DMEA-2802
Idm-E4,99
Mica
Region VII
(Terminated)

MURPHY MINING COMPANY, MURPHY, NORTH CAROLINA. Wiley Blevins Mica Mine, Yancey County, North Carolina. 7-13-53
Final Field Report recommending that no certification be made on the project. The report was referred to the Commodity Group. No. 24

No. 212 DMEA-2802
Idm-E4,99
5-6-53. Mica
Region VII

MURPHY MINING COMPANY, MURPHY, NORTH CAROLINA. Wiley Blevins Mica Mine, Yancey County, North Carolina.
Letter to the Field authorizing it to terminate the contract.

FIELD MATERIAL - CONTRACT

DMEA-2802
Mica
Region VII

MURPHY MINING COMPANY, MURPHY, NORTH CAROLINA. Wiley Blevins Mica Mine, Yancey County, North Carolina. 19
Letter to the Field forwarding a contract, signed by the Administrator, for execution. Approved for referral. 3-20-53

DMEA-2802
Mica
[illegible]

MURPHY MINING COMPANY, [illegible]
Mica Mine, Yancey Coun[illegible]
Field Report [illegible]
[illegible] Group [illegible]

[illegible] North Carolina. [illegible] 18-3
[illegible] 2-27-53

☑ Audited

☐ Certified

WORK ANALYSIS SHEET - DMEA PROJECT

Analysis as of 12-8-54

Incl. Voucher for April 1953

☐ Actual Cost

☑ Agreed Unit Costs

Name Murphy Mining Co

Docket No. 3807

State North Carolina

Commodity Mica

Idm-E No. 499

OPERATION	AUTHORIZED Units	AUTHORIZED Cost	COMPLETED Units	COMPLETED Cost	NET COST
Drifting & Crosscutting	50	1750.00			
Raising					
Shafts	40	1800.00			
Winzes					
Drilling (Specify)					
Surface Excavation		500.00		500.00	500.00
Underground Excavation					
Roads and Trails					
Operating Equipment Purchased					
Surface Rehabilitation & Repairs					
Underground Rehabilitation					
New Building, Improvements, etc.					
Other (Specify)					
Totals		4050.00		500.00	500.00

Prepared by [signature]

71626

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Report of:

Ben L. Ray and C. E. Hyde

d/b/a Murphy Mining Company

Teasson Building

Murphy, North Carolina

pertaining to Exploration Project Contract No. Idm-E499, Docket No. DMEA-2802, for the month of April, 1953, covering a project for the exploration of mica.

My review included an examination of the Monthly Report (Form MF-104) and supporting documents attached thereto, comparison of the costs claimed with the contract and pertinent schedules, consultation with the Executive Officer of the Regional Field Team, and a determination of the reasonableness and propriety of the costs.

This review was made in lieu of a final audit of the Operator's accounts and records for the following reason:

the contract provides for payment by the Government on the basis of agreed estimated costs of units of work actually performed.

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

Total cost as billed by Contractor		$500.00
Exceptions:		
By DMEA Finance Officer	$ -0-	
Herewith	-0-	-0-
Total Accepted Cost		$500.00

The contract calls for a 90 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Four hundred fifty and no/100 Dollars

** $ 450.00 **

is considered valid and proper.

JUL 14 1953

E K Tallent
Auditor

Chandler

DIVISION COPY

TERMINATION OF EXPLORATION PROJECT CONTRACT BY AGREEMENT
AFTER COMMENCEMENT BUT BEFORE COMPLETION OF THE WORK

It is agreed this 11 th day of May, 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Ben L. Ray and C. E. Hyde, partners, doing business as Murphy Mining Company, c/o C. E. Hyde, Towson Bldg., Murphy, North Carolina, hereinafter called the "Operator," parties to that certain Exploration Project Contract I-dm-E499, Docket No. DMEA-2602, dated 23rd March, 1953, that the said contract shall be and is hereby terminated as of the first date above written.

Any work prosecuted or costs incurred by the Operator after the date first above written shall be for the sole account of the Operator, except for (a) such necessary and reasonable costs and expenses as may be incurred in preserving and disposing of any facilities, buildings, fixtures, equipment, or other items, to the cost of which the Government has contributed and in which the Government has an equity, and (b) the costs of any reports, accounts, and winding-up and settlement actions provided for in the contract.

The undersigned Operator hereby releases and agrees to save harmless the Government from all claims and demands under or arising out of said Exploration Project Contract, except as herein expressly otherwise provided.

Witness the following signatures as of the day and year first above written.

UNITED STATES OF AMERICA

By Robert A. Lawrence
~~Executive Officer, DMEA Field Team, Reg.7~~

Murphy MINING COMPANY
(Operator)

By C. E. Hyde (Partner)

By Ben L. Ray (Partner)

18262-1

Mr. Robertson

MF-200 (A)
(February 1952)

DOCKET DMEA 2302

COMMODITY Strategic Mica

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Division Copy
IDM-E 499

EXPLORATION PROJECT CONTRACT[1]

(Short Form)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 16 1953

IT IS AGREED this 23rd day of March, 1953 between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] Ben L. Ray and C. E. Hyde, partners, doing business as Murphy Mining Company, c/o C. E. Hyde, Townson Building, Murphy, North Carolina

hereinafter called the "Operator," as follows:

ARTICLE 1. *Authority for contract.*—This agreement is entered into under the authority of the Defense Production Act of 1950, as amended, pursuant to DMEA Order 1 entitled "Government Aid in Defense Exploration Projects."

ARTICLE 2. *Operator's property rights.*—With respect to the mining rights in that certain land situated in the State of North Carolina, County of Yancey, ~~xxxxxxxxxx~~[3] known as the Wiley Blevins Mica Mine, sometimes known as the Old Red Mine, and more particularly described in Annex I attached hereto and made a part hereof

the Operator represents and undertakes:[4]

(*a*) [redacted]

(*b*) That the Operator is a lessee, in possession and entitled to possession, and the Owner's Consent to Lien is attached.

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.

ARTICLE 3. *Exploration project.*—The Operator, within 60 days from the date of this contract shall commence work on a project of exploration for[5] strategic mica

in or upon the described land; and shall bring the project to completion within a period of six (6) months from the date of this contract. The work to be performed is more fully described in Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, are made a part of this contract. The Government will contribute to the cost of this work as hereafter provided. The work shall be performed by the Operator or by independent contractor or contractors efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for workmen's compensation and employers' liability insurance, with suitable and adequate equipment, materials, and labor, to bring the project to completion within the time fixed. 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.

ARTICLE 4. *Costs of the project.*—The agreed, estimated costs of performing the work, expressed in terms of units of work to be performed (per foot of drifting, per foot of drilling, per cubic yard of material to be moved, etc.) are set forth in Exhibit "A," attached hereto. The Government will pay 90 percent of these agreed, estimated costs, as they accrue, for units of work actually performed that conform with the description or specifications for the work set forth in this contract, in an aggregate total amount not in excess of $3,645.00, which is 90 percent of $4,050.00 the agreed, estimated total cost of the project in which the Government will participate: *Provided,* That until the Operator's final report and final accounting have been rendered to the Government and any final check or auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of ten (10) percent of the maximum total which the Government might have been called upon to pay under the terms of the contract. The Government may, as it sees fit, make payments direct to the Operator's independent contractors, if any, for the account of the Operator, rather than to the Operator.

ARTICLE 5. *Reports, accounts, audits.*—(*a*) *Progress reports.* The Operator shall provide the Government with monthly reports of units of work performed under the contract, in quintuplicate (five copies), upon forms provided by the Government. These progress reports shall be certified by the Operator, and shall constitute both the Operator's invoice of units of work performed on the project during the period covered by the report and his voucher for repayment by the Government, unless the Government requires the use of a standard voucher form with invoice attached. Progress reports shall include surface and/or underground engineering-geological maps or sketches showing the progress of the exploration, with assay-reports on samples taken concurrently with the advance in mineralized ground.

[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, particularly excluding any land or interest therein to which the Government's lien is not to attach or the production from which is not to be subject to the Government's percentage royalty.
[4] Strike out the provision not applicable.
[5] Name of mineral or minerals.

(*b*) *Final report.*—Upon completion of the exploration work or termination of the contract the Operator shall provide the Government with an adequate geological and engineering report, in quintuplicate (five copies), including an estimate of ore reserves resulting from the exploration work.

(*c*) *Compliance with requirements.*—If, in the opinion of the Government, any of the Operator's reports are insufficient or incomplete, the Government may procure the making or completion of such reports and attachments as an expense of the exploration work; and the Government may withhold approval and payment of any vouchers depending upon insufficient or incomplete reports.

(*d*) *Accounts and audits.*—The Operator shall keep suitable records and accounts of the units of work performed, which the Government may inspect and audit at any time. The Government may at any time require a check of the work performed and an audit of the Operator's records and accounts, by a certified public accountant or otherwise, 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. Upon the completion of the project or termination of the contract the Operator shall render a final account and statement of work performed to accompany his final report.

ARTICLE 6. *Repayment by Operator.*—(*a*) If, at any time, the Government considers that a discovery or a development from which production may be made has resulted from the exploration work, the Government, at any time not later than 6 months after the Operator has rendered the required final report and final account, may so certify in writing to the Operator. The certification shall describe broadly or indicate the nature of the discovery or development. In the event of such certification, any minerals mined or produced from the land described in Article 2 within 10 years from the date of this contract, including any mined or produced before the certification, shall be subject to a percentage royalty which the Operator or his successor in interest shall pay to the Government, upon the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, until the total amount contributed by the Government, without interest, is fully repaid, or said 10 years have elapsed, whichever occurs first, as follows:

(1) One and one-half (1½) percent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(2) One and one-half (1½) percent of any such net amounts, plus one-half (½) percent of such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such net amounts.

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

(*b*) As here used, "net smelter returns," "net concentrator returns," and "other net amounts realized from the sale or other disposition," mean gross revenue from sales, or if not sold, the market value of the material after it is mined in the form in which and the place where it is held. In the case of integrated operations in which the material is not disposed of as such, these terms mean what is or would be the gross income from mining operations for percentage depletion purposes in income-tax determination.

(*c*) To secure the payment of its percentage royalty, the Government shall have and is hereby granted a lien upon the land described in Article 2 and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

(*d*) This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

ARTICLE 7. *Assignment, transfer, or loss of Operator's interest.*—Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder. The Operator shall not make any voluntary nor permit any involuntary transfer or conveyance of the Operator's rights in the land described in Article 2, without making suitable provision for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof; *Provided*, that mere failure by the Operator to maintain the Operator's rights in the land, without any consideration running to the Operator other than relief from the cost of maintaining such rights (as by surrender of a leasehold, failure to perform assessment work, or failure to exercise an option), coupled with complete abandonment by the Operator of all interest in or operations on the land for a period of 10 years from the date of this contract, shall not constitute such a transfer or conveyance. Should the Operator make or permit any transfer or conveyance in violation of this provision, the Operator shall be and remain liable for payment to the Government of the same amounts, at the same times, as would have been paid under the terms of the percentage royalty on production. If for any reason the net smelter returns, net concentrator returns, or other net amounts realized from the sale or other disposition of such production are not available as a means of measuring the amount of the Operator's liability, the amount thereof shall be estimated as well as may be, and in the event of dispute as to such estimates, the determination thereof by the Administrator of Defense Minerals Exploration Administration or by his successor shall be final and binding upon the Operator.

ARTICLE 8. *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 worth while discovery and in the opinion of the Government further operations are not justified.

ARTICLE 9. *Changes and added provisions* _____

_____

_____

_____

_____

Executed in sextuplicate the day and year first above written.

