DMA Form 1

DEFENSE MINERALS ADMINISTRATION
Control Slip

CONTROLLED DOCUMENT

DMA Docket No. 3323

DO NOT DETACH THIS SLIP

Action on this document is recorded and controlled in Reports and Records Branch. Any movement of this document between divisions or offices of DMA or movement outside DMA must be reported to the Reports and Records Branch. Actions taken that affect status of the case must also be reported.

This document has been recorded as

Exploration Assistance

Any action taken to change the type of request for assistance must be promptly reported to the Reports and Records Branch. Use DMA Form 2 for submitting these reports.

Cys to USBM & USGS

Routing Slip

To:	600	Date	4/23/54
To:	Mr. Anderson	Date	4/26/54
To:	Oper Conn	Date	6-4-54
To:	Oper Conn	Date	7-16-54
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	

DO NOT DETACH

CONTROLLED DOCUMENT

FILE COPY

Anderson
Houk
Gould
Hedges
Stoddard
Robinson

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

JUL 1 [illegible]

Bailey & McCurry

Micaville, North Carolina

Re: Docket No. DMEA-3323 - Mica
Fred Thomas Mine
Yancey County, North Carolina

Gentlemen:

Your application for aid for an exploration project and other reports available to us in Washington relating to the subject property have been reviewed.

Projects approved by the Defense Minerals Exploration Administration must, in its judgment, show definite promise of yielding materials of acceptable grade in quantities that will significantly improve the mineral supply position for the National Defense Program.

Careful study of all our information indicates to us that the probability of disclosing significant reserves of mica by your proposed program is not sufficiently promising to justify Government participation. We regret to advise you, under these circumstances, that your application for exploration assistance is denied.

We wish to thank you for your interest in the Defense Minerals Program and for bringing your property to our attention.

Sincerely yours,

C. O. Mittendorf (for)

Administrator

WCAnderson:ag 7/15/54
Copy to: Admr. R. File
Docket File
Field Team, Region VII
Operating Committee
Mr. Dietrich, 3061
Mr. Larrabee, 5216
Mr. Houk

R.G.

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

July 18, 1954

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: A denial of exploration assistance and summary report

By: Walter C. Anderson WCA

1. Docket No. DMEA-3323 - Mica
   Property: Fred Thomas Mine
   Yancey County, North Carolina

   Applicants: Royal Bailey and Guy McCurry, a partnership
   Micaville, North Carolina

   Application: Form MF-103, date received April 23, 1954.
   Work proposed: Sink 25 feet of shaft and drive 50 feet of drift.
   Amount requested: $5,500.00
   No contract - Application denied.

2. Comments:
   Geological premise: Because there is no persistant mica-bearing pegmatite, mica recovery would be insufficient in amount and quality to overcome the cost of operation and incessibility to the mine.
   Geological Criteria:
   1. Scattered small pegmatite pods and stringers, none over 18 inches thick.
   2. Past production from small pocket was of poor quality.
   Future possibilities - None
   Recommendations: The Nonmetallic Minerals Division concurs in Field Team recommendation to deny the application. The Commodity members from the Geological Survey and the Bureau of Mines concur.

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

July 12, 1954

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-3323 (mica)

Applicant: Bailey and McCurry

Name and Location of Property: Fred Thomas Mine
Yancey County, North Carolina

Date of Field Team's Report: June 25, 1954

Date Rec'd. by Ceramic and Fertilizer Materials Br.: July 6, 1954

Field Team's Recommendation:

1. Denial of application.

Comments:

1. Pegmatite dikes are exposed on this property but the mica is small in size.

2. A small pocket of mica was worked out about 1940 and the mine appears to be inaccessible for bringing in equipment to conduct an exploration program, making the cost extremely high for an exploration project.

Recommendation:

I concur with the field team that the application be denied on the basis that the deposit does not appear to contain sufficient quantities of strategic mica to warrant an exploration program.

W. F. Dietrich

W. F. Dietrich

IN REPLY REFER TO:
G-MD-CNM

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

July 1, 1954

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-3323 (mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant: Bailey and McCurry, Micaville, N. C.
Name of property: Fred Thomas Mine.
Location of property: Yancey County, N. C.
Date of Field Team Report: June 25, 1954.
Authorship of Field Team Report: K. H. Teague and D. H. Amos.
Field Team's recommendation: None, except that costs would be high.
Comments:
1. No persistent mica-bearing peg is presently exposed.
2. No facilities, so cost would be out of line for such a risk.
3. Any peg exposed is thin (2'-3'), unzoned, and contains small mica.
4. Quality of mica produced in 1940 reported good.

ACTION RECOMMENDED: Denial.

D. M. Larrabee

D. M. Larrabee

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D. C.~~
Room 13, Post Office Building
Knoxville 2, Tennessee

June 25, 1954

Memorandum

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

From: Field Team, DMEA, Region VII

Subject: Field Examination Reports
DMEA-3323 (mica), Fred Thomas Mine
DMEA-3365 (mica), W. A. McKinney Prospect

Enclosed are four copies of each of the subject examination reports. The Field Team recommends denial of both.

DMEA-3365 was examined without referral, as it is on the same land as DMEA-3260 (W. A. McKinney mine) which was examined after field referral. Please refer to recent correspondence concerning DMEA-3260 and DMEA-3365.

