINTING OFFICE

FORM MF-103 PITT MICA CORPORATION FRANKLIN, N.C.

REID-MARY MINE

QUESTIONS NOT ANSWERED BELOW HAVE BEEN ANSWERED ON FORM MF-100.

1. Applicant is a corporation (North Carolina - 9/28/50).

6. There are no liens, claims or encumbrances against property.

8. Current financial and profit & loss statements attached.

9. Applicant will invest 10% in proposed project; sufficient in accordance with Government participation on strategic mica (Section 9 of Mineral Order 5).

10. Legal description of property involving exploration project:

All the mineral rights and mining privileges in 116 acres of land situated on the head waters of Mica City Creek, in Macon County, North Carolina, approximately 14 miles northeast of the Town of Franklin; as conveyed by deed from A. W. Reid to Pitt Mica Corporation on October 5, 1950 and recorded on page 511 of Deed Book x-5, Records of Macon Co.

15. Strategic mica (sheet and punch) will be prepared from ore, in Franklin, N. C., and shipped from there.

20. Exploration will be conducted to expose entire mica vein on the property, to prepare for maximum extraction of strategic ruby (sheet and punch mica).

21. Proposed exploratory will be conducted as explained in No. 7 of Form MF-100; will require 40 days.

22. Statement of the geological basis for this work is attached.

24. With concentrated effort this work can be done in estimated time of 40 days - in order to release the minerals as quickly as possible for National Defense. Because of this short time, total amount should be advanced upon approval of this application.

PITT MICA CORPORATION
BALANCE SHEET
APRIL 30, 1951

CURRENT ASSETS			
Cash on hand		$ 8.48	
Insurance deposit		187.38	
			$ 195.86
FIXED ASSETS			
Real Estate (116 acres)		$ 25000.00	
Machinery & Equipment		11118.08	
Furniture & Fixtures		82.50	
			35,200.00
TOTAL ASSETS			$ 36,396.44
CURRENT LIABILITIES			
Social Security Tax		$ 21.08	
Witholding Tax		23.20	
			$ 44.28
DEFERRED LIABILITIES			
Accrued salaries:	A. W. Reid	$ 1500.00	
	F. T. Siersma	1400.00	
Bal. due A. W. Reid (plant contract)		4864.05	
Advances by F. T. Siersma		878.80	
			8,642.85
TOTAL LIABILITIES			$ 8,687.13
CAPITAL	W. H. Hooker	$ 10900.00	
	A. W. Reid	9600.00	
	F. T. Siersma	9500.00	
		$ 30000.00	
LESS LOSS FOR PERIOD		2290.69	
TOTAL CAPITAL			27,709.31
TOTAL LIABILITIES & NET WORTH			$ 36,396.44

BITT MICA CORPORATION
PROFIT & LOSS STATEMENT
FOR
PERIOD ENDING APRIL 30, 1951

OPERATING INCOME		
SCRAP MICA SALES		$ 2265.03
OPERATING EXPENSES		
Rent	$ 25.00	
Telephone & Telegraph	12.05	
Stationery & Supplies	67.67	
Wages	2260.80	
Officers' Salaries	3500.00	
Social Security Tax	79.31	
Truck Expense	194.65	
Travel	578.80	
Miscellaneous	121.32	
Organization Expense	252.55	
Accounting	20.00	
Maintenance	9.20	
TOTAL OPERATING EXPENSE		7181.35
TOTAL OPERATING LOSS		$ 4,916.32
OTHER INCOME		2,625.63
NET LOSS FOR PERIOD		$ 2,290.69

Above covers a period of seven (7) months; since start of operation. Minor sales were made during testing period. Work has temporarily been suspended, awaiting approval of DMA application to enlarge plant.

This operation has been entirely for the recovery of scrap mica (for grinding purposes). It has no connection with exploratory application, except that same property also contains strategic block (sheet and punch) mica.

FORM-103 [redacted]MICA CORPORATION FRA[redacted], N.C.

REID-MARY MINE

23. REQUIREMENTS & COST

	ITEM	EACH DAILY	40 DAYS
(a)	LABOR: 1 Foreman	$15.00	$ 600.00
	2 Miners	12.00	960.00
	3 Muckers	8.00	960.00
(b)	1 Superintendent	20.00	800.00
(d)	Mica House & Blacksmith Shop		1500.00
(e)	Air Compressor & Jackhammer Drill		3315.00
	Small Tools & Steel		900.00
(f)	Bulldozer to remove overburden (20 days)		1920.00
(g)	Dump Truck & Driver - $25.00 per day		1000.00
	Jeep - $6000 per day		240.00
(h)	Material & Supplies:		
	Powder, Fuse, exploders etc. - $15.00 per day		600.00
	Gas & Oil - $7.00 per day		280.00
	Miscellaneous items		425.00
	TOTAL REQUIREMENTS		$ 13,500.00

FORM MF-103 [redacted]MICA CORPORATION FRA[redacted] N.C.

REID-MARY MINE

5/4/51 - STATEMENT BY:

A. W. REID - PRACTICAL GEOLOGIST & MINING ENGINEER

For over 30 years I have mined and operated properties for nearly all types of minerals and have a complete knowledge of all procedures incident thereto, including those connected with processing of ores for intended purposes.

Most of my activities have been devoted to a study of MICA pegmatites and their structures, as appear in the western section of North Carolina. Earth eruptions and movements, over centuries, resulted in the formation of "mountains" of this mineral throughout the area. Outcroppings are extremely common. These give evidence of practical working but each location must be examined, tested and considered - as to vein dip, width, quality and depth. Mica mines in the Franklin district have rarely become exhausted; even at depths of several hundred feet. As a rule, the deeper veins are the widest and most prolific in hygrade strategic ruby mica (sheet and punch).

Sheet and punch mica are mined by tunnel, shaft and open-cut. I have completed a full study of this particular property and determined its requirements for maximum production. A large section of overburden must be removed to expose the greatest portion of the vein. This will permit open-cut mining - at lowest cost. The work will require approximately 40 days with a bulldozer. As is the case with all such operations it will require an air compressor and drill; a a mica house and blacksmith shop to store tools, drain mica blocks and sharper drill steel.

All mining properties in this district are WITHIN the main Mica Lead of western North Carolina. Production of the majority are recorded history. In every case where satisfactory results have not been accomplished it has been directly traced to lack of examination, experience and suitable equipment.

During the past seven (7) months I have installed a small washing plant on this property. Through the process of excavating ore for this mill, I have learned to position of the block mica vein and arrived at the conclusions herein stated. Working of the location, through the use of an exploratory loan, will result in placing a large producing mine in operation.

A. W. Reid

A. W. Reid

Form MF-100
(March 1951)

DEPARTMENT OF THE INT[redacted]
DEFENSE MINERALS ADMINISTRATION

Form approved.
Budget Bureau No. 42-R1026.

GENERAL TECHNICAL DATA

FOR USE UNDER THE

DEFENSE PRODUCTION ACT OF 1950

NOT TO BE FILLED IN BY APPLICANT

Docket No. dma 1140 X

Date received 5/9/51

PITT MICA CORPORATION
P. O. BOX 489
Main St. at Highlands Rd.
Franklin, North Carolina.

Name and address of applicant

Date May 4, 1951

INSTRUCTIONS

This form is to be filed with Defense Minerals Administration, Department of the Interior, Washington 25, D. C. It should be accompanied by appropriate application form when a specific type of Government assistance is requested, in the form of (1) loan, (2) purchase contract, (3) Government guarantee of a private loan, (4) Necessity Certificate pursuant to the provisions of Sec. 124-A (Amortization Deduction) of Internal Revenue Code, 1950, (5) priorities or allocation of mining equipment, and maintenance, repair and operating supplies, and (6) other forms of Government assistance that might arise under the Act. Submit four (4) signed copies of the form and accompanying papers. Name and address should be stamped or typed on each sheet of this form and all accompanying papers. *When a question is inapplicable it should be so stated on the form.* Additional sheets may be attached in answering any questions or in supplying additional information. (IF YOU CANNOT ANSWER A QUESTION, SO STATE.) If a question is answered elsewhere indicate where answered. It is not necessary to answer it again.

GENERAL TECHNICAL DATA

Supply the following information on separate sheets, arranged, numbered, and lettered as indicated:

1. Materials produced:
   (*a*) What are the chief mine, mill, or smelter products?
   (*b*) What are the byproducts, if any?
2. Name(s) and type(s) of mine(s), mill(s), smelter(s), refinery(ies), pit(s), quarry (ies), drilling operation(s). Include old names of property, if any. Show extent of workings, including the following:
   (*a*) Linear feet of shafts.
   (*b*) Linear feet of drifts and crosscuts.
   (*c*) Linear feet of tunnels or adits.
   (*d*) Linear feet of other mine openings (explain briefly).

   Indicate whether mine is flooded or not. Describe any pumping problems. Give size or productive capacity.
3. For each operation listed above supply the following:
   (*a*) Distance and direction from nearest town and shipping point.
   (*b*) Mining district.
   (*c*) Township, Section, Range.
   (*d*) County, State.
4. (*a*) State whether or not property is now in operation, and if in operation, by whom operated.
   (*b*) Are you operating this property as:
   - ☐ Owner.
   - ☐ Lessee.
   - ☐ Contractor.
5. Number of years in production _____

   If not in production or operation, estimated date when production will begin _____
6. Experience of operators:

   Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who manage the project.
7. History:
   (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for suspension of operation.
   (*b*) State briefly the known history and production of adjoining and neighboring properties.
   (*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

8. Names and addresses of Officers, Directors, or Partners, and in addition thereto, the five largest stockholders if applicant is a corporation.

Name and Address (a)	Official Title (If officer is also director indicate by "D") (b)	Total of Annual Salary, Commissions, Bonuses, Etc., Received From Applicant and Affiliates During Last Fiscal Year (c)	Estimated Net Worth Outside of Interest in Applicant (d)	Number of Shares Held in Applicant Corporation: Common (e)	Number of Shares Held in Applicant Corporation: Preferred (f)	Life Insurance Carried for Benefit of Applicant: Amount (g)	Life Insurance Carried for Benefit of Applicant: Net Cash Surrender Value After Loans (h)
A. W. Reid	President						
Franklin, N.C.	D	0	45000.	96		0	
W. H. Hooker	Secretary						
Atlanta, Ga.	D	0	75000.	109		0	
F. T. Siersma	Asst. Secy &						
Atlanta, Ga.	Treas. D		30000.	95		0	
	Total		x x x x x			x x x x x	x x x x x

If more lines are needed continue on separate sheet.

9. Capital Stock Issues:

For Corporate Applicants

Item	Authorized (a)	Outstanding (b)	Par Value (c)	Number of Shares Outstanding (d)	Dividend Rate Last Paid* (e)
Common stock	$30,000.00	$30000.- ~~100X-~~	$100.00	300	0
Preferred stock	$	$	$		

*Indicate period covered. Incorporated 9/28/50

10. Production: See attached sheet.

Item	Kind of Product (a)	1948 Total (b)	1949 Total (c)	1950 Total (d)	Present Average Monthly (e)
1. Quantity of product mined or quarried (Short, long, metric tons; barrels; pounds; etc.)					
2. Quantity of product processed (specify unit of measure and type of process)					
3. Quantity and grade of product sold or shipped (specify units of measure)					

11. Do you contemplate a change in the present average monthly rate of production? If so, state estimated maximum monthly production and basis of change.

12. Ore or Mineral Reserves:

(a) Describe the ore or m[illegible]osit briefly. Accompany the applicat[illegible] available report on the geology and ore reserves.

(*b*) If deposit is other tha[redacted]

(1) Submit assay plans and/or sections showing location and size of proved (measured) and probable (indicated) ore or mineral reserve.

(2) State the tonnage (indicate type of ton) and grade of each class of ore reserve, as above, and show how computed. Tabulated total ore reserve as follows:

TOTAL ORE OR MINERAL RESERVES (Sheet & Punch Mica)

Ore or Mineral Reserve	Ore: Estimated Tons (a)	Metal or Mineral Content Per Ton (Grade) (b)	Mineral: Gross Value Per Ton (c)	Processed: Recoverable Unit Value Per Ton (d)	Processed: Estimated Cost of Production Per Ton (e)
Measured (proved)				$3.00 to	$1.75 60
Indicated (probable) (10 yrs.)	1300	40%	$250.-	$9.00	$7.00

(*c*) If placer:

(1) Give estimated total yardage and average marketable mineral content of each deposit.

(2) Submit map showing location of placer deposit and surrounding area, with all test holes or pits. Submit logs of each hole and test pit with depth and average value of each.

(3) Describe gravel, stating whether fine, medium or coarse; loose, tight, cemented, or frozen, and whether it contains stumps or boulders more than 1 foot in diameter; if so, how large, and in what proportion.

(4) Describe bedrock, giving type (granite, sandstone, shale, etc.) and state whether it is hard or soft, smooth, uneven or rough.

(5) Describe overburden, stating whether loose, tight, or cemented; fine or coarse textured; furnish estimate of average thickness and total amount.

(6) Tabulate the reserves using the form outlined above for ore or mineral reserves.

13. Access Roads:

Give road distances to shipping, supply and residence points, stating kind and condition of roads.

14. Water Supply:

State source and quantity of water available for operations and whether sufficient for all seasons of year.

15. Power:

State amount of power used, rate per hour, and source thereof.

16. Labor:

State number and classes (miners, muckers, millmen, etc.) of men employed during a recent representative payroll period.

17. Equipment and Facilities:

Describe present equipment on the property, including buildings. (State condition.) List major pieces of equipment now owned or controlled and in serviceable condition available for this operation.

18. Are there any particular conditions or circumstances affecting your operations that are not described above? If so, explain.

CERTIFICATION

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

PITT MICA CORPORATION
(Name of company)

By [signature]
(Signature of authorized official)

May 4, 1951
(Date)

Treasurer
(Title)

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

U. S. GOVERNMENT PRINTING OFFICE 16—63792-1

FORM MF-100 PITT MICA CORPORATION FRANKLIN, N.C.

REID-MARY MINE GENERAL TECHNICAL DATA

1. Chief product is strategic ruby mica (sheet & punch); by-product is scrap mica (for grinding purposes).

2. REID-MARY MINE (formerly known as the Mary Mine). One tunnel was cut into the vein some years ago; approximately 65 feet. Lack of equipment caused abandonment. Mine is not flooded. When opened, it will produce approximately 400# of sheet and punch mica daily.

3. Located 14 miles northeast of Franklin and railroad station; WITHIN the main Mica Belt of Western North Carolina.

4. Property is not in operation for the extraction of block mica. Applicant installed a scrap mica washing and processing plant (late 1950) which has remained idle; awaiting approval of DMA application number 238; filed 12/20/50. (Completion of a Domestic Mica Program has held up approval). Said application includes only requirements to improve existing plant and was not considered, at that time, for the recovery of block (strategic) mica. Therefore this Exploratory application does not conflict. However, because of past operations in scrap mica recovery, although limited, the presence of block mica has become known.

5. Exploratory work, for block mica, will commence immediately upon granting of this loan application.

6. A. W. Reid, President, has been owner and operator of mines in this district for more than 30 years. He is familiar with all phases of mining and the processing of ores.

7. Production records of previous work done is not available. Results of neighboring properties - Rocky Face, Campbell, Lyle Knob, Mill Knob, Bouie, the Beasley Mines etc., are recorded with the U.S. Bureau of Mines. Applicant will bulldoze entire overburden and strip vein for open-cut mining. This will extend approx. 1000' over vein, to a depth of 20' and 100' wide - allowing for low cost recovery operation.

12. Reserves have been calculated on the basis of 10 years to exhaust same; with one shift per day. Two shifts will be worked to release the mineral as quickly as possible - for Defense purposes.

13. 14 miles to shipping, supply and residence points; 1 mile beyond hard surface county road (on country road), 4 miles east of State Highway 28.

14. Sufficient water supply on property for all needs.
15. Power not needed.
16. Block mica operation not started; no employees on payroll.
17. Equipment and buildings on property are not suited to block mica operation and Applicant owns none.

Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code

600

Project Summary Report

By: Lawrence G. Houk March 5, 1958

1. Docket No. DMEA-1140-Mica
Contract No. Idm-E87
Reid-Mary Mine
Macon County, North Carolina

Application: Form MF-103 (May 4, 1951) Received 5/9/51.

Operator: Pitt Mica Corporation
P. O. Box 489
Main Street and Highlands Road
Franklin, North Carolina

Present Owner:
W. H. Hooker
1145 Peachtree Street, N. E.
Atlanta 5, Georgia

Operator's Property Rights: Deed of conveyance from A. W. Reid to Pitt Mica Corporation on October 5, 1950.

Work proposed by Applicant:
Bulldoze and expose the vein for open-cut mining - 40 days $13,500.00

2. Contract dated July 27, 1951

Work authorized:

Bulldoze three tractor-dozer trenches about 50 ft. long, 6 to 10 ft. wide and 6 ft. deep, followed by shallow test pits and sampling	$1,725.00
Two tractor-dozer trenches about 50 ft. long, 6 to 10 ft. wide and 6 ft. deep across altered pegmatite through the overburden followed by shallow test pits and sampling	910.00
Total cost of project	$2,635.00
Government participation 90%	$2,371.50

Amendments: None

Work completed:

Three open cuts with a bulldozer	$1,990.00
Government participation 90%	$1,791.00

8623

Work began on about August 22, 1951, and was completed on October 18, 1951. Field Team Final Report dated December 3, 1951. Operator's Final Report received December 10, 1951. Royalty received $60.77 to January 31, 1958.

3. Audit - Report of Review issued July 11, 1952

Total accepted cost	$1,990.00
Government participation 90%	$1,791.00

4. Certification of discovery issued February 21, 1952.

5. Comments:

The Operator reported 2,175 lbs. of strategic mica was recovered and sold for $1,215.56. ($1,141.16 of sheet and punch, and $74.40 worth of scrap). Royalty in the amount of $60.77 was paid.

How conducted: Satisfactorily.

Operation: Good

Engineering: Good

Geological premise: Although the sheet mica which could be produced will be generally in the smaller sizes, recovering the scrap mica as a by-product was also considered.

Geological criteria upon which work was based:

Locality 1. There are two pegmatites one 6 ft. thick, and the other 10 ft. thick which had correct mineralogical environment.

Locality 2. The exposed portion of the pegmatite is more or less circular and about 20 ft. across, and has been mined to 18 ft. in depth. Stringers up to 4 ft. thick radiate from the main pegmatitic mass. Environment encouraging.

Locality 3. Although the shallow pit is too small to supply data on the size of the pegmatite, mica books 3" in diameter are seen.

Criteria developed during project: Of the three pegmatites explored two exposed mica in small sizes.

Future possibilities: The third pegmatite, more than 120 ft. in length varies in thickness from 2 to 12 ft. Contains two mica zones and mica books up to 10 inches across were recovered which appears to justify a small mining operation.

Recommendations: The Nonmetallic Minerals Division concurred with the Field Team that the project should be certified, and the Commodity Members of the Geological Survey and the Bureau of Mines also concurred.

LGHouk:gad 3/5/58
Copy to: Admr. R. File
Mr. Houk

DEFENSE MINERALS EXPLORATION ADMINISTRATION

Nonmetallic Minerals Division Date 7-19-56

Semi-Annual Report - Certified Project Date 6-19-56

DMEA No. 1140X Operator Pitt Mica Corporation Contract No. Idm-E 87

Ore Reserves Run of mine block mica

Ore Estimates	Tons	Analysis	
Original (DMEA) No estimate made	—	—	
Increase (Operator)			
Total	—	—	
Decrease (Production)	2+	@ $600/Ton	$1,215.56
Net Available	—	—	—

Investment

Shafts			Winzes			Drifts & Crosscuts		
Size	Feet	Cost	Size	Feet	Cost	Size	Feet	Cost

Raises			Drilling			Rehabilitation	
Size	Feet	Cost	Type & Size	Feet	Cost	Description	Cost

Facilities

Mine Plant		Mill		Roads	
Description	Cost	Description	Cost	Description	Cost

Remarks

Original owner - A. W. Reid
Mineral rights now owned by W. H. Hooker, Trade Publications Inc.
1145 Peachtree St. N.E. Atlanta 5, Georgia

☑ Audited 7/1/52 ANALYSIS SHEET -- DMEA PROJECT ☑ Actual Cost

☐ Certified Analysis as of 11/29/54 ☐ Agreed Unit Costs
Incl. Voucher for 10/51

Name The Mica Corp. Docket No. 1140

State N.C. Commodity Mica Idm-E No. 87

OPERATION	AUTHORIZED Units	AUTHORIZED Cost	COMPLETED Units	COMPLETED Cost	NET COST
Drifting & Crosscutting					
Raising					
Shafts					
Winzes					
Drilling (Specify)					
Surface Excavation		✓ 2635.00		1990.00	$1990.00
Underground Excavation					
Roads and Trails					
Operating Equipment Purchased					
Surface Rehabilitation & Repairs					
Underground Rehabilitation					
New Building, Improvements, etc.					
Other (Specify)					
Totals		$2635.00		$1990	$1990

Prepared by LGH.

MME Form 7
(10-58)

Griswold
OFFICIAL FILE COPY

Date	Surname	Code
10/9	Holt	500
10/10	Selbridge	120
"	Johnson	110
10/10	Farrell	100
		220

October 9, 1962

Memorandum

To: The Files

From: W. R. Griswold, Chief
Division of Minerals

Subject: DMEA-1140 (Mica)
Pitt Mica Corporation
Reid-Mary Mine
Macon County, North Carolina
Contract Idm-E87

Inasmuch as this docket is interlocked with DMEA-2150 Reid and Hooker (same land), no release letter can be sent until DMEA-2150 expires on December 4, 1962.

W. R. Griswold

WRGriswold/gla
10-9-62
cc to: Director's Reading File
Docket DMEA-1140
Docket DMEA-2150

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
6/26	Talbert	800
	[illegible]	500
6/26	Selfridge	~~120~~
"	[illegible]	110
6/26	[illegible]	100
		220

June 26, 1962

Memorandum

To: The File

From: C. E. Fisher, OME Auditor

Subject: Check of Spruce Pine Mica Purchase Depot Records, June 18 - 22, 1962

During the period of June 18 to 22, 1962, I examined the purchase records of the G.S.A. Mica Purchase Depot at Spruce Pine, North Carolina, for the purpose of ascertaining any unreported production under DMEA exploration project contracts. My examination did not disclose any unreported production subject to royalty under the following contracts:

Contract No.	Docket No.	Operator	Mine Names
E- 87	1140	Pitt Mica Corporation	Mary, Reid, Reid-Mary, Reid Hooker
456	2150	A. W. Reid and W. H. Hooker	Mary, Reid, Reid-Mary, Reid Hooker
393	2293	Dixie Minerals, Inc.	D. H. Stephens (Stevens)
412	2277	Burke John Mica Miners	Burke John, N. L. Barnard
461	2582	Zeb Angel	Kasson
472	2595	Bourne Associates	Liberty, Conley, Turley
686	3375	Dixie Mines, Inc.	" " "
476	2327	Andrew W. Reid	May
516	2926	The Goodmica Mining Co.	Engle Cope
519	2784	H. J. Twiggs & W. S. Glenn	Sam Huskins, Little Sam Huskins
547	2886	Duncan Mining Co.	Connolly
560	3008	Murphy Mining Co.	Red, Bennett
562	2873	Empire Mica Co.	Short-Mitchell
601	3050	M. E. Burleson, et al.	Jones-Bozeman
613	2875	Latt Young	Cox
626	3133	Maderic Mica Co.	Saunders (Sanders)
636	3154	Byrd Mica Miners	Byrd
659	3229	Willis & Snyder Mining Co.	Lutz
662	3255	Non-Metallic Minerals	White Face, Peterson Tract
674	3287	Mud Cut Mining Company	Mud Cut, Tallent (Talent)
679	3290	C. C. Burleson	Ruby, Shaft
675	3282	J. R. Beam & Howard Boone	Ingram, Clifton

C. E. Fisher

cc: Docket
Director's Reading File
CA & A Division
Region IV Files (2)

CEFisher/ama
6-26-62

43683

10/3/62

Mr. Griswold,

Shouldn't this case be closed out with appropriate correspondence?

JEG

10/3/62

Mr. Griswold:

This has been on our list of expired royalty date cases, but since it is tied in with DMEA-2150 Reid and Hooker which expired December 4, 1962, Mr. Holt wasn't going to close out the instant case until then.

Grace

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
11/29	[illegible]	120
		220

NOV 29 1961

Memorandum

To: Chief, Fiscal Section, Division of Administrative Services, Office of the Secretary

From: Chief, Division of Field Operations, OME

Subject: DMA-1140 (Mica)
Pitt Mica Corporation
Reid-Mary Mine
Macon County, North Carolina
Contract Idm-E87
and
DMEA-2150 (Mica)
Reid and Hooker
Reid-Hooker Mine
Macon County, North Carolina
Contract Idm-E456

Enclosed for your files are the originals of Reports of Royalty Review on the subject contracts.

/s/ George C. Selfridge

Enclosures 2

GCSelfridge/hb (11/29/61)
cc: Docket DMA-1140
Docket DMEA-2150
Director's Reading File
CA & A Division
G.C.Selfridge
R.A.Laurence, Reg. IV w/cy ea. of Reports of Royalty Review dtd 11/22/61 (both); cy ea. of 2 memos dtd 11/24/61 by CA&A Div. to Chief, Div. of Field Operations.
V.J.Lynch w/cys of all items listed for Mr. Laurence.

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
11/24	gad	220
11/29	Selfridge	120

NOV 2 4 1961

Memorandum

To: Chief, Division of Field Operations

From: E. D. Talbert, Acting Chief
Contract Administration and Audit Division

Subject: DMA-1140 (Mica)
Pitt Mica Corporation
Reid-Mary Mine
Macon County, North Carolina
Contract Idm-E87
and
DMEA-2150 (Mica)
Reid and Hooker
Reid-Hooker Mine
Macon County, North Carolina
Contract Idm-E456

Enclosed are the original and two copies each of Reports of Royalty Review covering the subject Region IV contracts. If you concur in the facts stated therein, please make the following distribution:

(a) Original of each to the Fiscal Section, Division of Administrative Services, Office of the Secretary; and
(b) Two copies of each to Region IV files.

These reports are for OME record purposes only; therefore, no copies have been provided for the Operators.

As evidence of your concurrence, a copy of your memorandum transmitting the original of each report to the Department's Fiscal Section should be furnished this Division. If for any reason you do not concur, the originals and all copies should be returned to this Division with your comments.

Enclosures

EDTalbert/ama 11-24-61

cc:
Docket - DMA-1140
Director's Reading File
CA & A Division
Mr. Rothrock

43683

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Washington office pertaining to Contract Idm-E87, Docket DMA-1140 (mica), dated July 27, 1951, with

Pitt Mica Corporation
P. O. Box 489
Franklin, North Carolina

for the purpose of determining the amount of royalty payable to the U. S. Government on sales of minerals from property referred to as the Reid-Mary Mine and the Mary Mine located in Macon County, North Carolina, during the period May 8, 1959, through April 22, 1961.

A certification of discovery or development was issued on February 21, 1952, and, in accordance with Article 15 of the contract, royalty is payable on all minerals produced as a result of such discovery or development from the land described in Article 2 of the contract for a period of 10 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. The 10 year repayment period, however, was extended to December 4, 1962, by the provisions of Annex I to Contract Idm-E456, Docket DMEA-2150, with Reid and Hooker. A Report of Review dated July 11, 1952, indicated accepted costs under the exploration contract amounting to $1,990.00 with the Government's contribution on a 90 percent basis being $1,791.00.

The status of the project, the scope of review, and the reasons therefor are stated on page 2.

This review established no sales subject to the Government's royalty subsequent to the period covered by a prior Report of Royalty Review, which found the sales subject to the Government's royalty through May 7, 1959, to be $1,215.56. The royalty account as of May 7, 1959, was:

Total Royalty Payable	$60.77
Total Royalty Paid	60.77
Balance of Royalty Due	$ -0-

At April 22, 1961, the royalty account of this project was found to be:

Total Royalty Payable	$60.77
Total Royalty Paid	60.77
Balance of Royalty Due	$ -0-

November 22, 1961

E. D. Talbert, OME Auditor

STATUS OF PROJECT, SCOPE OF REVIEW
AND REASONS THEREFOR

At the time this contract was executed, the Operator was in possession of the 116 acres of land under the contract pursuant to an October 5, 1950, deed from A. W. Reid. On August 11, 1951, however, only two weeks after execution of the contract and prior to the performance of any exploration work, the Operator transferred approximately one-third divided interests to each of its only stockholders, A. W. Reid, W. H. Hooker, and F. T. Siersma.

Under date of September 12, 1951, Siersma optioned his interest to Reid. This action was followed by a September 19, 1951, agreement between Reid and Hooker whereby each acquired a one-half undivided interest in the property. On December 14, 1951, the Operator was suspended as a corporation by the Secretary of State of North Carolina.

On December 4, 1952, A. W. Reid and W. H. Hooker executed Exploration Project Contract Idm-E456, Docket DMEA-2150, covering the same land. Annex I thereto provides that, in the event of certification, Reid and Hooker jointly and severally shall pay a royalty on all production under the terms of, and for a period of 10 years from, the date of that contract or until the total Government contribution under both contracts is fully repaid. A certification of discovery or development was issued under the later contract on May 28, 1953.

Examinations of the property, the latest on April 22, 1961, and inquiries by field representatives have confirmed that the property has been inactive since shortly after completion in 1953 of the work under the later contract and that all sales of production were covered by the prior Reports of Royalty Review on this first contract. During a July 13, 1954, inspection of the property Reid stated that his interests had been sold to Hooker, who holds all mineral rights in fee.

The last known address of W. H. Hooker was 104 Hemlock Drive, Marietta, Georgia. The last address of record for A. W. Reid was Box 489, Franklin, North Carolina.

This review was made in lieu of an on-site audit of the Operator's accounts and records for the following reasons:

(1) The property has been inactive since 1953;
(2) All sales of production have been accounted for and proper royalty thereon paid; and

(3) The administrative cost to the Government of an on-site royalty audit at this time would be excessive in relation to the amount of possible additional royalty which might be disclosed.

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

IN REPLY REFER TO:

OFFICIAL FILE COPY
O. M. E.
RECEIVED MAY 22 1961

DATE	INITIALS	CODE
5/23	gad	NNO
	m Lacue	~~110~~
5/23	ED	800
"	gla	500
		220

May 18, 1961

Report of Inspection of Certified Project

Pitts Mica

Reid-Mary mine, Macon County, N.C.
DMEA 1140X E87

No work is being done at the Reid-Mary mine. All equipment has been removed except for some old machinery in the scrap mica plant. The buildings of the scrap mica plant have been torn down and only a small tool shed still stands. All pits are caving. Dumps at the southwest end of the mine area are overgrown with small saplings at least 6 years old.

A little work was apparently done on the southwestern pegmatite after the exploration bulldozing. From near the center of the "relocated trench No. 5" an adit was driven a few feet below the level of the cut for about 50 feet to the northeast. At the northeast end of the cut an incline was sunk about 15 feet to the north. These workings are caving and inaccessible. Most of the mica seen on the dump and in place in pegmatite is of poor quality. The books are generally bent and ruled. Production from this work is probably that reported in the semi-annual report for the period January 1 to June 30, 1953.