MURPHY MINING COMPANY

By _____ (Partner)

(Operator)

By _____ (Partner)

THE UNITED STATES OF AMERICA

By _____

Administrator, Defense Minerals Exploration Administration

A K Lane
Burton
Hoch
Talbert

I, _____, certify that I am the _____ secretary of the corporation named as Operator herein; that _____, who signed this contract on behalf of the Operator, was then _____ of said corporation; that said contract was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

_____ [CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE 16—66329-1

EXPLORATION PROJECT CONTRACT
MURPHY MINING COMPANY
DOCKET NO. DMEA-2802

ANNEX I

The mine is held under a mining lease from Vernis Rice and his wife, Etta Rice, dated November 1, 1952, (as amended February 11, 1953) and is more particularly described therein as follows:

"BEGINNING on the North bank of Brown's Creek, approximately 60 feet above a bridge, and runs North 15 East, passing a double three inch Ashe stump on the South bank of an access road at 30 feet, whole distance 300 feet, to a fence post (marked) on top of ridge in the North line of the property of OWNERS; thence with said North line and a fence thereon South 55 East 206 feet to a marked fence post in said line; thence South 30 West 300 feet to the center of Brown's Creek (passing a 4 inch marked crooked Maple on the North bank thereof); thence upstream with the meanders of said creek approximately 142 feet to the beginning, containing one and one fourth acres, more or less.

"AND BEING a part of the lands described in a certain deed from Raymond Robinson and wife, Lucille Robinson, to Vernis Rice and wife, Etta Rice, dated April 3rd, 1950, and recorded in the office of the Register of Deeds for Yancey County, North Carolina, in Book 109, at page 227, reference to which is made for more complete description."

EXPLORATION PROJECT CONTRACT
MURPHY MINING COMPANY
DOCKET NO. DMEA-2802

EXHIBIT "A"

Description of the Work

The project shall be performed in two stages as indicated on the map attached hereto, made a part hereof, and entitled "Sketch of Wiley Blevins Mine."

Stage I

A pegmatite within the boundaries of the property is to be stripped of surface soil over an area approximately 150' x 35' to a depth of 10' more or less.

Stage II

After Stage I is completed, the Field Team, Region VII, will inspect the outcrop exposure and determine if additional work is warranted, and upon its approval Stage II is to be performed. It shall consist of sinking an inclined shaft (5' x 7'),at the location to be determined by the said Field Team, to a depth of 40 feet, and driving 50 feet of drifts or crosscuts from the inclined shaft to explore the pegmatite zone.

Agreed Unit Costs

Stage I

50 hours of bulldozing @ $10/hr.		$ 500.00

Stage II

40 feet of shaft sinking @ $45/ft.	$1800	
50 feet of drifting or crosscuts @ $35/ft.	1750	3,550.00
Total Estimated Agreed Cost of Project		$4,050.00
Government Participation @ 90%		$3,645.00

MF-203

OWNER'S CONSENT TO LIEN

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of North Carolina, County of Jersey, described as follows:1/ [illegible] on the north bank of Brown's Creek, approximately [illegible] feet above a bridge, and runs north 15 [illegible] east, passing a double three inch [illegible] on the [illegible] of an access road at 30 feet, whole distance 100 feet, to a fence post [illegible] of ridge in the north line of the property of [illegible]; thence with north line and a fence [illegible] feet to a marked fence post on said line; thence [illegible] 30 feet [illegible] feet to the center of Brown's Creek [illegible] a 6 inch [illegible] with the center of said creek [illegible] to the beginning, containing 1 acre, more or less. [illegible] of the above described [illegible] Johnson, [illegible] to permit [illegible] Jersey Co. [illegible] Land [illegible] to which to refer for more complete description.

which is the subject of a proposed exploration project contract, hereinafter called the "contract", between the United States of America, hereinafter called the "Government", and

2/ [illegible] Jay and [illegible] Hyde

hereinafter called the "Operator"; and

WHEREAS, under certain provisions of said contract which are set forth on the reverse side hereof, the Government is entitled to a percentage royalty on production and to certain other rights and equities which do or may conflict with or be adverse to the interest of the undersigned in said property;

NOW THEREFORE, the undersigned, in consideration of said contract and as an inducement to the Government to enter into same, undertakes and agrees as follows:

1. The Government's equity in and right to dismantle, sever, take possession of, and remove and dispose of facilities, buildings, fixtures, equipment, or other items as provided in the contract, or any amendment thereof, shall prevail over and be prior and superior to any conflicting or adverse rights of the undersigned, and the Government is authorized to enter upon the land for such purposes.

2. To secure the payment to the Government of the percentage royalty on production3/ provided for under the terms of said exploration project contract, or any amendment thereof which does not increase the maximum amount of the Government's claim here stated or alter the provisions for repayment, there is hereby granted to the Government a lien upon the land herein described and upon any production of minerals therefrom, until the royalty claim is fully paid in the amount of the Government's contribution, not in excess of 4/$ 6995.00, or ten years have elapsed from the date of the contract.

3. The undersigned shall commit no act nor assert any claim that may contravene or conflict with the lien, claim, or rights of the Government under the provisions of said contract. This agreement shall be binding upon the heirs, executors, administrators, successors, and assigns of the undersigned.

Dated this 1st day of January, 1953.

x Veronica Rice [Seal]

x Etta Rice [Seal]

_____ [Seal]

1/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated _____, and recorded in book _____ page _____ official records of said county." If (b) is used, the book and page of recordation cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

2/ Insert the name of the Operator as it will appear in the exploration project contract.

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

4/ Insert the maximum amount of the Government's contribution.

Repayment by Operator. (a) If, at any time, the Government considers that a discovery or a development from which production may be made has resulted from the exploration work, the Government, at any time not later than six months after the Operator has rendered the required final report and final account, may so certify in writing to the Operator. The certification shall describe broadly or indicate the nature of the discovery or development. In the event of such certification, any minerals mined or produced from the land described in Article 2 within 10 years from the date of this contract, including any mined or produced before the certification, shall be subject to a percentage royalty which the Operator or his successor in interest shall pay to the Government, upon the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, until the total amount contributed by the Government, without interest, is fully repaid, or said 10 years have elapsed, whichever occurs first, as follows:

(1) One and one-half (1½) per cent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(2) One and one-half (1½) per cent of any such net amounts, plus one-half (½) per cent such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) per cent of such net amounts.

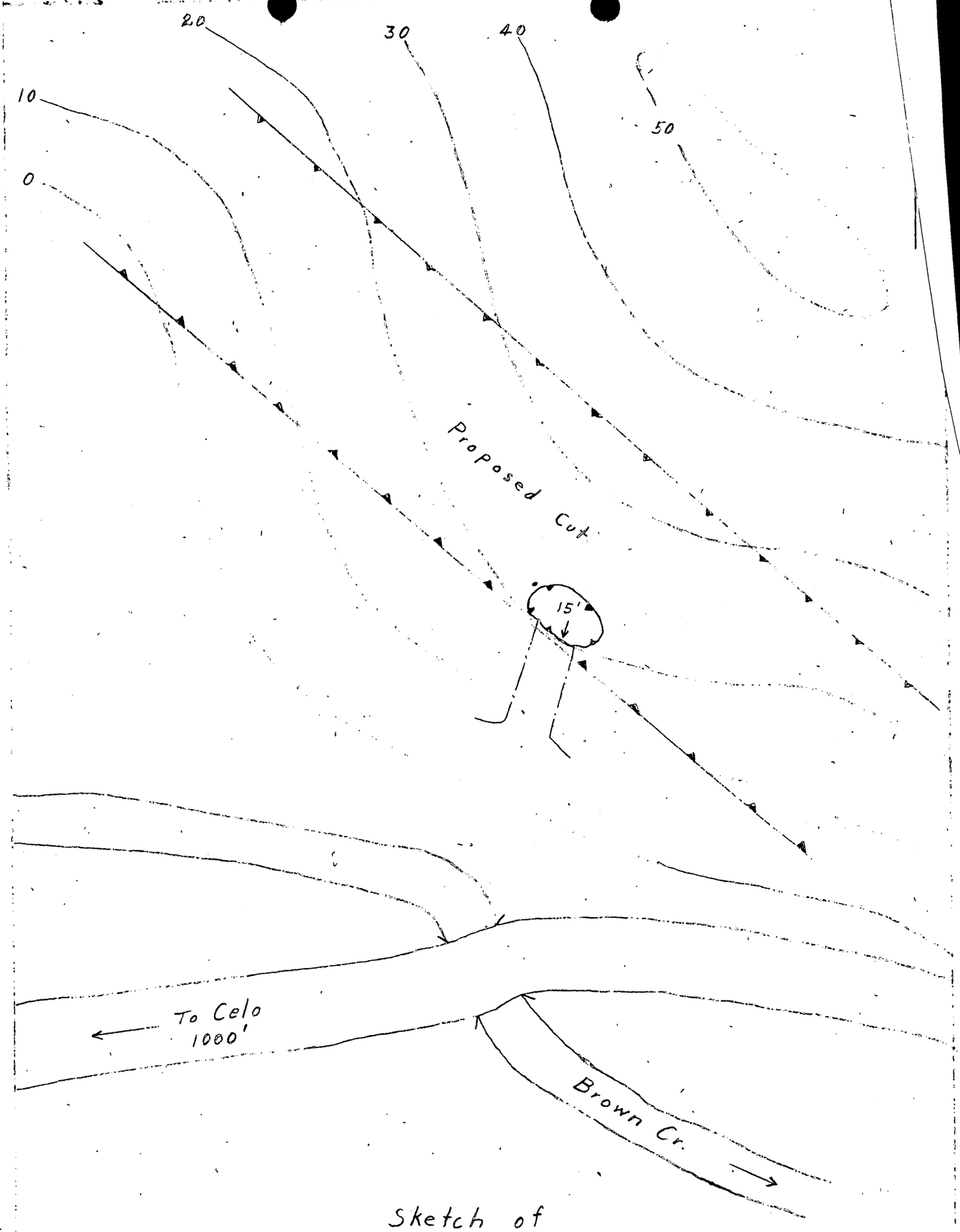
(For instance: the percentage royalty on a net amount of five dollars ($5.00) per ton, would be one and one-half (1½) per cent; on a net amount of ten dollars ($10.00) per ton, three and one-half (3½) per cent.)

(b) As here used, "net smelter returns", "net concentrator returns", and "other net amounts realized from the sale or other disposition", mean gross revenue from sales; or if not sold, the market value, the market value of the material after it is mined in the form in which and the place where it is held. In the case of integrated operations in which the material is not disposed of as such, these terms mean what is or would be gross income from mining operations for percentage depletion purposes in income tax determination.

(c) To secure the payment of its percentage royalty, the Government shall have and is hereby granted a lien upon the land described in Article 2 and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

(d) This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

Title to and disposition of property. All facilities, buildings, fixtures, equipment, or other items costing more than $50.00 each, paid for or purchased with funds contributed jointly by the Operator and the Government, although title may be taken in the name of the Operator, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the completion of the work or the termination of the contract shall be disposed of promptly by the Operator for the joint account of the Government and the Operator, either by return to the vendor, by sale to others, or purchase by the Operator at a price at least as high as could otherwise be obtained, as may appear to be for the best interest of the Government, unless the Government, in writing, waives its interest in any such item. If necessary to accomplish such disposition, the Operator shall dismantle, sever from the land, and remove any such item, the cost thereof to be for the joint account of the parties in proportion to their respective interests. If the Operator, within 90 days after the receipt of written notice from the Government, fails, neglects, or refuses to dispose of such property, the Government may itself enter upon the land, take possession of, and remove and dispose of any such property as above provided.



Sketch of
Wiley Blevins Mine
Yancey Co., N.C.

0 20 40
Scale

DMEA-2802 (mica)

MF-200 (A)
(February 1952)

DOCKET No. DMEA 2302

COMMODITY Strategic Mica

Extra Copy
IDM-E 499

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

EXPLORATION PROJECT CONTRACT[1]

(Short Form)

IT IS AGREED this 23rd day of March, 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] Ben L. Ray and C. E. Hyde, partners, doing business as Murphy Mining Company, c/o C. E. Hyde, Townson Building, Murphy, North Carolina

hereinafter called the "Operator," as follows:

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the Operator represents and undertakes:[4]

(a) [redacted]

(b) That the Operator is a lessee, in possession and entitled to possession, and the Owner's Consent to Lien is attached.

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.