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

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

Reviewed by
DMEA OPERATING COMMITTEE
7-2-54
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERAL EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM, REGION VII

ON

DMEA-3323, FRED THOMAS MINE (mica)
Yancey County, North Carolina

By

K. H. Teague and D. H. Amos, Geologists
U. S. Geological Survey

June 25, 1954

Reviewed by
DMEA OPERATING COMMITTEE
7-2-54
(date)

Z

FIELD EXAMINATION REPORT
On
DMEA-3323, FRED THOMAS MINE (mica)

Applicants: Bailey and McCurry, c/o Royal Bailey, Micaville, N. C.

Reports indicate that about $600 worth of good quality mica were obtained from this deposit about 1940. A small "pocket" of mica was worked out and efforts to locate additional mica-bearing pegmatite were unsuccessful. Whether or not further efforts are warranted is not known. No persistent mica-bearing pegmatite is presently exposed.

The deposit was examined on June 18, 1954. Messrs. Royal Bailey and Guy McCurry accompanied the examiners on the inspection which required three hours.

The Fred Thomas Mine is on the northwest side of Joe Young Ridge, 2.96 airline miles S. 35° E. of Burnsville, Yancey County, N. C. Access is via 2 miles of jeep road up an east tributary of Bowlens Creek, thence north up the south side of Joe Young Ridge to within one-half mile of the mine. There is no road from this point to the mine.

Both applicants are competent mica miners.

Area covered by the applicant's lease is adequate for the proposed work.

There are no surface facilities on the property. Old workings consist an open cut 30 feet long, 15 feet wide, and 10 feet deep and a caved 15-foot adit from the south end of the cut. In the south face of the cut a 2-3 foot pegmatite is exposed which is conformable to the foliation of the mica kyanite gneiss, trending N. 10° W. and dipping 45° SW. This pegmatite is fine-grained, unweathered, unzoned, and contains only small mica.

Another small pegmatite pod is exposed about 30 feet east of the cut. This one is crosscutting, trending N. 40° W. and has a vertical dip. It contains only small mica.

Numerous other small pods and stringers of pegmatite are exposed in the immediate vicinity of the open cut; however, they are all small and appear to be of limited extent only.

As previously mentioned, it is very difficult to pass judgement on this deposit. Reports suggest that about 18 inches of pegmatite are present in the bottom of the slumped open cut and short drift. This cannot be verified as it is now covered. Certainly the mica recovered during the first work was of excellent quality, but whether there is more is open to question. Furthermore, as the mine is inaccessible, the cost of bringing equipment to it, so that it could be cleaned out, would be high. In order to get a bulldozer to the deposit and clean out the open cut, would cost about $500. If anything were found, another $600-800 would be needed to build one-half mile

of new road and repair the existing 2 miles of jeep road.

If this deposit were easily accessible, the examiners probably would recommend exploration assistance. However, as it is inaccessible, we feel that the cost to explore it will be too high compared to the possibility of discovery which is very doubtful.

June 25, 1954.

K. H. Teague, and D. H. Amos, Geologists
U. S. Geological Survey

zm

FILE COPY
Surname:
Anderson
Houk
Selfridge
Larrabee

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

600

JUN - 7 1954

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

Subject: Docket No. DMEA-3323 - Mica
Bailey & McCurry
Fred Thomas Mine
Yancey County, North Carolina

Dear Mr. Laurence:

Please review the subject application and arrange for a field examination if you deem it necessary.

Copies of memoranda from the Geological Survey, dated April 26, 1954, and from the Bureau of Mines, dated May 7, 1954, are enclosed for your information.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (245)

Approved:

J. H. Hedges
Member, Bureau of Mines (245)

D. M. Larrabee
Member, Geological Survey (245)

Enclosures 4
WCAnderson:gad 6/2/54
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3061
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

R.C.S.

FILE COPY
Surname:
Anderson
Houk
Larrabee
Stedard
Schulze
R. Gaudet

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

JUN - 7 1954

Bailey & McCurry

Micaville, North Carolina

Re: Docket No. DMEA-3323 - Mica
Fred Thomas Mine
Yancey County, North Carolina

Gentlemen:

Your application for assistance in exploring the subject property has been reviewed by the Nonmetallic Minerals Division of the Defense Minerals Exploration Administration and has been referred to Mr. Robert A. Laurence, Executive Officer, DMEA Field Team, Region VII, Room 13, Post Office Building, Knoxville 2, Tennessee, for further consideration and possibly a field examination.

Please advise this office in writing if you desire to have your application processed under the new Government participation rate which is 75 percent of the approved cost.

The Regional Office will contact you at an early date if an examination is to be made. Any assistance that you may give the members of the field team during the examination will be appreciated.

Sincerely yours,

C. O. Mittendorf

Administrator

WCAnderson:gad 6/2/54
Copy to: Admr. R. File
Docket File
Operating Committee
Field Team, Region VII
Mr. Dietrich, 3061
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

R.C.G.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 18, POST OFFICE BLDG.
KNOXVILLE 2, TENN.
May 24, 1954

Memorandum

To: Operating Committee, Washington

From: Executive Officer, DMEA - Region VII

Subject: DMEA-3323, Bailey & McCurry, Applicants (mica) N. C.

Enclosed are six copies of MF-203, Owner's Consent to Lien on the subject application.

Robert A. Laurence

Robert A. Laurence

May 24, 1954

Memorandum

To: Operating Committee, Washington

From: Executive Officer, DERA - Region VII

Subject: DERA-3321, Bailey & McCurry, Applicants (mica) N. C.

Enclosed are six copies of MF-203, Owner's Consent to Lien on the subject application.

