UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE

Terminated (or cancelled) without certification. DMEA No. 1665

This is the official contract file containing all official records of the project. Duplicate material has been removed. The records contained in the files are checked and are arranged in this manner:

Left Side

Certificate of Audit (Final).

Interim Audit(s).

✓ Report of Review.

Termination Notice or Agreement.

Recision Notice.

Assignment of Contract.

✓ Contract Amendments (latest on top).

✓ Contract with all exhibits and annexes.

Owner's Consent to Lien.

Subordination Agreement.

Leases and assignments of leases.

✓ Application and attachments.

✓ Schedule of Collections.

✓ Operator's monthly reports and all attachments (latest on top).

Right Side

✓ Project summary.

✓ Work completed analysis.

All other material is filed in chronological order with correspondence including the following reports as checked:

✓ Final Field Team Report. (Tab)

✓ Operator's Final Report.

Interim Reports.

✓ On-site Exam Report(s). (Tab)

Settlement Sheets.

If additional folders are required because of volume of records, show folder numbers and contents below:

Maps in folder number _____

Operator's Monthly Reports in folder number _____

A. Z. M. ✓

Reviewer's Initials

7973

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Mica Development Corporation

Franklin, North Carolina

pertaining to Exploration Project Contract No. Idm-E129, Docket No. DMA-1665X, as amended January 9, 1952, for the period of October, 1951 to April, 1952.

My review included an examination of the Monthly Reports (Forms MF-104) and supporting documents attached thereto, comparison of the costs claimed with the contract and pertinent schedules, consultation with the Executive Officer of the Field Team, 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 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) major portion ($4,419.75) of costs was for drilling under subcontract, with payments by Government amounting to $3,592.12 being made directly to sub-contractor on basis of certified invoices.

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

Total cost as billed by Contractor		$5,919.75
Exceptions:		
By DMEA Finance Officer	$ (80.00)	
Salvage value - Core House	25.00	(55.00)
Total Accepted Cost		$5,864.75

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 Five thousand three hundred seventy-seven and 27/100 Dollars

— $ 5,377.27 —

is considered valid and proper.

September 22, 1952

E H Talbert
Auditor

Contract [illegible]

CONTRACT AMENDMENT No. 1

Contract Docket No. DMA-1665X, Idm-E129, dated August 29, 1951, between the UNITED STATES OF AMERICA and MICA DEVELOPMENT CORPORATION is hereby amended as follows:

1. Item 3 is amended to bring the project to completion within a period of 9 months from the date of this contract.

2. Operating Equipment under Exhibit "A" is amended as follows;

Contract for drilling 880 feet of NX holes estimated as follows:

113 feet at $4.50 per foot	
600 feet at $5.33 per foot	
167 feet at $4.75 per foot	$4500.00

3. The contract is amended to provide that the Government will pay its share of the expenses for contract diamond drilling directly to the drilling contractor each month for the Operator's account, instead of the Operator.

These amendments are being made because the initial drilling contract was terminated, after completion of 113 feet, by mutual consent of the Operator and the drilling contractor. A new drilling contractor has agreed to drill the remaining footage at the quoted figures.

These amendments shall not be construed to increase the estimated cost of the project, the aggregate total amount which the Government may be obligated to pay, or the percentage of the costs which the Government may be obligated to pay, under the provisions of Article 13 of the contract form.

Dated January 9, 1952

UNITED STATES OF AMERICA

By Robert A. Lawrence
Executive Officer, DMEA
Region VII

MICA DEVELOPMENT CORPORATION

By Roy N. Foats
Secretary-Treasurer

MF-200
(June 1951)

Indexed
No Card
Card
Reviewed
10/4/51

Docket No. DMA 166
Commodity Mica
Idm-E 129

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

EXPLORATION PROJECT CONTRACT [1]

It is agreed this 29th day of August, 1951, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and [2] Mica Development Corporation
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] Approximately 40 acres, containing all of the Chaulk Hill Mines, and being part of lands conveyed by Roy H. Fouts to Mica Development Corporation on July 1, 1947, and recorded in the office of the Register of Deeds for Macon County, Book No. O-5, page 554, and lands described in a deed from Judd Tallent and wife to Mica Development Corporation and recorded in said office of Register of Deeds in Book No. Z-5, page 175.
with respect to which the Operator represents and undertakes: [4]

(*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:

None

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

3. *Exploration project.* The Operator, within 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] 6 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.* All 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 $5,400.00, which is 90 percent of the agreed estimated total cost of this project, $6,000.00.

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.

MICA DEVELOPMENT CORPORATION
(Operator)

By William Grimes, Vice Pres.
Roy N. Foster, Sec.-Treas.

THE UNITED STATES OF AMERICA

By C. D. Mittendorf
Director, Production Expansion Division
Defense Minerals Administration

U. S. GOVERNMENT PRINTING OFFICE 16—64066-2

Docket No. DMA - 1665X
Mica Development Corporation
Exploration Project Contract

EXHIBIT "A"

Exploration Project:

Work will consist of approximately 1000 feet of diamond drilling (NX) by contract. Individual hole depths are expected to be from 50 feet to 300 feet each. Hole locations, directions and depths to be mutually agreed upon by operator and DMA Field Team member. Core handling, testings, etc., to be done by operator.

Estimated Cost:

1000 feet of diamond drilling @ $6.00 per foot	$ 6,000.00

Fixtures and Improvements:

Core house and shelter Construction at operator's option	$ 200.00

Operating Equipment:

Contract for drilling 1000 feet NX holes estimated at $4.50 per foot	$ 4,500.00
Core boxes, handling, shipping, transportation, etc.	300.00

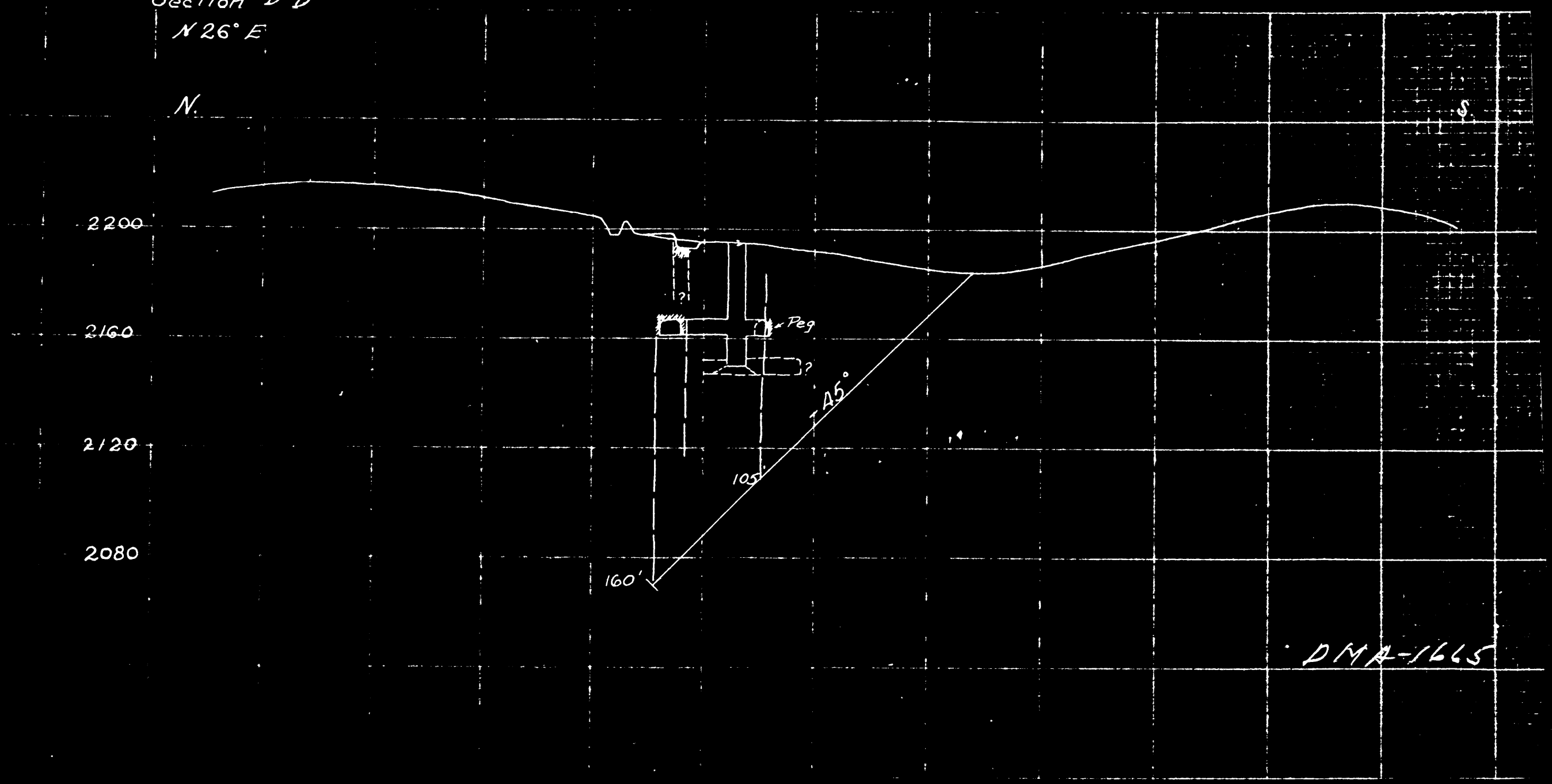
Labor, and Supervision:

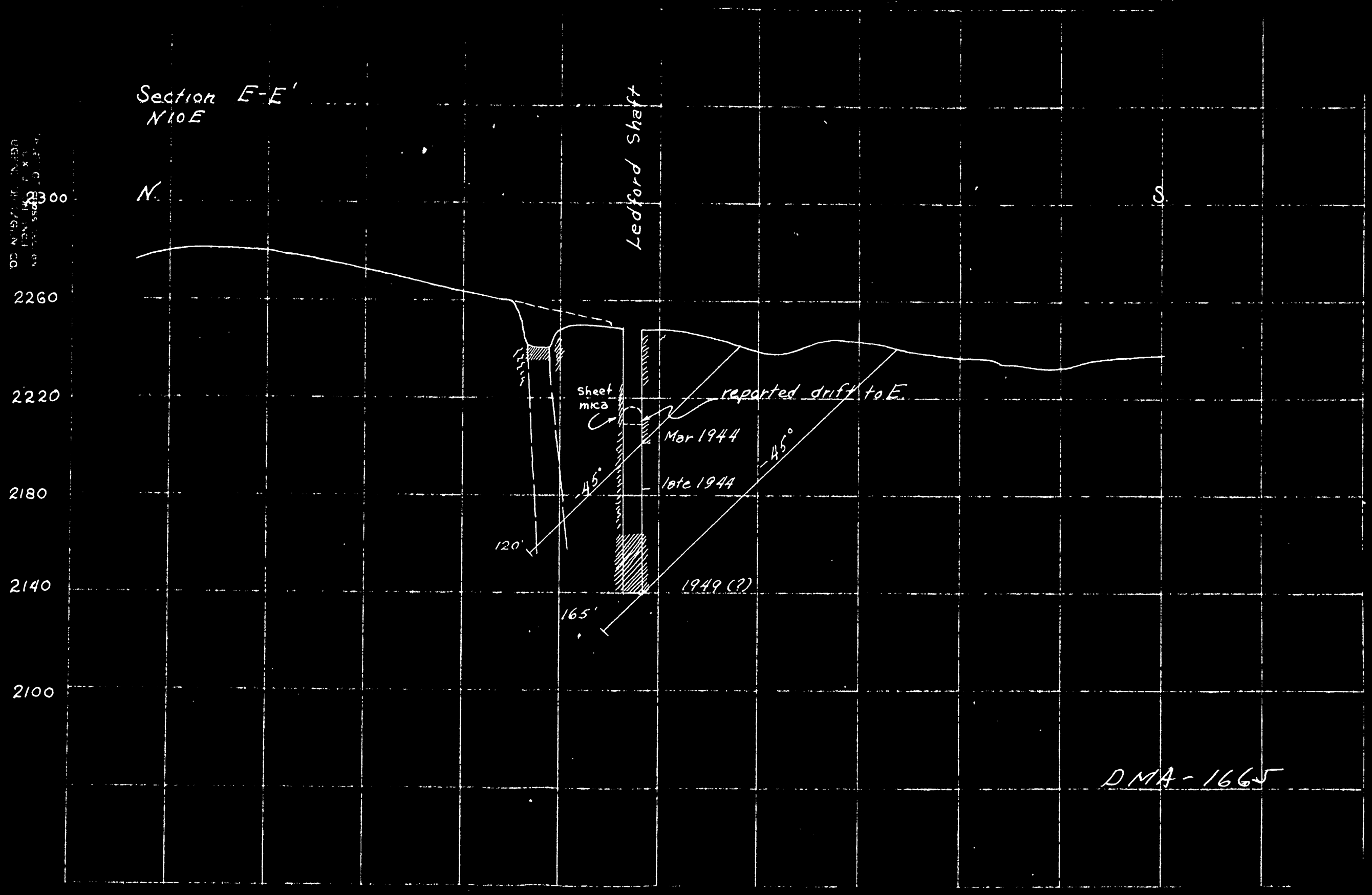
One engineer - superintendent part time @ $20.00 per day	$ 400.00
One assistant to handle cores, etc. @ $12.00 per day	600.00

Rehabilitation and Repairs:

None chargeable to project

Section D-D'
N 26° E




Section E-E'
N10E
N.
S.
Ledford Shaft
2300
2260
2220
2180
2140
2100
Sheet mica
reported drift to E.
Mar 1944
late 1944
45°
45°
120'
1949 (?)
165'
DMA-1665

Docket DMA-1665X

EXHIBIT "A"

Work will consist of about 1000' of diamond drilling (NX) by contract. Individual hole depths will run from 50' to 300' each. Hole locations, directions and depths will be mutually agreeable to Operator and Field Team member. Core handling, testing, etc. to be done by Operator.

Allowable total cost $6000, time limit 6 months.

Docket-1665X

EXHIBIT "B"

Core house and shelter To be built at discretion of operator, not required if Operator so decides.	$ 200.00

EXHIBIT "C"

Contract for Drilling 1000' NX @ $4.50 per ft.	$ 4500.00
Core boxes or materials for same, Core handling, shipping, transportation, etc.	300.00

EXHIBIT "D"

1 Engineer-Superintendent part time $20 per day	$ 400.00
1 Assistant to handle cores etc. $12 per day.	600.00
	$6000.00

EXHIBIT "E"

Not Applicable

Form MF-103
(April 1951)

U. 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-1665X

Date received 6/8/51

Participation

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 8 - 1951
LANDON F. STROBEL
Executive Secretary

MICA DEVELOPMENT CORPORATION
FRANKLIN
NORTH CAROLINA

Name and address of applicant

Date JUNE 5, 1951

FILL IN THIS BLOCK

Date of application JUNE 5, 1951

Estimated cost $29,300.00

Mineral or metal STRATEGIC MICA

Percentage of Government participation 90%

Location of mine 7 miles North of FRANKLIN, N. C.

Date of filing MF-100 JUNE 5, 1951

DMA Docket Number, if available

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.

MICA DEVELOPMENT CORPORATION
(Name of company)

By Roy N. Foulds
(Signature of authorized official)

JUNE 5, 1951
(Date)

SECRETARY- 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 MICA DEVELOPMENT CORPORATION FRANKLIN, N. C.

THE APPLICANT:

1. Corporation.

4. Roy H. Fouts, Secretary-Treasurer of applicant, has mined this property since 1942. He is thoroughly familiar with all types of mining operations and the management of the business.

5. Owner

6. No liens or encumbrances against property.

9. Ten percent; sufficient in accordance with Government participation on strategic mica (Section 9 of MO-5).

THE PROPERTY:

10. Approximately 40 acres, containing all of the Chaulk Hill Mines, and being part of the lands conveyed by Roy H. Fouts to Mica Development Corporation on July 1, 1947, and recorded in the office of the Register of Deeds for Macon County, Book #O-5, Page 554, and lands described in a deed from Judd Tallent and wife to Mica Development Corporation and recorded in said office of Register of Deeds in Book # Z-5, Page 175.

