DMA Form 1

DEFENSE MINERALS ADMINISTRATION
Control Slip

CONTROLLED DOCUMENT

DMA Docket No. 3453

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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 & Reg.

Routing Slip

To:	600	Date	8/20/54
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DO NOT DETACH

CONTROLLED DOCUMENT

DOCKET COPY
Surname:
Anderson
Houk
Kulsgaard
Hedges
Johnson

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

600

FEB 28 1955

Mr. Bruce P. Ollis

Ingalls, North Carolina

Re: Docket No. DMEA-3453 - Mica
Bruce P. Ollis
Poteat Mine
Avery County, North Carolina

Dear Mr. Ollis:

Reference is made to our letter of October 1, 1954, denying and our letter of December 8, 1954, reaffirming the denial of your application for exploration assistance at the subject mine.

These letters were written after a careful study of the factual data available at this office. The DMEA Field Team re-examination of the Poteat Mine on February 2, 1955, and subsequent review of all the information indicates that the probability of making a significant discovery is not sufficiently encouraging to justify Government participation.

We regret to advise you, that under these circumstances, your application for exploration assistance at the Poteat Mine is denied.

Sincerely yours,

C. O. Mittendorf
By 557
Administrator

WCAnderson: ad 2/21/55
Copy to: Admr. R. File
Docket
Operating Committee
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

R.C.S.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1025, DEC BLDG.
KNOXVILLE 2, TENN.

February 10, 1955

Memorandum

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

From: Field Team, D. M. E.A. Region V, Knoxville, Tennessee

Subject: DMEA-3453 (mica) Bruce P. Ollis, Ingalls, N. C.
Poteat Mine, Avery County, N. C.

After an exchange of correspondence between Mr. Laurence and Mr. Ollis, regarding re-examination of the subject mine, Teague and Amos re-inspected the deposit on February 2, 1955.

Since the original examination in September 1954, the applicant has done considerable bulldozing on the property and sunk a 12-foot test pit in the floor of and at the end of a cut on the northeast corner of the property. The pit was flooded to the collar; however, Mr. Ollis reported that it was sunk entirely in "slate" (mica-schist). He has some vague idea that he will encounter a mica-bearing pegmatite when he cuts through the mica schist. There is no geologic basis for this opinion.

At the southwest corner of the worked area, Mr. Ollis has cut a trench about 100 feet long and obtained about $60 worth of mica. This mica is associated with a quartz lens.

The summary of conditions as given in the original examination report still applies. Apparently a few scattered mica rich areas have been accidentally located in the thick, perthite-rich alaskite; however, the possibility for the discovery of a worthwhile mica deposit is very poor. Additional work is not warranted.

The denial should be reaffirmed.

V. J. Lynch

V. J. Lynch, Acting
EXECUTIVE OFFICER
DMEA REGION V

D. H. Amos

D. H. Amos, Geologist
U. S. Geological Survey

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 305 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

December 13, 1954

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region VII

Subject: DMEA-3453 (mica) Bruce P. Ollis, Ingalls, N. C. Poteat Mine
Avery County, N. C.

The letter to Mr. Ollis sent with your letter of December 8, is satisfactory to us and the original has been mailed to him.

Robert A. Laurence

Robert A. Laurence

Docket Copy
Surname:
Houk
Selfridge
Hedges

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

600

DEC - 8 1954

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

Subject: Docket No. DMEA-3453 - Mica
Bruce P. Ollis
Poteat Mine
Avery County, North Carolina

Dear Mr. Laurence:

Reference is made to the subject application which was denied October 1, 1954.

We are enclosing a copy of a letter from the applicant requesting reconsideration of the denial. We have reaffirmed the denial on the basis that the mica is of non-strategic quality. If you are in agreement with this action please forward the enclosed letter to the applicant. If you are not in agreement please return all copies to this office.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee (JHB)

Approved:

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

Thor H. Kiilsgaard
Member, Geological Survey (JHB)

Enclosures 2

LGHouk:gad 12/8/54
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Dietrich, 3061
Mr. Kiilsgaard, 5222
Mr. Houk

Docket Copy
Surname:
Houk
Hedges
Kiilsgaard
Selfridge
Johnson

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

Mr. Bruce P. Ollis

Ingalls, North Carolina

Re: Docket No. DMEA-3453 - Mica
Bruce P. Ollis
Poteat Mine
Avery County, North Carolina

Dear Mr. Ollis:

Reference is made to your letter of November 9, 1954, requesting reconsideration of the subject application which was denied October 1, 1954.