Robert A. Lawrence

RAL

MF-203
(Revised July 1, 1953)

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 Yancey, described as follows:1/

in a lease dated March 22 1954 and recorded in book # 112 Page 429 Official records of said County

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/ Royal Bailey and Ray McCurry a Partnership

hereinafter called the "Operator"; and

WHEREAS, under the provisions of said contract the Government is entitled to a percentage royalty on production (as set forth on the reverse side hereof) and to other rights and equities which do or may conflict with or be adverse to the rights of the undersigned:

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, there is hereby granted to the Government a lien upon the land above referred to and upon any production of minerals therefrom, until said royalty is fully paid or ten years have elapsed from the date of the contract, whichever occurs first.

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.

4. Changes and added provisions

Dated this 23rd day of April, 1954.

Jones A. Ferguson, Ex. Chas. F. Ray Estate [Seal]

Ruby MacRae, Exec. Est. J. Frank Ray [Seal]

Mrs. Pansy Ray [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.

Repayment by Operator.--a. Certification.--If at any time the Government considers that a discovery or 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 final report and final account, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

b. Percentage royalty.--The Operator, or his successor in interest, shall pay to the Government a royalty on all minerals mined or produced from the land described in Article 2,--(1) regardless of any certification of discovery or development, from the date of the contract until the lapse of the time within which the Government may make such certification of discovery or development, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first, unless the Government waives its right to a royalty; or (2) if the Government makes a certification of discovery or development, for a period of ten years (or other period fixed by the contract) from the date of the contract, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first. Said royalty shall be a percentage of the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production (including any bonuses), in whatever form disposed of, including ore, concentrates, or metal, as follows:

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

(b) One and one-half (1½) per cent of any such net amounts, plus one-half (½) per cent 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) 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.)

c. Definitions.--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 gross income from mining operations for percentage depletion purposes in income tax determination.

d. Lien for Payment.--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.

e. Notice to Purchasers.--The Operator shall notify any purchaser of the production of the Government's royalty interest, and shall authorize and direct the purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets; but failure or refusal by the purchaser to comply shall not relieve the Operator of liability to pay any royalty falling due.

f. No Obligation to Produce.--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.

Witness: C. P. Rawlings
Burnsville, N.C.

Mrs. J. A. X Higgins (SEAL)
Mark

NU-WRAY, INC.

By Julia Wray
President

ATTEST:

Ruth T. Wray
Secretary

MF-203
(Revised July 1, 1953)

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 Yancey, described ~~as follows:~~ 1/

in a lease dated March 22 1954 and recorded in book # 112 Page 427 Official records of said County

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/ Royal Bailey and Guy McCurry a Partnership

hereinafter called the "Operator"; and

WHEREAS, under the provisions of said contract the Government is entitled to a percentage royalty on production (as set forth on the reverse side hereof) and to other rights and equities which do or may conflict with or be adverse to the rights of the undersigned:

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 production 3/ provided for under the terms of said exploration project contract, or any amendment thereof, there is hereby granted to the Government a lien upon the land above referred to and upon any production of minerals therefrom, until said royalty is fully paid or ten years have elapsed from the date of the contract, whichever occurs first.

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.

4. Changes and added provisions _____

Dated this 23rd day of April, 1954.

Ann R. Hurst Ex. Chas F. Ray Estate [Seal]

Ruby Mae Ray, Exec. Est. J. Frank Ray [Seal]

Mrs. Pansy Ray [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.

Repayment by Operator.--a. Certification.--If at any time the Government considers that a discovery or 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 final report and final account, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

b. Percentage royalty.--The Operator, or his successor in interest, shall pay to the Government a royalty on all minerals mined or produced from the land described in Article 2,--(1) regardless of any certification of discovery or development, from the date of the contract until the lapse of the time within which the Government may make such certification of discovery or development, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first, unless the Government waives its right to a royalty; or (2) if the Government makes a certification of discovery or development, for a period of ten years (or other period fixed by the contract) from the date of the contract, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first. Said royalty shall be a percentage of the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production (including any bonuses), in whatever form disposed of, including ore, concentrates, or metal, as follows:

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

(b) One and one-half (1½) per cent of any such net amounts, plus one-half (½) per cent 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) 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.)

c. Definitions.--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 gross income from mining operations for percentage depletion purposes in income tax determination.

d. Lien for Payment.--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.

e. Notice to Purchasers.--The Operator shall notify any purchaser of the production of the Government's royalty interest, and shall authorize and direct the purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets; but failure or refusal by the purchaser to comply shall not relieve the Operator of liability to pay any royalty falling due.

f. No Obligation to Produce.--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.

witness: C. P. Randolph
Burnsville, N.C.

Mrs. J. A. Higgins (SEAL)

NU-WRAY, INC.

By Julian Wray
President

ATTEST:
Ruth T. Wray
Secretary

MF-203
(Revised July 1, 1953)

OWNER'S CONSENT TO LIEN

DEPARTMENT OF THE INTERIOR
Bureau of Mines Administration
APR 29 1954

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of North Carolina, County of Yancey, described ~~as follows~~ 1/

In a lease dated March 22 1954 and recorded in book # 112 Page 487 Official records of said County

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/ Royal Bailey and Guy McCurry
a Partnership

hereinafter called the "Operator"; and

WHEREAS, under the provisions of said contract the Government is entitled to a percentage royalty on production (as set forth on the reverse side hereof) and to other rights and equities which do or may conflict with or be adverse to the rights of the undersigned:

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 production 3/ provided for under the terms of said exploration project contract, or any amendment thereof, there is hereby granted to the Government a lien upon the land above referred to and upon any production of minerals therefrom, until said royalty is fully paid or ten years have elapsed from the date of the contract, whichever occurs first.