11. Present name: Chaulk Hill Mines

12. Property is located 3 miles North of Franklin, N. C.(Railroad shipping point), on State Highway # 28; thence South 2 miles on Burningtown (County) Road; thence 2 miles Southwest on Olive Hill (County) Road.

13. Sufficient water on property for all requirements. No power required.

14. Mine contains no facilities, equipment, etc.

15. Mica (sheet & punch) will be processed and sheeted on property and shipped from Franklin, N. C.

16. (a) In order to drain the major portion of the mica veins of this property a tunnel is proposed to be constructed under the long ridge and for approximately 600 ft. in length. It will reach the heart of the veins and release hygrade, strategic ruby Mica (sheet & punch).

    (b) Property is located directly within the mica belt of Western North Carolina. Neighboring properties, such as the Beasley Mines, Poll Miller Mines, Mill Knob, etc., have been high producers and their results are recorded with the Bureau of Mines.

17. Mine is not in production.

18. Not applicable.

19. Applicant is filing for operating loan under form NSRB-146. Included therein are the requirements of this application. It is imperative that development continue uninterrupted, which accounts for the submission of this application, since applicant believes an exploration project application will be approved at an earlier date than a full operating loan application. Should this follow, the amount of this application can reduce the amount of above mentioned application on Form N S R B-146.

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

THE REQUIREMENTS AND COSTS

23.

	EACH DAILY	120 DAYS
(a) LABOR:		
2 Miners	$12.00	2,880.00
6 Laborers	8.00	5,760.00
(b) SUPERVISORS:		
Superintendent	25.00	3,000.00
Bookeeper	8.00	960.00
(e) EQUIPMENT:		
1 Air Compressor (160 cfm)		5,050.00
1 Jackhammer Drill		365.00
1 8' Column Mounting Post		165.00
1400' Steel Track		3,300.00
2 Mine Cars		480.00
800' Galv. Pipe (1" & 2")		410.00
Air Hose - 50'		50.00
Mine & Tunnel Timber		2,500.00
Cross Ties (rails)		300.00
Steel & Small Tools		800.00
(g) Bulldozer work to clear tunnel entrance		1,000.00
(h) Materials & Supplies:		
Powder, Fuse, Exploders, etc. ($12.00 per day)		1,440.00
Gasoline & Oil for equipment ($7.00 per day)		840.00
TOTAL REQUIREMENTS		$29,300.00

THE PROPERTY:

16. (c) The following statement was prepared for and is attached to Form NSRB-146, covering a complete operating loan. Actual exploratory work will be restricted to the construction of tunnel mentioned in this report:

STATEMENT BY:

A. W. REID - PRACTICAL GEOLOGIST AND MINING ENGINEER.

The Chaulk Hill Mines have been worked intermittently for the past 40 years, entirely by hand methods; except for a short time during the last war when some small amount of equipment was placed in use. The product produced was of the highest grade of strategic ruby mica; blocks weighing up to 100 pounds were taken out of the shaft at a depth of 110 feet. Mr. Roy H. Fouts, Secretary-Treasurer of Applicant corporation, managed this operation but closed the mine after receiving a call for service in the armed forces, during a time when he was producing several hundred pounds of mica daily.

I have recently completed a thorough examination of the entire property. It is located directly within the main mica belt of Western North Carolina. Surface outcroppings show the presence of four veins running side by side. The major vein, into which the above mentioned shaft was sunk, appears to be 12 feet to 15 feet in width, with approximately 1,000 feet of surface outcropping in length. Property has numerous shallow shafts (from 30 to 40 feet deep) and tunnels which have been highgraded and are now useless. I have recommended that the entire vein surface be stripped off by bulldozer to remove overburden and eliminate the waste and debris. This would permit a highly successful open-pit operation. Due to the terrain of this formation, it will be necessary and proper to drive a tunnel under the long ridge approximately 600 feet. This would drain all veins to such an extent as to eliminate expensive pumping, as well as providing the means for reaching the heart of the veins. Two shafts can then be sunk - to an undetermined depth (possibly 500 feet to 1,000 feet each). These would require some pumping equipment. Preparing for such a combination of operating methods would require approximately 90 days.

I have collaborated with Applicant in preparing figures for total facilities as included herein. With this property equipped in the manner estimated it is my confirmed opinion it will become a big producer and continue as such for a great many years.

(Signed) A. W. Reid
CHAIRMAN - LOCAL
MINING COMMITTEE

MF-100
(March 1951)

U. S. DEPARTMENT OF THE INTERIOR
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-1665X

Date received 6/8/51

MICA DEVELOPMENT CORPORATION
FRANKLIN
NORTH CAROLINA

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 8 - 1951
LANDON F. STROBEL
Executive Secretary

Name and address of applicant

Date JUNE 5, 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? Strategic mica
   (*b*) What are the byproducts, if any? Feldspar
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. Franklin, N. C.
   (*c*) Township, Section, Range. Franklin
   (*d*) County, State. Macon County, N. C.
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		Life Insurance Carried for Benefit of Applicant	
				Common (e)	Preferred (f)	Amount (g)	Net Cash Surrender Value After Loans (h)
	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	$	$	$		
Preferred stock	$	$	$		

*Indicate period covered.

10. Production: Operation has not yet started.

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 mineral deposit briefly. Accompany the application by a available report on the geology and ore reserves.

Form 7
(M

(*b*) If deposit is other than placer:

(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

Ore or Mineral Reserve	Estimated Tons (a)	Metal or Mineral Content Per Ton (Grade) (b)	Gross Value Per Ton (c)	Recoverable Unit Value Per Ton (d)	Estimated Cost of Production Per Ton (e)
Measured (proved)					
Indicated (probable)					

(*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: Operation has not yet started.

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.

MICA DEVELOPMENT CORPORATION
(Name of company)

By Roy N. Fouts
(Signature of authorized official)

JUNE 5, 1951
(Date)

SECRETARY-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

Standard Form No. 1044—Revised
Form approved by Comptroller General U. S.
June 25, 1936

COPY

SCHEDULE OF COLLECTIONS

Schedule No. NOR-6

Sheet No. 1

Defense Minerals Exploration Administration (Department or Establishment) 14-23-070 (Bureau or Office)

Received by E. A. Hudson (Name) Regional Disbursing Officer (Title) at Oak Ridge, Tenn. (Station)

Period September, 1952 (Month or quarter ended) D. O. Symbol No. 1428

Date Received	Receipt Number	Name of Remitter	Detail Description of Purpose for Which Collections Were Received	Amount	Fund to be Credited (Symbol and title in full)
Ck. No. dated 9/12/52	1547	Mica Development Corporation	Payment of 90% of value of equipment under contract Idm-M-129, DMEA-1665X, fulfilling operator's obligation under the contract.	22.50	14X4401 Revolving Fund Defense Production Act, Interior
			Total,	22.50	

Received _____, subject to collection. Forwarded September 22, 1952

_____ (Disbursing clerk or accountable officer)

By _____

By Sam J. Ward (Name)

Title Authorized Certifying Officer

Certificate of Deposit No. 96 dated Sept. 23, 1952

U. S. GOVERNMENT PRINTING OFFICE 10—1790

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Contract No. Idm-E 129

Name of Operator MICA DEVELOPMENT CORPORATION
Docket No. DMA 1685-X
Total Contract Amount $ 6,000.00
Government Participation: 90% % Amount, $ 5,400.00
Distribution of Expenditures for Month of April 1952

Final Report

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.

Department of the Interior
Defense Minerals Administration
1952

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.

MICA DEVELOPMENT CORPORATION
(Name of Company)

By Roy N. Fowler
(Signature of Authorized Official)

28 April 1952
(Date)

Secretary-Treasurer
(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]						
Core Driller	937.16	3482.59	4,419.75	1017.76	3482.59	
(c) Furnished by operator						
3. Rehabilitation and Repairs:						
(a) Facilities						
(b) Buildings						
(c) Installations						

MF-104
(August 1951)

16—64068-3

FORM MF-104 MICA DEVELOPMENT CORP., Franklin, N.C. 4/28/52

PROGRESS REPORT - April Contract No. Idm-E 129
Docket No. DMA 1665-x

DIAMOND CORE DRILLING:

Sixth Hole: Results,
1' to 84' over-burden and saparlite, quartz
84 to 88 Clay
88 to 89.6 Mica schist
89.6 to 90.6 Salt and pepper gneiss
90.6 to 94 Country Rock
94 to 96 granite and spar
96 to 97.4 quartz, spar biotite gneiss
97.4 to 98.4 country rock
98.4 to 99 salt and pepper gneiss
99 to 103 country rock, spar and granite
103 to 113 spar and granite
113 to 134 " " "
134 to 137 biotite schist, spar granite
137 to 155 spar and granite
155 to 174 spar, garnet
174 to 194 spar and garnet

SPRAGUE & HENWOOD, INC. Box 446, Scranton 2, Pennsylvania
194 Feet of Diamond Core Drilling:

27 feet @ $5.33	$ 143.91
167 feet @ 4.75	793.25
$	937.16

Certified Invoice will be mailed Government for 90%, and paid by same direct to Sprange & Henwood. 843.44

Certified Invoice will be mailed Mica Development for 10% and paid by same direct to Sprague and Henwood, Inc. 93.72

PAYROLL:
1 Engineer-Superintendent, Roy H. Fouts
Social Security No. 242-22-8006
Four days @ $20.00 per day 80.00
1 Assistand to handle cores, etc. James V. Keener
Social Security No. 243-30-3940
Eleven days @ $12.00 per day 132.00

Government Participation 90%, which is to be paid to Mica Development Corporation

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						
	132.00	468.00	600.00			
4. Labor[3]	80.00	320.00	400.00	132.00	468.00	600.00
5. Supervision				80.00	320.00	400.00
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)						
Core Boxes, etc	0	300.00	300.00		300.00	300.00
Core House	0	200.00	200.00		200.00	200.00
Total	1149.16	4770.59	5919.75	1229.16	4770.59	5999.75
Deletions						
Adjusted totals						
Totals previously reported						
Totals to date						

[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 W. A. Beck
Entered by W. A. Beck
Approved by W. A. Beck
Amount approved for payment $1106.24
Remarks As per item 3, of contract amendment dated January 9, 1952, $915.44 is to be paid to Sprague & Henwood Inc. Scranton 2, Penna

16—64068-3

The balance of the approved amount ($190.80) is to be paid to the operator.
WAB

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF .....

(Supply Data Below Applicable Only to Your Operations)

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					1449.16	Lin Ft	194	686	880	880
Drill holes	$ 212.00	937.16								
Overburden										
Rehabilitation and preparation										
Geology and geophysics										
Trenching										
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

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 129

Name of Operator MICA DEVELOPMENT CORPORATION
Docket No. DMA 1665-X
Total Contract Amount $ 6,000.00
Government Participation: 90 % Amount, $ 5,400.00
Distribution of Expenditures for Month of March 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.

MICA DEVELOPMENT CORPORATION
(Name of Company)

By Roy H. Foote
(Signature of Authorized Official)

March 31, 1952
(Date)

Secretary-Treasurer
(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]						
Core Driller	1425.15	1137.44	2562.59	2345.15	1137.44	3482.59
(c) Furnished by operator						
3. Rehabilitation and Repairs:						
(a) Facilities						
(b) Buildings						
(c) Installations						

FORM MF-104 MICA DEVELOPMENT CORP., Franklin, N. C. 3/31/52

PROGRESS REPORT - March - Contract No. Idm-E 129
Docket No. DMA 1665-X

DIAMOND CORE DRILLING:

Third Hole: Results,
1' to 50' overburden and saparlite
50' to 54' mica schist, clay, country rock
54' to 67' spar and granite
67' to 100' spar and granite
100' to 110' granite schist
110' to 112' spar and granite
112' Pegmatite
112' to 113 outer zone mica deposit in spar
113' to 115' spar
115' to 118' inter zone mica deposit in spar, also some garnet.
118' to 119' spar
119' to 135' lower zone mica deposit in spar, containing books of mica, 2x2, 2x3, and 3x5.
135' to 142' spar and granite
142' to 152' spar and granite

Fourth Hole: Results:
1' to 7' saparlite and overburden
7' to 15' country rock schist
15' to 20' spar and granite
20' to 29' spar and granite, country rock
29' to 32' granite schist
32' to 37' country rock, spar, granite
37' to 47' spar and granite
47' to 56' spar, garnet, scattered quartz
56' to 68' spar granite schist
68 Pegmatite
68' to 71' outer zone mica deposit in spar
71' to 74' quartz
74' to 77' wall zone mica deposit in spar
77' to 90' granite and spar
90' to 97' granite spar
97' to 99' impure quartz and granite
99' to 103' granite spar.

Fifth Hole: Results:
1' to 25' overburden and spparlite
25' to 35' country rock, granite salt and pepper gneiss
35 to 42' spar, granite, quartz
42' to 55' country rock, spar schist
55' to 69' salt and pepper gneiss, country rock
69' to 70' spar, impure quartz
70' to 79' spar and granite
79' to 84' country rock and granite schist
84' to 100' spar and granite

100' to 115' spar and granite
115' to 137' spar and granite, scattered impure quartz
137' to 169' spar, granite
169 Pegmatite
169' to 170 outer zone deposit of mica
170' to 173 spar
173' to 175 inter zone deposit of mica
175' to 179 spar, granite schist
179' to 185 wall zone deposit of mica
185' to 200 spar and granite

SPRAGUE & HENWOOD, INC. Box 448; Scranton 2, Pennsylvania

455 Feet of Diamond Core Drilling @ $ 5.33 per feet $1,425.15

Certified Invoice will be mailed Government for 90%, and paid by Government direct to Sprague & Henwood, Inc. _____ 1,282.64

Certified Invoice will be mailed Mica Development Corporation for 10%, and paid by Mica Development Corporation direct to Sprague & Henwood, Inc. (See amendment to contract dated 1/9/52 _____ 142.51

PAYROLL:

1 Engineer-Superintendent, Ray H. Fouts
Social Security No. 249-22-8006
Seven days @ $ 20.00 per day ——— 140.00

1 Assistant to handle Cores, etc.
James V. Keener, 243-30-3940
21 days @ $12.00 per day ——— ~~252.00~~
Total Payroll——— $ ~~393.00~~ 397.10

Government Participation 90%——— 352.80
(To be paid to Mica Development Corporation)

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]	252.00	216.00	468.00	252.00	216.00	468.00
5. Supervision	140.00	180.00	320.00	140.00	180.00	320.00
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)						
Core Boxes & etc	0	300.00	300.00		300.00	300.00
Core House	0	200.00	200.00		200.00	200.00
Total	$ 1817.15	2033.44	3850.59	2737.15	2033.44	4770.59
Deletions						
Adjusted totals						
Totals previously reported						
Totals to date						

[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 Wm A Beck
Entered by Wm A Beck
Approved by Wm A Beck
Amount approved for payment $2463.43
Remarks As per item 3 of contract amendment dated January 9, 1952, $2110.63 is to be paid to Sprague & Henwood Inc., Scranton 2, Penna.

16—04068-3

The balance of the approved amount ($352.80) is to be paid to the operator

WAB

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF March 1952

(Supply Data Below Applicable Only to Your Operations)

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	392	1425.15	-	-	1817.15	Lin-Ft	455	231	686	880*
Overburden										
Rehabilitation and preparation										
Geology and geophysics										
Trenching										
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

*Contract as amended 1/9/52

FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS ADMINISTRATION
[redacted]
WASHINGTON 25, D. C.
Room 1, Post Office Building
Knoxville, Tennessee

April 21, 1952

Mr. Roy H. Fouts
Mica Development Corp.
Franklin, North Carolina

Re: DMA-1665X, Idm-E129 (mica)

Dear Roy:

We have received the certified invoice from Sprague & Henwood today and are putting through your March Monthly Report. A copy of Sprague & Henwoods invoice is attached.

Please correct your copy of the report to read as follows: Item 2(b) $2345.15, $1137.44 and $3482.59. Totals $2,737.15, $2,833.44 and $4,770.59.

Very truly yours,

Wm. A. Beck, for V. J. Lynch

WAB/mm
cc:
Laurence
Lynch
Norris-3
Files

SPRAGUE & HENWOOD INC.

CONTRACTORS FOR

DIAMOND CORE DRILLING.

WASH BORINGS & SOUNDINGS.

BOX NO. 446

SCRANTON 2, PENNA.

OUR INVOICE NO. 60078
OUR ORDER NO. 7128
YOUR ORDER NO.