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in or upon the described land; and shall bring the project to completion within a period of six (6) months from the date of this contract. The work to be performed is more fully described in Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, are made a part of this contract. The Government will contribute to the cost of this work as hereafter provided. The work shall be performed by the Operator or by independent contractor or contractors efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for workmen's compensation and employers' liability insurance, with suitable and adequate equipment, materials, and labor, to bring the project to completion within the time fixed. 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.

ARTICLE 4. *Costs of the project.*—The agreed, estimated costs of performing the work, expressed in terms of units of work to be performed (per foot of drifting, per foot of drilling, per cubic yard of material to be moved, etc.) are set forth in Exhibit "A," attached hereto. The Government will pay 90 percent of these agreed, estimated costs, as they accrue, for units of work actually performed that conform with the description or specifications for the work set forth in this contract, in an aggregate total amount not in excess of $3,645.00, which is 90 percent of $4,050.00 the agreed, estimated total cost of the project in which the Government will participate: *Provided,* That until the Operator's final report and final accounting have been rendered to the Government and any final check or auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of ten (10) percent of the maximum total which the Government might have been called upon to pay under the terms of the contract. The Government may, as it sees fit, make payments direct to the Operator's independent contractors, if any, for the account of the Operator, rather than to the Operator.

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[4] Strike out the provision not applicable.
[5] Name of mineral or minerals.

16—66329-1

(*b*) *Final report.*—Upon completion of the exploration work or termination of the contract the Operator shall provide the Government with an adequate geological and engineering report, in quintuplicate (five copies), including an estimate of ore reserves resulting from the exploration work.

(*c*) *Compliance with requirements.*—If, in the opinion of the Government, any of the Operator's reports are insufficient or incomplete, the Government may procure the making or completion of such reports and attachments as an expense of the exploration work; and the Government may withhold approval and payment of any vouchers depending upon insufficient or incomplete reports.

(*d*) *Accounts and audits.*—The Operator shall keep suitable records and accounts of the units of work performed, which the Government may inspect and audit at any time. The Government may at any time require a check of the work performed and an audit of the Operator's records and accounts, by a certified public accountant or otherwise, 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. Upon the completion of the project or termination of the contract the Operator shall render a final account and statement of work performed to accompany his final report.

ARTICLE 6. *Repayment by Operator.*—(*a*) If, at any time, the Government considers that a discovery or a development from which production may be made has resulted from the exploration work, the Government, at any time not later than 6 months after the Operator has rendered the required final report and final account, may so certify in writing to the Operator. The certification shall describe broadly or indicate the nature of the discovery or development. In the event of such certification, any minerals mined or produced from the land described in Article 2 within 10 years from the date of this contract, including any mined or produced before the certification, shall be subject to a percentage royalty which the Operator or his successor in interest shall pay to the Government, upon the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, until the total amount contributed by the Government, without interest, is fully repaid, or said 10 years have elapsed, whichever occurs first, as follows:

(1) One and one-half (1½) percent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(2) One and one-half (1½) percent of any such net amounts, plus one-half (½) percent of such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such net amounts.

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

(*b*) As here used, "net smelter returns," "net concentrator returns," and "other net amounts realized from the sale or other disposition," mean gross revenue from sales, or if not sold, the market value of the material after it is mined in the form in which and the place where it is held. In the case of integrated operations in which the material is not disposed of as such, these terms mean what is or would be the gross income from mining operations for percentage depletion purposes in income-tax determination.

(*c*) To secure the payment of its percentage royalty, the Government shall have and is hereby granted a lien upon the land described in Article 2 and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

(*d*) This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

ARTICLE 7. *Assignment, transfer, or loss of Operator's interest.*—Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder. The Operator shall not make any voluntary nor permit any involuntary transfer or conveyance of the Operator's rights in the land described in Article 2, without making suitable provision for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof; *Provided,* that mere failure by the Operator to maintain the Operator's rights in the land, without any consideration running to the Operator other than relief from the cost of maintaining such rights (as by surrender of a leasehold, failure to perform assessment work, or failure to exercise an option), coupled with complete abandonment by the Operator of all interest in or operations on the land for a period of 10 years from the date of this contract, shall not constitute such a transfer or conveyance. Should the Operator make or permit any transfer or conveyance in violation of this provision, the Operator shall be and remain liable for payment to the Government of the same amounts, at the same times, as would have been paid under the terms of the percentage royalty on production. If for any reason the net smelter returns, net concentrator returns, or other net amounts realized from the sale or other disposition of such production are not available as a means of measuring the amount of the Operator's liability, the amount thereof shall be estimated as well as may be, and in the event of dispute as to such estimates, the determination thereof by the Administrator of Defense Minerals Exploration Administration or by his successor shall be final and binding upon the Operator.

ARTICLE 8. *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 worth while discovery and in the opinion of the Government further operations are not justified.

ARTICLE 9. *Changes and added provisions* _____

_____

_____

_____

_____

Executed in sextuplicate the day and year first above written.

MURPHY MINING COMPANY

By _____ (Partner)
(Operator)

By _____ (Partner)

THE UNITED STATES OF AMERICA

By _____

Administrator, Defense Minerals Exploration Administration

I, _____, certify that I am the _____ secretary of the corporation named as Operator herein; that _____, who signed this contract on behalf of the Operator, was then _____ of said corporation; that said contract was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

_____ [CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE 16—66329-1

EXPLORATION PROJECT CONTRACT
MURPHY MINING COMPANY
DOCKET NO. DMEA-2802

ANNEX I

The mine is held under a mining lease from Vernis Rice and his wife, Etta Rice, dated November 1, 1952, (as amended February 11, 1953) and is more particularly described therein as follows:

"BEGINNING on the North bank of Brown's Creek, approximately 60 feet above a bridge, and runs North 15 East, passing a double three inch Ashe stump on the South bank of an access road at 30 feet, whole distance 300 feet, to a fence post (marked) on top of ridge in the North line of the property of OWNERS; thence with said North line and a fence thereon South 55 East 206 feet to a marked fence post in said line; thence South 30 West 300 feet to the center of Brown's Creek (passing a 4 inch marked crooked Maple on the North bank thereof); thence upstream with the meanders of said creek approximately 142 feet to the beginning, containing one and one fourth acres, more or less.

"AND BEING a part of the lands described in a certain deed from Raymond Robinson and wife, Lucille Robinson, to Vernis Rice and wife, Etta Rice, dated April 3rd, 1950, and recorded in the office of the Register of Deeds for Yancey County, North Carolina, in Book 109, at page 227, reference to which is made for more complete description."

EXPLORATION PROJECT CONTRACT
MURPHY MINING COMPANY
DOCKET NO. DMEA-2802

EXHIBIT "A"

Description of the Work

The project shall be performed in two stages as indicated on the map attached hereto, made a part hereof, and entitled "Sketch of Wiley Blevins Mine."

Stage I

A pegmatite within the boundaries of the property is to be stripped of surface soil over an area approximately 150' x 35 to a depth of 10' more or less.

Stage II

After Stage I is completed, the Field Team, Region VI, will inspect the outcrop exposure and determine if additional work is warranted, and upon its approval Stage II is to be performed. It shall consist of sinking an inclined shaft (5' x 7') at the location to be determined by the said Field Team, to a depth of 40 feet, and driving 50 feet of drifts or crosscuts from the inclined shaft to explore the pegmatite zone.

Agreed Unit Costs

Stage I

50 hours of bulldozing	$10/hr.	$ 500.00

Stage II

40 feet of shaft sinking	$45/ft.	$1800
50 feet of drifting or crosscuts @ $35/ft.	1750	3,550.00

Total Estimated Agreed Cost of Project	$4,050.00
Government Participation 90%	$3,645.00

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

August 7, 1953

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-2802, Mica, Wiley Blevins Mica Mine, Yancey County North Carolina

I concur in the field team's recommendation that no certification of discovery be issued for this project.

Signed

W. F. Dietrich

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

August 7, 1953

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-2802, Mica, Wiley Blevins Mica Mine, Yancey County North Carolina

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Signed

W. F. Dietrich

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

RECEIVED

August 7, 1953

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-2802, Mica, Wiley Blevins Mica Mine, Yancey County North Carolina

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Signed

W. F. Dietrich

R

AUG 3 1953 600

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: A Closing Review of Docket No. DMEA-2802 -Mica
Contract No. Idm-E-499
Date of contract- March 23, 1953
Property: Wiley Blevin Mica Mine
(sometimes called the Old Red Mine)
Yancey County, North Carolina
Applicant: Ben L. Ray and C. E. Hyde, partners, doing business as Murphy Mining Company, c/o C. E. Hyde, Towson Bldg., Murphy, North Carolina
Contract amount approved - $4,050.00
Total accepted cost - 500.00
Government's share @ 90% 450.00
Project work began April 13, 1953.
Stage I consisting of trenching was completed April 18, 1953.
Stage II, shaft sinking and drifting, was not started. The work was stopped by mutual consent. Termination agreement dated May 11, 1953.

Project not certified (See closing letter attached)

Docket Summary

12/8/52 Received exploration project application, MF-103.
12/8/52 Acknowledged receipt of application.
12/11/52 Letter to applicant requesting a better lease.
12/19/52 Memorandum from J. J. Norton, U. S. G. S., recommending a field examination.
1/16/53 Received new lease and Owner's Consent to Lien.
1/23/53 Memorandum from W. F. Dietrich, U. S. B. M., recommending a field examination.
2/5/53 Application referred to the DMEA Field Team, Region VII.
2/17/53 Received a report on the mine from Region VII. Report prepared by K. H. Teague and L. E. Shirley. A two stage project recommended. Amount Stage I- $500.00 Stage II- $3,550.00
3/23/53 Contract dated 3/23/53, Idm-E-499.
4/16/53 Received fully executed contract from Region VII.

4/30/53 Field Team reports Stage I is completed with unfavorable showings and recommends that the Stage II should not be performed.

5/7/53 Letter to Mr. Laurence, Executive Officer, Region VII, requesting that termination be made by mutual consent.

5/20/53 Received Termination Agreement fully executed. Date of termination, May 11, 1953.

Resume:

The final report from the field engineers refers to the project work as follows:

"The Wiley Blevin Mica Mine is 1000 feet east of Celo, Yancey County, North Carolina. It is on the north side of the road and along the north bank of Brown Creek".

"Stage I of this project was completed. Exposures at the completion of the trenching did not indicate sufficient evidence of strategic mica to warrant beginning Stage II; therefore, the project was terminated by mutual consent".

"Work completed consisted of stripping an area 150 feet long, 30 feet wide, to a depth of 10-15 feet. This cut is along a hillside and is in a northeasterly direction. Work began on April 13, 1953 and the project was terminated by mutual consent on April 21, 1953".

"Rock exposed in the cut is mainly a coarse-grained granite (alaskite?) with local small segregations of coarser pegmatitic material. The coarser pegmatite is lens-shaped in plan and probably extends to shallow depths".

"Approximately 100 pounds of Mica was recovered during Stage I. This is in small sizes containing small brown and black spots. Probably less than one pound of strategic mica can be processed from that obtained."

"This project was conducted in a satisfactory and efficient manner. No equipment was purchased, thus there is no salvage".

The Nonmetallic Minerals Division concurs in the above evaluation and recommends that no certification be made of discovery or development of strategic mica.

Unit cost: Bulldozer trenching only was performed. Excavations total approximately 1650 cubic yards, at a cost of 33¢ per cubic yard.

Project Cost: (Per final audit review)

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

Total cost as billed by Contractor		$500.00
Exceptions:		
By DMEA Finance Officer	$-0-	-0-
Herewith	$-0-	-0-
Total Accepted Cost		$500.00

The contract calls for a 90 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Four hundred fifty and no/100 dollars

-$450.00-

is considered valid and proper.

Signed (E. D. Talbert),
Auditor

Closing of Docket

This project is not certified for a discovery or development and the file is closed in accordance with the Administrator's form of closing letter attached hereto. (See closing letter)

Jasper T. Robertson
Nonmetallic Minerals Division

JTRobertson:dec 7/30/53
Copy to: Admr. R. File
Docket File
Mr. Houk

AUG 3 1953

Murphy Mining Company
C/o C. L. Hyde
Murphy, North Carolina

Re: Docket No. DMEA-2302 - Mica
Wiley Blevins Mica Mine
Yancey County, North Carolina

Dear Mr. Hyde:

This is with reference to the subject Exploration Contract between your company and the Government.