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.

4. Changes and added provisions

Dated this 23rd day of April, 1954.

Lover R. Ray Ex. Chas. T. Ray [Seal]

Ruby McRay, Exec. Est. J. Frank Ray [Seal]

Mrs. Pansy Ray [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.

Repayment by Operator.--a. Certification.--If at any time the Government considers that a discovery or 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 final report and final account, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

b. Percentage royalty.--The Operator, or his successor in interest, shall pay to the Government a royalty on all minerals mined or produced from the land described in Article 2,--(1) regardless of any certification of discovery or development, from the date of the contract until the lapse of the time within which the Government may make such certification of discovery or development, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first, unless the Government waives its right to a royalty; or (2) if the Government makes a certification of discovery or development, for a period of ten years (or other period fixed by the contract) from the date of the contract, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first. Said royalty shall be a percentage of the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production (including any bonuses), in whatever form disposed of, including ore, concentrates, or metal, as follows:

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

(b) One and one-half (1½) per cent of any such net amounts, plus one-half (½) per cent 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) 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.)

c. Definitions.--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 gross income from mining operations for percentage depletion purposes in income tax determination.

d. Lien for Payment.--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.

e. Notice to Purchasers.--The Operator shall notify any purchaser of the production of the Government's royalty interest, and shall authorize and direct the purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets; but failure or refusal by the purchaser to comply shall not relieve the Operator of liability to pay any royalty falling due.

f. No Obligation to Produce.--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.

Witness: C. P. Rudolph Mrs. J. A. Higgins (SEAL)
Berwick
Berwickville, N.S.

NU-WRAY, INC.

By Julia Wray

ATTEST: Ruth T. Wray

Secretary

MF-203
(Revised July 1, 1953)

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 Yancey, described ~~as follows~~:1/

in a lease dated March 22 1954 and recorded in book # 112 Page 427 Official records of Said County

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/ Royal Bailey and Roy McCurry a partnership

hereinafter called the "Operator"; and

WHEREAS, under the provisions of said contract the Government is entitled to a percentage royalty on production (as set forth on the reverse side hereof) and to other rights and equities which do or may conflict with or be adverse to the rights of the undersigned:

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, there is hereby granted to the Government a lien upon the land above referred to and upon any production of minerals therefrom, until said royalty is fully paid or ten years have elapsed from the date of the contract, whichever occurs first.

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.

4. Changes and added provisions _____

Dated this 23rd day of April, 1954.

Lorne R. Ferrell Ex. Chas. F. Byrd Estate [Seal]

Ruby Mae Ray, Exr. Est. J Frank Ray [Seal]

Mrs. Pansy Ray [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.

RELEVANT CONTRACT PROVISIONS

Repayment by Operator.--a. Certification.--If at any time the Government considers that a discovery or 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 final report and final account, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

b. Percentage royalty.--The Operator, or his successor in interest, shall pay to the Government a royalty on all minerals mined or produced from the land described in Article 2,--(1) regardless of any certification of discovery or development, from the date of the contract until the lapse of the time within which the Government may make such certification of discovery or development, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first, unless the Government waives its right to a royalty; or (2) if the Government makes a certification of discovery or development, for a period of ten years (or other period fixed by the contract) from the date of the contract, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first. Said royalty shall be a percentage of the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production (including any bonuses), in whatever form disposed of, including ore, concentrates, or metal, as follows:

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

(b) One and one-half (1½) per cent of any such net amounts, plus one-half (½) per cent 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) 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.)

c. Definitions.--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 gross income from mining operations for percentage depletion purposes in income tax determination.

d. Lien for Payment.--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.

e. Notice to Purchasers.--The Operator shall notify any purchaser of the production of the Government's royalty interest, and shall authorize and direct the purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets; but failure or refusal by the purchaser to comply shall not relieve the Operator of liability to pay any royalty falling due.

f. No Obligation to Produce.--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.

Witness: C. P. Randolph Mrs. J. A. Higgins
Barnsville, N.S. wife

NU-WRAY, INC.

By Julian Wray.

ATTEST:

Ruth T. Wray

Secretary

MF-203
(Revised July 1, 1953)

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 Yancey, described ~~as follows~~1/

in a lease dated March 22 1954 and recorded in book # 112 Page 427 Official records of said County

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/ Royal Bailey and Guy McCurry a Partnership

hereinafter called the "Operator"; and

WHEREAS, under the provisions of said contract the Government is entitled to a percentage royalty on production (as set forth on the reverse side hereof) and to other rights and equities which do or may conflict with or be adverse to the rights of the undersigned:

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, there is hereby granted to the Government a lien upon the land above referred to and upon any production of minerals therefrom, until said royalty is fully paid or ten years have elapsed from the date of the contract, whichever occurs first.

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.

4. Changes and added provisions _____

Dated this 23rd day of April, 1954.

Exer R. Ray Ex Chas. F. Ray Estate [Seal]

Ruby Mae Ray, Exc. Est. J. Frank Ray [Seal]

Mrs. Pansy Ray [Seal]

1/ Either (a) insert the legal description of the land, or (b) strike out the [illegible] 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.