TERMS: NET CASH

CHURN DRILL BORINGS
6" TO 48"
IN DIAMETER

CORE BORINGS
1½" TO 36"
IN DIAMETER

April 16, 1952

TO U. S. Dept. of Interior
Defense Minerals Administration
Room 13 - P. O. Building
Knoxville, Tenn.

To charges account of 3½" & NX drilling at MICA DEVELOPMENT CORPORATION, FRANKLIN, NORTH CAROLINA for the month of March, 1952. DMA-1665X

Bore Hole No.	Date Completed	Depth		
2	3/5/52	152'		
3	3/15/52	103'		
4	3/29/52	200'		
		455'	@ 5.33 per ft.	$ 2425.15

To credit account of Mica Development Corporation for trucking equipment from point where Mason-Dixon Truck Line was on strike to Franklin, N.C. - 80.00

2345.15

Less 10% billed to Mica Development Corporation - 234.52

$ 2110.63

"I CERTIFY THAT THE ABOVE BILL IS CORRECT AND JUST AND THAT PAYMENT THERFOR HAS NOT BEEN RECEIVED."

SPRAGUE & HENWOOD, Inc.

Ralph A. Robinson

ASST. SECY.

M
(Augus

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Contract No. Idm-E 129

Name of Operator Mica Development Corporation
Docket No. DMA 1665-X
Total Contract Amount $ 6,000.00
Government Participation: 90% % Amount, $ 5,400.00
Distribution of Expenditures for Month of February 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.

MICA DEVELOPMENT CORPORATION
(Name of Company)

By Roy H. Fouts
(Signature of Authorized Official)

2/29/52
(Date)

Secretary-Treasurer
(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]						
Core Driller	1161.94	508.50	1670.44	1161.94	508.50	1670.44
(c) Furnished by operator						
3. Rehabilitation and Repairs:						
(a) Facilities						
(b) Buildings						
(c) Installations						

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

Room 13, Post Office Building
Knoxville, Tennessee

March 7, 1952

Mica Development Corporation

Franklin, North Carolina

Atten: Mr. Roy N. Fouts

DMA-1665X, Chalk Hill Mine

Dear Roy:

Confirming our telephone conversation of this date, please have Sprague and Henwood submit a certified copy of their invoice for the Government's share of the core drilling done on your property during February. You are to pay Sprague and Henwood the additional 10% of the costs.

In your monthly report, in column entitled 'Previously Reported', you neglected to include the amounts of $200 and $300 under item 11. I have changed the total in this column from $680.50 to $1180.50, also in 'Totals to Date' the amount $2066.44 has been changed to $2566.44. Please change your copies to conform with ours.

Upon receipt of Sprague and Henwood's certified invoice, we will forward your monthly report to our Norris office for payment.

Mr. Teague will be down to see you next week.

Yours very truly,

Wm. A. Beck, for V. J. Lynch

WAB/zm
cc:
Norris (4)
Lynch
Laurence
Beck

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
[redacted]
Room 13, Post Office Building
Knoxville, Tennessee

March 20, 1952

Mica Development Corporation

Franklin, North Carolina

Attent: Mr. Roy N. Fouts

Dear Roy:

Today we received a certified invoice from Sprague & Henwood for 118 feet of drilling in the first hole. This amounted to $628.94. The government's portion is $566.05 As no invoice was received for the 100 feet of drilling in the uncompleted hole we are making a deletion of $533 on your monthly report. Please correct your copy to coincide with ours. Total for month $852.94, Total to date $2033.44.

Very truly yours,

Wm. A. Beck, for V. J. Lynch

WAB/sm

cc:

3-Norris

Laurence

Lynch

FORM MF-104 MICA DEVELOPMENT CORP., Franklin, N.C. 2/29/52

PROGRESS REPORT - October - Contract No. Idm-E 129
Docket No. DMA 1665-X

CORE DRILLING: Second Hole.
Results:

1' to 85' overburden and saparlite
85' to 86' Massive quartz
86' to 92' Clay, mica, kaolin
92' to 93' spar, granite, mica schist
93' to 94'6" spar, schist, country rock
94' 6" to 95' 6" clay, mica, kaolin
95' 6" to 97' 10" spar, granite, gneiss
97' 10" to 104' 6" mica schist, salt and pepper texture.
104' 6" to 111' quartzite, spar, country rock
111' to 113' quarts, spar
113' to 118' granite

Third Hole
Results:

1' to 50' overburden and saparlite
50' to 54' schist, clay, country rock
54' to 67' spar and granite
67' to 100' spar, granite

Hole not completed.

Invoice - Sprague & Henwood, Inc. Scranton 2, Pennsylvania

218 Feet of Diamond Core Drilling @ $5.33 per ft. $1,161.94

PAYROLL RECORD

1 Engineer-Superintendent, Roy H. Fouts, Social Security No. 242-22-8006 Four days @ $20.00 per day	80.00
1 Assistant to handle cores, etc. James V. Keener, 243-30-3940 12 days @ $12.00 per day	144.00
Total Expenditures for February	$1,385.94
Government Participation 90% ----------	1,247.35
To be paid by Government direct to Sprague & Henwood. (See Amendment to Contract 1/9/52)----------	1,161.94
To be paid to Mica Development Corp.--	85.41

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]	144.00	72.00	216.00	144.00	72.00	216.00
5. Supervision	80.00	100.00	180.00	80.00	100.00	180.00
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)						
Core Boxes & etc		300.00	300.00		300.00	300.00
Core House		200.00	200.00		200.00	200.00
Total	1385.94	~~680.50~~	~~2066.44~~	1385.94	1180.50	2566.44
Deletions	533.00		533.00	533.00		533.00
Adjusted totals	852.94	1180.50	~~2566.44~~ 2033.44 WAB	852.94		2033.44
Totals previously reported						
Totals to date						

[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 W. A. Beck
Entered by W. A. Beck
Approved by W. A. Beck
Amount approved for payment $767.65 WAB
Remarks As per item 3 of contract amendment dated January 9, 1952, $566.05 WAB is to be paid to Sprague and Henwood Inc., Scranton 2 Penna.

16—64068-3

The balance of the approved amount ($201.60) is to be paid to the operator.
WAB

A deletion of $533.00 was made as there was no supporting invoice for the 100 feet of drilling in the unfinished hole.
WAB

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF February 1952

(Supply Data Below Applicable Only to Your Operations)

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	396.00	1670.44	-	-	2066.44	Lin-Ft.	218	113	341	880*
Overburden										
Rehabilitation and preparation										
Geology and geophysics										
Trenching										
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

*Contract as amended 1/9/52

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 129

Name of Operator Mica Development Corporation
Docket No. DMA 1665-X
Total Contract Amount $6,000.00
Government Participation: 90 % Amount, $ 5,400.00
Distribution of Expenditures for Month of November

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.

Mica Development Corporation
(Name of Company)

By Roy N. Foster
(Signature of Authorized Official)

12-12-51
(Date)

Secretary-Treasurer
(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]						
Core Driller	40.50	468.00	508.50	40.50	468.00	508.50
(c) Furnished by operator						
3. Rehabilitation and Repairs:						
(a) Facilities						
(b) Buildings						
(c) Installations						

FORM MP-104 MICA DEVELOPMENT CORP. FRANKLIN, N.C. 12/ 12/51

PROGRESS REPORT- NOVEMBER CONTRACT No. Idm-E 129 DOCKET NO. DMA 1605-X

CORE DRILLING - Continuation of 1st Hole:

RESULTS: 104' to 109' spar and mica.
109' to 113' granite and spar, but still in pegmatite.

INVOICE - McDONALD DRILLING CO., FRANKLIN, N.C.

9 feet Diamond Core Drilling @ $4.50 per foot $ 40.50

PAYROLL RECORD: none

$ 40.50

Government Participation - 90% - $ 36.45

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]	00.00	72.00	72.00		72.00	72.00
5. Supervision	00.00	100.00	100.00		100.00	100.00
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)						
Core Boxes & etc.		300.00	300.00		300.00	300.00
Core House		200.00	200.00		200.00	200.00
Total	$ 40.50	1140.00	1180.50	40.50	1140.00	1180.50
Deletions						
Adjusted totals						
Totals previously reported					1140.00	
Totals to date						1180.50

[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 A. L. Peyton
Entered by A. L. P.
Approved by W. M. Beck
Amount approved for payment $36.45
Remarks

16—64068-3

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF November

(Supply Data Below Applicable Only to Your Operations)

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	—	$ 40.50	—	—	$ 40.50	lin. Ft	9	104	113	1000
Overburden										
Rehabilitation and preparation										
Geology and geophysics										
Trenching										
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify)										
Totals		$ 40.50	—	—	$ 40.50					

[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

IF-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 129

Name of Operator MICA DEVELOPMENT CORP.
Docket No. DMA 1665-X
Total Contract Amount $ 6,000.00
Government Participation: 90 % Amount, $ 5,400.00
Distribution of Expenditures for Month of OCTOBER 1951

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 2 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.

MICA DEVELOPMENT CORP.
(Name of Company)

By Roy N. Foute
(Signature of Authorized Official)

10/31/51
(Date)

Sec-Treasurer
(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]						
CORE DRILLER	468.00	—	468.00	468.00		468.00
(c) Furnished by operator						
3. Rehabilitation and Repairs:						
(a) Facilities						
(b) Buildings						
(c) Installations						

[illegible] MICA DEVELOPMENT CORP. [illegible], N.C. 12/31/51

PROGRESS REPORT - OCTOBER CONTRACT NO. [illegible] 129 [illegible] NO. [illegible]

OCTOBER - [illegible]:

[illegible]: From 1 foot to 35 feet, overburden; 35 feet to 65 feet, quartz, country rock and mica pegmatite; 65 to 150 feet, mica schist, quartz, granite, aquartzite, spar; 150 to 164 feet, pegmatite, quartz, feldspar, muscovite mica (cut through one block 1 inch thick and appears to be about 4 x 6 inches).

INVOICE - [illegible], [illegible], N.C.

164 feet diamond core drilling @ $7.50 per foot	$ 1,230.00
PAYROLL [illegible]:	
[illegible]	300.00
1 [illegible] 5 days @ [illegible] per day	100.00
1 assistant [illegible] 6 days @ $12.00	72.00
OCTOBER [illegible]	[illegible]
	$ 1,[illegible].00

Government participation - 90% - $[illegible].00

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]	72.00	—	72.00	72.00		72.00
5. Supervision	100.00	—	100.00	100.00		100.00
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)						
CORE BOXES, ETC	300.00	—	300.00	300.00		300.00
CORE HOUSE	200.00	—	200.00	200.00		200.00
Total	1140.00		1140.00	1140.00		1140.00
Deletions						
Adjusted totals						
Totals previously reported						
Totals to date	1140.00		1140.00	1140.00		1140.00

[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 A. L. Peyton
Entered by A. L. P.
Approved by W. M. Beale
Amount approved for payment $1026.00
Remarks

16—64068-3

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF OCTOBER

(Supply Data Below Applicable Only to Your Operations)

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	172.-	468.-	300.-	200.-	1140.-	FT	104	—	104	1000
Overburden										
Rehabilitation and preparation										
Geology and geophysics										
Trenching										
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify)										
Totals	172.-	468.-	300.-	200.-	1140.-					

[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

Project Summary Report

By: Walter C. Anderson

1. DMEA Docket No. 1665X - Mica
Contract No. cldm-E129
Chalk Hill Mine
Macon County, North Carolina

Operator: Mica Development Corporation
% Mr. Roy H. Fouts, Secretary-Treasurer
Franklin, North Carolina

Operator's Property Rights: Owner
No claims, liens, or encumbrances.

2. Contract - dated August 29, 1951.

Work authorized:

Fixtures and improvements	$200.00
Contract for drilling 1000 feet of NX holes @ $4.50/ft.	4,500.00
Core boxes, handling, shipping, etc.	300.00
Labor and Supervision	1,000.00
Total Estimated Cost	$6,000.00
Government participation @ 90%	5,400.00

Amendments:

No. 1 - 1/9/52 - Extends completion date from 6 months to 9 months.
Changes contract for drilling 1000 feet NX holes to 880 feet NX holes as follows:

113 feet @ $4.50/ft.	
600 feet @ $5.33/ft.	
167 feet @ $4.75/ft.	$4,500.00

Work Completed:

Diamond core drilling - 881 feet @ average cost of $5.08/ft.	$4,499.75
Core house and shelter	200.00
Core boxes, handling, etc.	300.00
Engineering, labor and supervision	1,000.00
Total accepted cost	$ 5,999.75
Less salvage value - Core house	25.00
Total net accepted cost	$ 5,974.75
Government participation @ 90%	$ 5,377.27

Work on this project started on September 24, 1951 and completed on April 28, 1952. Recent report on this property from the General Services Administration indicate that this property has produced 4,849.97 pounds of mica valued at $86,505.32.

3. Audit - Certificate issued September 22, 1952 (no exceptions)

4. Certification of Discovery - None issued.

5. Comments:

The project was completed in accordance with the terms of the contract and since the files show that the Operator furnished good engineering and geological reports, it is concluded the work was conducted in an efficient and economical manner. The project was established to find ~~concentrations~~ Concentration of strategic mica in the downward extension of a large pegmatite ~~outcrop~~ outcrop. Work accomplished consisted of drilling six diamond core holes totalling 881 feet. Only one hole, according to the Field Team, cored pegmatite with a ~~[illegible]~~ mica content sufficient to mine. Of 25 feet of pegmatite cut in this hole, 12.7 feet contained mica books of sufficient size to produce pattern. The other five holes showed scrap grade mica. The field team quotes in its ~~final~~ report as follows: "The one hole which cut sheet

mica-bearing pegmatite, to our way of thinking, did not add sufficiently to the known character of this pegmatite body to constitute a discovery." Recent report on this property by the General Services Administration indicates that this property has produced 4,849.97 pounds of mica valued at $86,505.32.

Had the Nonmetallic Minerals Division known that production was going to be of this magnitude a certification would have been made. However, the field team comments as ~~following~~ follows on the reported production:

"At the time the final report on this project was made, there was no evidence available to the field team to indicate that a substantial deposit of strategic-quality mica occurs at this property. --- The field team was of the opinion that this single drill hole did not add sufficient new data to constitute a discovery, and faced with similar meager data would probably make the same recommendation now. The other five holes cored pegmatite containing mica of scrap quality only."

☑ Audited

☐ Certified

[illegible]K ANALYSIS SHEET - DMEA PROJEC[illegible]

Analysis as of Dec. 6, 1954
Incl. Voucher for April 1952

☑ Actual Cost

☐ Agreed Unit Costs

Name Mica Development Corporation

Docket No. DMA 16657

State North Carolina

Commodity Mica

Idm-E No. 129

OPERATION	AUTHORIZED Units	AUTHORIZED Cost	COMPLETED Units	COMPLETED Cost	NET COST
Drifting & Crosscutting					
Raising					
Shafts					
Winzes					
Drilling (Specify) Diamond NX holes	1000	5800.00	881	5499.75	5499.75
Surface Excavation					
Underground Excavation					
Roads and Trails					
Operating Equipment Purchased Core Boxes		300.00		300.00	300.00
Surface Rehabilitation & Repairs					
Underground Rehabilitation					
New Building, Improvements, etc.		200.00		200.00	175.00
Other (Specify)					
Totals		6000.00		5999.75	5974.75

Prepared by [illegible]

COPY

March 4, 1955

Memorandum

To: Mr. Jay L. Chambers

From: Lawrence G. Houk (initialed) L. G. H.

Subject: Closing dockets

The Nonmetallic Minerals Division have reviewed the following contracts and do not intend to make certifications of discovery or development:

Idm-E52	DMEA-1212	Idm-E	DMEA-
40	1213	217	1969
13	1679	244	1955
73	519	253	2134
74	1390	257	2077
78	1664	272	2360
93	812B	288	2344
97	1224	324	2255
121	1517	344	2156
124	1318	373	2439
125	1720	411	2528
~~129~~	1665	430	2524
134	1732	433	2620
140	1813	444	2646
179	1122	450	2681
180	1250	480	2725
191	1914	497	2778
195	1812	507	2840
198	1929	518	2785
211	1721	524	2909
216	2104	543	2950
		565	3030

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

NOV 27 1953

November 25, 1953

Memorandum

To: Operating Committee, D M E A - Washington

From: Field Team, D M E A- Region 7

Subject: DMEA-1665X, Idm-E129 (mica) Mica Development Corporation
Chalk Hill Mine, Macon County, North Carolina

Reference is made to your letter of November 17, requesting current information on the Chalk Hill Mine.