The final audit of the contract expenditures and the final reports of the Operator and of the Field Team have been received and accepted by this Administration. Of the total amount of $4,050 approved under the contract, the sum of $500.00 was expended, 90 percent of which, or $450.00, represented the Government's share. There were no unused materials, supplies or equipment to be disposed of for the joint account of the Operator and the Government. The exploration work was completed in a satisfactory manner.

Because the results of the exploration were unfavorable, it is not our intention to make a certification of discovery or development which would create a lien against the subject property. We are, therefore, closing our books and records with respect to this project. Your attention is called, however, to Article 5 (d) of the contract which requires the Operator to "keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract".

Your interest in the Exploration Program of the Defense Minerals Exploration Administration and your willingness to participate therein are appreciated.

Sincerely yours,

C. O. Mittendorf

Administrator

JTRobertson:gad 7/30/53
Copy to: Admr. R. File
Docket File
Operating Committee
Field Team, Region VII
Mr. Dietrich, 3526
Mr. Larrabee, C-232 GSA Bldg.
Mr. Houk

Received

JUL 8 1953

C O P Y

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

July 6, 1953

Memorandum

To: Chairman, Operating Committee, DMEA - Washington

From: Executive Officer - Field Team - D M E A

Subject: Final Reports.

Transmitted herewith are three copies each on the following:

DMEA-2619, Miller Mine, Idm-E439 (mica)

DMEA-2802, Wiley Blevins Mine, Idm-E499 (mica)

DMEA-2910, Earl Davis Prospect, Idm-E513(mica)

The Field Team concurs in the recommendation that no certification be made on any of the above listed contracts.

/s/ ROBERT A. LAURENCE
Robert A. Laurence, Executive Officer
DMEA Field Team, Region 7

/s/ WM. A. BECK,
Wm. A. Beck, for V. J. Lynch
U. S. Bureau of Mines

Reviewed by
DMEA OPERATING COMMITTEE
7-13-53
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

Field Team, Region VII

FINAL REPORT

on

DMEA-2802, WILEY BLEVINS MINE

Contract Idm-E499 (mica)

Yancey County, N. C.

By

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

and

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

Reviewed by
DMEA OPERATING COMMITTEE
7-13-53
(date)

FINAL REPORT
ON

DMEA-2802, WILEY BLEVINS MINE
Contract Idm-M499, (mica)

Operator: Murphy Mining Company, c/o C. E. Hyde, Townson Bldg.
Murphy, North Carolina

The Wiley Blevins mica mine is 1000 feet east of Celo, Yancey County, N. C. It is on the north side of the road and along the north bank of Brown Creek.

Stage I of this projectwas completed. Exposures at the completion of the trenching did not indicate sufficient evidence of strategic mica to warrant beginning Stage II; therefore, the project was terminated by Mutual Consent.

Work completed consisted of stripping an area 150 feet long, 30 feet wide, to a depth of 10-15 feet. This cut is along a hillside and is in a northwest direction. Work began on April 13, 1953 and the project was terminated by mutual consent on April 21, 1953.

Rock exposed in the cut is mainly a coarse grained granite (alaskite?) with local small segregations of coarser pegmatitic material. The coarser pegmatite is lens-shaped in plan and probably extends to shallow depths.

Approximately 100 pounds of mica was recovered during Stage I. This in small sizes containing small brown and black spots. Probably less than one pounds of strategic mica can be processed from that obtained.

Expenditures:

(a)	Total approved	$4,050.00
(b)	Total cost of project	500.00
(c)	Government's share of cost	450.00
(d)	Government's share unexpended	3,195.00
(e)	Value of production during operation	--None

This project was conducted in a satisfactory and efficient manner. No equipment was purchased for the project, thus there is no salvage.

June 26, 1953

Kefton H. Teague, USGS

Lawrence E. Shirley, Mining Eng.USBM.

ER

MF-104 (Rev.)
April 1952)

Mr. Burnett
Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.
Defense Minerals Administration
First and Final

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

RECEIVED MAY 11 1953

Month of April, 1953 Docket No. DMEA 2802 Contract No. Idm-E 499(mica)
Operator's Name Murphy Mining Company Minerals
Address Murphy, N.C.
Contract Amount, $~~500.00~~ $4050.00 was Government Participation: 90 % Amount, $3,645.00 was

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing	$500.00	none	$500.00	500.00		500.00
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$500.00	none	$500.00	500.00		500.00

I certify that the above bill is correct and just and that payment therefor has not been received.
Date April 24, 1953 *Payee Murphy Mining Company
Per Benn T. Ray Title partner

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

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

(Instructions on reverse)

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

$450.00

Signature Cora A. Piper
(Authorized Certifying Officer)

Date MAY 7 1953 Vou. No. 159
(See other side)

$50.00

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm E4149 in accordance with the terms of the contract.

Signature Kefton H. Teague Title Geologist U.S.G.S Date APR 29 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. A. Beck Title ACTING EXECUTIVE OFFICER REGION VII Date APR 29 1953

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

IR-104A
(1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

DEPARTMENT OF THE INTE
Defense Minerals Administra
RECEIVED
MAY 11 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of April 1953 Docket No. DMEA 2602 Contract No. Idm-S 479
Operator's Name Murphy Mining Company Minerals mica
Address Murphy, N.C.

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping	hour	$500.00	50	$500.00	50	$10.00		
Trenching								
Test Pits								
Roads and Trails								
Total Distributed Costs		$500.00	50	$500.00	50	$10.00		Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		$500.00	50	$500.00	50			

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

Date April 24, 1953 Operator Murphy Mining Company

Per Ben T. Ray Title partner

Remarks: This is a final report in that it completes stage one of the contract and the second stage was not authorized.

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

OPERATOR'S
FINAL REPORT
Month of April, 1953

DMEA 2802
IDM-E 499 (mica)

WORK ACCOMPLISHED

Excavated a cut diagonally across hill along pegmatite strike. The cut was approximately 35 feet wide, 12 feet deep on an average and 150 feet or more long. Approximately 2500 yards of dirt and rock was removed and spread out over owner's pasture so as not to be in his way or damage his property unduly. Found some mica in the pegmatite but it was not of good quality & did not encounter as much as expected. The prospect did not look sufficiently promising and was therefore disapproved. This, therefore is a final report and stage two is not to be carried out.

Daily notes.

April 13th. Started Harman A. Murphy, Bulldozer contractor, to stripping site with his TD 14 International Tractor. Worked nine hours this day moving topsoil.

April 14th. Continued stripping operation exposing a portion of pegmatite dike on east end of projected cut. Worked eight hours.

April 15th. Worked nine hours this date and uncovered pegmatite on west end of cut and exposed an old mine shaft which begun on north side of cut and extended down into pegmatite some 40 feet.

April 16th. Bulldozer worked on West end of cut cutting down into old shaft and workings and removing pegmatite to approximately ten feet deep on west end. In breaking out pegmatite around old shaft encountered a good bit of mica indication and got out one good block from which we sheeted approximately one pound of mica.

April 17th. Worked in attempting to complete breaking out as much of pegmatite as possible. Encountered large boulders which were difficult to remove. Large sandstone slab under pegmatite was unusually difficult to cut down. Found some scrap mica but most of it badly stained. No apparent definite mica formation.

April 18th. Completed as much of excavation as possible and finished removal and spreading out of dirt so as not to be in way of land owner. Excavation was approximately 20 feet high on back side and around eight feet on front side of cut. Cut was made 35 feet wide and some 150 or 160 feet long diagonally across the hill and with strike of pegmatite.

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

April 29, 1953

Mr. C. E. Hyde
Murphy Mining Co.
Townson Bldg.
Murphy, N. C.

Re: DMEA-2802, Contract Idm-2499
(mica)

Dear Mr. Hyde:

Your Monthly Report & Voucher has been received in this office and is being transmitted to the Finance Officer today for payment. Please note that a receipt for payment of the bulldozer rental is required as soon as possible after you receive payment from the Government.

Very truly yours,

Wm. A. Beck, Acting
Executive Officer, DMEA
Region 7

am.
cc:
Laurence
Lynch
Finance Office-3
Files

Inv. Relative

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration

MAY 4 1953

[illegible]

[illegible]-2502 Idm-2499 (mica) [illegible]

OPERATOR: Murphy Mining Company, c/o C. M. Hyde, Murphy, N. C.

LOCATION: 1000 ft. east of Celo, Yancey County, N. C. It is on the north bank of a gravel road and along the north bank of Brown Creek.

Stage I of this contract has been completed. This work consisted of stripping the surface by bulldozer which required approximately 50 hours machine time. A cut was made in a NW direction 100-120 ft. long, 30-40 ft. wide and 10 ft. deep. Sections of granitic and pegmatitic material were exposed and some mica recovered. The majority of mica was cracked, bent and contained biotite specks; the color was ruby and some small flat books were observed. It is the field examiners' opinion that not enough strategic grade mica can be recovered to warrant further exploration. It was recommended that no additional work be done on this project.

W. B. Larrabee, Commodity Specialist, U. S. Geological Survey, accompanied the field examiners on this visit to the mine.

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

E. M. Teague, Geologist
U. S. Geological Survey

April 21, 1953

RECEIVED
APR 30 1953
U. S. BUREAU OF MINES
DEF. MIN. ADM.
Knoxville, Tennessee

MAY 7 1953

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

Subject: Docket No. DMEA-2802 - Mica
Murphy Mining Company
Wiley Blevins Mica Mine
Yancey County, North Carolina
Contract No. Idm-E499

Dear Mr. Laurence:

Reference is made to your letter, dated April 28, 1953, pertaining to a termination of the subject project.

We agree that the project work should be discontinued and you are authorized to terminate the contract. If possible, termination should be by agreement with the operator on the form "Termination of Exploration Project Contract By Agreement After Commencement but Before Completion of the Work". If the operator does not agree to the termination you may terminate the contract on form "Notice of Termination of Exploration Project Contract, Under the Terms of the Contract, Before the Completion of the Work" deleting paragraphs (a) and (b) and the lines for signature of the operator.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

J. H. Hedges

Member, Bureau of Mines

A. R. Kinkel, Jr.

Member, Geological Survey

JTRobertson:gad 5/5/53
Copy to, Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

May 5, 1953

Memorandum

To: Chairman, Operating Committee

From: Nonmetallic Minerals Division

Subject: Docket No. DMEA-2302 - Mica
Murphy Mining Company
Wiley Blevins Mica Mine
Yancey County, North Carolina
Contract No. Idm-E499

Re: Notice of Termination

The accompanying memorandum, dated April 24, 1953, from the Field Team, Region VII, reports that Stage I of the project work is unsuccessful and they recommend that the contract be terminated before starting Stage II.

The Nonmetallic Minerals Division concurs with this recommendation and the attached letter to the Executive Officer, DMEA Field Team, Region VII, authorizes him to stop the project by termination.

Jasper T. Robertson
Nonmetallic Minerals Division

Attachment

JTRobertson:gad 5/5/53

Copy to: Admr. R. File
Docket File
Mr. Houk

600

MAR 2 3 1953

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

Subject: Docket No. DMEA-2302 - Mica
Wiley Elevins Mica Mine
Yancey County, North Carolina

Dear Mr. Laurence:

Please find herewith the original and five copies of a contract covering the subject exploration project which have been signed by the Government with register number and effective date as shown.

If the contract meets with your approval, present it to the Operator for his approval and signature. Please explain to the Operator that when the contract is executed, it is a firm commitment under the terms of which he is obligated to complete the work outlined at the agreed unit costs for the work. If any part of this contract does not have either your approval or that of the Operator and cannot be amended within your delegated authority, then the original and all copies of the contract are to be returned to this office, together with the proposed changes for consideration.

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

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee

Approved:

J. H. Hedges
Member, Bureau of Mines

A. R. Kinkel, Jr.
Member, Geological Survey

JTRobertson:gad 3/19/53

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

Enclosures 6

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

March 12, 1953

Memorandum

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 13 1953

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-2802, Mica, Wiley Blevins Mine, Yancey County North Carolina

I concur in the field team's recommendation for an exploration program in the amount of $4,050.00.