Repayment by Operator.--a. Certification.--If at any time the Government considers that a discovery or 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 final report and final account, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

b. Percentage royalty.--The Operator, or his successor in interest, shall pay to the Government a royalty on all minerals mined or produced from the land described in Article 2,--(1) regardless of any certification of discovery or development, from the date of the contract until the lapse of the time within which the Government may make such certification of discovery or development, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first, unless the Government waives its right to a royalty; or (2) if the Government makes a certification of discovery or development, for a period of ten years (or other period fixed by the contract) from the date of the contract, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first. Said royalty shall be a percentage of the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production (including any bonuses), in whatever form disposed of, including ore, concentrates, or metal, as follows:

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

(b) One and one-half (1½) per cent of any such net amounts, plus one-half (½) per cent 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) 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.)

c. Definitions.--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 gross income from mining operations for percentage depletion purposes in income tax determination.

d. Lien for Payment.--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.

e. Notice to Purchasers.--The Operator shall notify any purchaser of the production of the Government's royalty interest, and shall authorize and direct the purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets; but failure or refusal by the purchaser to comply shall not relieve the Operator of liability to pay any royalty falling due.

f. No Obligation to Produce.--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.

Witness: G. P. Randolph
Burnsville, N.C.

Mrs. J. A. X. Higgins
her
mark

NU-WRAY, INC.

By Julia Wray
President

ATTEST:
Ruth T. Wray
Secretary

MF-203
(Revised July 1, 1953)

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 Yancey, described ~~as follows~~ 1/

in a lease dated March 22 1954 and recorded in book II 112 page 427 Official records of said County

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/ Royal Bailey and Roy McCurry a Partner Ship

hereinafter called the "Operator"; and

WHEREAS, under the provisions of said contract the Government is entitled to a percentage royalty on production (as set forth on the reverse side hereof) and to other rights and equities which do or may conflict with or be adverse to the rights of the undersigned:

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 production 3/ provided for under the terms of said exploration project contract, or any amendment thereof, there is hereby granted to the Government a lien upon the land above referred to and upon any production of minerals therefrom, until said royalty is fully paid or ten years have elapsed from the date of the contract, whichever occurs first.

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.

4. Changes and added provisions _____

Dated this 23rd day of April, 195 4.

Joseph R. Ray Ex. Mrs. T. Frank Estate [Seal]

Ruby Mae Ray, Exec. Est. J. Frank Ray [Seal]

Mrs. Pansy Ray [Seal]

1/ Either (a) [redacted]rt 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.

Repayment by Operator.--a. Certification.--If at any time the Government considers that a discovery or 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 final report and final account, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

b. Percentage royalty.--The Operator, or his successor in interest, shall pay to the Government a royalty on all minerals mined or produced from the land described in Article 2,--(1) regardless of any certification of discovery or development, from the date of the contract until the lapse of the time within which the Government may make such certification of discovery or development, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first, unless the Government waives its right to a royalty; or (2) if the Government makes a certification of discovery or development, for a period of ten years (or other period fixed by the contract) from the date of the contract, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first. Said royalty shall be a percentage of the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production (including any bonuses), in whatever form disposed of, including ore, concentrates, or metal, as follows:

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

(b) One and one-half (1½) per cent of any such net amounts, plus one-half (½) per cent 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) 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.)

c. Definitions.--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 gross income from mining operations for percentage depletion purposes in income tax determination.

d. Lien for Payment.--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.

e. Notice to Purchasers.--The Operator shall notify any purchaser of the production of the Government's royalty interest, and shall authorize and direct the purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets; but failure or refusal by the purchaser to comply shall not relieve the Operator of liability to pay any royalty falling due.

f. No Obligation to Produce.--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.

Witness: C. P. Randolph
Burnsville, N.C.

Mrs. J. A. Higgins her mark (SEAL)

NU-WRAY, INC.

By Julia Wray

ATTEST:

Ruth T. Wray

Secretary

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 7 - 1954

May 7, 1954

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-3323

Applicant: Bailey and McCurry

Name and Location of Property: Fred Thomas Mine
Yancey County, North Carolina

Date Application Rec'd. by Ceramic & Fert. Materials Branch: 4/23/54

Comments:

1. No data available in this office on subject mine.
2. Estimated costs totaling $5,500 appear to be high for sinking a 25-foot shaft and drifting 50 feet.
3. Costs of exploration project should be estimated on a unit-cost basis.

Recommendation:

It is suggested that the field team visit this mine to ascertain if an exploration program is justified. If so, applicant and field team should agree on a definite exploration plan, with costs on a unit-cost basis.

W. F. Dietrich

W. F. Dietrich

IN REPLY REFER TO:

G-MD-CNM

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

April 26, 1954

Memorandum

REVIEW OF APPLICATION DMEA-3323 (mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant's name and address: Bailey and McCurry, Micaville, N. C.
Name of property: Fred Thomas mine.
Location of property: Inadequate.
Summary of applicant's proposal:

1,500' (?) access road
25' shaft
50' drift

Sources of information on applicant's property: None.

Comments:

1. Location inadequate.
2. No plan attached, showing where work is planned relative to peg.
3. What is target size?
4. What is size of peg?
5. What do applicants propose to do for their 25%?