At the time the final report on this project was made (July 1, 1952), there was no evidence available to the Field Team to indicate that a substantial deposit of strategic-quality mica occurs at this property. Correlation between outcropping pegmatites and those cored during the drilling could not be established definitely. Only in Hole 3 was correlation between surface and drill hole apparent. The Field Team was of the opinion that this single drill hole did not add sufficient new data to constitute a discovery, and faced with similar meager data would probably make the same recommendation now. The other 5 holes cored pegmatite containing mica of scrap quality only.

Present production is being obtained from 2 pegmatites, one of which was previously mined from the Ledford shaft, and one about 50 feet north of, and parallel to the Ledford pegmatite. Work is being conducted from about the 2150-foot level. The Ledford pegmatite was cut by Hole No.3, but none of the recent production has been from the area cut by this drill hole. The other pegmatite may have been cut by Hole No. 4, but this cannot be stated with certainty.

We understand that Mica Development Corporation intends to operate a small fabricating plant, and that for this reason they are not selling the Government Depot any of their mica in sizes smaller than No. 5. Also, they are doing an excellent job of preparing that which they do sell to the Government. For these reasons, their average price has been above the general average of sales to the Spruce Pine Depot but there is no indication

that the quality of mica from the Chalk Hill mine is superior to that produced by other mines in the Franklin district.

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

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

FILE COPY
SURNAME:

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

600

NOV 17 1953

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

Subject: Docket No. DMEA-1665 - Mica
Mica Development Corporation
Chalk Hill Mine
Macon County, North Carolina
Contract No. Kim-K129

Dear Mr. Laurence:

A recent report on the subject property from the General Services Administration indicates that this property has produced 4,849.97 pounds of mica valued at $86,505.32. The value per pound of mica is $22.50 which is greatly in excess of the Regional average. Perhaps you may be able to inform us of the reason. This mine is apparently the only non-certified project that has produced a significant quantity of mica.

Had we known that production was going to be of this magnitude a certification would have been made. It is of interest to us to know if the area which is producing the strategic mica was the area drilled with DMEA funds.

Sincerely yours,

George C. Selfridge (JHB)
Chairman, Operating Committee

Approved:

J. H. Hedges (JHB)
Member, Bureau of Mines

A. R. Kinkel, Jr. (JHB)
Member, Geological Survey

LGHouk:gad 11/16/53
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

P.C.S. 11-17-53

October 12, 1953

Memorandum for Files

Subject: Docket No. DMEA-1665X-Mica
Contract No. AEC-E129
Mica Development Corporation
Calk Hill Mine
Mason County, North Carolina

Completion date provided for in Contract - February 29, 1952
Contract Completed on April 28, 1952.
No certification of discovery issued.

Time duration since completion date exceeds six months, hence no closing review is written.

Walter C. Anderson

FILE COPY
SURNAME:

$00
Talbert

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

SEP 30 1952

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

Re: Docket No. DMA-1665X
Contract No. Idm-E129
Mica Development Corp.

Dear Mr. Laurence:

Returned herewith is the Report of Review on the referenced contract which has been changed to correct typographical error in the total accepted cost.

With reference to the $80.00 exception which was restored on the final voucher, it appears from the April MF-104 that the amount claimed by the Operator was $5,919.75 as stated in the Report of Review. However, the approved claims show that this was raised to the $5,999.75 total. Therefore, the cost must be stated as shown on the Report of Review.

Your courtesy in calling this to our attention is appreciated.

Sincerely yours,

(Signed) E. D. Talbert

E. D. Talbert, Assistant Chief
Contract Administration and
Audit Division

Enclosure

EDTalbert/wb
September 30, 1952

Copy to: Mails & Files
Admr. Reading File
Mr. Chambers

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 29 1952

Room 13, Post Office Building
Knoxville 2, Tennessee

September 25, 1952

Memorandum

To: E. D. Talbert, Ass't Chief, Contract Admin. & Audit Div.

From: Executive Officer, DMEA-Region 7-Knoxville, Tenn.

Subject: DMA-1665X, Idm-E129. Mica Development Corp. (Mica)

The report of review on the subject exploration is being returned to you for correction of a typographical error. The total accepted cost should be $5,974.75, instead of $5,964.75.

As the $80.00 exception was restored on the final voucher, should not the total cost as billed be $5,999.75?

Robert A. Laurence
Robert A. Laurence

FILE COPY
SURNAME:

800

Talbert

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

Mr. Robert A. Laurence
Executive Officer
DMEA Field Team, Region VII
Room 13, Post Office Building
Knoxville 01, Tennessee

Dear Mr. Laurence:

Supplementing previous correspondence, there is transmitted herewith the Report of Review on Docket DMA-1665X, Contract Idm-2129, Mica Development Corporation.

If this Report is acceptable to you please forward the original and one copy to Mr. Wardell, the DMEA Regional Finance Officer, retaining one copy for your files.

Sincerely yours,

(Signed) E. D. Talbert

E. D. Talbert, Assistant Chief
Contract Administration and
Audit Division

Attachment

EDTalbert/wb
September 23, 1952

Copy to: Mails & Files
Admr. Reading File
Mr. Wardell
Mr. Chambers

C C
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Office of
Regional Director

UNITED STATES
DEPARTMENT OF THE INTERIOR
Bureau of Mines
Southeastern Region
Region VII

P.O.Box 217
Norris, Tennessee

Sept 19, '52

Memorandum

To: Mr. E. D. Tabbert, Assistant Chief, Contract Administration and Audit Division, Defense Minerals Exploration, Washington, D. C.

From: Fiscal Officer, Region VII

Subject: Contract Files

In Connection with your letter of August 26, I thought best to advise you that Contract Files DMEA-1876, Idm-E-181 - Yancey Mica Mines, Inc., and DMEA-1665, Idm-E-129 Mica Development Corporation will be forwarded to you for review upon receipt of additional supporting documents.

Part of these supporting documents were returned for certification and have not been returned to this office.

Sam J. Wardell

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

Room 13, Post Office Building
Knoxville, Tennessee

September 17, 1952

Memorandum

To: Mrs. Helen Miller, Administrative Officer, Norris

From: Executive Officer, DMEA-Region 7 -Knoxville

Subject: DMEA-1665X, ~~DMEA-E~~ 129.(mica) Mica Development Corp.
Payment for buildings etc.

Enclosed is check for $22.50 received from Mica Development Corporation representing 90% of the value of the core house built under the subject exploration contract. We accept the valuation of $25.00 as a fair figure for this shed, and therefore this payment fulfills the Operator's obligations under the contract.

Robert A. Laurence

RAL/sm
cc:
Beck
Lynch
Talbert
Files
D. File

SEP 18 1952

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

Room 13, Post Office Building
Knoxville 2, Tennessee

September 3, 1952

Mr. E. D. Talbert, Ass't Chief
Contract Administration and
Audit Division, D. M. E. A.
Dept. of the Interior
Washington 25, D. C.

Re: DMEA-1665X, Idm-E219
Mica Development Corp.
Chalk Hill Mine (mica)

Dear Mr. Talbert:

Enclosed herewith is a letter and statement, received from the applicant in response to my letter of June 30, explaining the items we had asked about. I am writing the applicant that we consider $25.00 a fair valuation of the core house and that we will accept a check for $22.50 as final settlement of this obligation.

Sincerely yours,

Robert A. Laurence

Robert A. Laurence
Executive Officer, DMEA
Field Team, Region 7

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

800

AUG 26 1952

See letter dtd 6/18/ [illegible]

Mr. Robert A. Lawrence
Executive Officer
DMEA Field Team, Region VII
Room 13, Post Office Building
Knoxville 01, Tennessee

Dear Mr. Lawrence:

During my June visit with you and the regional Finance Officer, I reviewed the MF-104s and supporting documents covering operations under a number of completed contracts. At the time, and subsequently through submission of additional information by you, I was enabled to issue Reports of Review on all except two of the projects, namely:

Idm-E181, Docket 1876X, Yancey Mica Mines, Inc.
Idm-E139, Docket 1665, Mica Development Corporation

With certain additional statements from you and the submission by the regional Finance Officer of certain documents for audit review, it appears that the issuance of Reports of Review on these two projects may be in order at the present time.

Under Contract Idm-E181 advice is requested as to whether the collection of $630.00 (covered by Schedule of Collections No. MOR-1, dated July 15, 1952) represents full or only partially satisfaction of the Government's interest in the facilities, buildings, fixtures and equipment purchased under the contract. Advice also is requested as to whether the transcripts of all payrolls and the documentation of the April supplies (in the amount of $443.36) have been received; and, if so, transmittal thereof to this Division for review would be appreciated.

Under Contract Idm-E139 advice is requested as to whether documentation in support of the $300 for core boxes and $200 for the core house and an explanation of the labor and supervision charges have been received. If this documentation and explanation has been received, transmittal thereof to this Division for review would be appreciated. Also please advise whether you have waived the Government's interest in the core house or whether collection of such interest has been received.

Your cooperation in assisting us in closing these two accounts will be appreciated.

Sincerely yours,

EDTalbert/wb 8-25-52

(Signed) E. D. Talbert

Copy to: Mails & Files
Admr. Reading File
Mr. Wardell
Mr. Talbert

E. D. Talbert, Assistant Chief
Contract Administration and
Audit Division

MINERS · DEVELOPERS · MANUFACTURERS

Development Corporation

FRANKLIN · NORTH CAROLINA

RECEIVED
AUG 19 1952
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

August 16, 1952

Mr. Robert A. Laurence
D.M.E.A. Field Team, Region VII
Room 13, Post Office Building
Knoxville, Tennessee

Re: DMA-1665X, Idm-E219
Chalk Hill Mine (mica)

Dear Mr. Laurence:

Sorry I haven't written you before, but with this new Mica Program, and preparing for same under such rigid specification, it seems I have had one continuous headache.

In regards to your letter of August 4, and more particular the one of June 30th, requesting additional information which was not provided with monthly reports.

The march voucher showing items of $300 for core boxes and $200 for core house I am enclosing a document indicating amounts paid.

In paragraph two of your letter of June 30th, concerning 6 days work by W. Dinnes in October at $12 per day, and J. Keener 12 days in February, 21 days in March, 11 days in April at $12 per day. This was necessary to complete the exploratory work due to the fact that someone had to assist me in spotting each drill hole by compass. Not only did it have to be spotted but we had to stay with the driller until such time as his machine was set up and in operation to see that he didn't get off the degree that was suppose to drill. Before this was done a road had to be built to drill site and drill site leveled off to enable the driller to set up his rig. We also had to provide water line on all holes over 600 feet away from the source of water supply, as per contract. When the drilling got under way two fellows had to be at the drill to carry the cores away to the core house, as this drilling was done mostly during the winter and the roads, which was newly built would not permitt trucking. At no time did the two men mentioned worked at same time. They only assisted me, handled the cores, and etc.

In paragraph 3, where you mentioned in Article 7 of the contract provides that "all 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 be disposed of for their joint account." We do not wish to purchase the building as it is full of cores, however; we could hire someone to remove cores from building, and advertise core

MINERS · DEVELOPERS · MANUFACTURERS

MICA Development Corporation

FRANKLIN · NORTH CAROLINA

house for sell in the local paper. This type of house is difficult to sell as it did not cost enough and was not designed for anything only storing cores. I find that it cost more to revamp a small building than it does to build a new one, however there is usable material in this house, but your labor cost you so much to reuse this material. I would in case we could not despose of house in any other manner give $25.00 for same.

With best regards, I am

Sincerely yours,
MICA DEVELOPMENT CORPORATION

Roy H. Fouts

ROY H. FOUTS
Secretary-Treasurer

MINERS · DEVELOPERS · MANUFACTURERS

MICA Development Corporation

FRANKLIN · NORTH CAROLINA

August 16, 1952

The following is a list of material, labor, and cost of construction of a Core House, which is 8 feet wide 18 feet long, covered with a metal roof 10 feet by 20 feet.

Metal roofing, two squares	23.00
Nails, hinges and etc.	3.60
Hasp and lock	2.40
Lumber	78.00
Labor	93.00
	$ 200.00

The following is a list of cost in core boxes, handling, and transportation to core house where they now are.

Lumber and materials	72.00
Cost of construction	108.00
Transportation to Core House	120.00
	$ 300.00

According to the records of MICA DEVELOPMENT CORPORATION the above figures are true and correct to the best of my knowledge.

MICA DEVELOPMENT CORPORATION
ROY H. FOUTS

Roy H. Fouts

Financial Secretary-Treasurer

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

Room 13, Post Office Building
Knoxville 2, Tennessee

C O P Y

September 3, 1952

Mr. E. D. Talbert, Ass't Chief
Contract Administration and
Audit Division, D. M. E. A.
Dept. of the Interior
Washington 25, D. C.

File

Re: DMEA-1665X, Idm-E219
Mica Development Corp.
Calk Hill Mine (mica)

Dear Mr. Talbert:

Enclosed herewith is a letter and statement, received from the applicant in response to my letter of June 30, explaining the items we had asked about. I am writing the applicant that we consider $25.00 a fair valuation of the core house and that we will accept a check for $22.50 as final settlement of this obligation.

Sincerely yours,

Robert A. Laurence
Executive Officer, DMEA
Field Team, Region 7

RAL/zm
cc;
Beck
Lynch
Opr. Com.
Files-2

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

Room 13, Post Office Building
Knoxville, Tennessee

September 3, 1952

Mr. Roy Foutz
Mica Development Corp.
Franklin, N. C.

Re: DMEA-1665X, Idm-E219
Chalk Hill Mine (mica)

Dear Mr. Foutz:

Your letter of August 16 was received during my recent absence from the city. I am transmitting it and the accompanying document to the Washington office and hope it will be satisfactory to them.

We consider your appraisal of $25.00 for the core house a fair valuation, and therefore, will accept payment of $22.50 (representing 90% of its value) as a final settlement. Check should be made payable to the Treasurer of the United States, and mailed to this office.

Sincerely yours,

Robert A. Laurence
Executive Officer, DMEA
Field Team, Region 7

W.J./am

cc:
Cook
Lynch
Opr. Com.
Miss -2
Talbert

1/8 no liberal [illegible] metallic [illegible]

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

File Copy
Surname

800

C C
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(Date Stamped)
Aug. 26, 1952

Talbert
Chambers

Mr. Sam J. Wardell
DMEA Finance Officer
Bureau of Mines
P. O. Box 217
Norris, Tennessee

Re: DMEA-1876, Idm-E181
Yancey Mica Mines, Inc.
and
DMEA-1665, Idm-E129
Mica Development Corp.

Dear Mr. Wardell:

Enclosed is a copy of a letter of this date to Mr. Laurence relative to contracts E-181, Yancey Mica Mines, Inc., and E-129, Mica Development Corp.

It is realized that requesting you, as the Certifying Officer, to release supporting documents from your payment files is a bit unusual, but I am sure you will appreciate the fact that the expense of an additional trip to Knoxville and Norris only for the purpose of reviewing these documents could hardly be justified. I also believe you are just as anxious as I am to cover these accounts with Reports of Review.

It, therefore, would be sincerely appreciated if you would release the pertinent documents from your payment files and forward them to this Division for my personal attention. I assure you that I will review them promptly and return them in the shortest possible time.

Sincerely yours,

/s/ E. D. Talbert

E. D. Talbert, Assistant Chief
Contract Administration and
Audit Division

Enclosure
EDTalbert/wb 8-25-52

Copy to: Mails & Files
Admr. Reading File
Mr. Laurence
Mr. Talbert

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

(Date Stamped)
Aug. 20, 1952

Mr. Ben G. Wardell
DMA Finance Officer
Bureau of Mines
P. O. Box 217
Morris, Tennessee

Re: DMA-1876, Ian-E1021
Yancey Mica Mines, Inc.
and
DMA-1605, Ian-S129
Mica Development Corp.

Dear Mr. Wardell:

Enclosed is a copy of a letter of this date to Mr. Lawrence relative to contracts E-181, Yancey Mica Mines, Inc., and E-129, Mica Development Corp.