Signed

W. F. Dietrich

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

March 12, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 13 1953

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-2802, Mica, Wiley Blevins Mine, Yancey County North Carolina

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Signed

W. F. Dietrich

COPY

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

March 2, 1953

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-2802 (mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: R. E. Van Alstine, U. S. Geological Survey
Applicant: Murphy Mining Company, c/o C. E. Hyde, Murphy, North Carolina.
Name of property: Wiley Blevins mine.
Location of Property:
About 1,000 feet of Celo, Yancey County, North Carolina, on the north bank of Brown Creek.
Date of field team report: February 17, 1953.
Authorship of field team report: K. H. Teague and L. E. Shirley.
Field team's recommendation:
1) Limited exploration consisting of stripping an area 150'x35' to a depth of about 10 feet, to expose the pegmatite or pegmatites. After the stripping is completed, the field examiners should inspect the stripped area and determine whether additional work is justified.
2) If more exploration is warranted, an incline should be sunk on the pegmatite to a depth of about 40 feet, and 50 feet of drifts should be driven from the incline.

Comments:
None.

ACTION SUGGESTED:
Follow field team's recommendation.

R. E. Van Alstine

Van Alstine:jeh
G-3/2/53
CC: Director's reading file 4212
Branch reading 4212
DMEA
Nonmetals files G-228

COPY

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

March 2, 1953

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-2802 (mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: R. E. Van Alstine, U. S. Geological Survey
Applicant: Murphy Mining Company, c/o C. E. Hyde, Murphy, North Carolina.
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2) If more exploration is warranted, an incline should be sunk on the pegmatite to a depth of about 40 feet, and 50 feet of drifts should be driven from the incline.
Comments:
None.
ACTION SUGGESTED:
Follow field team's recommendation.

R. E. Van Alstine

Van Alstine:jeh
G-3/2/53
CC: Director's reading file 4212
Branch reading 4212
DMEA
Nonmetals files G-228

IN REPLY REFER TO:
G-MD-CNM

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

Mr. R.

March 2, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 3 1953

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-2802 (mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: R. E. Van Alstine, U. S. Geological Survey
Applicant: Murphy Mining Company, c/o C. E. Hyde, Murphy, North Carolina.
Name of property: Wiley Elevins mine.
Location of property:
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Date of field team report: February 17, 1953.
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2) If more exploration is warranted, an incline should be sunk on the pegmatite to a depth of about 40 feet, and 50 feet of drifts should be driven from the incline.
Comments:
None.
ACTION SUGGESTED:
Follow field team's recommendation.

R. E. Van Alstine

Van Alstine:jeh
G-3/2/53
cc: Director's reading file 4212
Branch reading 4212
DMEA
Van Alstine G-230
Nonmetals files G-228

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM, REGION VII

DMEA-2802, WILEY BLEVINS MINE
(mica)
Yancey County, N. C.

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

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

February 17, 1953

Reviewed by
DMEA OPERATING COMMITTEE
2-27-53
(date)

Field Examination on the

WILEY BLEVINS MINE

DMEA-2802 (mica)

Applicant: Murphy Mining Co., c/o C. E. Hyde
Murphy, North Carolina

Exposures at this place are generally poor. Evidence available, however, indicates that the prospect will justify a limited amount of exploration.

The deposit was examined February 11, 1953. Both applicants, C. E. Hyde and Ben L. Ray, and Vernis Rice accompanied the field examiners and two hours were spent on the examination.

The Wiley Blevins Mica Mine is located about 1000 feet east of Celo, Yancey County, North Carolina. It is on the north bank of a soil road and along the north bank of Brown Creek. Access to the mine is very good.

Both of the applicants appear to be competent to conduct the proposed exploration. The property on which the application is filed is held by the applicants under lease. It appears to be in good standing. Six copies of an amendment to the lease are inclosed which extend the starting time for the proposed operation until May 1, 1953. Area covered by the lease is adequate to cover the proposed project.

There are no surface facilities on the property. At present there are several shallow pits along the hillside, roughly aligned in a N. 50° W. direction, one incline along a pegmatite which connects with a short crosscut. None of the openings are more than 20 feet in depth.

Exposures are too poor to permit accurate appraisal of the geology at this place. In general it appears that one or more pegmatites have been intruded in a zone of hornblende gneiss which trends about N. 50° W., dipping 20° - 30° SW, more or less along the slope of the hillside. Thickness and mineral composition of the pegmatite or pegmatites cannot be determined.

Mica exposed in the dumps is of excellent quality. It is ruby in color, hard, flat, and clear. In general the sizes appear to be small. The recent sale of $300 worth of mica from this place came from the bed of the creek and was obtained from a different pegmatite than the one on which the field examiners recommend exploration.

It is recommended that exploration consist of stripping an area 150' x 35' to a depth of about 10 feet. This stripping is designed to expose the pegmatite or pegmatites which occur in this zone. After the stripping is completed, the field examiners should inspect the stripped area and determine additional work is justified. If more exploration is warranted an incline should be sunk on the pegmatite to a depth of about 40 feet and 50 feet of drifts be driven from the incline.

Estimated cost of this work is as follows:

Stage I:	50 hours of bulldozing @ $10/hr.	$ 500.00
Stage II:	40-foot 5' x 7' incline @ $45/ft	1,800.00
	50 feet of drifts @ $35/ft	1,750.00
	Estimated Total Cost	$4,050.00

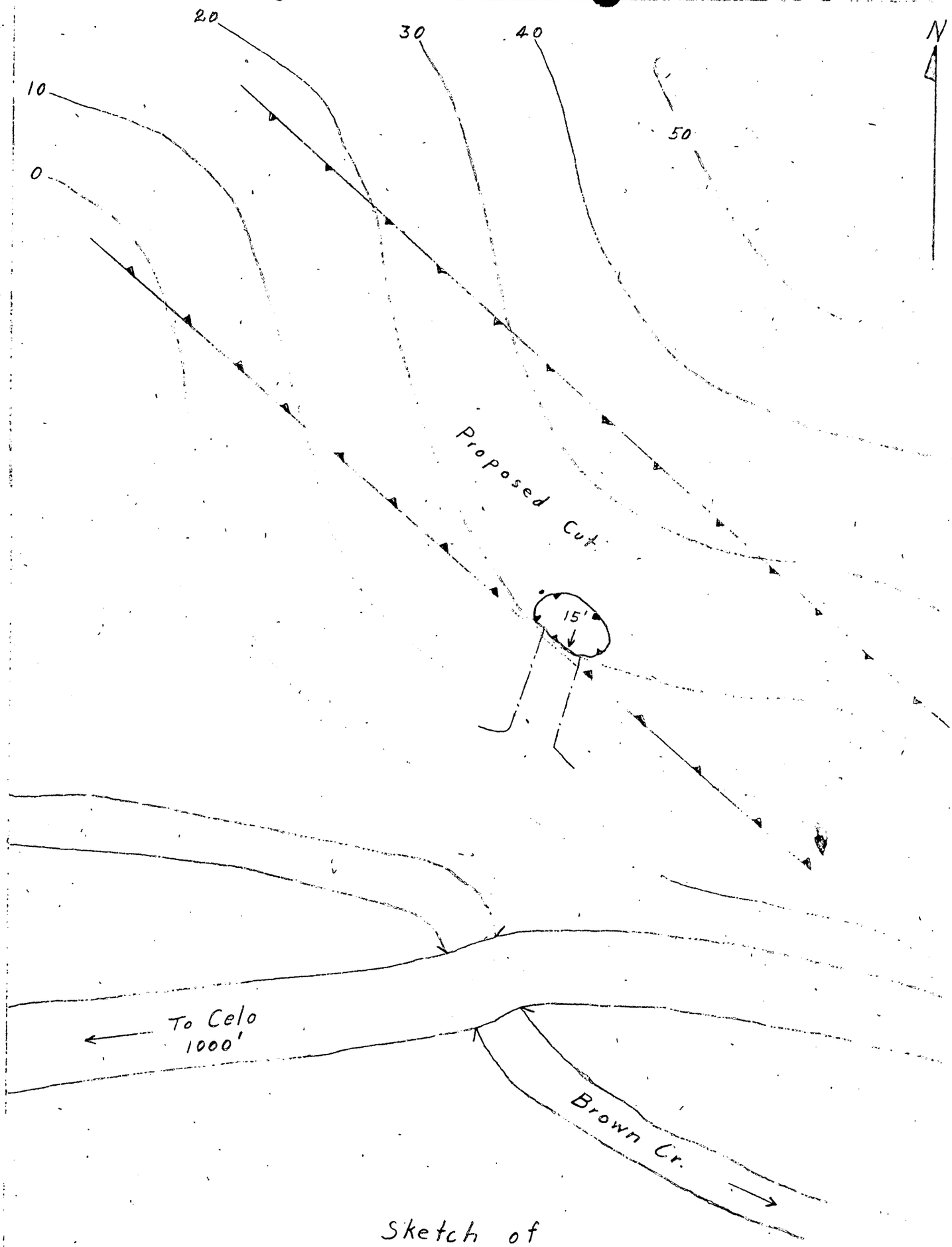
Estimated time required 60 shifts

February 17, 1953

K. H. Teague, USGS

L. E. Shirley, USBM

xx



Sketch of
Wiley Blevins Mine
Yancey Co., N.C.

0 20 40
Scale

DMEA-2802 (mica)

C. E. HYDE
ATTORNEY AT LAW
TOWNSON BUILDING TELEPHONE 145
MURPHY, N. C.

January 16, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 19 1953

Mr. Lawrence G. Houk, Chief
Nonmetallic Minerals Division
U.S. Department of the Interior
Defense Minerals Exploration Admin.
Washington 25, D. C.

Subject: Docket No. DMEA-2802- Mica
Wiley Blevin Mica Mine
Yancey County, North Carolina

Dear Sir:

As requested we complied with your instructions to obtain additional description and new lease from the owner, as well as Form MF-203, the request being contained in your letter of December 11, 1952.

We enclose herewith 6 copies of the new lease and 6 copies of the Form MF-203, Owner's Consent to Lien properly signed by owner. We were not able to secure additional time in which to start work and therefore would appreciate it if you can have inspection made of the property as soon as possible. The quality of this mica is unusually good and the color is beyond question and we would like very much to have it approved as soon as possible.

Yours very truly,

C. E. Hyde

C. E. Hyde

C
O
P
Y

C. E. HYDE

Attorney At Law

Townson Building Telephone 145

Murphy, N. ~~D.~~ C
North Carolina

January 16, 1953

Mr. Lawrence G. Houk, Chief
Nonmetallic Minerals Division
U. S. Department of the Interior
Defense Minerals Exploration Admin.
Washington 25, D. C.

Subject: Docket No. DMEA-2802 - Mica
Wiley Blevin Mica Mine
Yancey County, North Carolina

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Yours very truly,

/s/ C. E. Hyde

C. E. Hyde

C
O
P
Y

C. E. HYDE

Attorney At Law

Townson Building Telephone 145

Murphy, ~~N. D.~~ N. C

January 16, 1953

Mr. Lawrence G. Houk, Chief
Nonmetallic Minerals Division
U. S. Department of the Interior
Defense Minerals Exploration Admin.
Washington 25, D. C.

Subject: Docket No. DMFA-2802 - Mica
Wiley Blevin Mica Mine
Yancey County, North Carolina

Dear Sir:

As requested we complied with your instructions to obtain additional description and new lease from the owner, as well as Form MF-203, the request being contained in your letter of December 11, 1952.

We enclose herewith 6 copies of the new lease and 6 copies of the Form MF-203, Owner's Consent to Lien properly signed by owner. We were not able to secure additional time in which to start work and therefore would appreciate it if you can have inspection made of the property as soon as possible. The quality of this mica is unusually good and the color is beyond question and we would like very much to have it approved as soon as possible.