RECOMMENDATION:

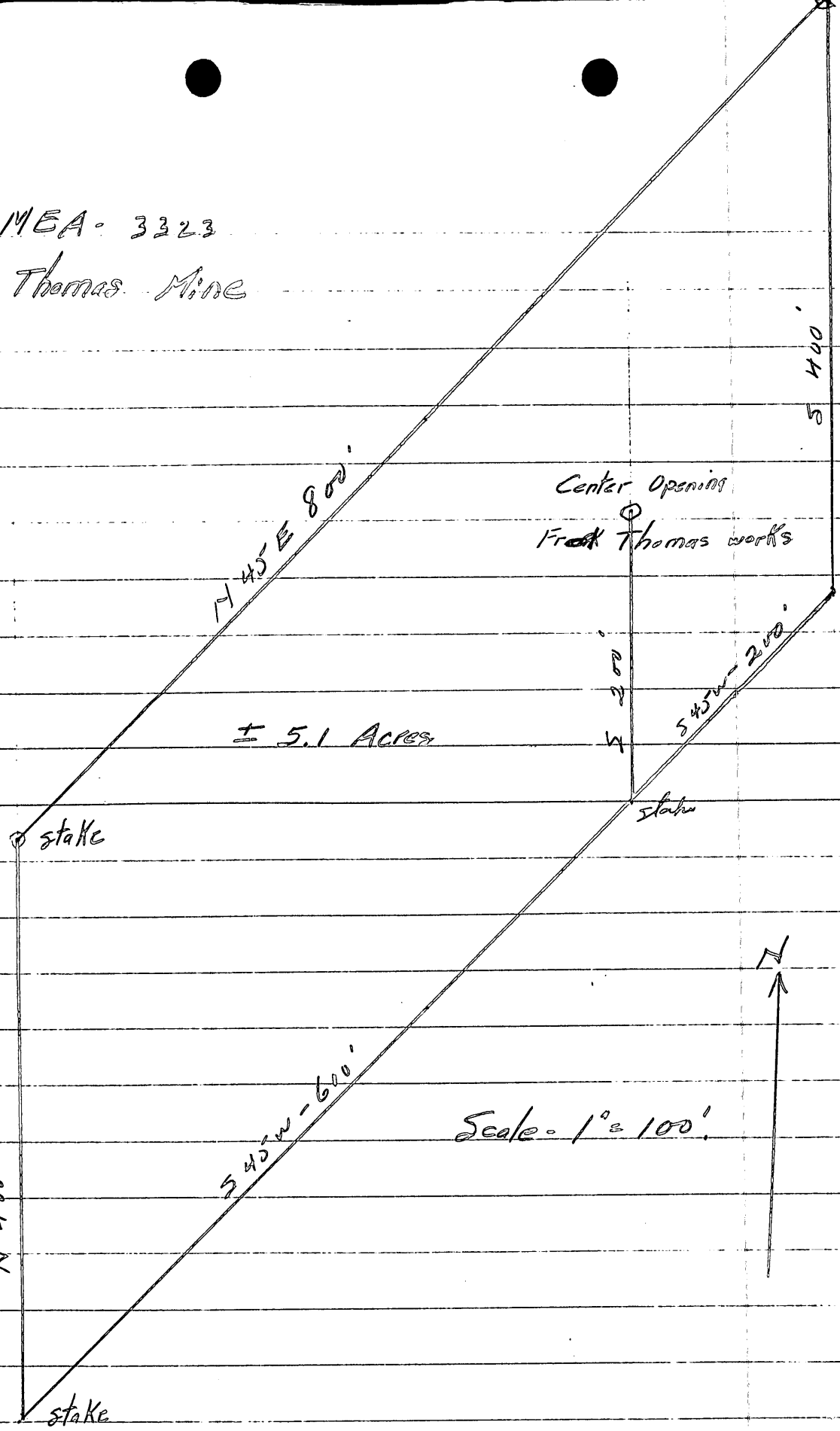
Request applicant for additional information.
Refer to Field Team for examination if required.

D. M. Larrabee

D. M. Larrabee

DMEA - 3323

Fred Thomas Mine



April 23, 1954
Subject: DMEA-3323
Re: Exploration Assistance
Fred Thomas Mine

Bailey & McCurry
Micaville
North Carolina

Dear Sirs:

The receipt of your application dated April 14, 1954 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA-3323 and referred to the Non-Metallic Minerals Division.

Kindly refer to DMEA-3323 in any future correspondence relating to your application.

Sincerely yours,

Robert E. Adams
Chief, Operation's Control
and Statistics Division

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

April 23, 1954

Memorandum

To: Executive Officer, DMEA Field Team, Region VII

From: Chief, Operation's Control and Statistics Division

Subject: Assignment of Docket Number

There is listed below the assigned docket number to an application recently received from Region VII.

DMEA - 3323

Robert E. Adams,
Chief, Operation's Control
and Statistics Division

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

April 20, 1954

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region VII

Subject: Application of Bailey and McCurry on Fred Thomas Mine (mica)
Yancey County, N. C.

Transmitted herewith are three copies of the subject application and lease. One copy of the application was retained in this office for our files.

Owner's Consent to Lien forms (MF-203) have been sent to the applicant for signatures.

Robert A. Laurence

Robert A. Laurence

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

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. 3323
Metal or Mineral Mica
Date Received
Estimated Cost $5,500
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:

Bailey & McCurry, Micaville, 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

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

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

(*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.

(*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.

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.

(*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.

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?

☐ Money ☐ Use of equipment owned by you ☐ Other

Explain in detail on acompanying paper.

CERTIFICATION

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

Dated April 14, 195[illegible]

Bailey & McCurry
(Applicant)

By Royal Bailey
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

BAILEY & McCURRY
MICAVILLE, N. C.
(Fred Thomas Mine)

Form MF-103

1. (a) Bailey & McCurry, Micaville, N. C.
   (b) Partnership
   (c) Not applicable
   (d) Partnership
       Royal Bailey, Micaville, N. C.
       Guy McCurry, Micaville, N. C.