Frank G. Lesure

Date Inspected
22 April 1961

MME Form 18
10-60

OFFICE OF MINERALS EXPLORATION

ANALYSIS OF ANNUAL REPORT
OF CERTIFIED PROJECT OR PROJECT UNDER ROYALTY AGREEMENT

Division of Minerals prepares in duplicate, files original in official docket, and sends copy -

To: (1) Code 110 (for verification or adjustment)
(2) Code 210

			Report Period To: 5-1-61
Docket No. 1140	Operator Pitt Mica		Contract No. 1140
ORE ESTIMATES	Original DMEA or OME (From Final Report)	Revised DMEA or OME	Found by Operator after DMEA-OME work
Analysis			
~~Tons~~ Found	2175 pounds mica		
Tons Produced (Ore or Concentrate)			
Previously Reported	2175 " "		
This Period			
Tons Remaining	—		

Comments of Analyst:

Inactive at present.

Prepared by W R Hummel Date 5/26/61

82444-60

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
3/16	[illegible]	120
3/16	[illegible]	110
		220

MAR 1 6 1961

Memorandum

To: Harold Kirkemo, Geologist, U. S. Geological Survey

From: George C. Selfridge, Chief, Division of Field Operations, OME

Subject: Expiring DMEA Contracts.

The following DMEA contracts, with dates, will expire during this calendar year:

No. 1 DMEA-1140 (Mica)
Pitt Mica Corporation
Reid-Mary Mine
Macon County, North Carolina
Contract Idm-E87
July 27, 1961

No. 2 DMEA-1141 (Mica)
Franklin Developers, Inc.
Campbell Mine
Macon County, North Carolina
Contract Idm-E107
August 13, 1961

No. 3 DMEA-1700 (Mica)
Fred D. Cabe
Cabe No. 1 (Roper) Mine
Macon County, North Carolina
Contract Idm-E116
August 17, 1961

No. 4 DMEA-1876 (Mica)
Yancey Mica Mines, Inc.
Cat Tail Mine
Yancey County, North Carolina
Contract Idm-E181
October 15, 1961

43683

Apparently there has been no production from the first since 1953, the second since 1958, the third since 1954, and the fourth since 1955.

If Mr. Leaure visits any of these properties on his proposed trip, we shall appreciate his comments regarding possible production since the dates mentioned above. We shall also appreciate any information on any other of our certified projects which he may visit while doing his field work.

/s/ George G. Selfridge (2/62)

GCSelfridge/hb (3/16/61)

Copy to: Dockets DMEA-1140, 1141, 1700, & 1876
Director's Reading File
GCSelfridge
Code 500

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUL 6 1960
DATE

Reporting Period

DMEA No.		
1140		
1141		"
1700		"
2159		"
[illegible]		"
[illegible]		"
[illegible]		"
1874		"
2375		"
[illegible]		"
[illegible]		"
[illegible]		"
[illegible]		"
[illegible]		"

OFFICIAL FILE COPY
O. M. E.
RECEIVED SEP 21 1959

DATE	INITIALS	CODE
9-21	gad	110
9-21	[illegible]	110
9-22	EEF	800
9/30	glc	500
		225

SEMI-ANNUAL REPORT ON CERTIFIED PROJECTS
IN THE FRANKLIN, N. C. AREA

Inactive projects since last report

Reporting Period: January 1, 1959 to July 1, 1959 . Commodity: Mica

DMEA	IdmE-	Mine Name	Operator	Inspected
1140	87	Mary	Pitt Mica Company	9/2/59 ✓
1700	116	Cabe # 1	Fred Cabe	9/2/59
2150	456	Reid	Reid & Hooker	
2277	412	Burke John	Burke John Mica Miners	
2293	399	D.H. Stephens	Dixie Minerals Inc.	
2327	476	May	A. W. Reid	
2579	459	Baird Cove	Mica Industries	
2582	461	Kasson	Zeb Angel	
2610	431	Shell Ridge	Dixie Minerals Inc.	
2875	613	Cox	Latt Young	
2926	516	Engle Cope	Good Mica Mining Co.	
3000	557	Terrill Bryson	B. T. R. Mining Co.	
3265	830	Farlow Gap	Mines & Mining Inc.	
3287	674	Mud Cut & Tallent	Sam Phillips, et al .	
3469	737	Elmore	A. Ward	
3543	891	Dream Mine	Buchanan Minerals Inc.	
3720	805	Coward	Alvin White, et al.	

Official

SEMI-ANNUAL REPORT ON CERTIFIED OR PSEUDO-CERTIFIED PROJECTS

RECEIVED JUL 2 1958

DATE		COD
7-2	C	220
2	com	100
		110
"	129	800
1958		600

INACTIVE SINCE LAST INSPECTION

Commodity : Mica

Reporting Period: January 1, 1958 to July 1, 1958

DMEA No.	Idm-E	Operator & Mine	Date Inspected		
1140X	87	Pitt Mica Corp (Mary Mine)	June 25,	1958	
1700X	116	Fred Cabe (Cabe No.1 Mine)	"	"	"
2150	456	Reid & Hooker (Reid Mine)	"	"	"
2277	412	Burke John Mica Mines (Burke John Mine)	"	"	"
2293	393	Dixie Minerals Inc. (D.H. Stephens Mine)	"	24	"
2327	476	Andrew W. Reid (May Mine)	"	25	"
2582	461	Zeb Angel (Kasson Mine)	"	24	
2610	431	Dixie Minerals Inc. (Shell Ridge Mine) Pseudo	"	24	"
2687	425	Sam Phillips, et al (Iotla Towers Mine)	"	25	"
2875	613	Latt Young (Cox Mine)	"	24	"
2926	516	The Woodmica Mining Co. (Engle Cope Mine)	"	24	"
3000	557	B.T.R. Mining Co.(Terrill Bryson mine)	"	25	"
3265	830	Mines & Mining Inc.(Farlow Gap)	"	26	"
3287	674	Sam Phillips, et al (Ind Cut & Tallent Mines)	"	25	"
3469	737	A Ward(Elmore Mine)	"	24	"
3720	805	Alvin White, et al(Coward Mine)	"	24	"
3543	891	Buchanan Minerals Inc(DRIMI Mine)	"	24	"

Wm. A. Beck, Mining Engineer, USBM (DMEA)

DMEA EXPLORATION PROJECT

Semi-Annual Report of Certified Project

DMEA-1140X, Idm-E87 (mica) REID-MARY MINE
Macon County, N. C.

Reporting Period: July 1,1957 to January 1, 1958.

Operator: Pitt Mica Corp., P.O. Box 489, Franklin, North Carolina

Now owned by W. H. Hooker, Trade Publications Inc.
1145 Peachtree St. NE. Atlanta 5, Georgia

According to Carl E. Hubble, who is familiar with all the mica properties Andrew W. Reid had an interest in, no work has been done on the property this period.

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

2/7/58

Z

2/11 C 220
12 com 100
" Fig 110
2/24 668 800
600

SEMI-ANNUAL REPORT OF CERTIFIED PROJECT

DMEA-1140X, Idm-E87(mica) MARY MINE

Reporting Period: 1-1-57 to 7-1-57

Operator: Pitt Mica Corporation, P.O. Box 489, Franklin, North Carolina
Mineral rights now held by W. H. Hooker, Trade Publications Inc.
1145 Peachtree St. N.E. Atlanta, Georgia

Location: Near the head of Mica City Creek, 8.2 airline miles N20°E of Franklin and about 1000 ft southeast of Lark Knob.

Mr. Andrew W. Reid, who is familiar with this property advised the writer on August 20, 1957 that no work is being done.

Wm. A. Beck, Mining Engineer
Bureau of Mines

Z

8/30/57

9/3 G 220
3 Copy 100

OFFICIAL FILE COPY
DMEA
RECEIVED APR 3 1957

DATE	INITIALS	CODE
4/3	C	220
3	CBM	100

Semi-Annual Report of Certified Project

DMA-1140X, Idm-E87 (mica)

Mary Mine, Macon County, N. C.

Operator: Pitt Mica Corporation, P. O. Box 489, Franklin, North Carolina. Mineral rights now held in fee by W. H. Hooker, Trade Publications, Inc., 1145 Peachtree St., N. E., Atlanta 5, Georgia.

Location: Near the head of Mica City Creek 8.2 airline miles N. 20°E. of Franklin, N. C., and about 1000 feet southeast of Lark Knob.

Reporting period: July 1, 1956, to January 1, 1957. Inquiry about Franklin indicates that there has been no activity on this property during this period. The property was not visited as Andrew W. Reid, who has charge of the property, is in Florida.

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

Inspected: March 21, 1957

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RECEIVED
JUL 18 1956

Semi-Annual Reports of Certified Projects

Reporting Period 7/15/55 to 6/19/56 Date of Examination 6/19/56

Operator Pitt Mica Corporation, P. O. Box 489, Franklin, N. C.

Mine Name Reid-Mary Mine

County and State Macon County, N. C.

Docket Number and Commodity --- DMEA-1140

Contract Number --- Idm-E 87

Date of Contract July 27, 1951

Date of Certification February ~~26~~ 21, 1952 — February 21, 1952 Sidney

Expiration Date of Royalty Payments July 27, 1961

Total Amount of Contract $2,635.00

Total Expenditures under Contract 1,990.00

Amount of Government Participation at 90 % $1,791.00

Royalty Payments this Period None

Previous Royalty Payments $60.77

Total Royalty Payments to Date 60.77

Percent Government Participation Repaid 3.39%

Royalty Due on Production to Date None

Royalty Remarks

A. W. Reid reports no activity during this period, hence no royalty.

[illegible]
[illegible]
DATE 7-18

Referred to:

1. ~~Mr. [illegible]~~
2. ~~Mr. Johnson~~
3. ~~Mr. [illegible]~~
4. ~~Docket Control, Maryland Files~~
5. ~~Mrs. Natalie Marsh~~ Dispatch
6. Docket Control Mails and Files

Note comments in report regarding:

1. Transfer of ownership.
2. Appraising abandoned.
3.
4.

and take appropriate action.

- - - - - - - - - -

Action taken by Division:

Robert E. Adams

Original Estimate of Reserves (from final Engr.-Geol. Report): No estimate made

Increase (or Decrease) of Reserves by work performed subsequent to original and last Field Team estimates:

Revised Estimate of Reserves:

Production this Period (Ore or Concentrates) in suitable detail None

Amount of Previous Production (since date of contract) $1,215.56

Total DMEA Production to Date Sales totaling 1,215.56

Percent of Revised Reserves Mined

Production Remarks: Total Production to Date

Type	Pounds	Amount
Sheet Mica	49.12	$495.04
Punch "	2,932.50	646.12
Scrap "	4,960	74.40
Total	7,941.62	$1,215.56

1141.16
74.40
1215.56

Other Remarks:

(Investments, description of additional exploration or development work, production facilities, and plant installations, etc. since completion of the exploration project work.)

A. W. Reid, one of the original property owners, was contacted at a camp near the mine. Mr. Reid reports no mining activity during this period on this property.

Mineral rights now owned in fee by W. H. Hooker, Trade Publications Inc., 1145 Peachtree St. NE. Atlanta 5, Georgia.

Signed Lawrence E. Shirley Engineer
Lawrence E. Shirley
U. S. Bureau of Mines

RECEIVED
JUL 28 1955

REPORT OF INSPECTION OF CERTIFIED PROJECT

DMEA-1140X, Idm-E87 (mica) MARY MINE, Macon County, N. C.

Operator: Pitt Mica Corporation, P.O. Box 489, Franklin, N. C.

Present Owner: W. H. Hooker, Trade Publication, Inc. 1145 Peachtree St., Atlanta 5, Georgia

Location: Near the head of Mica City Creek, 8.2 airline miles N. 20° E of Franklin, N. C.

Due to poor access this mine was not visited but according to Andrew W. Reid, who was a member of the original corporation, no work has been done on the property since the exploration.

July 15, 1955

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 2 - 1954

R

W

REPORT OF INSPECTION OF CERTIFIED PROJECT

DMA-1140X, Idm-E 87 (mica)

Pitt Mica Corporation, P.O. Box 489, Franklin, North Carolina

Now owned by: W. H. Hooker, Trade Publications, Inc.
1145 Peachtree St. N. E. Atlanta 5, Georgia

MARY MINE, Macon County, N. C.

Accompanied by B. J. Grekhus, Auditor, Contract Administration and Audit Division, the writer called on Andrew W. Reid on July 13 and inquired about activities at the subject mine. Mr. Reid stated that he has sold his interest in the mine to Mr. Hooker, who now holds the mineral rights in fee. No work has been done on the property since the exploration.

Date of Insp. July 13, 1954

Wm. A. Beck

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

C
O
P
Y

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
ROOM 13, POST OFFICE BLDG.
KNOXVILLE 2, TENN.

April 19, 1954

Mr. W. H. Hooker
2877 North Fulton Drive, NE
Atlanta, Georgia

Re; DMEA-2150, Idm-E456 (mica)
Reid-Hooker Mine, Macon County, Ga.
and
DMA-1140X, Idm-E87 (mica)
Pitt Mica Corp. Reid-Mary Mine
Macon County, N. C.

Dear Mr. Hooker:

I regret that I do not have an extra copy of the two exploration contracts, as requested in your letter of April 17. Possibly Mr. Reid can locate the papers which he has mislaid; Article 11 of the contract requires the Operator to keep all records and accounts for 3 years after completion of the contract (in this case, until January 23, 1956 and October 18, 1954 respectively).

However, I believe I can supply all the pertinent information in this letter. If you need any further details, I suggest you write to Mr. C. O. Mittendorf, Administrator, Defense Minerals Exploration Administration, Department of the Interior, Washington 25, D.C.

Two certificate of discovery, establishing the Government's right to percentage royalty, were issued as a result of these contracts, and both apply to the land described as - "All the mineral rights and mining privileges in 116 acres of the land situated on the head waters of Mica City Creek, in Macon County, North Carolina, approximately 14 miles northeast of the town of Franklin; as conveyed by deed from A. W. Reid to Pitt Mica Corporation on October 5, 1950 and recorded on Page 511 of Deed Book X-5, Records of Macon County."

In Annex I of contract Idm-E 456, you and Mr. Reid did "jointly and severally undertake and agree:" (1) to assume all the obligations of the Pitt Mica Corporation under the aforesaid Exploration Project Contract Idm-E87; and (2) in the event that a further certificate of discovery is issued pursuant to the terms of this contract, any minerals mined

or produced from any of the land described in either contract shall, in the manner provided for in Article 9 of this contract, be subject to the Government's percentage royalty as therein described, until the total amount contributed by the Government under both contracts is fully repaid, or 10 years from the date of this contract have elapsed.

A certificate of discovery on contract Idm-E87 was issued on February 21, 1952, so that all production from the property after July 27, 1951 is subject to the Government's percentage royalty until the sum of $1,791.00 is paid or until July 27, 1961, whichever occurs first. Mr. Reid has paid $60.77, leaving a balance of $1,730.23.

On May 28, 1953, a certificate of discovery on contract Idm-E456 was issued. In this case the amount is $1,170.00, and the expiration date December 4, 1962, and as no payments have been received, the balance is $1,170.00, in addition to the $1,730.23 mentioned above.

Thus, all production from this 116-acre tract is subject to this percentage royalty. Payments should be sent to this office, checks being drawn payable to the Treasurer of the United States, and should be accompanied by suitable evidence such as copies of settlement sheets showing quantity and grade of mica sold, the name of the purchaser and the price and charges certified to be correct by the purchaser.

You are requested to notify me of any changes in ownership or production rights that might have any effect on the Government's right to its percentage royalty. Also, if production ceases at any time for an extended period, please notify me at 6-months intervals that no production has been made.

I hope this answers the questions you have asked. If there is additional information that you need, please let me know.

Very truly yours,

Robert A. Laurence,
Executive Officer, DMEA
Region VII

KNOXVILLE, TENNESSEE

SEMI-ANNUAL REPORT OF CERTIFIED PROJECT

Period: July 1, 1953 to December 31, 1953

Docket No.: DMA-1140X, Contract No: Idm-E 87

Commodity: Mica

Operators Name: Pitt Mica Corporation

Address: P.O. Box 489, Franklin, North Carolina

Name of Mine: Reid-Mary Mine

County: Macon State: North Carolina

Date Certified: February 26, 1952

Contract Amount: $2,635.00 Amount Spent: $1,990.00

Government's Participation: 90% or $1,791.00 (or July 27, 1961)

Remarks: This mine is not now in production.