Yours very truly,

/s/ C. E. Hyde

C. E. Hyde

FEB 5 1953

Murphy Mining Company
c/o C. R. Hyde
Murphy, North Carolina

Subject: [illegible] - Mica
Valley Elevins Mica Mine
Yancey County, North Carolina

Dear Mr. Hyde:

Your application for assistance in exploring the Valley Elevins Mica Mine, Yancey County, North Carolina, has been reviewed by the Domestic Mineral Division of the Defense Minerals Administration and has been referred to Mr. Robert [illegible], [illegible] Field Team, Region VII, [illegible] Office Building, Knoxville 1, Tennessee, for a field examination.

[illegible] in regard to the [illegible] property. Any assistance which [illegible] the members of the field team during the examination will be appreciated.

Sincerely yours,

C. O. Mittendorf

Administrator

JTRobertson:mad 2/5/53

Copy for Robt. R. Ziss
Operating Committee
Field Team, Region VII
Docket File
Mr. Meiri [illegible], 3526
Mr. Norton, C-232 GSA Bldg.
Mr. Houk

5 0

FEB 5 1953

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

Subject: Docket No. DMEA-2802 - Mica
Wiley Blevins Mica Mine
Yancey County, North Carolina

Dear Mr. Laurence:

A Field Team review is requested for the subject application for exploration assistance. Enclosed you will find copies of memoranda on the subject by W. W. Dietrich, USBM, and J. J. Norton, USGS.

We are also transmitting, for your file, a copy of a new lease just received from the applicant. You will note that the lease requires that work begin by March 1, 1953. This allows very short time to examine the mine and to prepare a contract. It may be necessary for the Field Team to discuss this with the lessee in order that he may secure an extension of time for starting work under the lease. Your attention is called to the last paragraph on page one of the lease.

This office has received from the applicant six copies of "Owner's Consent to Lease", the amount not to exceed $6,995.00. The application seems to be in order with the exceptions noted above.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved.

J. H. Hedges

Member, Bureau of Mines

A. R. Kinkel, Jr.

Member, Geological Survey

Enclosures 4

JTRobertson:gad 2/3/53

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

600

DEC 11 1952

Murphy Mining Company
c/o C. S. Hyde
Murphy, North Carolina

Subject: Docket No. 1904A-2802 - Mica
Wiley Elevin Mica Mine
Yancey County
North Carolina

Dear Mr. Hyde:

Reference is made to the above referred application, and in particular, to the description of the land in the lease agreement.

A description of the boundaries is not clearly specified. It is necessary that we have a metes and bounds description, or some other description, to properly identify the boundaries of what is the lease is called the Wiley Elevin Mica Mine. Please obtain a new lease, or an amendment to the present one, in which a more positive description will be given. A sketch map showing the boundaries of the mine would be helpful.

Enclosed find seven copies of Form MF-203, Owner's Consent to Lien, which, if you have not already done so, please have signed by the mine owners and return six copies to this office.

Sincerely yours

SIGNED

Lawrence G. Houk, Chief
Nonmetallic Minerals Division

Enclosures 7

JTRobertson:fls 12/11/52

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

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

Department of the Interior
Defense Minerals Administration
RECEIVED
DEC 3 1952

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

Not to be filled in by applicant

Docket No. DMEA-2802
Metal or Mineral
Date Received 12/8/52
Estimated Cost
Participation (Government %)

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address: Ben L. Ray and C. E. Hyde, partners, d/b/a Murphy Mining Company
(b) partnership organized in North Carolina, Cherokee County.
(d) Ben L. Ray, Andrews, N.C.
C. E. Hyde, Murphy, N.C.

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

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

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

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

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

(*b*) State any mine name by which the property is known. Wiley B. Levins Mica Mine

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

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

(*e*) If you own the land, describe any liens or encumbrances on it

(*f*) If the land consists of unpatented claims, add to the description above, the book and page numbers for each recorded location notice.

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

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

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

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

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

Ruby Mica

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

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

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

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

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

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

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

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

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

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

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

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

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

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

yes

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

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

x x

☐ Money ☐ Use of equipment owned by you ☐ Other

Explain in detail on acompanying paper.

CERTIFICATION

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

2

Dated December 1st, 195__

Murphy Mining Company

O. E. Hyde partner

(Applicant)

By Ben L. Ray partner

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

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

SUPPLEMENT TO APPLICATION OF BEN L. RAY AND C. E. HYDE, d/b/a MURPHY MINING COMPANY FOR AID IN EXPLORATION PROJECT PURSUANT TO DMEA ORDER 1.

4 (a) PHYSICAL DESCRIPTION. Within the past few weeks ruby mica has been taken from this location and sold at Spruce Pine under the present program, the same having been removed by a previous lessee who has now ceased operations. In past years a shaft was sunk over vein to a depth of about 20 feet. Considerable mica was reputedly removed. The workings are beside a good gravel road within a few miles of Burnsville, N.C. and completely accessible.

(b) Nothing is known of old production but the mica taken from the location recently was sold at Spruce Pine under the present program for around $300.00. It is understood that the miner only worked a few days and had to quit that particular location on account of creek water.

(c) The mica is in vein, embedded in pegmatite, plentifully streaked with quartz. The mica is of exceptionally high quality but not large. There is no doubt of its being ruby mica in that it has already been accepted at Spruce Pine purchasing depot.

(d) The project is completely accessible and within only some twenty or so miles of Spruce Pine, N.C.

(e) Manpower is already arranged for, and materials and equipment are available. Electricity is close by and available. We have compressor and drill.

5. THE EXPLORATION PROJECT(b)It is intended to use bull-dozer for a few days to remove overburden and then open cut until best location for shaft is apparrent and vein is definitely located.

(d) It is intended that Ben L. Ray, one of the partners, will supervise the work. Mr. Ray is familiar with mica mining, having been born and raised in Yancey County, N.C. He worked for his father, R. M. Ray, who found and suc-

cessfully operated the Blue Rock Mine at Blue Rock in Mitchell County for three or four years. Mr. Ray has operated a rock quarry for the past six years and is thoroughly familiar with the shooting and drilling of rock. Both partners have also been engaged for approximately three years in the drilling and prospecting for talc in Cherokee County.

6. Estimate of costs is as follows: the figures quoted are costs over the expected exploration period of four months:

Independent contractors -- None

Labor, driller	$1280.00
labor, helper	640.00
Supervisor, (two hundred per month)	800.00
Bulldozer	500.00
Consultant	100.00
Electricity	60.00
Fuel	390.00
Drill bits, steel, small tools	300.00
Explosives	280.00
Bookkeeping	75.00
Use allowance on compressor & drill	300.00
Cost of hoist	1500.00
Workmen's Compensation & liability insurance	300.00
unforseen contingencies	500.00
Total	$6995.00

7. We are prepared to contribute our portion of costs in any manner required, but our present intent is to furnish the compressor, drill and equipment as a portion thereof at $300.00 use allowance, and also to furnish supervision at $200.00 per month, which can be credited upon our contribution. If preferred we can pay our portion in cash.

THE GREAT STATE OF NORTH CAROLINA

COUNTY OF YANCEY

THIS MINING LEASE made and entered into this the 1st day of November 1952 by and between VERNIS RICE and wife, ETTA RICE, parties of the first part, hereinafter referred to as OWNERS, and BEN L. RAY and C. F. HYDE, parties of the second part, hereinafter referred to as LESSEES.

W I T N E S S E T H :

That the OWNERS, for and in consideration of the performance of the conditions and agreements and the payment of royalties as hereinafter set forth, have bargained and sold and by these presents do bargain, lease and grant unto the LESSEES, their heirs and assigns, for a period of time fixed in paragraph 1 below, a certain mine known as the Riley Blevins Mica Mine located upon what is known as the Raymond Robinson lands, which mine is on the North side of Browns Creek in South Toe Township, Yancey County, North Carolina, including a strip of land 100 feet in width, 50 feet in each direction from the center line of the said Blevins Mine, and extending to the end of such vein, provided such end is not beyond the boundary of the OWNERS' land.

TO HAVE AND TO HOLD said premises unto the LESSEES, their heirs and assigns, for the period of time fixed in paragraph 1 below, upon full compliance with each and all of the following conditions and agreements:

1. PERIOD OF TIME. This lease shall begin as of the date hereof and be in full force and effect for a period of Five (5) Years, unless sooner terminated as hereinafter provided.

The LESSEES shall begin mining operations under this lease in the manner required in paragraph 3 below, on or before the 1st day of March 1953.

The failure to begin such operations on or before the 1st day of March 1953 shall automatically terminate this lease and the OWNERS shall then have the right to re-enter and take possession of the premises without further notice to the LESSEES.

If the LESSEES should, for any cause, fail, for a period of 30 days at any one time after 1 March 1953, to conduct mining operations upon said premises in a workman-like manner, weather permitting, using proper and sufficient machinery, tools, equipment, and labor, then and in that event this lease shall automatically terminate and be of no further effect and, upon the termination of this lease, the OWNERS shall have the right to re-enter and take possession of the premises without further notice to the LESSEES.

If the LESSEES should fail to pay any royalty as herein required, for a period of ten (10) days after such royalty is due and payable, then and in that event the OWNERS may declare this lease null and void and of no further force and effect (except as to the liability of the LESSEES to pay the royalties) and re-enter and take possession of the premises without further notice.

2. MINING RIGHTS. The LESSEES shall have a right to enter upon said premises and search for, dig, quarry and obtain mica and any and all other minerals and, in so doing, may use bulldozer, and any other machinery, tools, appliances and labor as the LESSEES may elect.

The LESSEES shall have the right of ingress and egress to said mine, and a right to use roads and ways over the premises of the OWNERS for the purpose of operating said mine and removing the minerals therefrom.

The LESSEES shall have a right to dump waste on the nearby lands of the OWNERS as may be reasonably necessary in mining operations. It is expressly understood and agreed that no waste shall be dumped upon and no damage shall be done to the cleared fields on the lands of the OWNERS.

3. MANNER OF WORK. The LESSEES shall use sufficient machinery, equipment, tools, appliances and labor so as to conduct mining operations upon said premises in a workman-like manner, and the failure to do so, weather permitting, for a period of thirty (30) days at any one time shall cause this lease to terminate as stated in paragraph 1 above.

4. ROYALTY. The LESSEES shall and hereby expressly agree to pay to the OWNERS a royalty or royalties for all minerals mined and removed from said premises as follows:

(a). One-eighth (1/8) of all mica;

(b). One Dollar ($1.00) per ton (2240 lbs.) for all feldspar; and

(c) The usual and customary royalty in this locality on any and all other minerals.

Payment of royalties shall be paid by the LESSEES to the OWNERS immediately after each sale and within five (5) days from each sale for any mica or other minerals removed from said premises.

5. RECORDS AND STATEMENTS. The LESSEES shall keep an accurate daily record of the kinds and weights of all mica mined from said premises and shall keep an accurate record of all weights and amounts of other minerals mined and removed from said premises and,

at the time of payment of any royalty, the LESSEES shall furnish to the OWNERS, or their agent, a duplicate statement from the purchaser showing the amounts, weights and prices of such minerals mined and removed from said premises.

The OWNERS, or their agent, shall have a right to inspect all books and records of the LESSEES as to all minerals mined from said premises.

6. TIMBER. The LESSEES shall have a right to use timber from said premises as may be reasonably necessary for mining purposes under this lease, but no timber of the OWNERS shall be used for any other purpose.

7. COVENANTS. The OWNERS covenant to and with the LESSEES, their heirs and assigns, that they have a right to execute this lease upon the terms herein contained; that the premises are free and clear from all encumbrances; and that they will forever warrant and defend the title to the same against the claims of all persons whomsoever.

IN WITNESS WHEREOF, the said OWNERS and the said LESSEES, have hereunto signed their signatures and affixed their seals, in duplicate, the day and year first above written.

Vernis Rice (SEAL)

Etta Rice (SEAL)
OWNERS

Ben L. Ray (SEAL)

C. E. Hyde (SEAL)
LESSEES

THE GREAT STATE OF NORTH CAROLINA

COUNTY OF YANCEY

I, Gladys Young, a Notary Public, do hereby certify that Vernis Rice and wife, Etta Rice, as OWNERS, personally appeared before me this day and acknowledged the due execution of the foregoing MINING LEASE for all the purposes therein expressed.