2. Complied with

3. (a) See lease attached
   (b) Fred Thomas Mine
   (c) Lessee
   (d) Copy of original lease is attached to the original copy of MF-103.
   (e) Not applicable
   (f) Not applicable

4. (a) Some years back there was a small operation at this mine, but no mechanical mining has been performed here. During the last war some strategic mica of good quality was taken from this prospect.
   (b) We have no records available.
   (c) This mine is located in the vacinity of some of the best known producers of strategic mica in this area, one of which is the Balsam & Ray mine. No maps are available.
   (d) A road is accessible to within 1500 ft. of this mine, and it is approximately six miles from the town of Burnsville located on Bolens Creek on what is known as the Ray boundary.
   (e) Manpower, material, supplies, equipment is available. Water will have to be piped approximately 2000 ft.

5. (a) Strategic Mica
   (b) It is proposed to block out a road to project site and sink a 25 ft. shaft and drift 50 ft.
   (c) Work will begin within 30 days and will be completed within 90 days.
   (d) The partners of this application are experienced miners and have available experienced men to carry on this operation.

6. (a) None
   (b)

Foreman	50-8 hr. dys. @ 1.50/hr.	$ 600.00
Driller	40-8 hr. dys. @ 1.25/hr.	400.00
2 Muckers	40-8 hr. dys. @ 1.00/hr.	640.00
Hoistman	40-8 hr. dys. @ 1.25/hr.	400.00

BAILEY & McCURRY
~~BURNSVILLE, N. C.~~
(Fred Thomas Mine)

Form MF-103 (page 2)

6. (b)	Carpenter	3-8 hr. dys. @ 1.25/hr.	30.00	
	Laborer	10-8 hr. dys. @ .90/hr.	72.00	
	Engineer	2-dys. @ $25/dy.	50.00	2,192.00
(c)	Air hose & small tools		200.00	
	Steel (3) sets intrasit		270.00	
	Power		30.00	500.00
(d)	Rented:			
	Air Compressor	2 mos. @ 200.00/mo.	400.00	
	Hammer	2 mos. @ 25.00/mo.	150.00	
	Hoist	2 mos. @ 100.00/mo.	200.00	
	Bulldozer with blade	50 hrs. @ 10.00/hr.	500.00	1,250.00
	Purchased:			
	Column & arm		175.00	
	Dynamite & exploders		420.00	595.00
	Furnished by operator:			
	Water pump & pipe	2 mos. @ 10.00/mo.	20.00	
	Fan	2 mos. @ 10.00/mo.	20.00	
	Jeep	2 mos. @ 75.00/mo.	150.00	190.00
(e)	None			
(f)	Tool house (12 x 12) and 2 magazines		250.00	250.00
(g)	Insurance		250.00	
	Payroll taxes (1½% of $2,142.00)		32.13	
	Misc. Gen. Repair, and Maintenance		50.00	332.13
(h)	Contingencies, wiring, fuel, oil & mis. supplies.		190.87	190.87

7. (a) yes
(b) Money and with use of equipment owned by Bailey & McCurry.

STATE OF NORTH CAROLINA

COUNTY OF YANCEY

THIS LEASE made this the 22nd. day of March, 1954, by MRS. RUBY MAE RAY, Executrix of the Estate of J. Frank Ray, deceased, of the City of Walla Walla and State of Washington; DOVER R. FOUTS, Executor of the Estate of Charles F. Byrd, deceased, MRS. J. A. HIGGINS, a widow, MRS. PANSY RAY, a widow, and NU-WRAY, INC., a Corporation, all of the County of Yancey and State of North Carolina, hereinafter referred to as parties of the first part, to ROYAL BAILEY and GUY McCURRY, of the County of Yancey and State of North Carolina, hereinafter referred to as parties of the second part.

W I T N E S S E T H:

THAT FOR AND IN CONSIDERATION of the sum of $1.00 in hand paid by the parties of the second part to the parties of the first part, the receipt of which is hereby acknowledged, and the further consideration of full compliance with the agreements hereinafter set forth, the parties of the first part have bargained and leased and by these presents do bargain and lease unto the parties of the second part, their successors and assigns, the exclusive rights and privileges of mining and removing minerals from that tract or parcel of land situate in Burnsville Township, County of Yancey, State of North Carolina, and being described as follows:

> BEING KNOWN as the Fred Thomas Mine located on a boundary of land generally called the G. D. Ray Boundary.
>
> BEGINNING at a stake 250 feet South of the center of the opening known as the Fred Thomas old works and running thence about South 45 West 600 feet to a stake; thence North 400 feet to a stake; thence North 45 East 800 feet to a stake; thence South 400 feet to a stake; thence South 45 West 200 feet to the BEGINNING.

The terms and conditions of this Lease are as follows:

1. TERM. This Lease shall be for a period of five (5) years from this date with the privilege or renewal for an additional five (5) year period providing that the terms and conditions of said Lease are fully complied with.

2. RIGHTS CONVEYED. Full mining rights and privileges, including the right of ingress and egress, right to construct road ways, flume lines, power lines, tram roads; erection of machinery and buildings and the use of timber on said property, except such timber as would make saw timber, is hereby granted.

3. ROYALTY. The royalty for all minerals mined and removed from the tract of land hereinbefore described shall be one-eighth (1/8) of the sales price of all mica mined and removed from said property; 50¢ per ton for all feldspar mined and removed from said property; and for all other minerals mined and removed from said property the usual and customary royalty prevailing in Yancey County, North Carolina, shall be paid.

4. TIME OF PAYMENT. Royalty shall be paid on the 1st. and 15th. of each and every month and duplicate sales slips shall be furnished to the parties of the first part showing the amount of minerals sold and the price obtained therefor.