It is realized that requesting you, as the certifying officer, to release supporting documents from your payment files is a bit unusual, but I am sure you will appreciate the fact that the expense of an additional trip to Knoxville and Morris only for the purpose of revalidating these documents could hardly be justified. I also believe you are just as anxious as I am to cover these accounts with dispatch of Novem.

It, therefore, would be sincerely appreciated if you would release the pertinent documents from your payment files and forward them to this Division for my personal attention. I assure you that I will review them promptly and return them in the shortest possible time.

Sincerely yours,

/s/ E. D. Talbert

E. D. Talbert, Assistant Chief
Contract Administration and
Audit Division

Enclosure
EDTalbert/wb 8-25-52

Copy to: Mails & Files
Adm. Reading File
Mr. Lawrence
Mr. Talbert

FILE COPY
SURNAME:

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

Room 13, Post OfficeBuilding
Knoxville, Tennessee

August 4, 1952

Mr. Roy E. Fouts
Mica Development Corp.
Franklin, N.C.

Re: DMEA-1665X, Idm-E219
Chalf Hill Mine (mica)

Dear Mr. Fouts:

We have had no reply to my letter to you, dated June 30, in which I requested additional information concerning the expenditures on the Chalk Hill exploration contract.

It is necessary that we receive this information in order that the final review may be made by the Contract Administration and Audit Division. Please send me an itemized explanation of the costs of $300 for core boxes and $200 for the core house, and also an explanation of the work done by W. Dinnes in October 1951 and J. Keener in February, March and April 1952. Also, please send payment for 90% of the value in May 1952 of the core house, as provided in Article 7 of the contract.

A prompt reply will be appreciated.

Yours very truly,

Robert A. Laurence
Executive Officer, DMEA
Field Team, Region 7

RAL/mm
cc:
Beck
Lynch
Dpr. Com.
M. Files
Files

DOCKET COPY

DMA-1665X, Contract Idm-R129. Mica Development Corporation (mica)

Contract Amendment dated January 9, 1952, was made because the original drilling contractor asked to be relieved of this contract as he was loseing money due to the lowprice per foot that he was getting. A more experienced contractor was secured but he had to have a higher price per foot. It is in the interest of the Government to go along with this change as this seems a worthwhile project.

JUL 10 1952

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

Room 13, Post Office Building
Knoxville 2, Tennessee

July 7, 1952

Memorandum

To: Operating Committee, D. M. E. A. Washington

From: Field Team, Region VII

Subject: DMEA-1665, Idm-E129. Mica Development Corp. (mica)
Final Reports, Chalk Hill Mine, Macon County, N.C.

Enclosed herewith are 4 copies each of Operator's final report, and Field Team's final report on the subject exploration contract.

Operator's report contains certain obvious errors, as depth of 50 to 3000 ft. for drill holes (p.1), 8 ft. of pegmatite, between 104 and 108 ft. in hole 1, 8½ ft of pegmatite between 179 and 183 in Hole 4, 8 ft. of pegmatite between 179 and 183 ft in Hole 5, also books of mica which would cut up to 4 " x 6" in NX (2 1/8" diameter) drill cores.

We agree with the conclusion of Messrs. Teague and Peyton that this does not warrant a certification of discovery or development.

Robert A. Laurence

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 9 1952

Wm A Beck

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

zm

SdS 7-16-52

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 9 1952

FINAL REPORT

on

DMA-1665X, CHALK HILL MINE
(mica)

Mica Development Corporation, Applicant
Macon County, North Carolina

The Chalk Hill Mine is 4.2 airline miles N. 60° W. of Franklin, North Carolina in Macon County. The D.M.E.A. drilling project began on this property on September 24, 1951 and was completed on April 28, 1952. A total of 881 feet of holes were drilled at a total cost of $5,999.75. The contract was for $6,000, thus $0.25 is the unspent balance of the contract; twenty-three cents is therefore returned to the revolving fund. The Government's contribution to this contract amounted to $5,399.77. The total average unit cost per foot of NX hole on this project was $6.81.

As shown on the attached map, numerous pegmatites occur on this property. Past mining has been directed mainly toward obtaining the scrap mica, with book mica suitable for pattern recovered as a by-product. The only pegmatite mined exclusively for sheet mica is that one opened by the Ledford Shaft located in the south central portion of the pegmatite zone.

In Hole No.1, a pegmatite was cut at 100 feet and extended to 109 feet. Mica in core recovered from this hole appears to be only of scrap quality. Hole No. 2, cut what appeared to be pegmatite at 104.5 feet which extended to 111 feet. Only milky quartz core was recovered and fine mica scales returned in water. Hole No. 3, cut 25 feet of pegmatite at 112 feet. Of the 25 feet cut, 12.7 feet contained mica books of sufficient size to indicate the presence of large enough books of mica to produce pattern. Hole No. 4, cut several pegmatites, only one of which contained mica in sizes up to two inches. This pegmatite occurred at the 68-foot depth and was four feet thick. Hole No. 5, encountered several pegmatites, none of which showed mica in sizes large enough to indicate pattern. This hole did demonstrate that the large pegmatite which occurs at the surface does not extend to depth, as this hole should have cut it and did not. Hole No. 6, cut three small pegmatites, none of which contained any mica other than scrap quality.

Of the six holes drilled, only one (Hole No. 3) cored pegmatite with a mica content sufficient to mine. Previous mining activity in this area had indicated the presence of sheet mica. The other five holes showed scrap grade mica, but these pegmatites are generally too narrow to mine for scrap.

Reviewed by
DMEA OPERATING COMMITTEE

7-11-52
(date)

FINAL RT. REPORT

The Field Team does not feel that sufficient additional information and reserves were developed from this exploration program to justify certification of a discovery. At the time of the project the property was in active operation for scrap and known reserves of that material appeared to be adequate. The one hole which cut sheet mica-bearing pegmatite, to our way of thinking, did not add sufficiently to the known character of this pegmatite body to constitute a discovery. We, therefore, recommend that no certification of discovery be issued.

July 1, 1952

A. L. Peyton, USBM

K. H. Teague, USGS

Logs of Chalk Hill Mine on attached page.

CHALK HILL MINE

Log of Drill Holes

Hole No. 1
Dip: 40°

Depth: 114 ft.
Core size: 2 inches

Bearing: N30°

Footage From	Footage To	Distance Drilled Feet	Core Obtained Feet	Recovery of Core Percent	Description of Core
0	35	35	0.0	0.0	No Core Decomposed Mica gneiss
35	95	60	8.0	13.3	Granitized biotite gneiss
95	100	5	5.0	100	Coarse grained biotite gneiss
100	109	9	3.0	33.3	Coarse grained biotite gneiss
100	104	4	3.5	87.5	Fine grained pegmatite consisting of perthite, quartz, muscovite, and small red garnets. Muscovite up to 1 inch in diameter.
104	108	4	3.0	75.0	Feldspathic pegmatite consisting of perthite, quartz, and muscovite in fine scales.
108	109	1	1	100	Feldspathic pegmatite with some biotite.
109	113.5	4.5	4.0	89.0	Granitized biotite gneiss
113.5	114	0.5	0.5	100	Pegmatite. No muscovite but some sheet biotite. Hole lost 114.

Hole No. 2
Dip: 45°

Depth: 118 ft.
Core size: 2-1/8 inches

Bearing: N5°E

Footage From	Footage To	Distance Drilled Feet	Core Obtained Feet	Recovery of Core Percent	Description of Core
0	85	85	0.0	0.0	No core. Decomposed mica gneiss
85	97.8	12.8	3.0	23.4	Highly granitized biotite gneiss. ~~Cromite~~ granite contains some biotite, but no muscovite.
97.8	104.5	6.7	3.0	44.8	Weathered biotite gneiss.
104.5	111	6.5	2.0	30.8	Pegmatite. Material recovered consisted mostly of milky quartz with no mica.
111	118	7	7	100	Biotite gneiss.

CHALK HILL MINE

Log of Drill Holes

Hole No. 3
Dip: 40°

Depth: 152
Core Size: 2-1/8 inches

Bearing: N37°E

Footage From	Footage To	Distance Drilled Feet	Core Obtained Feet	Recovery of Core Percent	Description of Core
0	50	50	0.0	0.0	No core. Decomposed mica gneiss.
50	74	24	18.0	75.0	Fine grained biotite gneiss
74	88.5	14.5	10.0	69.0	Coarse grained granitized biotite gneiss.
88.5	89	0.5	0.5	100	Fine grained pegmatite.
89	112	23	23	100	Coarse grained granitized biotite gneiss.
112	137	25	25	100	Pegmatite
112	115.3	3.3	3.3	100	Perthite containing small red garnets.
115.3	118.3	3.0	3.0	100	Perthite and muscovite. Mica in books at least 2 in. thick and 3 in. in diameter.
118.3	120.3	2.0	2.0	100	Perthite
120.3	130.0	9.7	9.7	100	Perthite, muscovite, and red garnet mica up to 3 inches in diameter.
130	137	7.0	7.0	100	Perthite and fine scales of muscovite, scattered garnet.
137	152	15.0	15.0	100	Coarse grained granitized biotite gneiss.

Hole No. 4
Dip: 48°

Depth: 103 ft.
Core Size: 2-1/8 inches

Bearing: N5°E

Footage From	Footage To	Distance Drilled Feet	Core Obtained Feet	Recovery of Core Percent	Description of Core
0	7	70	0.0	0.0	No Core. Overburden.
7	68	61	50.0	82.0	Coarse grained biotite gneiss.
68	76.5	8.5	8.5	100	Pegmatite
68	72	4	4	100	Perthite with muscovite in books up to 2 inches in diameter.
72	73.5	1.5	1.5	100	Translucent glassy quartz.
73.5	76.5	3.0	3.0	100	Perthite, quartz and muscovite. Muscovite up to 1 inch in diameter.
76.5	90	13.5	13.5	100	Biotite gneiss.
90	91.5	1.5	1.5	100	Pegmatite containing biotite. No muscovite.
91.5	97	5.5	5.5	100	Biotite gneiss
97.0	98.7	1.7	1.7	100	Pegmatite with biotite
98.7	103	4.3	4.3	100	Biotite gneiss

CHALK HILL MINE

Log of Drill Holes

Hole No. 5
Dip: 48°

Depth: 200 ft.
Core Size: 2-1/8 inches

Bearing: N5°E

Footage From	Footage To	Distance Drilled Feet	Core Obtained Feet	Recovery of Core Percent	Description of Core
0.	25	25	0.0	0.0	No Core. Decomposed mica gneiss.
25	36	11	6.0	54.5	Biotite gneiss.
36	37.3	1.3	1.3	100	Burr pegmatite with muscovite 1 inch across.
37.3	70	42.7	17.8	41.7	Granitized biotite gneiss. Coarse grained.
70	70.5	0.5	0.5	100	Pegmatite
70.5	136.5	66	45.5	69.0	Granitized biotite gneiss.
136.5	137.5	1	1.0	100	Pegmatite containing biotite.
137.5	169	31.5	28.0	89.0	Biotite gneiss.
169	174.7	5.7	5.7	100	Pegmatite
169	170.5	1.5	1.5	100	Perthite, biotite and muscovite. Muscovite up to 1 inch.
170.5	173.5	3.0	3.0	100	Perthite. No mica.
173.5	174.7	1.2	1.2	100	Perthite and biotite.
174.7	178.8	4.1	4.1	100	Granitized biotite gneiss.
178.8	183.8	5	5.0	100	Pegmatite
178.8	179.8	1	1.0	100	Perthite, muscovite, and biotite. Muscovite up to i inch.
179.8	183.8	4	4.0	100	Perthite, biotite and fine scales of muscovite.
183.8	200	16.2	16.2	100	Granitized biotite gneiss.

Hole No. 6
Dip: 48°

Depth: 194 ft.
Core Size: 2-1/8 inches

Bearing: N5°E

Footage From	Footage To	Distance Drilled Feet	Core Obtained Feet	Recovery of Core Percent	Description of Core
0	25	25	0.0	0.0	No core. Decomposed mica gneiss.
25	35	10	0.3	3.0	Biotite gneiss.
35	42	7	0.3	4.3	Pegmatite
42	97.5	55.5	7.0	12.6	Granitized biotite gneiss.
97.5	99	1.5	1.5	100	Pegmatite, consisting of perthite, biotite, quartz, and fine muscovite.
99	135	36	35.0	97.2	Granitized biotite gneiss.
135	138	3	3.0	100	Pegmatite consisting of perthite, quartz and scattered pyrite grains. No muscovite.
138	194	56	56.0	100	Granitized biotite gneiss.

FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE M[redacted]TRATION
WASHINGTON 25, D. C.
Room 13, Post Office Building
Knoxville, Tennessee

Beck
Chambers
Opr.Com.
Wardell
Lynch
Files

June 30, 1952

Mr. Ray E. Fouts, Sec. & Treas.
Mica Development Corp.
Franklin, North Carolina

Re: IMA-1665X, Idm-E219
Chalk Hill Mine (mica)

Dear Mr. Fouts:

The records on this contract are now being reviewed and audited by the Audit Division, and to complete this, it is necessary that you provide us with certain additional information which was not provided with your monthly reports.

1. Your March voucher shows items of $300 for core boxes and $200 for core house, but there are no supporting documents to indicate what these amounts were paid for and to whom. Please submit details to support these two items.

2. The monthly reports show 6 days work by W. Idnnes in October at $12 per day, and J. Keener 12 days in February, 21 days in March, 11 days in April at $12 per day. Please explain what this work was in what way it was necessary to completion of the exploratory work.

3. Article 7 of the contract provides that "all 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 be disposed of for their joint account..." The Operator may purchase such buildings or equipment at its current market value. Will you therefore, please send us your check for 90% of the present value of the core house which originally cost $200?

Very truly yours,

Robert A. Laurence, Executive Officer
D.M.A. Field Team, Region VII

RAL/ms

DEPARTMENT OF THE INTERIOR
Bureau of Mines
Date
JUL 3 - 1952

MF-104 MICA DEVELOPMENT CORPORATION FRANKLIN, N.C. 6/17/52

ENGINEERING AND GEOLOGIC REPORT

Contract No. Idm-E129
Docket No. DMA 1665-X

This contract by and between Mica Development Corporation and Defense Minerals Exploration Administration, Region VII, was signed on the 29th day of August 1951 for the purpose of exploring mica in the Southeastern United States, more particular described as the Franklin-Sylva district of North Carolina, known as the Chalk Hill Mine.

The work consisted of approximately 1000 feet of diamond drilling (NX) by contract. Individuals hole depths from 50 feet to 3000 feet. Hole locations, directions and depths were mutually agreed upon by operator and DMA Field Team members and indicated on monthly progress reports. Core testing, handling, and etc, was done by Mica Development Corporation, and complete results were given DMA Field Team.

Several companies were notified of a contract being let to do diamond core drilling at Chalk Hill Mine, and after receiving three or more written bids, the McDonald Drilling Company of Middlesboro, Kentuckey was awarded the job @ $ 4.50 per foot.

Work got under way on the 29th day of September 1951, but didn't make much progress. They drilled off and on until the 6th day of December 1951 and had only gotten one hole down to a depth of 113 feet. This failure was probable due to lack of experience in drilling of mica bearing pegmatite. We mutually agreed to declare this contract null and void, which was approved by William A. Beck for V. J. Lynch DMA Field Team, Region VII.

We again opened an invitation to bid on core drilling at Chalk Hill Mine, and this time the contract was awarded to Sprague and Henwood, Inc., Box 446, Scranton 2, Pennsylvania. The work was to start within 15 days after receipt of notice and contained a preformance clause, with a penalty if work was allowed to drag. They were to drill the first 600 feet @ $ 5.33 per foot, and in excess of 600 linear feet the price per foot is $ 4.75.

In order for Sprague and Henwood to do the core drilling, Contract Docket DMA-1665X, Idm E-129, dated August 29, 1951 had to have an amendment, permitting the payment of the extra price per foot, and reducing the total footage to be drilled. This was done on the 9th day of January 1952 and signed for Mica Development Corporation, by Roy H. Fouts, Secretary-Treasurer, and United States of America by Robert A. Lawrence, Executive Officer, DMEA, Region VII.

Sprague & Henwood, Inc., were notified that they were awarded the contract and they started to work on February 11, 1952. They drilled five holes making a total of 880 feet of core drilling. They completed the last hole on April 12, 1952.