WITNESS my signature and official seal this the 26th day of November 1952.

Gladys Young
Notary Public

My commission expires: 24 January 1954

THE GREAT STATE OF NORTH CAROLINA
COUNTY OF CHEROKEE

I, Anna B. Jenkins, Notary Public, do hereby certify that Ben L. May and C. E. Hyde, as LESSEES, personally appeared before me this day and acknowledged the due execution of the foregoing MINING LEASE for all the purposes therein expressed.

WITNESS my signature and official seal this the 10th day of November 1952.

Anna B. Jenkins
Notary Public

My commission expires: Oct. 17, 1954.

[illegible] ,

[illegible] Yancey

[illegible] made and entered into this the 1st day of November, 1952, by and between [illegible] and [illegible], [illegible], parties of the first part, hereinafter referred to as [illegible], and [illegible] and C. L. [illegible], parties of the second part, hereinafter referred to as [illegible],

[illegible]:

That the [illegible], for and in consideration of the performance of the conditions and agreements and the payment of royalties as hereinafter set forth, have bargained and sold and by these presents do bargain, lease and grant unto the [illegible], their heirs and assigns, for a period of time fixed in paragraph 1 below, a certain line known as the Oil and Gas line (recently marked by Riley Blevins), and more particularly described as follows:

[illegible] on the North bank of Brown's Creek, approximately 60 feet above a bridge, and runs North 15 East, passing a double three inch hickory stump on the South bank of an access road at 30 feet, whole distance 300 feet, to a fence post (marked) on top of ridge in the North line of the property of [illegible]; thence with a [illegible] North line and a fence thereon South [illegible] East [illegible] feet to a marked fence post in said line; thence South 30 East [illegible] feet to the center of Brown's Creek (passing a 4 inch marked crooked maple on the South bank thereof); thence upstream with the meandering of said creek approximately 142 feet to the beginning, containing one and one fourth acres, more or less.

[illegible] a part of the lands described in a certain deed from Raymond Robinson and wife, Lucille Robinson, to Verdin Rice and wife, Etta Rice, dated April 3rd, 1950, and recorded in the office of the Register of Deeds for Yancey County, North Carolina, in Book 179, at page 227, reference to which is made for more complete description.

[illegible] said premises unto the [illegible], their heirs and assigns, for the period of time fixed in paragraph 1 below, upon full compliance with each and all of the following conditions and agreements:

1. [illegible]. This lease shall begin as of the date hereof and be in full force and effect for a period of five (5) years, unless sooner terminated as hereinafter provided.

[illegible] shall begin drilling operations under this lease on the acreage described in paragraph 3 below, on or before the 1st day of March, 1953.

The failure to begin such operations on or before the 1st day of March, 1953, shall automatically terminate this lease and the [illegible] shall then have the right to re-enter and take possession of the premises without further notice to the [illegible].

If the [illegible] should, for any cause, fail, for a period of 30 days at any one time after 1 March 1953, to conduct mining operations upon said premises in a workman-like manner, weather permitting, using proper and sufficient machinery, tools, equipment, and labor, then and in that event this lease shall automatically terminate and be of no further effect and, upon the termination of this lease, the [illegible] shall have the right to re-enter and take possession of the premises without further notice to the [illegible].

If the [illegible] should fail to pay any royalty as herein required, for a period of ten (10) days after such royalty is due and payable, then and in that event the [illegible] may declare this lease null and void and of no further force and effect (except as to the liability of the [illegible] to pay the royalties) and re-enter and take possession of the premises without further notice.

2. [illegible]. The [illegible] shall have a right to enter upon said premises and search for, dig, quarry and obtain [illegible] and any and all other minerals and, in so doing, may use bulldozer, and any other machinery, tools, appliances and labor as the [illegible] may elect.

The [illegible] shall have the right of ingress and egress to said mine, and a right to use roads and ways over the premises of the [illegible] for the purpose of operating said mine and removing the minerals therefrom.

The [illegible] shall have a right to dump waste on the vacant lands of the [illegible] as may be reasonably necessary in mining operations. It is expressly understood and agreed that no waste shall be dumped upon and no damage shall be done to the cleared fields on the lands of the [illegible].

It is agreed that in addition to the mining rights conveyed herein upon the property specifically described above, that [illegible] shall have the right, so long as they stay below the surface of the ground, to follow and take mica or other minerals from any vein which they may locate even though the same may extend beyond the limits specifically described above. Further, that [illegible] may follow and take mica or other minerals from any such vein anywhere under the property of [illegible] as described in the aforesaid deed from Hay and Robinson et ux to the [illegible].

3. [illegible]. The [illegible] shall use sufficient machinery, equipment, tools, appliances and labor so as to conduct mining operations upon said premises in a workman-like manner, and the failure to do so, weather permitting, for a period of thirty (30) days at any one time shall cause this

lease to terminate as stated in paragraph 1 above.

4. ROYALTY. The [illegible] shall and hereby expressly agree to pay to the [illegible] a royalty or royalties for all minerals mined and removed from said premises as follows:

(a). One-eighth (1/8) of all ilmenite;

(b). One Dollar ($1.00) per ton (2240 lbs.) for all [illegible] feldspar; and

(c). The usual and customary royalty in this locality on any and all other minerals.

Payment of royalties shall be paid by the [illegible] to the [illegible] immediately after each sale and within five (5) days from each sale for any ilmenite or other minerals removed from said premises.

5. RECORDS AND REPORTS. The [illegible] shall keep an accurate daily record of the kinds and weights of all ilmenite mined and amounts of other minerals mined and removed from said premises and, at the time of payment of any royalty, the [illegible] shall furnish to the [illegible], or their agent, a duplicate statement from the purchaser showing the amounts, weights and prices of such minerals mined and removed from said premises.

The [illegible], or their agent, shall have a right to inspect all books and records of the [illegible] as to all minerals mined from said premises.

6. TIMBER. The [illegible] shall have a right to use timber from said premises as may be reasonably necessary for mining purposes under this lease, but no timber of the owners shall be used for any other purpose.

7. WARRANTY. The [illegible] covenant to and with the [illegible], their heirs and assigns, that they have a right to execute this lease upon the terms herein contained; that the premises are free and clear from all encumbrances; and that they will forever warrant and defend the title to the same against the claims of all persons whomsoever.

IN WITNESS WHEREOF, the said [illegible] and the said [illegible] have hereunto

signed their signatures and affixed their seals, in duplicate, the day and year first above written.

Vernis Rice (SEAL)

Etta Rice (SEAL)
OWNERS

& C. E. Hyde (SEAL)

Ben L. Ray (SEAL)

STATE OF NORTH CAROLINA,

COUNTY OF YANCEY

I, Gladys Young, Notary Public, do hereby certify that Vernis Rice and wife, Etta Rice, as OWNERS, personally appeared before me this day and acknowledged the due execution of the foregoing MINING LEASE for all the purposes therein expressed.

Witness my signature and official seal this the 7th day of January, 1953.

My commission expires:
1-24-54

(SEAL)

Gladys Young
Notary Public

STATE OF NORTH CAROLINA,

COUNTY OF CHEROKEE

I, Wanda Edwards, NOTARY PUBLIC, do hereby certify that Ben L. Ray and C. E. Hyde, as LESSEES, personally appeared before me this day and acknowledged the due execution of the foregoing MINING LEASE for all the purposes therein expressed.

WITNESS my signature and official seal this the 3rd day of January, 1953.

Wanda Edwards
Notary Public

My Commission Expires: Dec. 4, 1954 (N. P. SEAL)

STATE OF NORTH CAROLINA
COUNTY OF YANCEY

Whereas under date of November 1, 1952, the undersigned Vernis Rice and Etta Rice executed to C. E. Hyde and Ben L. Ray a mining lease for mica on a mine located in Celo Township, Yancey County, North Carolina, known as the Old Red Mine or Riley Blevins Mine near the North bank of Brown's Creek on property of the undersigned more particularly described in said instrument, reference to which is made.

And Whereas by the terms of said lease the said Hyde and Ray were to begin mining operations upon said property on or before March 1, 1953;

And Whereas the undersigned desire to amend said lease to provide additional time in which said operations may be begun;

Now Therefore the undersigned do hereby agree that the said C. E. Hyde and Ben L. Ray may have an additional two months time in which to begin their mining or exploration upon said property or until May 1, 1953, and their failure to begin such operations prior to May 1, 1953 shall not in any manner invalidate said lease.

This 11th day of February, 1953.

Vernis Rice (SEAL)

Etta Rice (SEAL)

Walter Rice
Witness

COPY

STATE OF NORTH CAROLINA
COUNTY OF YANCEY

Whereas under date of November 1, 1952, the undersigned Vernie Rice and Etta Rice executed to C. F. Hyde and Ben L. Ray a mining lease for mica on a mine located in Celo Township, Yancey County, North Carolina, known as the Old Red Mine or Riley Blevins Mine near the North bank of Jacob's Creek on property of the undersigned more particularly described in said instrument, reference to which is made.

And whereas by the terms of said lease the said Hyde and Ray were to begin mining operations upon said property on or before March 1, 1953;

And whereas the undersigned desire to amend said lease to provide additional time in which said operations may be begun;

Now Therefore the undersigned do hereby agree that the said C. F. Hyde and Ben L. Ray may have an additional two months time in which to begin their mining or exploration upon said property or until May 1, 1953, and their failure to begin such operations prior to May 1, 1953 shall not in any manner invalidate said lease.

This 11th day of February, 1953.

Vernie Rice (SEAL)

Etta Rice (SEAL)

Walter Rice
Witness

STATE OF NORTH CAROLINA,

COUNTY OF YANCEY

THIS LEASE made and entered into this the 1st day of November, 1952, by and between [illegible] and wife, [illegible], parties of the first part, hereinafter referred to as [illegible], and [illegible] RAY and C. E. HYDE, parties of the second part, hereinafter referred to as [illegible],

WITNESSETH:

That the [illegible], for and in consideration of the performance of the conditions and agreements and the payment of royalties as hereinafter set forth, have bargained and sold and by these presents do bargain, lease and grant unto the [illegible], their heirs and assigns, for a period of time fixed in paragraph 1 below, a certain mine known as the Old Red Mine (recently worked by Riley Blevins), and more particularly described as follows:

BEGINNING on the North bank of Brown's Creek, approximately 60 feet above a bridge, and runs North 15 East, passing a double three inch Ashe stump on the South bank of an access road at 30 feet, whole distance 300 feet, to a fence post (marked) on top of ridge in the North line of the property of [illegible]; thence with said North line and a fence thereon South 55 East 206 feet to a marked fence post in said line; thence South 30 West 300 feet to the center of Brown's Creek (passing a 4 inch marked crooked Maple on the North bank thereof); thence upstream with the meanders of said creek approximately 142 feet to the beginning, containing one and one fourth acres, more or less.

AND BEING a part of the lands described in a certain deed from Raymond Robinson and wife, Lucille Robinson, to Vernis Rice and wife, Etta Rice, dated April 3rd, 1950, and recorded in the office of the Register of Deeds for Yancey County, North Carolina, in Book 109, at page 227, reference to which is made for more complete description.

TO HAVE AND TO HOLD said premises unto the [illegible], their heirs and assigns, for the period of time fixed in paragraph 1 below, upon full compliance with each and all of the following conditions and agreements:

1. PERIOD OF TIME. This lease shall begin as of the date hereof and be in full force and effect for a period of five (5) years, unless sooner terminated as hereinafter provided.

[illegible] shall begin mining operations under this lease in the manner required in paragraph 3 below, on or before the 1st day of March, 1953.

The failure to begin such operations on or before the 1st day of March, 1953, shall automatically terminate this lease and the [illegible] shall then have the right to re-enter and take possession of the premises without further notice to the [illegible].

If the LESSEES should, for any cause, fail, for a period of 30 days at any one time after 1 March 1953, to conduct mining operations upon said premises in a workman-like manner, weather permitting, using proper and sufficient machinery, tools, equipment, and labor, then and in that event this lease shall automatically terminate and be of no further effect and, upon the termination of this lease, the OWNERS shall have the right to re-enter and take possession of the premises without further notice to the LESSEES.

