DMEA 3458

DOCKET INDEX

ACTION DOCUMENTS

1	APPLICATION	DATE RECEIVED	8/23/54
2	CONTRACT	DATE	11/8/54
3	TERMINATION AGREEMENT	DATE	
4	CERTIFICATION	DATE	
5	AUDIT REPORT	DATE	
6	AMENDMENTS - NUMBERS 1	DATE	5-13-55

Docket Copy

Rubin
5/24/5

7

EXPLORATION PROJECT CONTRACT
DOCKET No. DMEA 3458
Idm-E736 (mica)

AMENDMENT No. 1

Contract Idm-E736, Docket No. DMEA-3458, between the United States of American, acting through the Department of the Interior, Defense Minerals Exploration Administration and Audy Pittman, Spruce Pine, North Carolina, dated November 8th, 1954, is here by amended as follows:

1. Article 3 is amended to read.."..... and shall bring the project to completion within a period of seven (7) months from the date of the contract"..... instead of five (5) months as written in the original contract.

April 13, 1955

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be required to pay, nor the amount of any item designated as 'allowable maximum.'

AUDY PITTMAN

Audy Pittman

Robert A. Lawrence

EXECUTIVE OFFICER
DMEA REGION V

Defense Minerals Docket copy
RECEIVED
NOV 26 1954

MF-200A
(Revised June 1954)

Docket No. DMEA 3458

Commodity Mica

Contract No. Idm-E - 736

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
EXPLORATION PROJECT CONTRACT[1]
(Short Form)

It is agreed this 8th day of November, 1954, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2] Rudy Pittman, whose mailing address is Spruce Pine, North Carolina, hereinafter called the "Operator," as follows:

ARTICLE 1. *This contract* is entered into under the authority of the Defense Production Act of 1950, as amended. It consists of this form (MF-200A), the attached Exhibit "A," Annex I, and .....

The Operator shall not transfer or assign this contract or any right thereunder without the written consent of the Government.

ARTICLE 2. *Operator's property rights.*—(a) The land which is the subject of this contract (hereinafter called "the land") is in the State of North Carolina, County of Mitchell, and is described in Annex I.[3]

(b) The Operator represents and undertakes that:

(1) The Operator is the [4] lessee of [5] the mineral rights in the land, in possession and entitled to possession for all of the purposes of this contract, under and by virtue of a [6] lease, dated 6/22/54, [7] recorded in Book ....., page ....., official records of said County; and

(2) The Operator's right, title, or interest (whether as owner, lessee, or otherwise) is subject only to the following claims, liens, or encumbrances: none.

(c) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above, and (if the Operator does not hold the legal title) the Consent to Lien of any holder of the legal title of the land (lessor, seller, optionor, etc.), are attached, as follows: Owner's Consent to Lien

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] Insert name, and if an organization, its nature (corporation and place of incorporation, partnership with names of partners, etc.).
[3] State on a separate sheet marked "Annex I" the legal description or enough to identify the property, particularly excluding any areas from which the production is not to be subject to the Government's percentage royalty.
[4] Insert "owner," "lessee," "contract purchaser," "locator," etc.
[5] Insert "the entire interest," "the mineral rights," "an undivided one-third," etc.
[6] Insert "deed," "lease," "contract," "location notice," "patent," etc.
[7] If not recorded, so indicate by inserting "un."

(d) The Operator shall preserve and maintain his right, title, and interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. Until the lapse of the time within which the Government may make a certification of discovery or development without any such certification having been made, and after any such certification has been made, the Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof. If the Government makes no certification of discovery or development within the time limited in Article 7, it shall thereafter have no claim against the land or any production therefrom except for any production referred to in Article 7(b)(1).

ARTICLE 3. *The exploration project.*—The project is a search for indicated or undeveloped deposits of mica. The work to be performed is described in Exhibit "A." The Operator on or before ..... shall commence the work, and on or before April 15, 1955 (unless the Operator's obligation to complete the work is terminated—see Article 8) shall complete the work.

ARTICLE 4. *Performance of the work.*—(a) *Operator's responsibility.*—The work shall be performed with reasonable diligence, efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for liability insurance covering employment; and with suitable and adequate equipment, facilities, materials, supplies, and labor, to bring it to completion within the time fixed.

(b) *Government may inspect.*—The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract, and also after a certification of discovery or development to inspect production operations and underground workings. The operator shall provide the Government with all reasonable means of access for such inspections.

ARTICLE 5. *Contribution by the Government.*—A fixed cost for each unit of work to be performed (per foot of drifting, per foot of drilling, per hour of operations, etc.) is hereby agreed upon, and is set forth in Exhibit "A" in connection with the estimated total cost of the project in the sum of $6,316.00 The Government will contribute 75 percent of the fixed unit costs as work is performed, in a total sum not in excess of $4,737.00: *Provided,* That until the Operator has rendered to the Government his final report, and any final auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of 10 percent of the estimated total cost of the work. The Government will make its contribution on the basis of the monthly vouchers referred to in Article 6(b), but all payments by the Government are provisional only, subject to audit, until the account between the Operator and the Government is finally audited and settled. To the extent that excesses over fixed unit costs or any excess over the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such excesses for his own account without contribution by the Government. The Government may make payments directly to independent contractors and suppliers for the account of the Operator rather than to the Operator.

ARTICLE 6. *Reports, accounts, audits.*—(a) *Operator's records.*—The Operator shall keep suitable records and accounts of the units of work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine any pertinent books, documents, papers, and records of the Operator. All of the Operator's vouchers and records and accounts relating thereto and the Government's payments thereof remain subject to adjustment until final audit by the Government.