No sales during this period

Property is now owned by A. W. Reid and W. H. Hooker.

Todate $1,215.56 worth of mica has been sold and the Government has been paid $60.77.

Report Prepared by: Wm. A. Beck
FEB 1 1954 U. S. Bureau of Mines

zm

REPORT OF INVESTIGATION OF CERTIFIED PROJECT

DMEA-1140X, Idm-E 87 (mica)

Pitt Mica Corporation, P.O. Box 489, Franklin, North Carolina
Now A. W. Reid and W. H. Hooker (Owners)

Mary Mine, Macon County, N. C.

The writer called on Andrew W. Reid and inquired about activities, January 15, 1954, at the subject mine. Mr. Reid stated that no work is being done on this property.

January 15, 1954.

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

z

SEMI-ANNUAL REPORT OF CERTIFIED PROJECT

Period: January 1, 1953 to June 30, 1953

Docket No. DMA-1140X. Contract No. Idm-E87

Commodity: Mica

Operators Name: Pitt Mica Corporation

Address: P.O. Box 489, Franklin, North Carolina

Name of Mine: Reid-Mary Mine

County: Macon State: North Carolina

Date certified: February 26, 1952

Contract Amount: $2,635.00 Amount Spent: $1,990.00

Government's Percentage Royalty: 90% or $1,791.00 (or July 27, 1961).

Remarks:

"This mine is not now in production.

During this period mica valued at $263.47 was sold by the Operator for which the Government received $13.17 as its royalty.

To date the Operator has sold $1,215.56 worth of mica and has paid the Government $60.77 in royalties.

In a letter dated March 1, 1952, A. W. Reid advised that Pitt Mica Corporation sold the property to A. W. Reid and W. H. Hooker."

Due $ 1,791.00

Per Semi-Annual report 8/3/53 60.77

Bal. $1,730.23

WJB/am

316

FILE COPY
SURNAME:

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

OCT 9 1952

SFeitler
Houk
Hedges
Dietrich
Mitt

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

Subject: Docket No. DMEA-1140 - Mica
Reid-Mary Mine
Macon County, North Carolina
Contract No. Idm-837

Dear Mr. Laurence:

Reference is made to the subject exploration contract and the Certificate of Discovery, dated February 21, 1952.

In March, 1952 this office received information that initial royalty payments were made from the sale of mica produced during the exploration program. The enclosed letter of inquiry to the applicant dated September 16, and his reply of September 20, 1952, are enclosed for your information and files. Through an oversight on our part a copy of the original letter to the Pitt Mica Corporation was not forwarded to you. Our Legal Division is reviewing this case and will advise you accordingly.

Sincerely yours,

(signed) FRANK E. JOHNSON

Chairman, Operating Committee

Approved:

J. H. Hedges

Member, Bureau of Mines

T. P. Thayer

Member, Geological Survey

Enclosures: 2

SAFeitler:gad 10/7/52

Copy to: Adm. R. File
Operating Committee (2)
Docket File
Mr. Houk
Mr. Dietrich, 3526
Mr. Norton, G-232 GSA Bldg.

10-9-52

October 1, 1952

Notes for the File

Re: Pitt Mica Corporation, Docket No. DMA-1140
Reid and Hooker, Docket No. DMEA-2150

The contract with Pitt Mica Corporation has been completed and a certification made. Pitt Mica Corporation was suspended in December 1951, and certification was made February 21, 1952. By deed dated August 14, 1951, before the suspension or certification, Pitt Mica Corporation transferred the property described in the contract to F. T. Siersma (Assistant Secretary of the corporation), to A. W. Reid, President, and to W. H. Hooker, Secretary. The deed did not make any reference to the Government's interest under the contract.

By letter dated September 18, 1952, to the Corporation, the Administrator pointed out that we had not consented to the assignment. By reply dated September 22, Mr. Reid replied that himself and Hooker had purchased Siersma's interest, are operating the property, and paying the Government's royalty. Reid under date of September 22 (the same date that he wrote to Mittendorf) paid to the Field Office $39.07 on account of royalties.

Reid and Hooker now have an application pending for another exploration project contract on the same property, but a different mine. I agreed with Mr. Feitler that when we work up this contract with Reid and Hooker we will require them to assume all of the obligations to the Government under the contract with Pitt Mica Corporation, and that the lien will be extended to cover any royalties accruing under both contracts.

Siersma has executed an Owner's Consent to Lien in the sum of $6,000.00. This is necessitated by reason of his conveyance to Reid dated December 12, 1951, in which he retains a royalty interest. Neither Reid nor Hooker have conveyed their interest to the partnership of Reid and Hooker, the intention presumably being that their partnership interest will correspond to their interest in the property. Either we should have a copy of their articles of partnership or conveyances to the partnership to indicate that the property is actually devoted to partnership purposes.

J. L. Hofflund

returned 10/1/5
Being copied for Lawrence 10/1/5

ANDREW W. REID

MINE OWNER
&
OPERATOR
—
MAY
MARY
BUOY
SCOTT
HIGDON
CAMPBELL
LYLE KNOB
MILL KNOB
COPE MOUNTAIN
PITT
PROCESSING
PLANT

MICA MINING & SALES
Pattern, Sheet, Punch and Processed Scrap

P. O. Box 489
FRANKLIN, NORTH CAROLINA

September 20, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 22 1952

Mr. C. O. Mittendorf
U. S. Department of the Interior
Defense Minerals Exploration Administration
Washington 25, D. C.

Subject: Docket No.DMEA 1140X
Reid-Mary Mine
Macon County, N. C.
Contract # Idm-E87

Dear Sir:

In reference to your letter of September 18, concerning the above, please be advised of the following Changes:

Pitt Mica Corporation was an N. C. Corporation operated by myself, W. H. Hooker, and F. T Seirsma. Operations under that corporation were suspended. F. T. Seirsma's interest was purchased by myself and Mr. Hooker, and we are now operating under the name of Reid-Mary Mine. The same property interests and contracts have been carried over.

The Government's percentage royalty is being accounted for, and several payments pursuant thereto have already been made to the proper authorities.

I trust that this letter will clear up your inquiry. If not, please do not hesitate to call upon me.

Yours very truly,

A. W. Reid

A. W. Reid

RECEIVED
SEP 25
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

AWR/cbf

FILE COPY
SURNAME:

140

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

Hoffmund
Robertson

SEP 18 1952

Mr. A. W. Reid, President
Pitt Mica Corporation
Franklin, North Carolina

Subject: Docket No. DMEA 1140K
Reid-Mary Mine
Macon County, North Carolina
Contract No. Idm-E87

Dear Mr. Reid:

Reference is made to the subject exploration project contract and to the Certificate of Discovery or Development made in connection therewith.

This office has been advised that Pitt Mica Corporation has been suspended by the State of North Carolina. At the same time, it is reported that the Reid-Mary Mine has been in operation since the Certificate of Discovery or Development was made.

Please advise me who is operating the Reid-Mary Mine, and whether the operations are for the account of the Corporation or by parties who have succeeded to the Corporation's interest in the property. In this connection, your attention is called to the provisions of Article 16 of the contract prohibiting assignments without the consent of the Government. If the property is being operated by some party other than the Pitt Mica Corporation, it should be pursuant to the provisions of an assignment of the contract, consented to by the Government, and with an assumption by the Operators of the obligations of the Corporation to the Government. In any case, whoever is operating the property, should see to it that the Government's percentage royalty is paid as required by Article 15 of the contract and pursuant to the instructions contained in my letter to you of February 21, 1952, which accompanied the Certificate of Discovery or Development.

Sincerely yours,

C. O. Mittendorf (for) J.H. 9-18-52

Administrator

JLHofflund/mef
9/17/52
cc to: Adm. R. File
Mails and Files
L. G. Houk
J. L. Hofflund
Pending
Chron.

ROUGH DRAFT

Mr. A. W. Reid
President, Pitt Mica Corp.
Franklin, North Carolina

Subject: Docket No. DMEA-1140 - Mica
Reid-Mary Mine
Macon County, North Carolina
Contract No. Idm-E37

Dear Mr. Reid:

Reference is made to the subject exploration contract and subsequent certification of discovery or development.

It is reported that the Reid-Mary Mine has been in operation since the certification of discovery was made. In this connection we wish to call your attention to the provision ~~of~~ for repayment by the operator (paragraph 15 of the contract) and to the letter dated February 21, 1952 which accompanied the certification of discovery and contained information and instructions concerning repayment to the Government of its share of the exploration costs.

If you or your successors in interest in this property have disposed of any production from the property since March 10, 1952 (date of last reported production), prompt payment of the royalty due the Government must be ~~paid.~~ made.

Kindly advise us with respect to any such production.

Sincerely yours,

Administrator

Is the corporation or some successor is the corporation operating the property? If the latter, who or what is the successor of the corporation?

Aug. 4, 1952.

Al:

How does the new application of Reid and Hooker show that the land involved in the Pitt Mica contract was transferred to them? Is the same land involved in the new application? It seems to me that unless there is some necessary connection between the new application and the old contract, there is no point in making any enquiries as to the status of the land previously involved. This would be particularly true if royalties arising out of the old contract are being paid. I think that we should assume that the party to the Pitt Contract is performing its obligations thereunder, i.e., that the Government's lien is preserved and recognized. We should not ask parties to take any action not required by the contract. If the same land is involved in the new application we might require the new applicants to assume the obligations under the old contract.

JLH.

To Executive Officer Region VII

From Chairman Operating Committee

Subject DMA -1140 X Idm E 87 Pitt Mica Corporation
DMA -1141 X Idm E 107 Franklin Developers Inc.

On February 21,1952, a Certificate of Discovery was issued and mailed to the Pitt Mica Corporation, P.O.Box 489,Franklin, North Carolina. From an application recently submitted by two of the individuals, A.W.Reid and W.H.Hooker,who were officers of this corporation,it appears that the land subject to the Government's lien for royalties from the commercial production of ore,was transferred to them and Frank T.Siersma, the third officer of the corporation. Whether or not the deed expressly protects the Government's lien, I do not know but from conversations between our engineers and these individuals, I believe that it does not. Reid and Hooker have entered into an agreement with Siersma to purchase his interest in the land.

The Secretary of State of North Carolina,in response to our inquiry,states that the corporation was suspended December 14,1951 for its failure to file reports with the Commissioner of Revenue and that the corporation has not since been reinstated. Royalty payments have been made by check but our records do not indicate whether these checks are corporation checks or those of the individuals concerned but I suspect that the latter is the case.

It is my belief that the individuals desired to let the corporation pass out of existence and transferred all their assets to a partnership composed of Reid and Hooker. I do not know whether any formal documents have been signed other than the agreement to purchase Siersma's interest in the land. I therefore suggest that you contact these individuals and,if my suspicions are warranted, ask them formally to assume the obligations of the Exploration Project Contract using ,if applicable,the documents enclosed. However,an assignment from the corporation will be invalid unless the corporation is reinstated since under Article 9 section 105230 of the North Carolina Tax Law all corporate powers cease in case of such a suspension. However,reinstatement may be accomplished by the filing of the necessary reports and the payment of taxes,if any,which are due. Therefore, for the proposed

assignment to be valid, the corporation must be restored to good standing, although I am not concerned with its status after the assignment has been made. Please advise Messrs. Reid and Hooker that no further applications can be entertained from them until this matter has been straightened out.

A Certificate of Discovery is in the process of being issued in the case of Franklin Developers Inc.(DMA 1141X Idm E 107) whose address is exactly the same as that of Pitt Mica Corporation. I have also been advised that this corporation was likewise suspended for the identical reason. A.W.Reid and his wife and Frank T.Siersma and his wife are officers of this corporation. Consequently, I again suspect that the land covered by this contract may also have been similarly transferred to the officers of the corporation. Please investigate, and if my suspicions are well founded, try to straighten out this matter in the same way.

Draft--AEKane/em 8/1/52

ASSIGNMENT OF EXPLORATION PROJECT CONTRACT

WHEREAS, Pitt Mica Corporation, a North Carolina corporation (hereinafter called the "Operator"), is a party to an Exploration Project Contract dated ~~February 7, 1952~~ July 27, 1951, No. Idm-E87, Docket No. DMA-1140X (hereinafter called the "Contract"), with the United States of America, acting through the Department of the Interior, Defense Minerals ~~Exploration~~ Administration (hereinafter called the "Government"); and

WHEREAS, the Operator has transferred all its right, title, and interest in and to the land described in Article 2 of the said contract to A. W. Reid, W. H. Hooker and Frank T. Siersma by an instrument dated August 11, 1951, and recorded _____; and

WHEREAS, the Operator desires to transfer and assign said Contract and all of its right, title, and interest therein to ~~Rem~~ A. W. Reid and W. H. Hooker individually and as co-partners doing business under the firm name and style of Reid and Hooker at Franklin, North Carolina (hereinafter called the "Assignee"); and

WHEREAS, by the provisions of said Contract: "Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this Contract or any rights thereunder"; and

NOW THEREFORE, in consideration of the sum of $10.00 and other good and valuable considerations, the receipt of which is hereby acknowledged, the Operator hereby transfers, conveys and assigns to the Assignee all the Operator's right, title and interest in and to said Contract, together with any and all materials, supplies, equipment and other personal property (and all rights therein and contracts relating thereto) which, with Government participation, was purchased, acquired, contracted for, leased or otherwise held or possessed for the benefit and use of the exploration project described in said contract, and the right to use any and all property heretofore devoted thereto.

This Assignment is subject (1) to the written acceptance of and assumption by the Assignee of the terms, provisions and conditions of the said Contract binding upon the Operator, and (2) to the written consent of the Government; and thereupon, this Assignment shall be effective (a) as between the Operator and the Assignee as of the date hereof, and (b) as to the Government, as of the first day of the second month following the month of the Assignee's written acceptance, all monies due and payable by the Government under the Contract prior to this date being for the account of and payable to the

Operator, and on and after that date for the account of and payable to the Assignee.

The Operator also agrees to release and hereby releases the Government from any and all claims, past, present, or future, arising out of said Contract.

The Operator further agrees that the land described in the Contract and any production therefrom which are subject to the Government's percentage royalty and lien for the payment thereof shall be and remain subject thereto regardless of any amendments of the contract after the date of this Assignment, in an amount not in excess of that stipulated in the contract as now ~~xx~~ assigned and further agrees to obtain an Owner's Consent to Lien from Frank T. Siersma.

Dated _____, 1952.

PITT MICA CORPORATION

By_____

By_____

The undersigned Assignee hereby accepts the above assignment, and assumes and agrees to be bound by all of the terms, provisions, and conditions of said Exploration Project Contract that are binding upon the Operator, and to obtain from Frank T.Siersma the aforesaid Owner's Consent to Lien

Dated _____, 1952

REID AND HOOKER

By_____ By_____

~~(Corporation acknowledgment)~~

The Government without releasing the Operator from any of the terms, provisions, or conditions of said Exploration Project Contract, hereby consents to the above assignment upon the conditions therein stipulated.

Dated _____, 1952.

UNITED STATES OF AMERICA

By_____
Acting Administrator
Defense Minerals Exploration
Administration

$7.53 Mar. 10, 1952

DEFENSE MINERALS ADMINISTRATION
COUNSEL
JUL 28 1952
RECEIVED

State of North Carolina

Department of State

Raleigh

THAD EURE
SECRETARY OF STATE

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 24 1952

July 22, 1952

1140

Mr. J. L. Hofflund, Chief Counsel
United States Department of the Interior
Defense Minerals Exploration Administration
Washington 25, D. C.

Re: PITT MICA CORPORATION

Dear Mr. Hofflund:

In reply to your letter of July 18th, I advise that the above named corporation, located at Franklin, N. C., was suspended December 14, 1951 for failure to file reports with the Commissioner of Revenue and has never been reinstated.