It is noted from your letter that the subject Poteat Mine under consideration for exploration assistance, and examined by the Field Team on September 8, 1954, is also known as the Brushy Creek Mine. The proposed project does not meet the criteria necessary to qualify for exploration assistance inasmuch as the mica is not of strategic quality, therefore, the denial of your application is reaffirmed.

However, if you still believe that your property can produce a significant amount of strategic mica, we suggest that you do some additional work and expose new areas. On completion of this work, if you will advise us as to what new work has been done, we will be very pleased to arrange for another examination of your property.

Sincerely yours,

C. O. Mittendorf

Administrator

LGHouk:gad 12/8/54
Copy to: Admr. R. File
Docket
Field Team, Region VII
Operating Committee
Mr. Dietrich, 3061
Mr. Kiilsgaard, 5222
Mr. Houk

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

Mr. Bruce P. Ollis

Ingalls, North Carolina

Re: Docket No. DMEA-3453 - Mica
Bruce P. Ollis
Poteat Mine
Avery County, North Carolina

Dear Mr. Ollis:

Reference is made to your letter of November 9, 1954, requesting reconsideration of the subject application which was denied October 1, 1954.

It is noted from your letter that the subject Poteat Mine under consideration for exploration assistance, and examined by the Field Team on September 8, 1954, is also known as the Brushy Creek Mine. Denial of your application was based on the Field Team Examination Report and other information which indicates the improbability of disclosing significant reserves of strategic mica. The proposed project does not meet the criteria necessary to qualify for exploration assistance inasmuch as the mica is not of strategic quality, therefore, the denial of your application is reaffirmed.

However, if you still believe that your property can produce a significant amount of strategic mica, we suggest that you do some additional work and expose new areas. On completion of this work, if you will advise us as to what new work has been done, we will be very pleased to arrange for another examination of your property.

Sincerely yours,

Administrator

LGHouk:gad 12/7/54
Copy to: Admr. R. File
Docket
Field Team, Region VII
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

Reviewed by
DMEA OPERATING COMMITTEE

(date)

C
O
P
Y

Ingalls, N. C.
Nov. 9, 1954

Dept. of Interior
Defense Minerals Exploration Adm.
Washington, D. C.

Re: Docket No. DMEA-3453 - Mica
Poteat Mine
Avery Co., N. Car.

Dear Sir:

In answer to your letter of Oct. 1st. 1954. I would like for you to reconsider my application for aid, and re-open my case please. This mine was originally called The Brushy Creek Mine. I did not know this when I made my application for aid. This mine has given tons of No. 1 mica, and if there is a good prospect for mica this mine is one of them.

Your DMEA Field Examiner ask me when he was at said mine if this could be the Brushy Creek Mine. At that time I could not answer his question then. After getting more information on the mine. It is known as the Brushy Creek Mine.

J. W. Ollis, no relation of mine, is one of the few old timers left in this section who has mined a number of years, and he was one of the last miners to work at this mine. He recommends it to be a good prospect.

I have done some work at this mine, but there is still a lot more to be done yet to get it opened up.

Yours truly,

/s/ Bruce P. Ollis

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 10 1954

Ingalls N.C.
Nov. 9, 1954.

Dept. of Interior
Defense Minerals Exploration Adm.
Washington, D.C.

Dear Sir:

Re - Docket No. DMEA-3459-N.
Polecat Mine
Avery Co - N. Car.

In answer to your letter of Oct. 1st. 1954. I would like for you to re-consider my application for aid, and re open my case please. This mine was originally called the Brushy Creek Mine. I did not know this when I made my application for aid. This mine has given tons of No 1 mica, and if there is a good prospect for mica this mine is one of them.