Six holes in all were drilled, and the angle, depths, and findings were as follows:

Hole No. 1 -40 degree, Depth 113 feet. Cut through two Ruby Mica bearing Pegmatites dikes, The first 20' wide from 35' to 55' deep, and the second 8' wide at a depth of 104' to 108'. The latter cutting through one block of Ruby Mica 1" thick. 4'

Hole No. 2 -45 degree Depth 118'. Drilled through 8' pegmatite dike at a depth of 85' to 92'. 7'

Hole No. 3 -40 degree Depth 152'. Drilled through 25' of pegmatite dike at a depth of 112' to 137', which had books of Ruby mica which would cut up to 4" x 6" pattern. NX hole 2 1/8"

Hole No. 4 -48 degree Depth 104'. Drilled through 8½' of pegmatite dike, at a depth from 179' to 183'. 4'

Hole No. 5 -48 degree Depth 200'. Drilled through two pegmatite dikes, the first 6' and the second 8'. The first at a depth of 169 to 175, and the second 179' to 183', 4' both having a body of Mica bearing ore.

Hole No. 6 -48 degree Depth 194'. Drilled through a pegmatite dike of white clay 4' wide, at a depth from 84' to 88'.

The overburden was from 7' to 84'.

The cost of the contract, 90 percent of which was paid by the government and 10 percent paid by Mica Development Corporation were as follows:

Diamond Core Drilling 880'	$ 4,499.75
Core House and Shelter	200.00
Core Boxes, handling and etc.	300.00
Engineering	400.00
Assistant to handle cores	600.00
Total------	$ 5,999.75

MICA DEVELOPMENT CORPORATION

Roy H. Fouts

ROY H. FOUTS
Secretary-Treasurer

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
SOUTHEASTERN REGION
REGION VII

OFFICE OF
REGIONAL DIRECTOR

P. O. BOX 217
NORRIS, TENNESSEE

May 27, 1952

Memorandum

To: Mr. Jay L. Chambers, Defense Minerals Exploration Administration, Interior Building, Washington, D. C.

From: Administrative Officer, Region VII, Norris, Tennessee

Subject: DMEA vouchers

We are enclosing two copies each of the following vouchers:

Contract Idm-E-129, Docket No. 1665X, Mica Development Corporation
Fifth and final payment, month of April, amount $1106.24
Actual starting date: September 24, 1951
Actual Completion Date: April 28, 1952

Contract Idm-E-181, Yancey Mica Mines, Inc., Docket No. 1876X
Sixth Payment, month of April, amount $2400.15
Actual starting date: October 26, 1951
Actual Completion Date: Still operating

Contract Idm-E-194, Docket No. 1198X, The Hitchcock Corporation
Fourth Payment, month of April, amount $1487.81
Actual starting date: January 23, 1952
Actual completion date: Still operating

Contract Idm-E-202, Docket No. 1264X, Olivine Products Corporation
Fifth payment, month of April, amount $ 578.40
Actual starting date: November 27, 1951
Actual completion date: Still operating

Contract Idm-E-217, Docket No. 1969X, Arthur T. Anderson
Fourth Payment, month of April, amount $725.56
Actual starting date: January 14, 1952
Actual completion date: Still operating

Contract Idm-E-244, Docket No. 1955, C. C. Burleson
First payment, month of April, amount $772.35

Enclosures
CC: W. A. Beck
R. A. Laurence

Helen R. Miller

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
SOUTHEASTERN REGION
REGION VII

OFFICE OF
REGIONAL DIRECTOR

P. O. BOX 217
NORRIS, TENNESSEE

April 29, 1952

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY - 1 1952

Dear Mr. Mittendorf:

We are enclosing two copies each of the following monthly progress reports:

Contract Idm-E-129, Docket No. 1665-X, Mica Development Corporation - fourth payment covering expenditures for month of March 1952 - Amount $2463.43

Contract Idm-E-180, Docket No. 1250-X, Lawrence Schmitt - second and final payment covering expenditures for month of March 1952 - Amount $536.85

Contract Idm-E-191, Docket No. 1914-X, Harold E. Inloe - first and final payment covering month of February 1952 - amount $90.00

Contract Idm-E-194, Docket No. 1190X, The Hitchcock Corporation - third payment covering expenditures for the month of March 1952 - Amount $2295.11

Contract Idm-E-202, Docket No. 1264X, Olivine Products Corporation, fourth payment covering expenditures for the month of March 1952 - Amount $1025.40

Sincerely yours,

Helen R. Miller
Administrative Officer

Enclosures

CC: F. E. Johnson
W. A. Beck
Re.A. Laurence
Region Files
Day Files

xxxxxxxxxxxxxxxx
Room 1, Post Office Building
Knoxville, Tennessee

April 21, 1952

Mr. Roy H. Fouts
Mica Development Corp.
Franklin, North Carolina

Re: DRA-1665X, Idn-K129 (mica)

Dear Roy:

We have received the certified invoice from Sprague & Henwood today and are putting through your March Monthly Report. A copy of Sprague & Henwoods invoice is attached.

Please correct your copy of the report to read as follows: Item 2(b) $2345.15, $1137.44 and $3482.59. Totals $2,737.15, $2,033.44 and $4,770.59.

Very truly yours,

Wm. A. Beck, for V. J. Lynch

WAB/xx
cc:
Laurence
Lynch
Norris-3
Files

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
SOUTHEASTERN REGION
REGION VII

OFFICE OF
REGIONAL DIRECTOR

P. O. BOX 217
NORRIS, TENNESSEE

March 21, 1952

DMA. 1665.

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

Dear Mr. Mittendorf:

We are enclosing two copies of the February Progress Report covering the following contract:

Idm-E-129 Mica Development Corporation

Sincerely yours,

Helen Miller
Helen R. Miller
Administrative Officer

Enclosures
CC: Mr. R. A. Laurence
Mr. W. A. Beck
Mr. F. E. Johnson

DEFENSE MINERALS
ADMINISTRATION
WASHINGTON, D.C.
MAR 24 '52

BRANCH OFFICES

NEW YORK
PITTSBURGH
PHILADELPHIA

SPRAGUE & HENWOOD, INC.

CONTRACTORS FOR
DIAMOND CORE DRILLING
SHOT CORE DRILLING - WASH BORINGS & SOUNDINGS - WATER WELLS & CHURN DRILLING
PRESSURE GROUTING & GROUT DRILLING

MANUFACTURERS OF
DIAMOND DRILLS
DRILLING EQUIPMENT
DIAMOND BITS

ADDRESS ALL COMMUNICATIONS
TO MAIN OFFICE AND SHOPS
BOX 446
SCRANTON 2, PA.

SCRANTON 2, PA.,

January 19, 1952

DMEA-1665

Mr. Lawrence G. Houk, Acting Chief
Non-Metallic Minerals Division,
Defense Minerals Exploration Administration,
U. S. Department of the Interior,
Defense Minerals Administration,
Washington 25, D. C.

Dear Sir:

We wish to acknowledge receipt of and thank you for your letter of January 15, 1952 in which you advise us that the Government will pay 90% of the contract diamond drilling costs directly to us on work which we will be doing for the Mica Development Corporation, Franklin, North Carolina, with a total contract price of approximately $4,500.00.

Now that we have this letter from you, we are arranging with the operator to start this work as soon as they are ready for us to proceed.

Very truly yours,

SPRAGUE & HENWOOD, INC.

H. J. Longmore
Secretary

HJL/VH

DEFENSE MINERALS
ADMINISTRATION
WASHINGTON, D.C.
JAN 21 10 18 PM '52

file
no answer required
1-21-52
good

FILE COPY
SURNAME:

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

January 15, 1952

Sprague and Henwood
Box 446
Scranton 2, Pennsylvania

Attention: Mr. William J. Schank

Dear Sirs:

Transmitted herewith is copy of Contract Amendment on the Mica Development Corporation of Franklin, North Carolina, Idm-E129, dated January 9, 1952.

You will note that Item 3 provides that the Government will pay 90% of the contract diamond drilling costs directly to you for the operator's account, instead of the operator. I trust that this will be sufficient for your company to proceed with negotiating a contract with the Mica Development Corporation.

If you desire an additional statement from this office, please advise me.

Sincerely yours,

ROBERT E. ADAMS CC 1/15/52

Lawrence G. Houk, Acting Chief,
Non-Metallic Minerals Division,
Defense Minerals Exploration
Administration

Enclosure

LGHouk:gad

Copy to: Admin. Reading File
Docket File
Mr. W. F. Dietrich, Rm. 3526
Mr. J. J. Norton, Rm. G-228 GSA

OFFICE OF THE ADMINISTRATOR

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 14 1952

Room 13, Post Office Bldg.
Knoxville, Tennessee

January 11, 1952

Memorandum

To: Mr. L. G. Houk

Through: Operating Committee

From: Executive Officer, DMEA Field Team, Region VII

Subject: Contract Amendment - DMA Docket 1665X, Idm-E129

Enclosed herewith are original and 4 copies of signed amendment to subject contract.

Please note that Item 3 was included to satisfy the request of Sprague and Henwood discussed with you on the telephone this week. It is understood that you will transmit a copy of this amendment to Sprague and Henwood. One copy has been retained in our office and one given the operator.

Robert A. Laurence

Robert A. Laurence

FILE COPY
SURNAME:

410

FLKnouse
Mittendorf

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

SEP 5 1951

Q.E.C.

Contract Service Section
General Accounting Office
4th Floor - New GAO Building
Washington 25, D.C.

Re: Docket No. DMA 1665X
Mica Development Corporation
Exploration Project Contract
Idm-M129

Gentlemen:

Enclosed for recording in your office is the original of executed Exploration Project Contract between the Operator named in the reference above and the Government of the United States.

Sincerely yours,

C. O. Mittendorf

C. O. Mittendorf, Director
Production Expansion Division

Enclosure

JF-9-5

FLKnouse/meb
8/29/51
cc to: Admr's Reading File
Reports & Records
Mittendorf/Olund
Barr
Arundale
Norton
Field Team,Reg VII(2)
Knouse
Docket

DEPARTMENT OF THE INTERIOR
RECEIVED
SEP 6 1951
Defense Minerals Administration,
Production Expansion Division.

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

Room 13, Post Office Building
Knoxville 2, Tennessee

September 4, 1951

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

Re: Docket No. DMA-1665X - Idm-E129
Mica Development Corporation

Dear Mr. Mittendorf:

This will acknowledge receipt of copy of Exploration Contract Idm-E129 with attached Exhibit "A" and 4 maps received in the mail this morning.

Sincerely,

Robert A. Laurence

Robert A. Laurence
Executive Officer
Field Team, Region VII

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 6 - 1951

FILE COPY
SURNAME:

410

F. L. Knouse
Mittendorf

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

AUG 31 1951

Q.E.C.

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

Re: Docket No. DMA 1665X
Mica Development Corporation
Exploration Project Contract Idm-E129

Dear Mr. Laurence:

There is enclosed your copy of Exploration Contract Idm-E129 with attached Exhibit "A" and 4 maps. A copy of this contract will be forwarded to the Region Finance Officer by the Washington Finance Officer.

Sincerely yours,

C. O. Mittendorf

C. O. Mittendorf, Director
Production Expansion Division

J.F. 8/31

Enclosures

FLKnouse/meb
8/29/51
cc to: Admr's Reading File
Reports & Records
Mittendorf/Olund
Barr
Arundale
Norton
Knouse
Docket

FILE COPY
SURNAME:

410

F L Knouse
Mittendorf

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

AUG 31 1951

a.3.c

Mica Development Corporation
Franklin
North Carolina

Re: Docket No. DMA 1665X
Mica Development Corporation
Exploration Project Contract Idm-E129

Gentlemen:

We are enclosing one signed and approved copy of Exploration Contract No. DMA 1665X - Idm-E129 with Exhibit "A" and 4 maps attached. This contract is your authority to proceed with the work on this project.

Enclosed also are a set of Progress Report Forms (MF-104), and Int. 3337, "Questions and Answers on the Mineral Exploration Program", for use in making your first report. Additional Forms(MF-104) may be obtained by writing to Mr. Robert A. Laurence, Executive Officer, Region VII, Room 13, Post Office Building, Knoxville, Tennessee. This Progress Report (MF-104) should be submitted in quadruplet to Mr. Laurence prior to the 15th of the month following the reporting period. They will be used as vouchers on which the Government's share of the cost of the project will be paid monthly.

In accordance with Article 4 of your contract, the contract for core drilling as outlined in this contract is subject to the approval of the Government Field Engineers.

If you have any questions in connection with this project, it is suggested that you contact Mr. Laurence.

Sincerely yours,

C. O. Mittendorf

C. O. Mittendorf, Director
Production Expansion Division

JF 8/31

Enclosures

FLKnouse/meb
8/29/51
cc to: Admr's Reading File
Reports & Records
Mittendorf/Olund
Barr
Arundale
Norton
Field Team,Reg.VII(2)
Knouse
Docket

Contract Service Section
General Accounting Office
4th Floor - New GAO Building
Washington 25, D.C.

Re: Docket No. DA 1665X
Mica Development Corporation
Exploration Project Contract
Idn-E129

Gentlemen:

Enclosed for recording in your office is the original of executed Exploration Project Contract between the Operator named in the reference above and the Government of the United States.

Sincerely yours,

C. O. Mittendorf

C. O. Mittendorf, Director
Production Expansion Division

Enclosure

FLKnouse/meb
8/29/51
cc to: Admr's Reading File
Reports & Records
Mittendorf/Olund
Barr
Arundale
Norton
Field Team, Reg VII(2)
Knouse
Docket

Nice Development Corporation
Franklin
North Carolina

Re: Docket No. DA 1665
Nice Development Corporation
Exploration Project Contract 16n-129

Gentlemen:

We are enclosing one signed and approved copy of Exploration Contract No. DA 1665 - 16n-129 with Exhibit "A" and 4 maps attached. This contract is your authority to proceed with the work on this project.

Enclosed also are a set of Progress Report Forms (PR-104), and Int. 1337, "Questions and Answers on the Uranium Exploration Program", for use in making your first report. Additional Forms(PR-104) may be obtained by writing to Mr. Robert A. Lawrence, Executive Officer, Region VII, Room 1, Post Office Building, Knoxville, Tennessee. This Progress Report (PR-104) should be submitted in quadruplet to Mr. Lawrence prior to the 15th of the month following the reporting period. They will be used as vouchers on which the Government's share of the cost of the project will be paid monthly.

In accordance with Article 4 of your contract, the contract for core drilling as outlined in this contract is subject to the approval of the Government Field Engineers.

If you have any questions in connection with this project, it is suggested that you contact Mr. Lawrence.

Sincerely yours,

C. D. Nittendorf, Director
Prospection Expansion Division

Enclosures

H.Thouse/mcb
5/29/51
cc to: Adar's Tracing File
Reports & Records
Nittendorf/Bland
Barr
Arendale
Norton
Field Team, Reg. VII(2)
Ancuse
Docket

Docket No. DMA - 1665X
Mica Development Corporation
Exploration Project Contract

EXHIBIT "A"

Exploration Project:

Work will consist of approximately 1000 feet of diamond drilling (NX) by contract. Individual hole depths are expected to be from 50 feet to 300 feet each. Hole locations, directions and depths to be mutually agreed upon by operator and DMA Field Team member. Core handling, testings, etc., to be done by operator.

Estimated Cost:

1000 feet of diamond drilling at $6.00 per foot	$ 6,000.00

Fixtures and Improvements:

Core house and shelter Construction at operator's option.	$ 200.00

Operating Equipment:

Contract for drilling 1000 feet NX holes estimated at $4.50 per foot	$ 4,500.00
Core boxes, handling, shipping, transportation, etc.	300.00

Labor, and Supervision:

One engineer - superintendent part time at $20.00 per day	$ 400.00
One assistant to handle cores, etc. at $12.00 per day	600.00

Rehabilitation and Repairs:

None chargeable to project

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

Re: Docket No. DRS 1665X
Pine Development Corporation
Exploration Project Contract 16n-2129

Dear Mr. Laurence:

There is enclosed your copy of Exploration Contract 16n-2129 with attached Exhibit "A" and 4 maps. A copy of this contract will be forwarded to the Region Finance Officer by the Washington Finance Officer.