If the LESSEES should fail to pay any royalty as herein required, for a period of ten (10) days after such royalty is due and payable, then and in that event the OWNERS may declare this lease null and void and of no further force and effect (except as to the liability of the LESSEES to pay the royalties) and re-enter and take possession of the premises without further notice.

2. MINING RIGHTS. The LESSEES shall have a right to enter upon said premises and search for, dig, quarry and obtain mica and any and all other minerals and, in so doing, may use bulldozer, and any other machinery, tools, appliances and labor as the LESSEES may elect.

The LESSEES shall have the right of ingress and egress to said mine, and a right to use roads and ways over the premises of the OWNERS for the purpose of operating said mine and removing the minerals therefrom.

The LESSEES shall have a right to dump waste on the nearby lands of the OWNERS as may be reasonably necessary in mining operations. It is expressly understood and agreed that no waste shall be dumped upon and no damage shall be done to the cleared fields on the lands of the OWNERS.

It is agreed that in addition to the mining rights conveyed herein upon the property specifically described above, that LESSEES shall have the right, so long as they stay below the surface of the ground, to follow and take mica or other minerals from any vein which they may locate even though the same may extend beyond the limits specifically described above. Further, that LESSEES may follow and take mica or other minerals from any such vein anywhere under the property of OWNERS as described in the aforesaid deed from Raymond Robinson et ux to them.

3. MANNER OF WORK. The LESSEES shall use sufficient machinery, equipment, tools, appliances and labor so as to conduct mining operations upon said premises in a workman-like manner, and the failure to do so, weather permitting, for a period of thirty (30) days at any one time shall cause this

lease to terminate as stated in paragraph 1 above.

4. ROYALTY. The LESSEES shall and hereby expressly agree to pay to the OWNERS a royalty or royalties for all minerals mined and removed from said premises as follows:

(a). One-eighth (1/8) of all mica;

(b). One Dollar ($1.00) per ton (2240 lbs.) for all feldspar; and

(c). The usual and customary royalty in this locality on any and all other minerals.

Payment of royalties shall be paid by the LESSEES to the OWNERS immediately after each sale and within five (5) days from each sale for any mica or other minerals removed from said premises.

5. RECORDS AND STATEMENTS. The LESSEES shall keep an accurate daily record of the kinds and weights of all mica mined and amounts of other minerals mined and removed from said premises and, at the time of payment of any royalty, the LESSEES shall furnish to the OWNERS, or their agent, a duplicate statement from the purchaser showing the amounts, weights and prices of such minerals mined and removed from said premises.

The OWNERS, or their agent, shall have a right to inspect all books and records of the LESSEES as to all minerals mined from said premises.

6. TIMBER. The LESSEES shall have a right to use timber from said premises as may be reasonably necessary for mining purposes under this lease, but no timber of the owners shall be used for any other purpose.

7. COVENANTS. The OWNERS covenant to and with the LESSEES, their heirs and assigns, that they have a right to execute this lease upon the terms herein contained; that the premises are free and clear from all encumbrances; and that they will forever warrant and defend the title to the same against the claims of all persons whomsoever.

IN WITNESS WHEREOF, the said OWNERS and the said LESSEES have hereunto

signed their signatures and affixed their seals, in duplicate, the day and year first above written.

Vernis Rice (SEAL)

Etta Rice (SEAL)
OWNERS

C. E. Hyde (SEAL)

Ben L. Ray (SEAL)

STATE OF NORTH CAROLINA,

COUNTY OF YADKIN

I, Gladys Young, Notary Public, do hereby certify that Vernis Rice and wife, Etta Rice, as OWNERS, personally appeared before me this day and acknowledged the due execution of the foregoing [illegible] and for all the purposes therein expressed.

Witness my signature and official seal this the 7th day of January, 1953.

My commission expires:
1-21-54

(SEAL)

Gladys Young
Notary Public

STATE OF NORTH CAROLINA,

COUNTY OF [illegible]

I, Wanda Edwards, NOTARY PUBLIC, do hereby certify that Ben L. Ray and C. E. Hyde, as LESSEES, personally appeared before me this day and acknowledged the due execution of the foregoing [illegible] for all the purposes therein expressed.

Witness my signature and official seal this the 3rd day of January, 1953.

Wanda Edwards
Notary Public

My Commission Expires: Dec. 4, 1954 (N. P. SEAL)

STATE OF NORTH CAROLINA
COUNTY OF YANCEY

Whereas under date of November 1, 1952, the undersigned Vernie Rice and Etta Rice executed to C. E. Hyde and Ben L. Ray a mining lease for mica on a mine located in Celo Township, Yancey County, North Carolina, known as the Old Red Mine or Riley Blevins Mine near the North bank of Groves's Creek on property of the undersigned more particularly described in said instrument, reference to which is made.

And Whereas by the terms of said lease the said Hyde and Ray were to begin mining operations upon said property on or before March 1, 1953;

And Whereas the undersigned desire to amend said lease to provide additional time in which said operations may be begun;

Now Therefore the undersigned do hereby agree that the said C. E. Hyde and Ben L. Ray may have an additional two months time in which to begin their mining or exploration upon said property or until May 1, 1953, and their failure to begin such operations prior to May 1, 1953 shall not in any manner invalidate said lease.

This 11th day of February, 1953.

Vernie Rice (SEAL)

Etta Rice (SEAL)

Walter Rice
Witness

COPY

STATE OF NORTH CAROLINA,

COUNTY OF YANCEY

THIS AGREEMENT made and entered into this the 1st day of November, 1952, by and between [illegible], [illegible], parties of the first part, hereinafter referred to as [illegible], and [illegible] and G. B. [illegible], parties of the second part, hereinafter referred to as [illegible],

WITNESSETH:

That the [illegible], for and in consideration of the performance of the conditions and agreements and the payment of royalties as hereinafter set forth, have bargained and sold and by these presents do bargain, lease and grant unto the [illegible], their heirs and assigns, for a period of time fixed in paragraph 1 below, a certain mine known as the Oil Red mine (recently worked by Riley Blevins), and more particularly described as follows:

BEGINNING on the North bank of Brown's Creek, approximately 60 feet above a bridge, and runs North 15 East, passing a double three inch Ashe stump on the South bank of an access road at 30 feet, whole distance 300 feet, to a fence post (marked) on top of ridge in the North line of the property of [illegible]; thence with said North line and a fence thereon South 55 East 206 feet to a marked fence post in said line; thence South 30 West 300 feet to the center of Brown's Creek (passing a 4 inch marked crooked maple on the South bank thereof); thence upstream with the meanders of said creek approximately 142 feet to the beginning, containing one and one fourth acres, more or less.

AND being a part of the lands described in a certain deed from Raymond Robinson and wife, Lucille Robinson, to Vernis Rice and wife, Etta Rice, dated April 3rd, 1950, and recorded in the office of the Register of Deeds for Yancey County, North Carolina, in Book 139, at page 227, reference to which is made for more complete description.

TO HAVE AND TO HOLD said premises unto the [illegible], their heirs and assigns, for the period of time fixed in paragraph 1 below, upon full compliance with each and all of the following conditions and agreements:

1. PERIOD OF TIME. This lease shall begin as of the date hereof and be in full force and effect for a period of five (5) years, unless sooner terminated as hereinafter provided.

[illegible] shall begin mining operations under this lease in the manner required in paragraph 3 below, on or before the 1st day of March, 1953.

The failure to [illegible] in such operations on or before the 1st day of March, 1953, shall automatically terminate this lease and the [illegible] shall then have the right to re-enter and take possession of the premises without further notice to the [illegible].

If the [illegible] should, for any cause, fail, for a period of 30 days at any one time after 1 March 1953, to conduct mining operations upon said premises in a workman-like manner, weather permitting, using proper and sufficient machinery, tools, equipment, and labor, then and in that event this lease shall automatically terminate and be of no further effect and, upon the termination of this lease, the [illegible] shall have the right to re-enter and take possession of the premises without further notice to the [illegible].

If the [illegible] should fail to pay any royalty as herein required, for a period of ten (10) days after such royalty is due and payable, then and in that event the [illegible] may declare this lease null and void and of no further force and effect (except as to the liability of the [illegible] to pay the royalties) and re-enter and take possession of the premises without further notice.

2. [illegible]. The [illegible] shall have a right to enter upon said premises and search for, dig, quarry and obtain mica and any and all other minerals and, in so doing, may use bulldozer, and any other machinery, tools, appliances and labor as the [illegible] may elect.

The [illegible] shall have the right of ingress and egress to said mine, and a right to use roads and ways over the premises of the [illegible] for the purpose of operating said mine and removing the minerals therefrom.

The [illegible] shall have a right to dump waste on the nearby lands of the [illegible] as may be reasonably necessary in mining operations. It is expressly understood and agreed that no waste shall be dumped upon and no damage shall be done to the cleared fields on the lands of the [illegible].

It is agreed that in addition to the mining rights conveyed herein upon the property specifically described above, that [illegible] shall have the right, so long as they stay below the surface of the ground, to follow and take mica or other minerals from any vein which they may locate even though the same may extend beyond the limits specifically described above. Further, that [illegible] may follow and take mica or other minerals from any such vein anywhere under the property of [illegible] as described in the aforesaid deed from Ray and Robinson et ux to the [illegible].

3. [illegible]. The [illegible] shall use sufficient machinery, equipment, tools, appliances and labor so as to conduct mining operations upon said premises in a workman-like manner, and the failure to do so, weather permitting, for a period of thirty (30) days at any one time shall cause this

lease to terminate as stated in paragraph 1 above.

4. ROYALTY. The [illegible] shall and hereby expressly agree to pay to the [illegible] a royalty or royalties for all minerals mined and removed from said premises as follows:

(a). One-eighth (1/8) of all mica;

(b). One Dollar ($1.00) per ton (2240 lbs.) for all feldspar; and

(c). The usual and customary royalty in this locality on any and all other minerals.

Payment of royalties shall be paid by the [illegible] to the [illegible] immediately after each sale and within five (5) days from each sale for any mica or other minerals removed from said premises.

5. RECORDS AND REPORTS. The [illegible] shall keep an accurate daily record of the kinds and weights of all mica mined and amounts of other minerals mined and removed from said premises and, at the time of payment of any royalty, the [illegible] shall furnish to the [illegible], or their agent, a duplicate statement from the purchaser showing the amounts, weights and prices of such minerals mined and removed from said premises.

The [illegible], or their agent, shall have a right to inspect all books and records of the [illegible] as to all minerals mined from said premises.

6. TIMBER. The [illegible] shall have a right to use timber from said premises as may be reasonably necessary for mining purposes under this lease, but no timber of the owners shall be used for any other purpose.

7. [illegible]. The [illegible] covenant to and with the [illegible], their heirs and assigns, that they have a right to execute this lease upon the terms herein contained; that the premises are free and clear from all encumbrances; and that they will forever warrant and defend the title to the same against the claims of all persons whomsoever.

IN [illegible], the said [illegible] and the said [illegible] have hereunto

signed their signatures and affixed their seals, in duplicate, the day and year first above written.

Vernis Rice (SEAL)

Etta Rice (SEAL)

C. L. Hyde (SEAL)

Don L. Ray (SEAL)

STATE OF NORTH CAROLINA,

COUNTY OF [illegible]

I, Gladys Young, Notary Public, do hereby certify that Vernis Rice and wife, Etta Rice, as [illegible], personally appeared before me this day and acknowledged the due execution of the foregoing [illegible] for all the purposes therein expressed.

Witness my signature and official seal this the 7th day of January, 1953.

My commission expires:

1-21-54

(SEAL)

Gladys Young
Notary Public

STATE OF NORTH CAROLINA,

COUNTY OF [illegible]

I, Wanda Edwards, NOTARY PUBLIC, do hereby certify that Don L. Ray and C. L. Hyde, as [illegible], personally appeared before me this day and acknowledged the due execution of the foregoing [illegible] for all the purposes therein expressed.

Witness my signature and official seal this the 3rd day of January, 1953.

Wanda Edwards
Notary Public

My Commission Expires: Dec. 1, 1954 (N. P. Seal)