Your DMEA Field Examiner ask me when he was at said mine if this could be the Brushy Creek mine. At that time I could not answer his question then. After getting more information on the mine. It is known as the Brushy Creek mine.

J.W. Ollis, no relation of mine, is one of the few old timers left in this section who has mined a number of years.

and he was one of the last miners to work at this mine. We recommend it to be a good prospect.

I have done some work at this mine, but there is still a lot more to be done yet, to get it opened up.

Yours Truly,
Bruce P. Ellis

Docket Copy
Surname:
Houk
Kiilsgaard
Hedges
Selfridge

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

OCT 1 1954

Mr. Bruce P. Ollis

Ingalls, North Carolina

Re: Docket No. DMEA-3453 - Mica
Poteat Mine
Avery County, North Carolina

Dear Mr. Ollis:

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,

Frank E. Johnson

ACTING Administrator

LGHouk:gad 10/1/54
Copy to: Admr. R. File
Docket
Operating Committee
Field Team, Region VII
Mr. Dietrich, 3061
Mr. Kiilsgaard, 5227
Mr. Houk

R.C.S.

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

October 1, 1954

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: A denial of exploration assistance and summary report.

By: James Hopkins

1. Docket No. DMEA-3453 - Mica

Property: Poteat Mine
Avery County, North Carolina

Applicant: Bruce P. Ollis
Ingalls, North Carolina

Application: Form MF-103 received August 20, 1954

Work proposed:

Bulldoze area 200' x 400' 100 hrs. @ $18.00	$1,800.00
Labor 4 men @ $1.00/hr. 12 weeks	1,920.00
Building Road	500.00
Mining House	250.00
Magazine	200.00
For Contingencies	330.00
Amount requested	$5,000.00

No contract: Application denied.

2. Comments:

Geological premise: All mica is small and mostly scrap grade. Pegmatite too lean to be worthwhile for even a scrap operation.

Geological criteria:
1. Pegmatite is fine grained -- probably alaskite conformable to mica schist wall rock, weathered and unzoned.
2. No mica concentration exposed.
3. The mica is green in color, hard, curved, bent, cracked, badly ruled and "tied".

Future possibilities: None.

Recommendations: The Nonmetallic Minerals Division concurs in the field team's recommendation to deny the application. The Geological Survey and the Bureau of Mines are in agreement.

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

Department of the Interior
Defense Minerals Administration
RECEIVED
SEP 29 1954

September 28, 1954

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Donald R. Irving, Acting for Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-3453 (mica)

Applicant: B. P. Ollis

Name and Location of Property: Poteat Mine
Mitchell County, North Carolina

Date of Field Team Report: September 17, 1954

Date Rec'd. by Ceramic & Fertilizer Mtls. Br.: September 24, 1954

Field Team Recommendation:

1. Denial.

Comments:

1. The mica found at this mine was poor in quality and small in grade.

Recommendation:

I concur in the field team's recommendation for denial of this application on the basis that there is little possibility of obtaining strategic mica.

Donald R Irving
Donald R. Irving

IN REPLY REFER TO:

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 27 1954

September 24, 1954

Re: DMEA-3453
Bruce P. Ollis
(Poteat Mine)
Avery Co., N. C.
$5,000 - Mica

Memorandum

To: L. G. Houk, Defense Minerals Exploration Administration

From: E. L. Newcomb, U. S. Geological Survey

Subject: Concurrence with Field Team denial

The field examiners recommend this application be denied.

Their reasons for a denial are valid and justified.

I concur with their report and recommend the Poteat mine be denied exploration assistance.

E. L. Newcomb

E. L. Newcomb

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

September 17, 1954

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Field Examination Report, DMEA-3453 (mica) Bruce P. Ollis, Ingalls, N. C. Poteat Mine, Avery County, N. C.

Enclosed are four copies of the subject examination report. The property was examined without a field referral.

We agree with the examiners that this application should be denied.

Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION VII

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

SEP 20 1954

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM, REGION VII

On

DMEA-3453, POTEAT MINE (mica)
Avery County, N. C.