Sincerely yours,

C. O. Mittendorf

C. O. Mittendorf, Director
Production Expansion Division

Enclosures

FLKnouse/mcb
8/29/51
cc to: Admr's Reading File
Reports & Records
Mittendorf/Olund
Barr
Arundale
Norton
Knouse
Docket

Robert C. Taylor, Pres. Maurice A. Haupert, Vice-Pres. Roy H. Fouts, Sec'y. - Treas.

MICA DEVELOPMENT CORP.

Franklin, N. C.

August 24, 1951

DEPARTMENT OF THE INTERIOR
RECEIVED
AUG 28 1951
Defense Minerals Administration,
Production Expansion Division.

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

Re: Docket No. DMA - 1665
Exploration Project Contract

Gentlemen:

Received your letter of 22 August 51, and six copies of a contract, together with six copies of Exhibit "A" and 4 maps attached to each contract.

We find that they are satisfactory and are returning them to you signed.

Sincerely yours,
MICA DEVELOPMENT CORPORATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 28 1951

Roy H. Fouts

ROY H. FOUTS
Secretary-Treasurer

Enclosures

FILE COPY
SURNAME:

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

FEJohnson
Mittendorf

AUG 22 1951

Mica Development Corporation
Franklin
North Carolina

Re: Docket No. DMA - 1665
Exploration Project Contract

Gentlemen:

Reference is made to your application for an Exploration Project Contract in the amount of $5,000.00.

Your Project has been recommended for approval and we are, therefore, enclosing six copies of a contract, together with six copies of Exhibit "A" and 4 maps attached to each contract.

If the contract is satisfactory to you, please sign all six copies as indicated on the reverse side and return all copies with all attachments to my office for execution and recording. Do not date the contract as that will be done when it is completed and recorded here. A copy of the completed contract will be sent to you promptly after it has been recorded.

Sincerely yours,

BJ 8/22

C. O. Mittendorf

C. O. Mittendorf, Director
Production Expansion Division

Enclosures

FEJohnson/meb
cc to: Reports & Records
Admr's Reading File
Mittendorf-Olund
Lyon
Barr
Waskey
Field Team, Reg VII (2)
FEJohnson
Docket

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

Room 13, Post Office Building
Knoxville 2, Tennessee

August 21, 1951

Memorandum

To: Tom Lyon, Chairman, Coordinating Committee

From: Executive Officer

Subject: DMA-1665X, Mica Development Corp.

On a visit to Franklin, North Carolina yesterday, we were given, by Mr. F. T. Siersma of the National Miners Association, the enclosed copy of the application and review file on DMA-1665X which apparently was sent to the applicant on June 26 and had remained in his files ever since. We had examined this property in June, and wondered why we never received the file. The field examination report was transmitted to Washington on July 6.

The application and review are returned herewith.

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

Enclosure

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 23 1951

FILE COPY
SURNAME:

140
Jones

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

August 16, 1951

Q.E.C.

Memorandum

To: Director, Production Expansion Division

From: General Counsel

Subject: Mica Development Corporation Exploration Contract — Docket No. DMA-1665.

The contract in the subject case is approved as to form and legality subject to execution by the parties and subject to the approval by the Government of any drilling contracts.

The contract should be dated when it is delivered to the Operator.

Your file is returned herewith.

J. L. Hofflund

J. L. Hofflund
General Counsel

Attachment

WCJones/bjl

Copy to: W. C. Jones
J. L. Hofflund
Chron.
Reports & Records Br.

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

August 14, 1951

Memorandum:

To: Reports and Records Unit

From: Chief, Industrial Minerals Branch, DMA

Subject: DMA 1665; Mica Mica Development Corp.
Loan of $325,000

Denial recommended because:

1. Adequate reserves not proven.

We are forwarding the docket which includes the following:

1. Form MSDB and attachments (146) in triplicate.

SIGNED

James A. Barr, Sr.

Approved:

Tom Lyon

Tom Lyon, Director
Supply Division

R. Waskey/ map

cc: Reports and Records Unit
Mr. Lyon
Mr. Barr
DMA File
Field Team, Region VII (2)

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

August 14, 1951

Mica Development Company
Franklin,
North Carolina

Subject: DMA 1665; Mica
Loan Application, $325,000

Gentlemen:

Your application for a Government loan for the purpose of equipping and operating the Chaulk Hill Mines has been reviewed by this office.

Projects approved by the Defense Minerals Administration must, in its judgment, show definite promise of yielding material of acceptable grade, physical character and specification, in quantities that will significantly improve the mineral supply position for National Defense. Where a loan is involved an adequate mineral reserve must be proven to justify the proposed operation.

A very careful study of your proposal revealed the following:

1. Existence of an adequate reserve of mica to justify the proposed operation has not been established.

Under these circumstances your application for a Government loan in the amount of $325,000 is denied. Should additional information become available we would be glad to have you resubmit your proposal for consideration.

Sincerely yours,

Tom Lyon

Tom Lyon, Director
Supply Division

R. Waskey/map

cc: Reports and Records Unit
Mr. Lyon
Mr. Barr
DMA File
Field Team Region VII (2)

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

July 6, 1951

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 9 - 1951
LAWSON F. STROBEL
Executive Secretary

Memorandum

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

From: Field Team, Region VII

Subject: DMA-1665X - Mica Development Corporation

Attached herewith are reports of field examination of the above application, recommending $6,000 for core drilling at the Chalk Hill mine.

No file on this application has ever been received here, and this examination is based upon information received by telephone during the end-of-June rush to beat the June 30 deadline.

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

Enclosures

UNITED STATES
DEPARTMENT OF THE INTERIOR

OSCAR L. CHAPMAN, SECRETARY

DEFENSE MINERALS ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM, REGION VII

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 9 - 1951
LANDON F. STROBEL
Executive Secretary

DMA-1665X, Chalk Hill Mine, Macon County, North Carolina

By

J. B. Hadley
U. S. Geological Survey

W. A. Beck and A. L. Peyton
U. S. Bureau of Mines

June 19-21, 1951

ON-SITE REPORT

June 20, 1951

DMA-1665X, Chalk Hill Mine, Macon County, N. C.
Mica Development Corporation applicant

This mine is described by E. W. Heinrich in U. S. G.S. Strategic Minerals Investigations, Preliminary Maps, March 1944. A rather large mine with many openings dating from as early as 1909. Although divided between two owners in 1944, all of the mining property is now in one ownership. The present operator is Roy H. Fouts of Franklin, an experienced pegmatite miner.

The workings are in four major pegmatites that trend about east-west and have steep dips, probably vertical or somewhat to the south. Operations since 1944 as described by Fouts under whose management they were done, are briefly as follows:

The Ledford shaft was deepened to 65 feet in the latter part of 1944, and to 107 feet after that. Much of the lower 40 feet of the shaft is in hard feldspar, but short drifts to east and west failed to reveal minable mica shoots at the post-war prices for sheet mica. The cross-cut to the north, proposed in 1944, was not driven; and the attitude of the pegmatite encountered is not known.

The southernmost pegmatite exposed at the surface has been mined from an open cut 40 feet north of the Ledford shaft, extending from a point 40 feet north of the shaft eastward past the east end of the workings shown in plan III. The pegmatite at the west end of the cut is about 12 feet wide rather than 50 feet as indicated on the map. It produced much scrap mica and considerable small sheet and punch mica according to Fouts.

The pegmatite in the northeast corner of the map area was worked for scrap in an open cut 30 feet deep which removed the upper part of the 60-ft. shaft shown on the map. Present exposures show conditions very much as described, except that several large books of ruled sheet mica were seen near the south wall of the pegmatite east of the old shaft. Some of these books would yield small sheet mica of good quality. This same pegmatite has also been exposed by trenching and a large bulldozer cut that extends to the crest of the ridge nearly 300 feet east of the cut shown on the map. Forty feet east of the cut this pegmatite is 13 feet wide; 200 feet east it is 20 or more feet wide, with a quartz core five feet wide. The upper 1 to 3 feet of this eastern end of this pegmatite has been stripped for scrap mica, which is abundant especially around the margins of the quartz core. Mica books 2½ to 4 inches in diameter were recovered from the scrap operation, but these are badly split and clay-stained, and the surrounding feldspar completely kaolinized.

No work has been done on the zone of quartz outcrops and float in the southwest part of the map area.

The operator's proposal to drive a tunnel 600 feet along the strike of the pegmatites to reach the southeastern pegmatite near the Ledford shaft is clearly development work and would add very little to present knowledge of the pegmatites at depth. The most efficient means of further exploration of the

downward extent of these pegmatites would be core drilling. The pegmatite exposed at the surface just north of the Ledford shaft seems to be the best prospect for such exploration, which should also test the extent of the pegmatite encountered at the bottom of this shaft. Some drilling should probably be done also in the northeast pegmatite to test its downward extent and sheet mica-bearing possibilities.

The first pegmatite just mentioned contained considerable sheet mica of good quality that would trim to as large as 3 x 4 inches according to the S. M. I. report of 1944, and is stated therein to be the best prospect in the area. Although much of the sheet mica in the northeast pegmatite was said to be ruled, considerable small sheet and punch mica may be present and indications are that the pegmatite extends to considerable depth.

It is therefore recommended that not more than $6,000 be allowed to cover the cost of 1,000 feet of core drilling on these two pegmatites.

FILE COPY
SURNAME:

Sam
Moon
McKnight for Rose

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

June 29, 1951

Docket mailed 6/26/51

Mica Development Corporation
Franklin, North Carolina

Subject: DMA-1665X
Strategic Mica

Gentlemen:

Your application has been referred to Mr. Robert Laurence, Room 13, Post Office Building, Knoxville, Tennessee, Executive Officer of the Field Team, Region VII, for further information.

Sincerely yours,

Tom Lyon, Director
Supply Division

RW:mas

cc: Administrator's Reading File
Mr. Strobel
Field Team
Mr. Barr
DMA Files

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

JUN 26 1951

Docket mailed

Mr. Robert Laurence
Room 13, Post Office Building
Knoxville, Tennessee

Dear Sir:

We attach "Review of Application for Exploration Assistance" on:

Applicant Mica Development Corporation, Franklin, No. Carolina.

Docket No. DMA-1665X

Commodity Strategic Mica

Amount $ 29,300.00

Please expedite the consideration of this application with particular reference to the points raised in the attached "Review".

Very truly yours,

Tom Lyon, Chairman
Coordinating Committee

For Bureau of Mines

For Geological Survey

Mr Barr

Memorandum:

To: Director, Production Expansion Division
Defense Minerals Administration

From: Director, Supply Division
Defense Minerals Administration

Subject: Recommendation for Contract Approval

Name of Applicant: Mica Development Corporation
Franklin, North Carolina

DMA No. 1665X

Commodity: Mica

Amount Requested: $29,300

Amount Approved: $6,000

Government Participation: 90 % $5,400

Tom Lyon

Tom Lyon

FILE COPY
SURNAME:

Barr
Parsons/Kemp

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-1665X - Mica
Mica Development Corporation

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. Parsons
Mr. Strobel
Mr. Barr
Mr. Norton
Mr. Mittendorf
DMA Files ✓

FILE COPY
SURNAME:

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

June 22, 1951

Mr. Roy H. Fouts
Mica Development Corporation
Franklin, North Carolina

Subject: DMA-1665X
Re: Exploration Loan
Chaulk Hill Mines

My dear Mr. Fouts:

Receipt is acknowledged of your application and attachments of June 5, 1951 for an exploration loan under the Defense Production Act of 1950.

The application was assigned Docket Number DMA-1665X and was referred to Mr. James A. Barr, Chief, Industrial Minerals Branch on June 13, 1951.

In any future correspondence relating to your application, kindly refer to DMA-1665X.

Sincerely yours,

LANDON F. STROBEL

Landon F. Strobel
Executive Secretary

LFSTROBEL:js
cc: Strobel-2
>Files
Barr
Lyon

DMA 1665-
8526

6/5/51

Defense Minerals Administration

Review of Application for Exploration Assistance

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 23 1951

Docket No. DMA-1665X

Commodity Strategic Mica

Total Amount $29,300.00

Govt. Participation 90%

1. Name and Address of Applicant Mica Development Corporation
Franklin, North Carolina

2. Location of Property 3 miles N of Franklin, Macon County, N. Caro.

3. Mineral or metal Strategic Mica Is it listed in Section 9 of MO-5? Yes

If not, application will be rejected.

4. Geologic probability of discovery—based on data in application (question #16, 17, 18, 20 and 22)*

Mines or Survey reports, etc., do you rate chances:

a) Good
b) Poor
c) None

The data compounded in 1944 indicated that the southern pegmatite had rather good prospects for a considerable production of sheet mica. About all that is possible is to recommend to the field for evaluation of the proposed exploration and inspection of the new workings.

d) Don't know—needs field examination Yes - see above JAR 9/18/51

e) Is there an alternative and favorable project? _____
(If so, attach an explanation)

5. Is the applicant's right to the property clearly stated? Yes. owner
(question 5, 6, 7)*

6. If applicant is a lessee, is a copy of the lease attached? —

Does the lease have sufficient time to run to cover a future productive period? —

*question numbers are those of MF-103

1665-II

7. Are subordination agreements necessary? NO

a) MF-201? _____

b) MF-202 _____

8. From the data presented, does the proposed project appear feasible from the point of view of:

a) Available manpower yes

b) Equipment and supplies yes
(Question 14 plus general knowledge of availability)*

c) Accessibility (question 12)* yes

d) Water (question 13)* yes

e) Power (question 13)* yes

Is a field check needed on any of these points? NO

9. Does the experience of the applicant appear to be adequate to assure that he can properly conduct the proposed project? (question 4)* yes

Is a field check needed on this point? yes - since Field Exam is indicated on other counts it would be well to also question Applicant on this -

10. Exhibit A. (questions 21 and 22)*

a) Is the project adequately described? Yes

If not, are there sufficient data given so that you can describe the project? _____ If so, attach a draft.

b) Is there an adequate map or sketch of the proposed work? No

c) Is the proposed work "exploration" under the definition of Section 8, MO-5? Probably

If not, what part of it is? Field Team should check this in detail - just what part of program would qualify and is justified as Exploration? From data presented by Applicant it may be that Mine is ready for Development and Exploration under MO-5 Not indicated.

1665-A

Field Team check

Is this part a worthwhile exploration project? necessity

d) Are the cost estimates detailed? Not with regards to footage

Can they be summarized, as on page 2 of Procedural Instruction 5-A, from the available data? No If so, attach a draft.

e) Are the cost estimates reasonable? Insufficient data

f) Should more information be requested from applicant? Yes

g) Is a field examination necessary to complete Exhibit A? Yes

11. Exhibit B (question 23-d)*

a) Is it applicable? Not Applicable - at least not included in Application

b) If so, are sufficient data furnished? _____ If so, attach a draft.

c) Is a field check needed? No

12. Exhibit C (question 23-e, f and g)*

a) Is it applicable? Yes

b) Sufficient data? Yes If so, attach a draft.

c) Are rents and charges reasonable? Appear high

d) Is a field check needed? Yes - Is all of this equipment needed for Exploration?

13. Exhibit D (question 23-a, b)*

a) Are there sufficient data? Yes

b) Is the schedule adequate for the work proposed? Yes

c) Is the schedule excessive for the work proposed? Yes

d) Are the proposed wages and salaries reasonable? No

e) Is a field check needed? Yes - Supt. charge appears high for small Exploration Job - Why a bookeeper for Exploration?

1665-A

14. Exhibit E (question 23-c)*

a) Is it applicable? No - Not Included in Application

b) Sufficient data?

c) Reasonable?

d) Field check needed? Might question Applicant

15. In your judgment, can the proposed work be done in the proposed time? Yes

(All exploration must be completed within two years)

16. If field examination is not needed, attach your recommendation.

17. If field examination is needed, do you have any special instructions for the field team not indicated by your answers to the foregoing question? Subject to Field Team Exam. this property appears to have considerable promise — If Exam. bears this out, can a program of Exploration as per MA-5 be worked out with Applicant which can be accomplished at a reasonable cost?