With best wishes, I am

Yours very truly,

THAD EURE
Secretary of State

ab

FILE COPY
SURNAME:

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

July 18, 1952

The Secretary of State
State of North Carolina
Raleigh, North Carolina

11408

Dear Sir:

I would appreciate it if you would advise me if the Pitt Mica Corporation, P.O. Box 489, Franklin, North Carolina, has been duly dissolved or is still an existing corporation. If it has been dissolved, please let me know the date of dissolution.

Very truly yours,

J. L. Hofflund

J. L. Hofflund
Chief Counsel

AEKane/mef
cc to: Mails and Files
J. L. Hofflund
A. E. Kane
Pending
Chron.

FILE COPY
SURNAME:

Beck
Lynch
Opr. Cons.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D.C.

Room 17, Post Office Building
Knoxville, Tennessee

July 16, 1952

Memorandum

To: Sam S. Cardell, DMA Regional Finance Officer-Norris

From: Executive Officer, D.M.A. Region 7

Subject: Report of Review of Completed Contract Idm-E87- DMA-1140X.

Enclosed are original and one copy of the Contract Administration and Audit Division Report of Review on the following completed contract:

Docket No.	Contract No.	Operator
DMA-1140X	Idm-E87	Pitt Mica Corp.

This report has been reviewed by this office and is acceptable. Mr. Faubert suggested we forward it on to you. The original is to be attached to your copy of the contract and the copy to the contractor's final MF-104.

Robert A. Laurence

RAL/sm

not needed

Department of the Interior
Defense Minerals Administration
Norris

JUL 28 1952

FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Room 13, Post Office Building
Knoxville 2, Tennessee

June 26, 1952

Mr. A. W. Reid
Pitt Mica Corporation
Franklin, North Carolina

Re: DMEA-1140, Idm-E87
Reid- Mary-Mine (mica)

Dear Mr. Reid:

In order to satisfactorily complete the review and audit of this contract, we need some additional information from you.

Your form MF-104 apparently covers only October 1 to 18, 1951, yet shows items of 20 days for laborers, and 25 days jeep rental. What was the actual date of starting work on this project? Was any work done in September?

The item of $100.00 for Miscellaneous expenses, supplies, office, etc., was not given in detail. Please indicate what amounts were included in this $100.00 total, and for what and to whom they were paid

Very truly yours,

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

RAL/zm

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 30 1952

MAR 1 1 1952

Mr. Jess Larson
Administrator, Defense
Materials Procurement Agency
General Services Administration Bldg.,
Washington 25, D. C.

Dear Mr. Larson:

In connection with Exploration Projects on which "Certifications of Discovery" have been made, I am enclosing copies of the following:

DMA-197X - Westmoreland Manganese Corporation - Certification of Discovery.

DMEA-1140 - Pitt Mica Corporation - Certification of Discovery, letter to Operator dated February 21, 1952 and letter to the Executive Officer, Field Team, Region VII, dated February 21, 1952.

The foregoing are the only cases in which a Certification of Discovery has been made to date. I will continue to follow this procedure of sending you copies of Certifications of Discovery in all future cases.

If you have any comments regarding this matter I will appreciate receiving them.

Sincerely yours,

C. O. Mittenderf

Acting Administrator
Defense Minerals Exploration
Administration

Enclosures (4)

FEJohnson/bih
2/28/52
cc to: Mails & Files
Admr's. Reading File
Messrs. Houk
Selfridge
FEJohnson (3)

Memorandum March 5, 1952

To: The Secretary

From: C. J. Mittendorf
Acting Administrator

Subject: DMEA Certifications of Discovery

The following information is given pursuant to your request, through Mr. Bruce Wright, for a brief description of the projects for which certifications of discovery have been made as reported in the last paragraph of our memorandum to Mr. Day dated February 29, 1952.

The first certification of discovery made by DMEA concerned the Westmoreland Manganese Corporation, of Batesville, Arkansas. The exploration contract provided for a churn drilling program on a claim-lost deposit of black manganese oxide-bearing residual clay that underlies property situated in the County of Independence, Arkansas. Thirty-five of the 41 churn drill holes approved in two major areas outlined a large deposit of low-grade manganese mineralization in residual clay deposits. Calculation by the Bureau of Mines indicated the existence of 2,267,778 long dry tons of manganese-bearing clay which will average 6.25 percent manganese. A further exploration contract has approved additional drilling to extend the limits of the mineralized bodies indicated by the first project. It is our understanding that the Westmoreland Manganese Corporation is now planning a large-scale operation for the beneficiation of these residual clays.

The second certification of discovery made by the DMEA concerned the operations of the Pitt Mica Corporation, Franklin, North Carolina. This was also a small project, as evidenced by its early date of completion. The Government's estimate of the discovery is described as follows:

> "Strategic mica books up to 10 inches in diameter were discovered...The mica recovered in exploration is hard, flat, ruby-colored, clear, and splits well...The 2175 pounds of mica were recovered during the exploration work and the pegmatite formation in which the mica occurs is more than 120 feet in length and varies from 2 to 12 feet in thickness."

In addition to the two projects above which have been completed and certified, we have information indicating that an additional 33 exploration projects have encountered ore. Several of these companies are now repaying their loans to the Government from ore produced in the course of the project. In almost every instance a certification of discovery would be issued on these projects also, were it not for the fact that our regulations provide that such certifications of discovery are made only after the project has been completed. Many of these 33 projects will not be completed until late this year or early 1953.

C. O. Mittendorf (fw)

COMittendorf/fw

cc: Admr. Reading File
Mr. Hofflund
Docket file
Mr. Mittendorf

OFFICE OF THE ADMINISTRATOR

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS ADMINISTRATION

~~WASHINGTON 25, D. C.~~

Room 13 Post Office Building
Knoxville 2, Tennessee

March 4, 1952

Air Mail

Memorandum

To: Mr. Frank E. Johnson, Chairman, Operating Committee DMEA

From: Field Team, DMEA, Region VII

Subject: DMA-1140X, Idm-E-87, (Mica) supplemental report

Attached herewith are four copies of supplement to the final report on the subject contract, as requested by Mr. Houk.

Robert A. Laurence
U. S. Geological Survey

Wm. A. Beck for V. J. Lynch
U. S. Bureau of Mines

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 5 1952

3/5/52 - 1 copy to Non-Metallic Minls. Div. and 1 copy to Contract Admin.

Field Tm. Rpt.

Supplemental to Final Report

on the

PITT MICA CORPORATION - REID-MARY MINE, (mica) N. C.

Docket No. DMEA-1140, Idm-E87

Following a telephone request from Mr. Houk, the following additional information upon the subject mine was obtained on the "Southwest Pegmatite:"

At the northeastern end of the uncovered pegmatite mica-bearing rock has been exposed for a distance of 20 feet and over a width of 1-1 1/2 feet, situated along both sides of a quartz core. Number of mica books with diameters greater than 3 inches cannot be determined; however, it is estimated that one book of that size or larger occurs for each 3 square feet of the above area.

At the southwest end mica-bearing pegmatite 30 feet long and 1 1/2 feet thick has been uncovered. The concentration of mica books larger than three inches in diameter is similar to that at the Northeastern end; however, ruling is more pronounced and more biotite occurs as intergrowths with muscovite.

Kefton H. Teague, U.S.G.S.

March 3, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 5 1952

Reviewed by
DMEA OPERATING COMMITTEE

2-5-52
(date) JB

FILE COPY
Surname
Houk
Johnson
Thayer
F.E.Johnson
Hoffland

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

FEB 21

Pitt Mica Corporation
P. O. Box 489
Franklin, North Carolina

Subject: Docket No. DMEA-1140-Mica
Contract No. Idm-E87
Reid-Mary Mine
Franklin, North Carolina

Gentlemen:

Transmitted herewith is Certification of Discovery under Contract No. Idm-E87 on the Reid-Mary Mine.

By the terms of the Exploration Project Contract and of the Certification, all mica produced from the property from the date of the Exploration Project Contract is subject to the Government's percentage royalty until the sum of $1,791.00 is paid or until July 27, 1961, whichever occurs first. This claim against production includes mica which was produced during the period of exploration as well as any which was produced after the Certification. The royalty rate is that set forth in the Contract, up to 5% of any amounts in excess of $11.50 per ton.

Payments should be made to Mr. Robert A. Laurence, Executive Officer, DMEA Field Team, Region VII, Room 13, Post Office Building, Knoxville 1, Tennessee. Checks should be payable to the Treasurer of the United States.

Royalty payments to the Government should be accompanied by suitable evidence showing the quantity, grade, and quality of mica shipped, the name of the purchaser and the price, certified to be correct by the purchaser.

You are requested to notify Mr. Laurence of any changes in ownership or production rights that might have

any effect on the Government's right to its percentage royalty. Also, if production ceases for any extended period, please notify Mr. Laurence at six month intervals that no production has been made, when that is the case.

Sincerely yours,

C. O. Mittenderf (for) 2/21

Acting Administrator

Enclosure

LGHouk;gad 2/20/52
Rewritten 2/21/52 J.L.Hofflund/ema
Copy to: Mr. Frank Johnson
Admin. Reading File
Legal
Contracts & Audits
Docket File
Mr. Houk

FILE COPY
SURNAME:

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

FEB 21 1952

Houk
Johnson
Thayer
Hoffland

Mr. Robert A. Laurence
Executive Officer
DMEA Field Team, Region VII
Room 13, Post Office Building
Knoxville 1, Tennessee

Subject: Docket No. DMEA-1140 - Mica
Contract No. Idm-E87
Pitt Mica Corporation
Reid-Mary Mine
Franklin, North Carolina

Dear Mr. Laurence:

Transmitted herewith is copy of Certification of Discovery on the Reid-Mary Mine of the Pitt Mica Corporation, P. O. Box 489, Franklin, North Carolina, for your information and guidance in receiving royalty payments from the applicant.

Repayment of the Government's share of the cost of the work performed under Contract No. Idm-E87 shall be made from the production from the area described in the first paragraph of this Certification of Discovery until the sum of $1,791.00 is paid to the Government or until July 27, 1961, whichever occurs first.

Copy of our letter of this date outlining the payments to be made by the operator is enclosed for your information. The question of whether the contract is to be recorded when a discovery is certified has not been decided by this office as yet. It will be necessary for you to occasionally check on the property to determine if production has been made.

Sincerely yours,

C. O. Mittendorf (fw) 2/21

Acting Administrator
Defense Minerals Exploration
Administration

Enclosures 2

LGHouk:gad 2/20/52
Copy to: Admin. Reading File
Legal
Contracts & Audits
Docket File
Mr. Houk
F. Johnson

February 19, 1952

3:15 P. M.

Mr. L. G. Houk, Chief, Non-Metallic Minerals Division, DMEA, calling Mr. Robert Laurence, DMEA Field Team, Region VII, Knoxville, Tennessee.

Mr. Teague answered the telephone and said that Mr. Laurence was away for the rest of the week. Mr. Houk said he would talk with Mr. Teague.

Mr. Houk: I expect to see you next week when I am down in North Carolina.

Mr. Teague: Fine, I will be there.

Mr. Houk: DMPA has been approached by Pitt Mica for a loan on developing and producing mica on the Mary-Reid, and the Field Team report did not give any estimate of reserves. They have asked me if you people have any information on the length and width on the crystal count of that area that they can either turn him down or give him some money on it.

Mr. Teague: We have only two dimensions on mica. We have no third dimension on mica.

Mr. Houk: Can we have those two?

Mr. Teague: I can work you some figures on that line, that is the length and width as exposed.

Mr. Houk: When may we expect to receive it?

Mr. Teague: I'll say on Friday of this week. I'll try to get something out on Monday.

Mr. Houk: Ok! that will satisfy them.

Mr. Teague: Fine.

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : Defense Minerals Exploration Administration DATE:

Attention: Reports and Records Unit

FROM : Tom Lyon, Director, Domestic Expansion Division
Defense Materials Procurement Agency

SUBJECT: Pitt Mica Corporation,
Franklin, North Carolina
Exploration Contract Idm-E87
Docket DMA-1140X

Will you please furnish us a copy of final Field Team Report and Certificate of Discovery on subject exploration project which we understand has been completed?

Tom Lyon

Tom Lyon

FEB 14 1952

140

FILE COPY
SURNAME:

Gathre

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

January 8, 1952

Memorandum

To: Acting Administrator
Through: Operating Committee

From: Chief Counsel

Subject: Pitt Mica Corporation, DMA-1140X, certification of discovery

Reference is made to memorandum on the above subject dated December 6, Robert A. Laurence (USGS) and Wm. A. Beck (USBM) to Chairman, Coordinating Committee, attaching the Operator's final report and the final report of the Field Examiners. The memorandum states: ". . . it appears to us that any production from the 'northwest' pegmatite or the 'southwest' pegmatite should be subject to repayment." I assume that this means a certification of discovery should be made.

Attached hereto for your signature, routed through the Operating Committee, is a certification of discovery worked out on our new form attached to DMEA Circular 9. I do not have the technical ability to particularly describe and delimit the Government's estimate of the discovery except in terms of the Field Examiners' final report, a copy of which is attached to the certification. I think that ordinarily this is not a good way to make the certification, but in the case of these zones of mica in pegmatites it may serve the purpose. I can see no objection to providing, in this manner, a copy of the Field Examiners' final report to the operator-owner of the property.

J. L. Hofflund
Chief Counsel

Attachments
JLHofflund/em

Copy to: Reports & Records
J. L. Hofflund
chron.

BE

CERTIFICATION BY THE UNITED STATES OF AMERICA
OF A DISCOVERY OR DEVELOPMENT UNDER
AN EXPLORATION PROJECT CONTRACT

To: Pitt Mica Corporation
P. O. Box 489
Franklin, North Carolina

Pursuant to the provisions of Exploration Project Contract No. Ism-287, dated July 27, 1951 (Docket No. Ism-11AGK), hereinafter called the "Contract", between you and the United States of America, hereinafter called the "Government"; to establish and fix the claim and lien of the Government under the terms of the Contract, the Government hereby certifies that a discovery or development has resulted from the work under the Contract from which commercial production of ore may be made, in or upon that certain property situated in the State of North Carolina, County of Macon, described as follows: as set forth in Article 2 of the contract entitled "Operator's property rights."

The Government's estimate of said discovery or development is particularly described and delimited as follows: Three zones of mica in pegmatites, as described in "Final report on the Hazy Mine (mica) Macon County, North Carolina," dated December 3, 1951, by A. L. Payton and K. H. Teague," a copy of which is attached, there denominated "Northwestern pegmatite" and "Southwest pegmatite." Any and all production of mica or other minerals from the described land shall be subject to the Government's percentage royalty as provided in the contract.

Dated: _____

THE UNITED STATES OF AMERICA

By _____
Administrator, Strategic Minerals
Exploration Administration

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 16 1952

OFFICE OF THE ADMINISTRATOR

To Operating Com. 12/14/51 DB

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS ADMINISTRATION

WASHINGTON 25, D. C.

Room 13, Post Office Building
Knoxville, Tennessee

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 17 1951
Production Expansion Division

December 6, 1951

Memorandum

To: Frank Johnson, Chairman, Coordinating Committee

From: DMEA Field Team, Region VII

Subject: DMA-1140X, Pitt Mica Corp. Final Report.

Enclosed are four copies of the Operator's final report on the subject tract, and four copies of the final report by the field examiners.

Completion of this project raises two questions which were discussed at the Washington conference in November: (1) Should Mr. Reid pay the Government anything on the 2175 lbs. of mica recovered during the exploration, and (2) just what is a "discovery"? In this case, it is hardly possible to "describe and delimit the estimate of the discovery or development," yet it appears to us that any production from the "northeast" pegmatite or the "southwest" pegmatite should be subject to repayment.

The Operator's report gives no estimate of reserves, and it is not practical to make an estimate of measured reserves on the basis of the work done.