BY

K. H. Teague and D. H. Amos, Geologists
U. S. Geological Survey
and
L. E. Shirley, Mining Engineer
U. S. Bureau of Mines

September 16, 1954

FIELD EXAMINATION REPORT
ON
DMEA-3453, POTEAT MINE (mica)

Applicant: Bruce P. Ollis, Ingalls, North Carolina

Extensive slumped open cuts exist at this place, having been made in a large, fine grained, mica-lean pegmatite. There is little liklihood for the discovery of a worthwhile mica deposit. The examiners recommend that the application be denied.

The deposit was examined on September 8, 1954. Mr. Bruce P. Ollis accompanied the examiners on the inspection which required two hours.

The Poteat Mine is on the slope of Mill Ridge, south of Brushy Creek, 2.5 airline miles S. 45° E. of Ingalls, Avery County, North Carolina. Access is good at all times to within 1/8 mile of the mine. Only a foot trail extends from this point to the mine.

A more or less continuous open cut with an area of several acres has been made at this place by diverting a stream across the pegmatite. The area worked is about 500 feet long in an east-west direction and 200 feet wide in a north-south direction. Sides of all of the cuts are badly slumped. A few short "ground hog" adits have been driven in the sides of the cuts, none of which expose mica of strategic grade. Depth of the cut varies from 10 to 40 feet.

This opening has been made in a thick, gently dipping, fine-grained pegmatite, which apparently contains mostly scrap mica. It is approximately 50 feet thick, conformable to the mica schist wall rock, weathered, unzoned, trends N. 25° - 60° W. and dips 10° SW. No mica concentration is exposed.

This deposit could be described as either a coarse grained alaskite or a fine-grained pegmatite. It is composed of perthite, sodic plagioclase, quartz, and green mica.

All mica is small and mostly of scrap grade. The examiners believe the pegmatite is too lean in mica to be worthwhile for even a scrap operation. The mica is green in color, hard, curved, bent, cracked, badly ruled and "tied."

Possibilities for the discovery of a worthile deposit of strategic mica at this place are very poor. The examiners recommend that the application be denied.

Exam: Sept. 8, 1954

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

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

z

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

September 17, 1954

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Donald R. Irving, Acting for Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-3~~476~~53 (mica)

Applicant: Bruce P. Ollis

Name and Location of Property: Poteat Mine
Mitchell County

Comments:

1. No data available in this office on subject mine.

Recommendation:

It is recommended that the field team visit this mine when in that vicinity to ascertain if an exploration project is justified. If so, the field team and applicant should agree on a definite plan of exploration on a unit-cost basis.

Donald R. Irving

Donald R. Irving

IN REPLY REFER TO:

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

August 23, 1954

Memorandum

REVIEW OF APPLICATION DMEA-3453 (mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: E. L. Newcomb, U. S. Geological Survey
Applicant's name and address: Bruce P. Ollis, Ingalls, North Carolina
Name of property: Poteat Mine
Location of property: 8 miles NE of Spruce Pine, North Carolina
Summary of applicant's proposal:
100 hrs. - bulldozing
Shaft sinking and drifting.
TOTAL COST (EST.) - $5,000.
Sources of information on applicant's property:
We have no information on the Poteat mine, Avery Co., N. C. There is a Poteat mine in Mitchell Co., N. C., but from the description of the mine locations the two properties are 10 miles apart.
Comments: This property was developed during the last war and may warrant exploration assistance. In light of the fact that we have no pertinent information on the property, it seems best to refer the application to the Field Team.
RECOMMENDATION: Field referral for examination at their convenience.

E. L. Newcomb

E. L. Newcomb

August 20, 1954

Mr. Bruce P. Ollis
Ingalls
North Carolina

Subject: DMEA-3453
Re: Exploration Assistance
Poteat Mine

Dear Sir:

The receipt of your application dated August 19, 1954 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA-3453 and referred to the Non-Metallic Minerals Division.

Kindly refer to in any future correspondence relating to your application.

Sincerely yours,

Ingalls, North Carolina
August 19, 1954.

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

Gentlemen:

Enclosed herewith you will find application for loan in connection with a mine which I have leased. Please give this matter your very prompt attention.