5. CESSATION OF MINING OPERATIONS. Mining operations shall begin within 120 days from the date of this Lease and shall continue with reasonable regularity and if mining operations cease for a period of 60 days then this Lease shall be null and void, unless the cessation of mining operations is prevented by weather conditions or other conditions usually termed Acts of God.

6. BREACH OF LEASE. If the parties of the second part, their successors or assigns, fail to comply with any of the conditions or provisions of this Lease then said Lease, or any renewal thereof, shall be null and void and all the rights granted hereunder shall cease. And the parties of the first part, their successors and assigns, may re-enter said property without any action at law to declare said Lease, or any renewal thereof, void. However, upon said Lease becoming null and void the parties of the second part, their successors or assigns, may have forty-five (45) days within which to remove any machinery or buildings from said property.

7. ROADS. It is understood and agreed by the parties hereto that any roads used or constructed by the parties of the second part, their successors or assigns, to carry on mining operations may likewise be used by the parties of the first part, their successors or assigns, in carrying on mining operations on any other lands in the territory owned by them, but the use of such roads shall not interfere with the rights of the parties of the second part, their successors or assigns.

8. ASSIGNMENT. The parties of the second part, their successors or assigns, agree that they will not make any assignment of this Lease, or any renewal thereof, without the written consent of the parties of the first part, their successors or assigns.

IN TESTIMONY WHEREOF, this Lease has been executed in duplicate in the way and manner hereinafter indicated by the affixing of hands and seals and by said instrument being signed by the granting Corporation by authority of its Board of Directors duly given, as of the day and year first above written.

Ruby Mae Ray (SEAL)
Mrs. Ruby Mae Ray, Executrix of the Estate of J. Frank Ray, deceased

Dover R. Fouts (SEAL)
Dover R. Fouts, Executor of the Estate of Charles F. Byrd, deceased

Witness: Dover R. Fouts

Mrs. J. A. Higgins (SEAL)
Mrs. J. A. Higgins

Mrs. Pansy Ray (SEAL)
Mrs. Pansy Ray

NU-WRAY, INC.

By Mrs. Ruby Mae Wray
President

ATTEST:
Ruth T. Wray
Secretary

Royal Bailey (SEAL)
Royal Bailey

Guy McCurry (SEAL)
Guy McCurry

STATE OF WASHINGTON

CITY OF WALLA WALLA

Personally appeared before me this day Mrs. Ruby Mae Ray, Executrix of the Estate of J. Frank Ray, deceased, to me well known to be one of the persons who signed the foregoing Lease, who acknowledged the due execution of said instrument by herself for the purposes therein expressed.

Witness my hand and notarial seal this the 31 day of March, 1954.

Notary Public

My commission expires the 3
day of January, 1955.

STATE OF NORTH CAROLINA

COUNTY OF YANCEY

Personally appeared before me this day Dover R. Fouts, Executor of the Estate of Charles F. Byrd, deceased, to me well known to be one of the persons

who signed the foregoing Lease, who acknowledged the due execution of said instrument by himself for the purposes therein expressed.

Witness my hand and notarial seal this the 22nd. day of March, 1954.

Wilma Hyatt
Notary Public

My commission expires the 7
day of November, 1954.

STATE OF NORTH CAROLINA
COUNTY OF YANCEY

Personally appeared before me this day Mrs. J. A. Higgins and Mrs. Pansy Ray, to me well known to be a part of the persons who signed the foregoing Lease, who acknowledged the due execution of said instrument by themselves for the purposes therein expressed.

Witness my hand and notarial seal this the 25 day of March, 1954.

Wilma Hyatt
Notary Public

My commission expires the 7
day of November, 1954.

STATE OF NORTH CAROLINA
COUNTY OF YANCEY

Personally appeared before me this day Mrs. Julia Wray, who, being first duly sworn, says:

That she is President of Nu-Wray, Inc., one of the Grantors in the foregoing Lease, and that Rush Wray is Secretary of said Corporation; that she knows the corporate seal of said Corporation; and that she, the said Julia Wray, signed said instrument as President of said Corporation and Rush Wray signed said instrument as Secretary in attestation thereof and that he, the said Rush Wray, affixed the corporate seal to said instrument in the presence of said President and that said instrument is the act and deed of said Corporation and the execution thereof was duly authorized by the Board of Directors duly given.

Witness my hand and notarial seal this the 25 day of March, 1954.

Wilma Hyatt
Notary Public

My commission expires the 7
day of November, 1954.

STATE OF NORTH CAROLINA

COUNTY OF YANCEY

Personally appeared before me this day Royal Bailey and Guy McCurry to me well known to be a part of the persons who signed the foregoing Lease, who acknowledged the due execution of said instrument by themselves for the purposes therein expressed.

Witness my hand and notarial seal this the 13 day of April, 1954.

Wilma Wyatt
Notary Public

My commission expires the 7 day of November, 1954.

NORTH CAROLINA, Yancey County:
The foregoing certificate (s) of Wm. Morrison and Wilma Wyatt, each a Notary Public of the County and State designated, duly authenticated by his official seal affixed, ~~has~~ (have) been duly examined and found to be in proper form according to law, and the execution of the said instrument is thereupon adjudged sufficiently proven. Let the instrument, with the certificates, be registered.

This 14 day of Apr., 1954.

Fred Gill
CLERK SUPERIOR COURT.

North Carolina,
Yancey County,
Filed for Registration on the 13 day of April 1954 at 9:00 o'clock A.M., and registered in the Office Register Deeds, and verified this 13 day of April 19 54 at 11:45 o'clock A. M., in Book 112 of deeds on page 427 etc.

Evelyn M. Ball
Register of Deeds