Robert A. Laurence

Robert A. Laurence
U. S. Geological Survey

Wm A Beck

Wm. A. Beck for V. J. Lynch
U. S. Bureau of Mines

RECEIVED
DEC 21 1951
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

UNITED STATES
DEPARTMENT OF THE INTERIOR
OSCAR L. CHAPMAN, SECRETARY

RECEIVED
1951

DEFENSE MINERALS EXPLORATION ADMINISTRATION
REGION VII

FINAL REPORT OF FIELD TEAM

DMA-1140X, Exploration Project Contract Idn-E 87

Pitt Mica Corporation (Mary Mine) (mica)
Macon County, North Carolina

By

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

K. H. Teague, Geologist
U. S. Geological Survey

December 3, 1951

Final Rept.

Final report on the Mary Mine (mica)
Macon County, North Carolina

DMA-1140X, Idm-E 87, Pitt Mica Corp.

This project, completed on October 18, 1951, was examined by the Field Team on October 30, Mr. Reid, the operator, supervised the cutting of the five bulldozer trenches. These trenches averaged 150 feet in length and 6 feet in depth. The Field Team agreed to change trench 5 from the position shown on the map attached to a point between "Locality 1" and trench 4. This change permitted the operator to explore a pegmatite exposed at "Locality 1" and in trench 4.

Exploration showed pegmatite in trench 3, and the northwest end of trench 4 and "relocated trench 5." For this report the known pegmatites will be designated as follows: the one exposed at "Locality 1" and extending to trench 4 is termed "Southwest pegmatite," and the one exposed in trench 3 is called "Northeast pegmatite." The one mined by Mr. Reid for scrap mica is termed "Middle pegmatite."

The "Northeast pegmatite" is 65 feet long and varies in thickness up to four feet. It follows a sinuous course in the biotite gneiss and schist, with a general trend of about N 40° W. The dip appears to be near vertical. The pegmatite is exposed over its entire length and width. It is medium to fine-grained in texture and composed of microcline, muscovite, and quartz. Near the central portion of the pegmatite, where it is thickest, some mica was recovered. This mica-bearing zone is about 20 feet in length and 2 to 18 inches thick. The mica is hard, flat, clear, and ruby colored. Some of the books are cracked. About 95 percent of the mica obtained was in sizes smaller than punch; less than one percent of that recovered would trim sizes as large as $1\frac{1}{2}$ x 2 inches. Approximately 400 pounds of mica (scrap, punch, and pattern) was obtained from the "Northeastern pegmatite" during the project.

No work was conducted on the "Middle pegmatite" nor were any pegmatites found which indicate a northeastward or southwestward extension. From evidence available it would appear that this pegmatite is "lens-like" in plan, with a maximum thickness of 20 feet and a probable length of 75 feet. As indicated in the original Field Team report, some pattern mica can be obtained from this place; however, the amount of block mica available in sizes large enough to trim pattern mica is too small to justify an operation for sheet mica alone.

The "Southwest pegmatite" has been exposed along the strike for 120 feet. In addition to the main pegmatite, two branch pegmatites occur; one branch to the east near "Locality 1" and the other branches to the west at the northwest end of trench 4. The main intrusion strikes N 20° E, with a near vertical dip. The pegmatite varies in thickness from 2 to 12 feet, with the greatest thickness midway between "Locality 1" and trench 4's northwest end. The two branch pegmatites are each up to 6 feet in thickness and have been exposed for a distance of approximately 20 feet.

At the northeast end of the exposure a quartz core five feet thick occurs. On both sides of the quartz, between it and the wall rock, feldspathic zones occur, which are each from 3 to 5 feet thick. Large mica books are exposed in the feldspathic zones and against the quartz core. The core appears to plunge at a steep angle to the southwest. The quartz body pinches out to the south where the pegmatite is composed of medium to coarse potash feldspar, quartz, and biotite and muscovite mica. At the southwest end coarser microcline occurs, with a decrease in the amount of quartz and mica.

The muscovite at the northeast end of the exposed area is hard, flat, ruby colored, clear, and splits well. Some of the books are cracked and ruled. Mica books 10 inches in diameter were recovered during the exploration. Near the middle of the pegmatite considerable book mica is present. At this place the books are more severely ruled than at the northeast end, otherwise, the mica is similar. At both places some biotite occurs as individual books and as intergrowths with muscovite. Mr. Reid reports 2175 pounds of block mica recovered from the pegmatite during exploration.

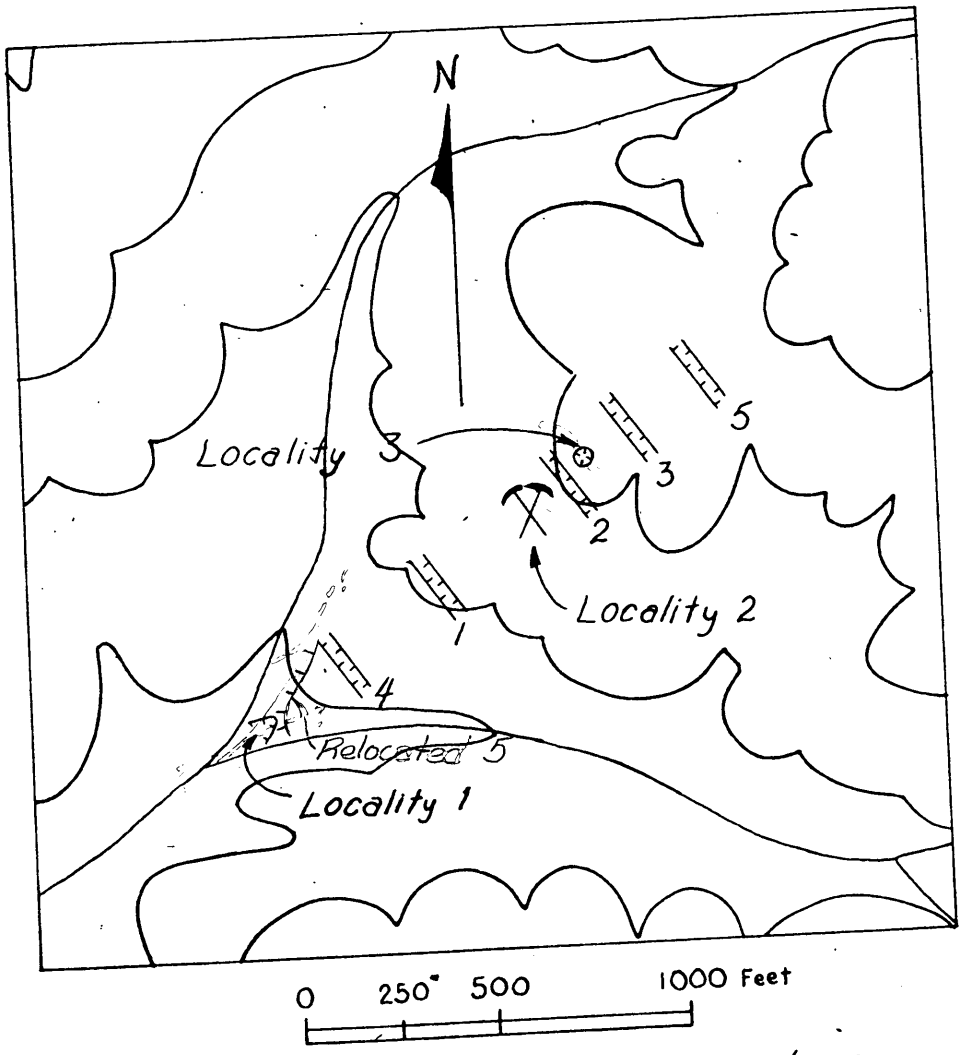
In summary: Three pegmatites have been prospected on the property, two by the exploration project and one by Mr. Reid. Of the two exposed during the project the "Northeastern pegmatite" is small and contains mostly mica in small sizes. It is doubtful that sufficient mica can be recovered from this pegmatite to justify it being mined for either scrap or pattern.

The "Southwest pegmatite" is more than 120 feet in length and varies in thickness from 2 to 12 feet. Two mica zones, one at the end of trench 4, and one midway between it and "Locality 1" have been exposed. Mica books up to 10 inches across were recovered during prospecting. This pegmatite appears to contain sufficient mica to jusfity a small mining operation.

A. L. Peyton, USBM

K.H. Teague, USGS

December 3, 1951



Docket 1140X. Proposed prospecting at the Mary mine

11/21/51 PITT MICA CORP., FRANKLIN, N.C. DOCKET NO. DMA-1140X

EXP. CONTRACT IDM-E87 GEOLOGIC & ENGINEERING REPORT COMP. 10/18/51

DEPARTMENT OF THE INT.
Defense Minerals Administration
RECEIVED
DEC 10 1951

RE: REID-MARY MINE

In accordance with contract, five (5) open cuts were made with a bulldozer. Three (3) of the cuts showed excellent evidence of high grade strategic ruby mica.

Two (2) of the cuts produced only small quantities of pegmatite, because the overburden was too hard for the Dozer to cut through and deep enough to expose an appreciable amount of the vein.

NO. 1 CUT. Results were very favorable and give evidence ofa vein at least 1000 feet in length; extremely rich in scrap mica.
The cut is 150 feet long, approximately 10 feet deep and 20 feet wide. The mica recovered was in large books, but badly broken and ruled. However, in my opinion, at a greater depth this mineral will be of good quality and quantity. In its present condition it will prove highly profitable to process through the scrap plant already situated only about 600 feet below the cut.

NO. 2 CUT. Results were similar to those in Cut No. 1.

No. 3 CUT. The same.

NO. 4 CUT. Results are noted on the attached sketch of mine and work done under this exploratory contract.

NO. 5 CUT. Here we uncovered a vein 80 feet wide and 100 feet long, which showed fine strategic ruby book mica throughout the length and width. We recovered 2175 pounds of very high quality material; some of the blocks measuring as much as 10 inches across the face. Although they were weathered to a considerable extent, due to being near the surface, they establish proof of the reserves to be encountered through future operation.

The Reid-Mary Mine has all indications of being a big and profitable producer of hygrade strategic ruby mica for the next 10 to 20 years. Definite proof has been established of the commercial ore bodies contained within it. Operation will result in the production of not less than 1000 pounds of strategic block mica and at least three (3) tons of scrap mica per 8 hour shift.

- - - - -

I have prospected, mined and processed minerals in this area for more than 35 years. Many years ago, because of the pegmatite signs on this property, I decided to purchase it. Other than the erection of the present scrap mica washing plant, very little work has been done. Now, through the use of government exploratory aid, I have proven the worth of this location; as well as the importance of all pegmatite veins in the Franklin District, when they are properly exposed. As each appears, added proof is given to the fact that this District is extremely rich in, and highly productive of, STRATEGIC RUBY MICA.

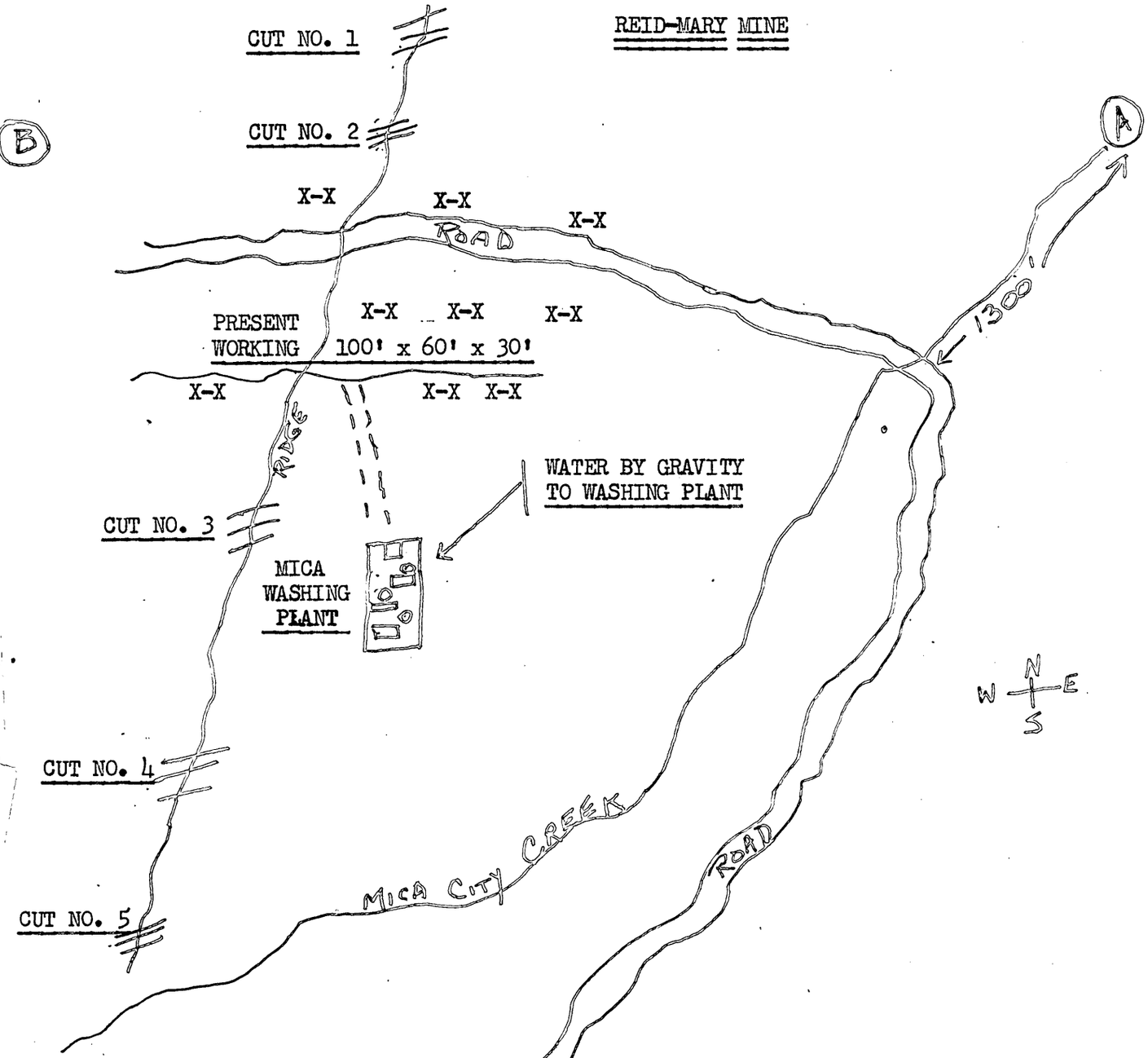
A. W. Reid

A. W. REID

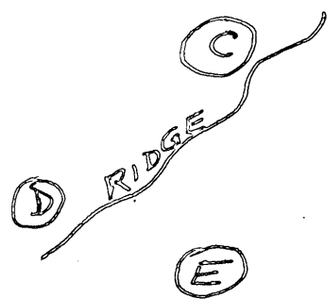
Operation Final Rpt

11/21/51 PITT MICA CORP., FRANKLIN, N.C. DOCKET NO. DMA-1140X

EXP. CONTRACT Idm-E87 GEOLOGIC & ENGINEERING REPORT (COMP. 10/18/51)



CUT NO. 1 - VERY RICH
CUT NO. 2 - NOT DEEP ENOUGH
TOO HARD FOR DOZER.
CUT NO. 3 - SMALL MICA
CUT NO. 4 - VERY RICH. PEGMATITE 60' WIDE; QUARTZ - 12' WIDE RICH IN STRATEGIC MICA
CUT NO. 5 - 2175# BLOCK MICA RECOVERED DURING EXPLORATION
CUTS 4 & 5 - BOTH EXCEPTIONALLY RICH IN STRATEGIC MICA OF HIGHEST QUALITY
X-X - RICH SCRAP DEPOSITS WITH SMALL MICA BLOCKS



NEARBY MINES:
A - THE MAY
B - PINE MTN.
C - BEASLEY NO. 1
D - THE HAT
E - BEASLEY NO. 2

C
O
P
Y

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Adm.