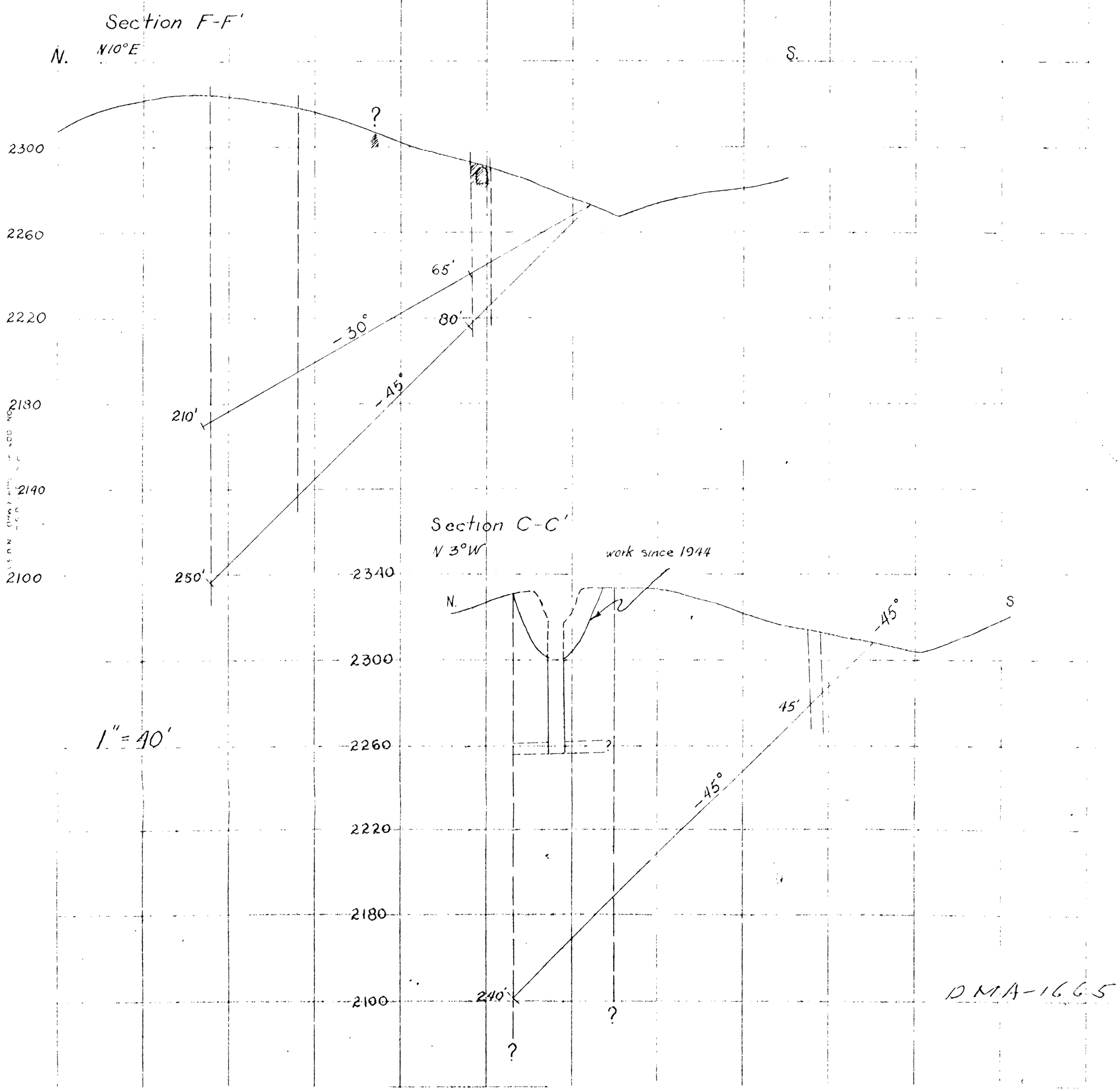
DGM

6/18/51

Reviewed by: J. Mulder 6/18/51, USGS

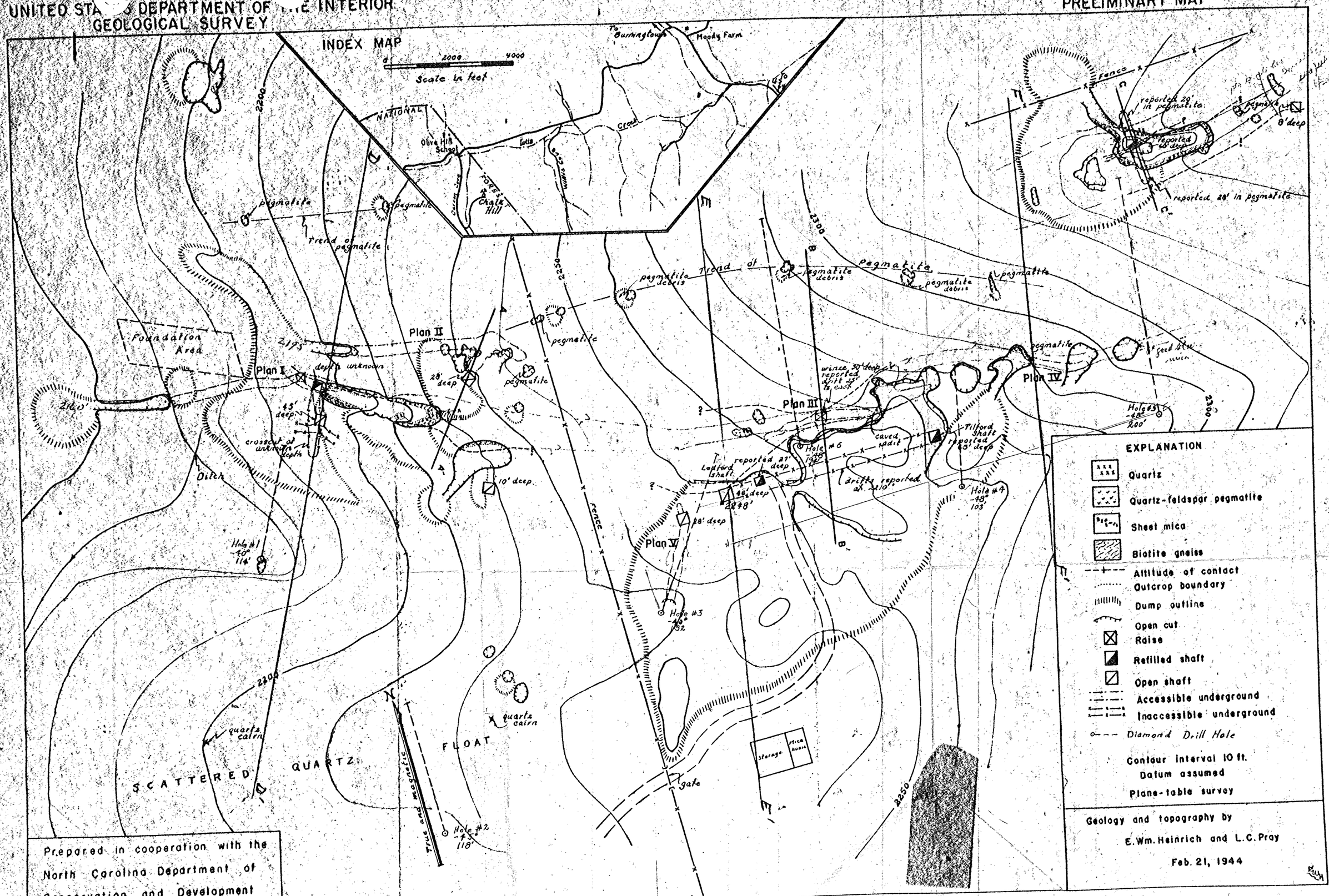
Date

97692


Section F-F'
N.
N10°E
S.
2300
2260
2220
2180
2140
2100
?
65'
80'
-30°
-45°
210'
250'
Section C-C'
N 3°W
work since 1944
2340
2300
2260
2220
2180
2100
N.
S
-45°
45'
-45°
240'
?
?
?
1" = 40'
DMA-1665

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

STRATEGIC MINERALS INVESTIGATIONS
PRELIMINARY MAP



EXPLANATION

- Quartz
- Quartz-feldspar pegmatite
- Sheet mica
- Biotite gneiss
- Attitude of contact
- Outcrop boundary
- Dump outline
- Open cut
- Raise
- Refilled shaft
- Open shaft
- Accessible underground
- Inaccessible underground
- Diamond Drill Hole

Contour interval 10 ft.
Datum assumed
Plane-table survey

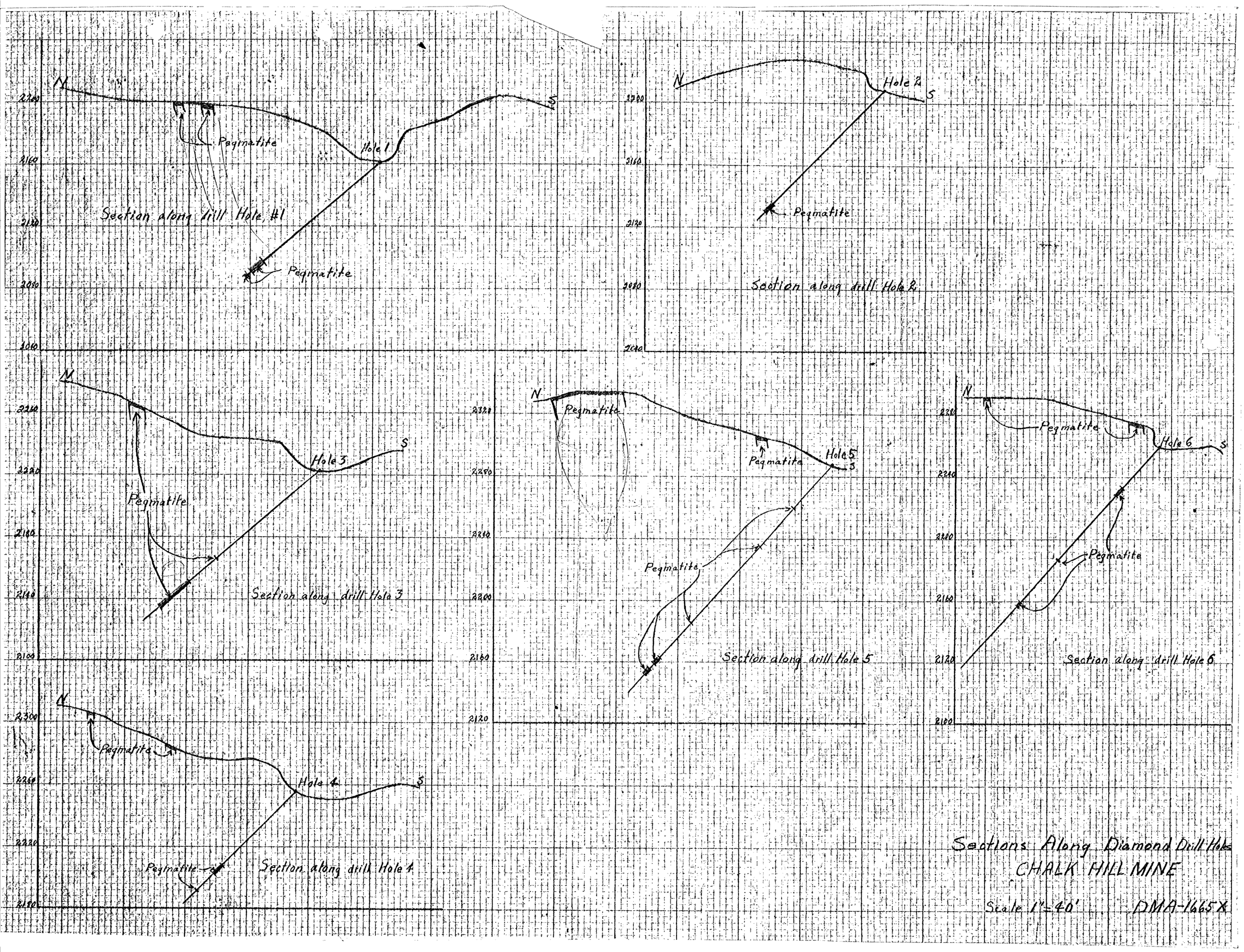
Geology and topography by
E. Wm. Heinrich and L. C. Pray
Feb. 21, 1944

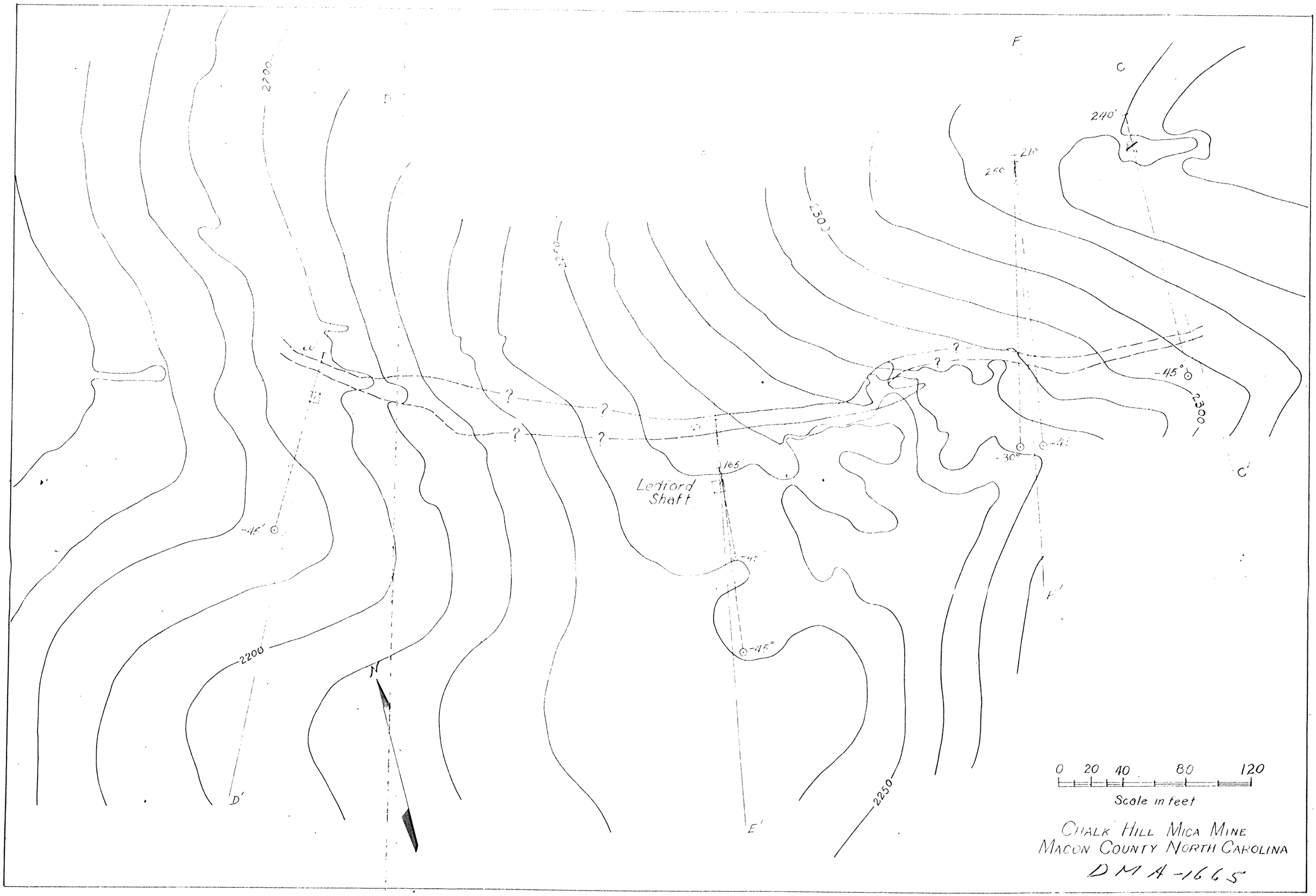
Prepared in cooperation with the North Carolina Department of Conservation and Development

CHALK HILL MICA MINE, MACON COUNTY, NORTH CAROLINA

40 20 0 40 80
Scale in feet

DMA-1665X


N
S
Pegmatite
Hole 1
Section along drill Hole #1
Hole 2
Section along drill Hole 2
Hole 3
Section along drill Hole 3
Hole 4
Section along drill Hole 4
Hole 5
Section along drill Hole 5
Hole 6
Section along drill Hole 6
Sections Along Diamond Drill Holes
CHALK HILL MINE
Scale 1" = 40'
DMA-1665X



CHALK HILL MICA MINE
MACON COUNTY NORTH CAROLINA

DMA-1665