Very truly yours,

Bruce P. Ollis

Bruce P. Ollis

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. 3453
Metal or Mineral MICA
Date Received
Estimated Cost $5,000
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: Bruce P. Ollis, Ingalls, North Carolina

(*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 attached sheet

(*b*) State any mine name by which the property is known. Poteat 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. Copy attached hereto

(*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. See attached sheet

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

(*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. See attached sheet

(*d*) State the facts with respect to the accessibility of the project: Access roads, distances to shipping, supply and residence points. 8 miles northeast of Spruce Pine, N. C.

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

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

(*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. See attached sheet.

(*c*) The work will start within 30 days and be completed within 6 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. 1½ years mining experience

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.). See attached sheet.

(*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)? Yes

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

[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.

Dated August 19th, 1954.

Bruce P. Ellis
(Applicant)

By

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

BRUCE P. OLLIS

3(a) BEGINNING on a 14 inch sycamore stump and running thence south 48 degrees east 92 feet to a pile of stone; thence south 23 degrees 30 minutes east 197 feet to a rock in an old road; thence running with the old road south 50 degrees 30 minutes east 100 feet to a stake; thence leaving the road and running south 40 degrees east 149 feet to a stake; thence north 70 degrees east 177 feet to a stake; thence south 67 degrees east 100 feet to a stake; thence south 63 degrees east 200 feet to a stake; thence north 80 degrees 30 minutes east 100 feet to a stake; thence north 5 degrees west 200 feet to a stake; thence north 31 degrees 30 minutes west 100 feet to a stake; thence north 52 degrees west 122 feet to a stake; thence north 1 degree east 100 feet to a stake; thence north 8 degrees west 127 feet to a stake in a trail; thence running with the trial north 87 degrees 30 minutes west 100 feet to a stake; thence north 68 degrees west 87 feet to a stake; thence north 48 degrees west 53 feet to a stake; thence north 81 degrees west 80 feet to a stake; thence south 72 degrees west 78 feet to a stake; thence north 76 degrees 30 minutes west 114 feet to a stake; thence south 53 degrees 30 minutes west 100 feet to a stake; thence leaving the trail and running south 33 degrees west 173 feet back to the BEGINNING, and containing six and one-fourth (6¼) acres.

4(a) Nothing has been done around this mine for the past few years. It is located on the Brushy Creek Road near the waters of Brushy Creek in Avery County, North Carolina. Turn off of U. S. Highway 19-E on Airport Road (Brushy Creek Road) and follow this road approximately 1½ miles; then turn right and cross Brushy Creek and the mine is about 1 mile from that point.

(b) Some mining here some few years ago.

(c) There are two mica veins embedded in this mine-an upper and a lower vein. The swell between the two veins had previously been worked out. See attached sketch.

5(b) See attached sketch. Propose to bulldoze a strip approximately 200 feet by 400 feet in dimensions. Use laborers for tunneling and shafting.

6. Estimate of costs:

Bulldozing-100 hours @ $18	$1800.00
4 laborers @ $1 per hour-5 days per week for 12 weeks	1920.00
Building Road	500.00
Mining House	250.00
Magazine	200.00
For Contingencies	330.00
TOTAL	$5,000.00

NORTH CAROLINA

AVERY COUNTY

MINING LEASE

This indenture made this the 8th day of July 1954 by J. K. Poteat individually & as attorney in fact for H. O. Poteat & D. S. Poteat, Heirs of J. H. Poteat parties of the first part and known as lessors, and BRUCE P. OLLIS, party of the second part, and known as lessee.

WITNESSETH: That the parties of the first part in consideration of One Dollar in hand received and hereby acknowledged by the lessors, and in consideration of the agreements hereinafter contained, on the part of the party of the second part to be performed, hereby bargain, lease and grant to the party of the second part and his heirs and assigns, for the period of ~~five~~ two years from the date of this agreement, the following described property, for mining purposes, in the County and State first above written to wit:

BEGINNING on a 14 inch sycamore stump and running thence south 48 degrees east 92 feet to a pile of stone; thence south 23 degrees 30 minutes east 197 feet to a rock in an old road; thence running with the old road south 50 degrees 30 minutes east 100 feet to a stake; thence leaving the road and running south 40 degrees east 149 feet to a stake; thence north 70 degrees east 177 feet to a stake; thence south 67 degrees east 100 feet to a stake; thence south 63 degrees east 200 feet to a stake; thence north 80 degrees 30 minutes east 100 feet to a stake; thence north 5 degrees west 200 feet to a stake; thence north 31 degrees 30 minutes west 100 feet to a stake; thence north 52 degrees west 122 feet to a stake; thence north 1 degree east 100 feet to a stake; thence north 8 degrees west 127 feet to a stake in a trail; thence running with the trail north 87 degrees 30 minutes west 100 feet to a stake; thence north 68 degrees west 87 feet to a stake; thence north 48 degrees west 53 feet to a stake; thence north 81 degrees west 80 feet to a stake; thence south 72 degrees west 78 feet to a stake; thence north 76 degrees 30 minutes west 114 feet to a stake; thence south 53 degrees 30 minutes west 100 feet to a stake; thence leaving the trail and running south 33 degrees west 173 feet back to the BEGINNING, and containing six and one-fourth (6¼) acres.

TO HAVE AND TO HOLD the said lands to him, for mining purposes, the said lessee and his heirs and assigns for the aforesaid period of two years in compliance with the condition of this instrument for the purpose and with the right to dig, quarry, search, explore for, obtain, and remove any kind of minerals, metals or fossils, and particularly mica, and to conduct the same to any extent the said party of the second part may desire. And it is hereby agreed

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

between the parties to this agreement that the party of the second part is to have the use of any unoccupied buildings on said lands for mining purposes, and that he shall have the right to erect such buildings as he needs to carry on such mining operations during the period of this lease, and that the party of the second part shall keep the same in as good condition as when received, unavoidable accidents excepted. And it is also agreed by the party of the second part that no unnecessary damage is to be done to the lands herein leased during the period of this lease and the continuance of said lease, but the said party of the second part shall have the right to take from said lands leased to the party of the second part any wood or timber the party of the second part may need to carry on said mining operations or which may be needed to carry on the addition to existing buildings or to erect new buildings or sheds on said lands. Timber of high or special market value is excepted and shall not be used by the lessee. And it is hereby agreed that the party of the second part, the lessee, is to have right of way of ingress and egress to said mines or land upon which exploration is being conducted.

And it is further agreed that the party of the second part, the lessee hereby agrees to pay to the said parties of the first part or their heirs or assigns a rental royalty of 1/8th of the selling price on all mica taken and sold from said mines, which shall be for the use of the said lands for the aforesaid period of two years. The said amounts shall be payable on the computation of selling bills on the 10th day of each month covering sales made during the previous month. Any minerals other than mica which may be taken and sold shall be paid for and at the usual royalty rate of the minerals taken.

And it is further agreed that the lessee, his heirs or assigns shall have the option to renew this lease and to extend the period of its running for an additional two years from the date of its present termination. The option shall be exercised by giving formal written notice to the parties of the first part or by the continuation

OFFICE
RITCHARD
N. C.

of any mining operations then being conducted. And it is agreed that the lessee may assign this mining lease or any part thereof and that he may sublease.

But it is expressly agreed that unless mineral or fossil of practical value for mining purposes shall be found within a period of two years from the date of this instrument, the lease may be terminated by the lessee at any time thereafter on 30 days notice to the lessors. The lessee agrees that during the period of this lease or the continuance of this lease work in said mines or exploration for new mines within the area shall not ~~cease longer~~ lose more than 90 working days ~~at~~ in any ~~one time, unavoidable accidents excepted.~~ one year

Witness our hands and seals the day and year first above written.

B/ J.K. Poteat (Seal)
Individually & as attorney in fact for W.O. Poteat & D.S. Poteat, heirs of J.H. Poteat

North Carolina
Mitchell County

I, N.B. Miller, Notary Public, hereby certify that J.K. Poteat, individually & as attorney in fact for W.O. Poteat & D.S. Poteat, as heirs of J.H. Poteat personally appeared before me this date & acknowledged the due execution of the foregoing lease.