Room 13 Post Office Bldg.
Knoxville, Tenn

December 5, 1951

Memorandum

To: C. O. Mittendorf, Acting Administrator DMEA

From: Robert A. Laurence, Executive Officer DMEA, Region VII

Subject: Terminated or completed contracts in Region VII

Below is a list of Exploration Contracts terminated or completed to date in Region VII, with the balances of Government's portions that were unused:

DMA-176, Idm-E 83 - L. W. King, MD; Cecil K. Scott and Lowell King.
Balance $1549.40

DMA-1140X, Idm-E 87 - Pitt Mica Corporation
Balance $ 580.50

DMA-1390X, Idm-E 74 - Ernest Mica Company, Inc.
Balance $ 206.21

DMA-1517X, Idm-E121 - Lawrence S. Penland
No balance

DMA-1664X, Idm-E 78 - Harold E. Enloe
Balance $ 338.81

DMA-1679X, Idm-E 13 - Harold E. Enloe
Balance $1663.20

*DMA-1680X, Idm-E145 - Joseph H. Ledbetter
Balance $2430.00

DMA-1720X, Idm-E125 - E. H. Zachary
Balance $1369.36

DMA-1732X, Idm-E134 - F. A. Judson
Balance $ 682.56

* Mr. Ledbetter wrote to Washington requesting that the contract be cancelled as he did not wish to diamond drill.

(signed) Robert A. Laurence
Robert A. Laurence
Executive Officer DMEA
Region VII

MF-104
(August 1951)

Budget Bureau No. 42-R1036.2.
Approval Expires 6-30-52.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Contract No. Idm-E 87

Name of Operator Pitt Mica Corporation
Docket No. DMA 1140-X
Total Contract Amount $ 2635.00
Government Participation: 90% % Amount, $ 2371.50
Distribution of Expenditures for Month of October (completed 10/18/51)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 23 1952

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

Operators are to submit monthly reports to the designated field representative of the Defense Minerals Administration. Reports are to be submitted in quadruplicate prior to the 15th day of the month following the reporting period.

Narrative.—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered is to be furnished.

Maps.—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.

Cost Accounts.—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts may be made from time to time.

CERTIFICATION

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.

Pitt Mica Corporation
(Name of Company)

By /s/ A. W. Reid
(Signature of Authorized Official)

10/18/51
(Date)

President
(Title)

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.

16—64068-3

MONTHLY SUMMARY COST STATEMENT

List as Shown on Exhibits Attached to Contract

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only		
				Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
1. Fixtures and Improvements:						
(*a*) Facilities						
(*b*) Buildings						
(*c*) Fixtures						
2. Operating Equipment:						
(*a*) Purchased[1]						
(*b*) Rented[2] Dozer	1000.00	-	1000.00	1000.00		1000.00
Jeep	150.00	-	150.00	150.00		150.00
(*c*) Furnished by operator						
3. Rehabilitation and Repairs:						
(*a*) Facilities						
(*b*) Buildings						
(*c*) Installations						

MONTHLY SUMMARY COST STATEMENT—Continued

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(d) Fixtures						
4. Labor[3]	400.00	-	400.00	400.00		400.00
5. Supervision	340.00	-	340.00	340.00		340.00
6. Supplies						
(a) Timber						
(b) Explosives						
(c) Repair Parts						
(d) Other						
7. Power						
8. Transportation						
9. Insurance						
(a) Fire						
(b) Public Liability						
(c) Workmen's Compensation						
10. Contract Work						
11. Other (specify)						
Misc. Office, etc.	100.00	-	100.00	100.00		100.00
Total	1990.00	-	1990.00	1990.00		1990.00
Deletions						
Adjusted totals						
Totals previously reported						
Totals to date	1990.00	-	1990.00	1990.00		1990.00

[1] Enter amount paid during month toward total purchase price.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.
[3] Submit copy of the Social Security form filed under the Old Age Insurance system showing complete wage and salary data or furnish copy of payroll sheet giving same data.

NOTE.—Indicate that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY

Checked by /s/ A. L. Peyton
Entered by /s/ A.L.P.
Approved by /s/ Wm. A. Beck
Amount approved for payment 1791.00
Remarks Final last and only payment.
Project completed
W.A.B.

16—64068-3

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF October

(Supply Data Below Applicable Only to Your Operations) (Completed 10/18/51)

Item	Costs					Progress [4]				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract (Exhibit A)
Drifting										
Crosscutting										
Raising										
Shafts										
Winzes										
Drill holes										
Overburden										
Rehabilitation and preparation										
Geology and geophysics										
Trenching	740.00	1150.00		100.00	1990.00	cu.ft.	15000	-	15000	15000
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify)										
Totals										

[1] Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
[2] Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
[3] Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.
[4] Specify whether feet, cubic feet, acres, miles, etc.

16—64068-3 U. S. GOVERNMENT PRINTING OFFICE

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.
Room 13, Post Office Building
Knoxville 2, Tennessee

file

August 24, 1951

Mr. C. O. Mittendorf, Director
Production Expansion Division
Defense Minerals Administration
United States Department of the Interior
Washington 25, D. C.

Re: Docket No. DMA 1140X
Pitt Mica Corporation
Exploration Project Contract Idm-E87

Dear Mr. Mittendorf:

This will acknowledge receipt, on this date, of one signed and approved copy of Exploration Contract No. DMA-1140X - Idm-E87, Pitt Mica Corporation, P. O. Box 489, Franklin, North Carolina.

Sincerely yours,

Robert A. Laurence

Robert A. Laurence
Executive Officer
Field Team, Region VII

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 27 1951

FILE COPY
SURNAME:

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

AUG 23 1951

A. E. C.

Contract Service Section
General Accounting Office
Washington 25, D. C.

Re: Docket No. DMA 114OX
Exploration Project Contract
Idm-E87
Pitt Mica Corporation
Franklin, North Carolina

Gentlemen:

Enclosed for recording in your office is the original, signed copy of an Exploration Project Contract executed between the operator named in the above reference and the Government of the United States.

Sincerely yours,

C. O. Mittendorf

J. F 8/23

C. O. Mittendorf, Director
Production Expansion Division

Enclosure-1

FLKnouse/bjs
8/17/51
cc to: Adm. Reading File
Field Team, Region VII (2)
Mr. Barr
Mr. Norton
Mr. Mittendorf, Mr. Olund
Mr. Knouse
Reports and Records
Docket copy
Chron. copy

FILE COPY
SURNAME:

F. L. Knouse
Mittendorf

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

Mr. Robert A. Laurence
Executive Officer
DMA Region VII
Room 13
Post Office Building
Knoxville, Tennessee

AUG 22 1951

Re: Docket No. DMA 1140X
Pitt Mica Corporation
Exploration Project Contract Idm-E87

Dear Mr. Laurence:

There is enclosed your copy of the executed contract with attached "Exhibit A" (two pages) and one map. A copy of this contract will be forwarded to the Region Finance Officer by the Washington Finance Office.

Sincerely yours,

C. O. Mittendorf (F. L. K.) BJ 8/22

C. O. Mittendorf, Director
Production Expansion Division

Enclosure-1

FLKnouse/bjs
8/17/51
cc to: Adm. Reading File
Reports and Records
Mr. Mittendorf, Mr. Olund
Mr. Knouse
Mr. Barr
Mr. Norton
~~Mrx~~Region VII
Docket copy
Chron. copy

A. W. REID, PRESIDENT

P. O. BOX 489

Pitt Mica Corporation

MICA MINING AND SALES

FRANKLIN, NORTH CAROLINA

August 10, 1951

Mr. C. O. Mittendorf, Director
Production Expansion Division
Defense Minerals Administration
Washington 25, D. C.

Dear Mr. Mittendorf:

We wish to acknowledge receipt of the original and five copies of Exploration Contract No. DMA-1140X - Idm-E87, signed by you.

Enclosed is the original and four copies, signed by us.

We have contacted the Knoxville Field Office and as soon as the Field Team makes their next call we will proceed with the work. Their visit is expected during the coming week.

Sincerely yours,

PITT MICA CORPORATION

Frank T. Siersma

Frank T. Siersma, Secretary

FTS:em

FILE COPY
410
SURNAME:

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

F.L. Knouse
A.E. Olund
C.O. Mittendorf

July 27, 1951

a.e.c.

Pitt Mica Corporation
P.O. Box 489
Franklin, North Carolina

Re: Docket No. DMA-1140X - Idm-E87
Pitt Mica Corporation
Exploration Contract

Gentlemen:

We are enclosing the original and five copies of Exploration Contract No. DMA-1140X - Idm-E87, Pitt Mica Corporation, signed by me, together with five copies of Form MF-104 monthly reports, and one copy of Int. 3337 "Questions and Answers on the Mineral Exploration Program."

If the terms of this contract meet with your approval, please sign all six copies, retain one copy, and return the original and four copies to this office. If any part of this contract does not meet with your approval, all of the copies of the contract must be returned to this office together with your proposed change, so it can be considered.

If the contract is signed by you, it will be in effect and four copies of Form MF-104 are to be completed and transmitted monthly to the office of the Executive Director, Region VII, Room 13, Post Office Building, Knoxville, Tennessee. Additional copies of Form MF-104 may be obtained from the office of Region VII.

Sincerely yours,

FLKnouse/ecl

C. O. Mittendorf

cc to: Admr's. Reading File
Messrs. Mittendorf - Olund
R. & R. Br.
Docket
Barr
Norton
R. Laurence, Reg. VII (2)
Knouse

C. O. Mittendorf, Director
Production Expansion Division

Enclosures

FILE COPY
SURNAME:

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

July 26, 1951

Memorandum delivered by hand

To: Chief, Production Expansion Division

From: General Counsel

Subject: Pitt Mica Corporation exploration contract - Docket No. DM-1140X

The contract in the subject case is approved as to form and legality subject to execution by the Operator and the Government.

The contract should be dated upon delivery to the Operator.

Your file is returned herewith.

J. L. Hofflund

J. L. Hofflund
General Counsel

Attachment

WCJones/ema

Copy to: W. C. Jones
J. L. Hofflund } deld by hand
Chron.
Files

DM-1140

ROUGH DRAFT

February 20, 1951

Pitt Mica Corporation
P. O. Box 439
Franklin, North Carolina

Subject: Docket No. DMEA-1140 - Mica
Contract No. Idm-E87
Reid-Mary Mine
Franklin, North Carolina

Gentlemen:

Transmitted herewith is Certification of Discovery under Contract No. Idm-E87 on the Reid-Mary Mine.

Repayment of the Government's share of the cost of the work performed under Contract No. Idm-E87 shall be made from the production from the area described in the first paragraph of this Certification of Discovery until the sum of $1,791.00 is paid to the Government or until July 27, 1961, which ever occurs first. Such mica as was produced during the exploration period will be subject to the same royalty deductions as any other ore produced after the Certification. All mineral production from this property is to be subject to royalty payments. All mica sold for which you receive more than $11.50 per ton net proceeds ~~will~~ is ~~be~~ subject to the maximum royalty of 5%. that under $11.50 is subject to royalty deductions shown in the contract.

Checks should be made out to the United States Treasurer and sent to Mr. Robert A. Laurence, Executive Officer, DMEA Field Team, Region VII, Room 13, Post Office Building, Knoxville 1, Tennessee. Accompanying royalty check should be a statement from the buyer (whether Government or private buyer) giving the number of pounds of mica bought, segregated as to grade and quality, and the total price received. The statement should include the date, name of purchasing company, and signed name of purchaser. In the case of sale to private individual, the buyer should attach a statement that the mica has not been purchased for re-sale to the Government. ~~In the case of cob mica sold to the Government, the operator should report to Mr. Laurence the amount of cob mica that has been produced~~

immediately.

You should transmit the Government royalty check promptly upon receipt of proceeds from the sale of such mica. The Operator shall notify the Government in the person of Mr. Laurence of any changes in ownership of his mineral rights, any leases, options to purchase, or other transfers of title on the area certified. You will notify Mr. Laurence on six month intervals when the mine is not in operation that no production has been made.

Sincerely yours,

Acting Administrator
Defense Minerals Exploration
Administration

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.
Room 13, Post Office Building
Knoxville 01, Tennessee

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 16 1951
L. A. STRASSEL
Executive Secretary

July 11, 1951

Registered Mail

Memorandum

To: Mr. Tom Lyon, Chairman
Coordinating Committee
Defense Minerals Administration

From: Field Team, Region VII

Subject: Field investigation reports

Transmitted herewith are four copies each of the following reports of field investigations:

DMA-1140X Pitt Mica Corp.
DMA-1141X Franklin Developers, Inc.
DMA-1224X Trammell Mining Corp.
DMA-1700X Fred D. Cabe

Results and recommendations on these were given to Mr. Waskey by phone on June 22 and 27, to beat the June 30 deadline.

We return herewith the original applications sent by your office in June, for DMA-1224X and DMA-1700X. We are holding the files on DMA-1140X and 1141X so that, in accordance with your letter of June 22, we may try to work out a coordinated program for the several applications filed by these owners, but we are delaying this until a definite mica program is approved.

Robert A. Laurence
U. S. Geological Survey

Wm. A. Beck for V. J. Lynch
U. S. Bureau of Mines

Enclosures

Exam Rpt

D UNITED STATES
DEPARTMENT OF THE INTERIOR
OSCAR L. CHAPMAN, SECRETARY

DEFENSE MINERALS ADMINISTRATION
REPORT OF EXAMINATION BY FIELD TEAM, REGION VII

DMA-114OX, Mary Mine, Pitt Mica Corp., Franklin, Macon County, N.C.

By
Kefton H. Teague, Geologist
U. S. Geolocial Survey

L. G. Marshall, Engineer
U. S. Bureau of Mines

June 20, 1951

Report of Field examination on the
Mary Mine - Pitt Mica Corp.,
Franklin, Macon County, N.C.

June 20, 1951

DMA-114OX - Mary Mine.

This deposit, owned by the Pitt Mica Corp., is located near the head of Mica City Creek 8.2 miles airline N. 20° E. of Franklin, N.C. about 1000 feet southeast of Lark Knob (Green Creek N.C. 166 S.E.).

Two pegmatites are poorly exposed near the stream junction about 1000 feet southwest of the cut made to obtain ore for the scrap mica plant. At the stream junction the pegmatites appear to trend N. 65° E, with a near vertical dip. One of the pegmatites is about 6 feet thick and the other is 10 feet thick. Mica of strategic grade up to 4-inches in diameter, occurs in the pegmatites at this place. In this report these exposures will be referred to as "locality I."

Within the past year pegmatite has been mined for scrap mica at a point 1000 feet northeast of "locality I." At this place the pegmatite has been exposed by a bulldozer cut and hand mining. The exposed portion of the pegmatite, about 20 feet across, is more or less circular in plan and has been mined to a depth of 18 feet. Pegmatite stringers up to 4 feet thick, radiate from the main pegmatite mass. The pegmatite is composed principally of a quartz core surrounded by decomposed feldspar (microcline?) mixed with quartz, scrap mica, and a little good book mica. According to W. W. Reid (operator), most of the book mica recovered to date was obtained adjacent to the quartz core. These workings will be referred to as "locality 2" in this report.

DMA-1140X- Mary Mine

About 100 feet northwest of "locality 2" a shallow pit has been dug in pegmatite. The pit is too small to supply data upon the size of the pegmatite, however, mica books three inches in diameter can be dug from the pegmatite. This pit is here referred to as "locality 3."

The mica from all three localities appears to be of strategic grade. It is believed that sheet mica which could be produced will be generally in the smaller sizes; however, since the operator plans to recover the scrap mica as a by-product, the proposed operation should be a profitable one.

It is recommended that this deposit be prospected as follows:

"Stage A"

3 bulldozer trenches each 100 ft. long by 10 ft. deep, trenches to be located:
(1) 200 ft. S.W. "locality 2" crosscutting ridge spur.
(2) Midway between "locality 2 and 3."
(3) 100 feet. N.E. "locality 3."

Cost:	Bulldozer (contract) 12 days @ $100 per day	$1200.
	Supervisor 12 " @ 15 " "	180
	Jeep rental and supplies, etc.	120
	Total ---	$1500.