Witness my hand & notarial seal this The 14 day of Aug. 1954

B/ N.B. Miller
Notary Public

(Notarial Seal)

My Commission expires:
April 9th, 1955.

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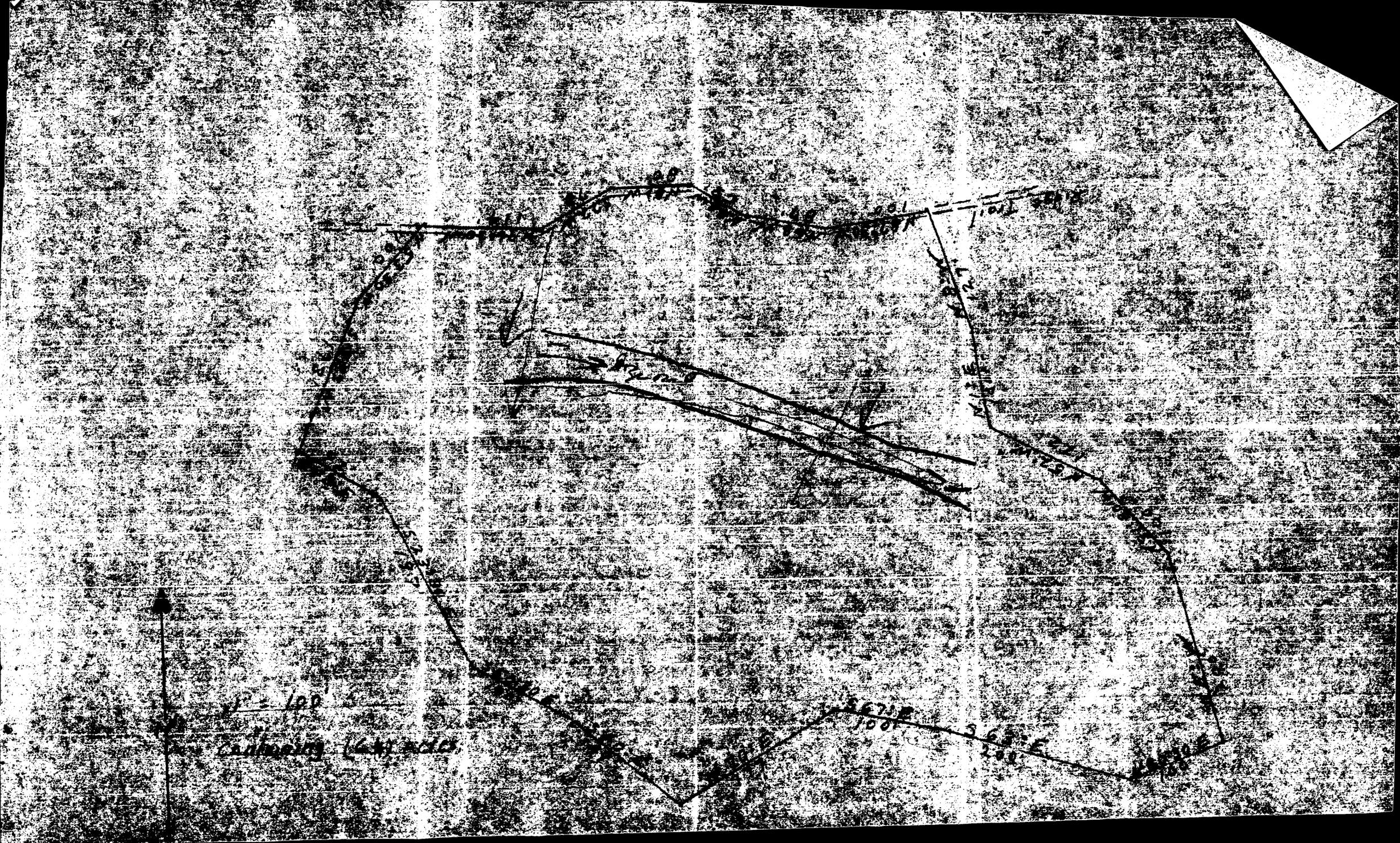
PRITCHARD
N. C.


1" = 100'
Centering (4) adds.