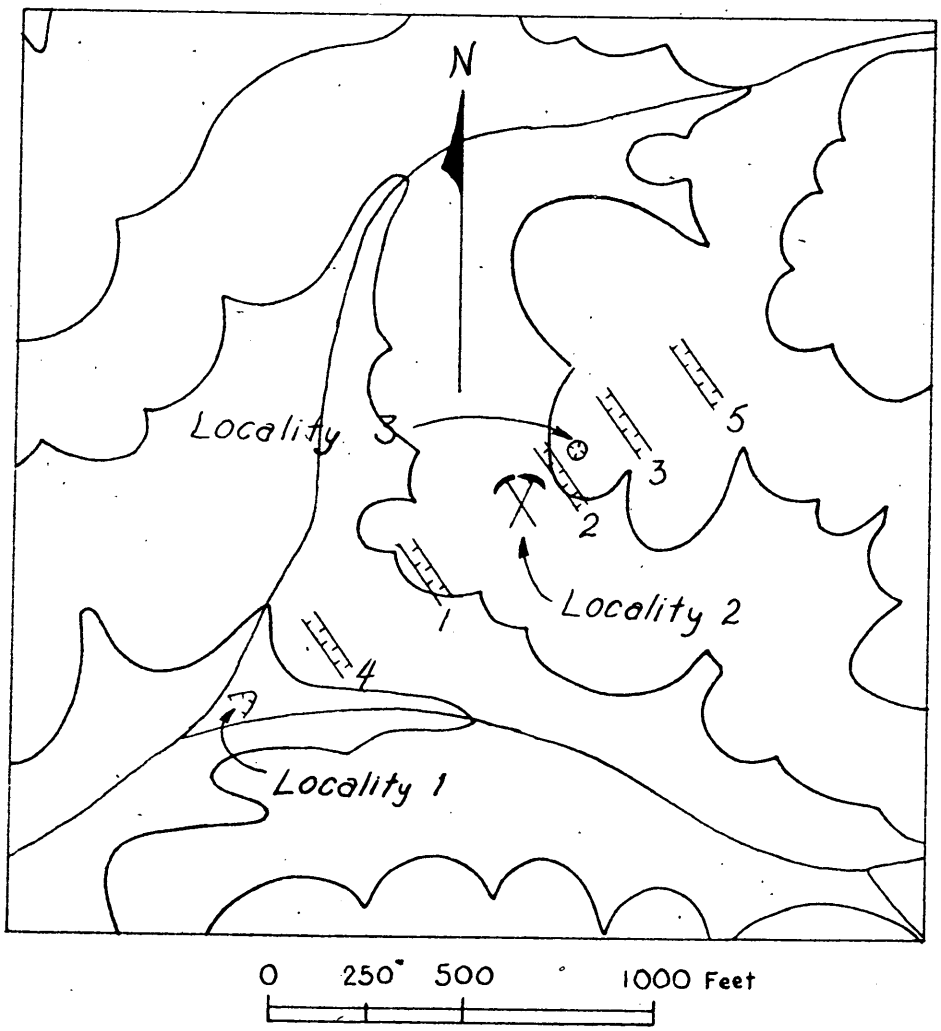
"Stage B"

2 bulldozer (contract) trenches each 100 ft. long by 10 ft. deep, trenches to be located:
(4) Midway between (1) above and "locality 1".

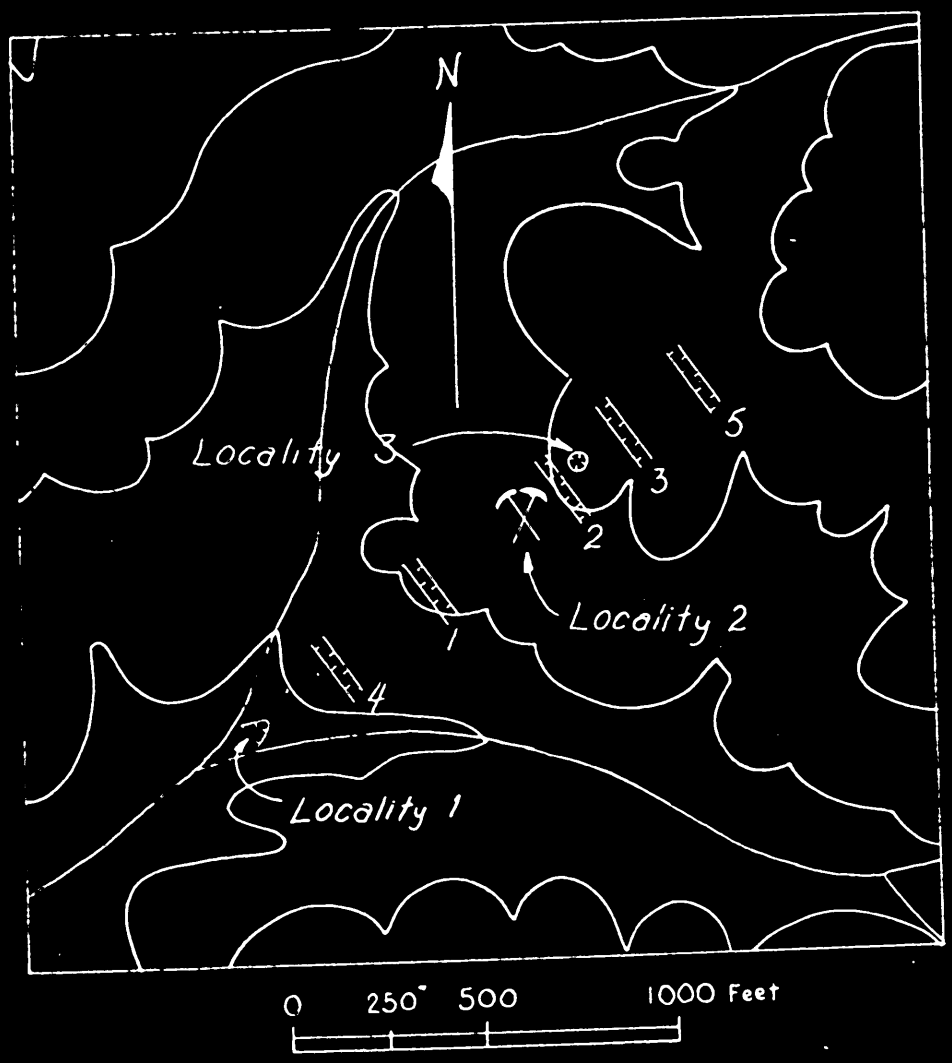
(5) 300 ft. N.E. "locality 3".

Cost:	Bulldozer (contract for 8 days @ $100 per day	$800.
	Supervisor for 8 days @ $15. per day	120
	Jeep rental, supplies, etc.	80
	Total	$1000.

Cost of "Stages A & B " $2500.



Docket 1140X Proposed prospecting at the Mary mine



Docket 1140X Proposed prospecting at the Mary mine

FILE COPY
SURNAME:

Barr
Parsons (Gen)

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

June 25, 1951

Memorandum

To: Mr. James A. Barr, Sr.

From: Mr. A. B. Parsons

Subject: Docket DMA 1140X - Mica
Pitt Mica Corporation
P. O. Box 489
Franklin, North Carolina

The prospective available supply of mica is far short of meeting defense requirements. Consequently, it is highly desirable that exploration for new domestic deposits be stimulated by any reasonable Government assistance to private interests. Any exploration project that holds promise of finding significant new reserves, merits consideration by the Defense Minerals Administration.

A. B. Parsons
Assistant Director
Supply Division

dak

cc: Mr. Strobel
Mr. Parsons
Mr. Barr
Mr. Norton
Mr. Mittendorf
DMA Files

DMA-1140X

AMENDED SCHEDULE OF COSTS AND REQUIREMENTS.

Sub-project 1

Tractor Rental	60 hrs	@	$10 hr.	600.00
1 Engineer Superintendent	10 days	@	20 day	200.00
1 Foreman	15 days	@	15 day	225.00
3 Laborers (each)	15 days	@	10 day	450.00
Tools Supplies & misc.				100.00
~~Tool shed and shelter~~				~~100.00~~ 60
Jeep rental	15 days	@	6/day	90.00
				$ ~~1,765.00~~ 1735.00

Sub-project 2

Tractor rental	40 hrs	@	$10 hr.	400.00
1 Engineer Superintendent	7 days	@	20 day	140.00
1 Foreman	6 days	@	15 day	90.00
3 Laborers (each)	6 days	@	10 day	180.00
Jeep rental	10 days	@	6/day	60.00
Supplies & misc				$ ~~870.00~~ 4008 910

Total $2635

OIC R. Warsha
7/24/51

RECOMMENDATION:

1) That an Exploration Aid Contract be granted in the amount of $2,500, Government Participation 90%, as follows:

   A) Excavation of three bulldozer trenches approximately 50' in length and 6' feet deep running across the strike of the pegmatite, followed by shallow test pitting and sampling with hand tools in the bottom of the trenches. Cost allowable, $1,500.

   B) If A) above produces a promising showing of strategic mica (In the opinion of the Field Team); Excavation of two additional bulldozer trenches followed by shallow test pitting, therein with hand tools.

2) That as a Contract Provision it be stipulated that the approximate location and direction of the trenching will be indicated by a field Team member prior to start of the work ~~as agreed to by said member~~.

NOTE: This provision has been discussed by phone with Robert Laurence, Executive Field Team, Region VII and approved by Mr. Laurence.

The distribution of expenditures above in attached Exhibits are based on assumption that each trench will require 8 hours of bulldozing and that test pitting will require services of working foreman and laborers for about 8 days per trench. The operator should be allowed considerable latitude in revising the schedules with respect to distribution providing that the totals of $1,500.00 for 1A and $1000 for 1B above are not exceeded.

EXHIBIT "A"

A) Excavation of 3 trenches by bulldozer to a depth of approximately 6' through overburden and weathered portion of Pegmatite. Trenches are to be about 50' long and 6' to 10' wide (one cut with Blade). Shallow test pits will be dug with hand tools on the better mica showings along the bottoms of above trenches. These will be from 3' to 5' in depth and any convenient size for hand tool work. Bulldozing will be done by contract or with rented equipment at convience of operator. Allowable cost $1,500.00, over a period of 3 months.

B) Assuming that mica showings justify additional work (in the opinion of Field Team member who checks operation) two additional trenches and test pits to same specification as A) above. Allowable cost $1000.00; time 2 months.

EXHIBIT "B"

Tool Shed and Shelter $95.00 — A

Authorized for construction at the discretion of operator. It is not required if operator so decides.

EXHIBIT "C"

A-400

1. Bulldozer Rental $10.00 per hour with operator, fuel, etc. $400. — B-300

   Picks, shovels, wheelborrows, micellaneous hand tools to be purchased $100. — A

EXHIBIT "D"

A-200
B-140

1. Engineer-Superintendent, part-time, ~~not to exceed 1 day per week~~, $20.00 per day $400.
2. Working foreman $15.00 per day $645.
3. Laborers $10.00 per day, each $860.

EXHIBIT "E"

Not applicable

FILE COPY
SURNAME:

Barr
McKenzie for
Rowe
Moon

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

June 20, 1951

Mr. A. W. Reid, President
Pitt Mica Corporation
P. O. Box 489
Franklin, N. C.

Subject: Docket DMA-238X, DMA-1140X

Dear Mr. Reid:

Your applications are being referred to the Defense Minerals Administration Field Team, Region VII, for further information. Lawrence

Sincerely yours,

Tom Lyon, Director
Supply Division

cc: Administrator's Reading File
Mr. Strobel
Mr. Barr
Field Team, Region VII (2)
DMA Files

June 6, 1951

Mr. Robert Lawrence, Executive Officer
RFC Field Team, Region VII
Room 13
Post Office Building
Knoxville, Tennessee

Dear Mr. Lawrence:

Subject: Franklin Developers, Inc., and
Pitt Mica Corporation--loan applications
[illegible], [illegible], [illegible],
[illegible], [illegible]

Files on above subject mica applications are attached. They appear to be related projects, each of the two companies involved having essentially the same officers and the same address, Box [illegible], Franklin, North Carolina. As all of the properties are located in the same general area, it is possible that a study of all could be instituted in a single field examination. Your recommendation on these projects would be appreciated particularly with respect to the following:

1. The competence of the applicants to conduct the rather ambitious programs proposed does not appear to be substantiated by data accompanying applications. Interviews with applicants and their engineer or engineers might be helpful.

2. The exploration proposals appear to include more beyond that necessary to develop reserves. Perhaps with the help of the Field Team, the applicants might revise them accordingly.

3. In both exploration and loan proposals there appears an unduly high proportion of estimated costs devoted to supervisory or general. Perhaps it could be pointed out to the applicants that in the exploration program ample supervision might consist of the services of one working foreman and the part-time services of an engineer or superintendent. In development projects, needs might be similarly scaled down according to the amount of work to be done.

4. On properties where development leases are sought, ore reserves must be proven to justify requests. If not proven, would applicant be justified in and willing to change the proposals to exploration projects.

Manpower:

1. Evaluate exploration projects

2. Correlate applications with a view of combining interests.

3. Determine reserves, recoveries and grade.

4. Report on economics.

5. Recommendations.

A copy of a letter from Mr. J. J. Norton, very closely analyzes this group of applications.

Sincerely yours,

Chairman,
Coordinating Committee

Bureau of Mines

Geological Survey

Enclosures

cc: Mr. Strobel
Mr. Barr
Mr. Norton
Mr. Boom
Field Team, Region VII
BLM Files

May 19, 1951

Franklin Developers, Inc.
P. O. Box 489
Franklin, North Carolina

Attention: Mr. F. T. Sierema, Secretary

Gentlemen:

We have your letter of May 8, 1951 in regard to corrections to be made in your application, docketed DMA-1140 and DMA-1141. The corrections will be made as you requested.

Sincerely yours,

James A. Barr, Sr., Chief
Industrial Minerals Branch

JAB:dak

cc: Mr. Strobel
Mr. Barr
Files

[illegible]

To: [illegible]

From: [illegible]

Subject: Recommendation for loan or grant

Name of Applicant: Pitt Mica Corporation
P. O. Box 489
Franklin, North Carolina

Loan No.: 1140-X

Commodity: Mica

Amount Requested: $ 13,500.00

Amount Approved: $ ~~2500.00~~ 2635.00 OK

Government Participation: 90 % $ ~~2250.00~~ 2372.50

Tom Lyon
[illegible]

FILE COPY
SURNAME:

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

May 10, 1951

Mr. F. T. Sierema, Secretary
Pitt Mica Corporation
P. O. Box 489
Franklin, North Carolina

Subject: DMA-1140 X
Re: Exploration
Loan Reid-Mary
Mine

My dear Mr. Sierema:

Receipt is acknowledged of your application and attachments of May 4, 1951 from the PITT MICA CORPORATION for a Government loan under the Defense Production Act of 1950.

The application was assigned Docket Number 1140 X and referred to Mr. James A. Barr, Chief, Industrial Minerals Branch, on May 9, 1951.

In any future correspondence relating to your application, kindly refer to DMA-1140 X.

Sincerely yours,

LANDON F. STROBEL a.e.c.

Landon F. Strobel
Executive Secretary

LFSTROBEL:aec
cc: Files
Strobel-2
Mr. Barr
Mr. Lyon

Docket 1140

Dma - 1140
Dma - 1141

FRANKLIN DEVELOPERS, INC.

Operating:
Pitt Mica Corporation
Porter Mica Corporation

MICA MINING & SALES
Pattern, Sheet, Punch and Processed Scrap

P. O. Box 489
FRANKLIN, NORTH CAROLINA

May 8, 1951

Rec. May 19, 1951
JAB.

Defense Minerals Administration
Department of the Interior
Washington, D. C.

Gentlemen:

On May 4 we sent you three applications for "Aid for Exploration" together with General Technical Data forms MF-100. Included were:

Franklin Developers - Campbell Mine - Dma - 1141
Pitt Mica Corp. Reid-Mary Mine - Dma - 1140

Please make the following corrections on both:

Answer to Question 12 (b-2) should be "recoverable unit value" - per pound; not per ton.

Very truly yours,

FRANKLIN DEVELOPERS INC.

F. T. Siersma

F. T. Siersma - Secretary

FTS:em

File with DMA 1140-1141
Make corrections