(b) *Progress reports and vouchers.*—The Operator shall provide the Government with five copies of monthly progress reports in three sections as follows: (1) Operator's Monthly Report and Voucher showing a detailed statement of units of work performed during the reporting period; (2) Operator's Unit Cost and Progress Report showing the various types of work performed during the reporting period and the fixed unit costs incurred for each type of work; and (3) a Narrative Report of the work

performed during the reporting period including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground. (Forms for reporting under (1) and (2) above will be provided by the Government.)

(c) *Final report.*—Upon completion of the work or termination of the Government's obligation to contribute to costs, the Operator shall furnish the Government with five copies of a final report (in addition to the final progress report and voucher). This final report shall include a geological and engineering evaluation of the results of the work performed under the contract with an estimate of the ore reserves resulting from such work, complete assay data, adequate geological and engineering maps or sketches, and a summary of the work performed and the unit costs thereof.

(d) *Report of sales.*—The Operator shall provide the Government with suitable accounting and documentary evidence covering all production to which the Government's percentage royalty relates, such as copies of smelter or concentrator settlement sheets, and certified accounts of production and sale or other disposition of production.

(e) *Compliance with requirements.*—If in the opinion of the Government any of the Operator's reports, records, or accounts are insufficient or incomplete, or if the Operator fails to make them, the Government may procure the making or completion of such with suitable attachments as an expense of the work to which the Operator shall contribute. The Government may withhold approval and payment of any vouchers relating to insufficient or incomplete reports, records or accounts.

ARTICLE 7. *Repayment by Operator.*—(a) *Certification.*—If the Government considers that a discovery or development from which production may be made has resulted from the work, the Government, at any time not later than six months after a sufficient final report and final account (see Article 6) has been rendered, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

(b) *Royalty on production.*—The Operator, as principal if the Operator is the producer, or as surety if the Operator is not the producer, shall pay to the Government a royalty on all minerals mined or produced from the land, as follows: (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, or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first; or (2) if the Government makes a certification of discovery or development, within a period of ten years from the date of the contract, or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first.

(c) *Basis for computation.*—The Government's royalty shall be a percentage of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrates, metal, or equivalent), at the point of delivery (the f. o. b. point); *except,* that charges of *the buyer* arising in the regular course of business, and shown as deductions on the buyer's settlement sheets, on account of the cost of treatment processes performed by *the buyer,* sampling and assaying to determine the value of the production sold, and freight paid by *the buyer* to a carrier (not the Operator), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. Any costs of treatment processes, sampling or assaying, or transportation, performed or paid by the Operator or by anyone other than the buyer, are not deductible in arriving at the "gross proceeds" as that term is here used. The term "treatment processes," as here used, means those processes (such as milling, concentrating, smelting, refining, or equivalent) applied to the crude ore or other production after it is extracted from the ground, to put it into a commercially marketable form; excluding fabricating or manufacturing.

(d) *Unsold production.*—If any production (ore, concentrates, metal, or equivalent), after the lapse of six months from the date the ore was extracted from the ground, remains neither sold nor used by the Operator in integrated manufacturing or fabricating operations (for instance, if it is stockpiled), the Government, at its option, as long as it so remains, may require the computation and payment of its royalty on the value of such production in the form (ore, concentrates, metal, or equivalent) it is in when the Government elects to require computation and payment. If any production is used by the Operator in integrated manufacturing or fabricating operations before the Government makes its election, the Government's royalty on such production shall be computed on the value thereof in the form in which and at the time when it is so used. "Value" as here used means what is or would be gross income from mining operations for percentage depletion purposes in Federal income tax determination, or the market value, whichever is greater.

(e) *Percentages of royalty.*—The percentages of the Government's royalty shall be as follows:

One and one-half (1½) percent of amounts ("gross proceeds" or "value") not in excess of eight dollars ($8.00) per ton of production in the form in which sold, held, or used, plus one-half (½) percent for each additional full fifty cents ($0.50) by which such amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such amounts.

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

(f) *Time for computation and payment.*—The Government's royalty shall be computed and paid currently upon each lot sold, held, or used in integrated operations, as the case may be, as above provided in this article.

(g) *Lien for payment.*—To secure the payment of its percentage royalty, there is hereby granted to the Government a lien upon the land or the Operator's interest in the land and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

(h) *Notice to purchasers.*—The Operator shall give notice of the Government's claim for royalty to any purchaser of the production, and shall authorize and direct such purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets. If the records of any production and sales or other disposition of production, whether the production is by the Operator or by others, are not made available to the Government, the amount of the royalty may be estimated by the Administrator, Defense Minerals Exploration Administration, or his successor, and his estimate thereof shall be final and binding upon the Operator.

(i) *No obligation to produce.*—Nothing in this contract is to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

(j) *Government not obligated to buy.*—Nothing in this contract shall be construed as imposing any obligation on the Government to purchase any minerals mined or produced from the land.

ARTICLE 8. *Termination of the Government's obligations.*—(a) If in the opinion of the Government operations at any time have failed to achieve anticipated results that indicate the probability of making a worthwhile discovery, and in the opinion of the Government further operations are not justified, the Government may give the Operator written notice thereof, and thereupon the Government shall be free of all obligation to pay on account of units of work not then performed, and the Operator shall be free of all further obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting.

(b) If in the opinion of the Government the Operator is in any manner in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon the Government shall be relieved of all obligation to pay on account of units of work not performed when the notice was given, and the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting. The remedy provided for the Government in this paragraph "(b)" is in addition to any other remedy provided in this contract, and in addition to any other remedy the law may provide for breach of contract.

(c) The giving of any notice by the Government under the provisions of this Article 8 shall not affect the Government's rights as provided for in the contract with respect to a percentage royalty, and such rights shall be fully preserved.

ARTICLE 9. *Notices to be given by the Government* may be delivered to the Operator, or may be sent by registered mail addressed to the Operator at his mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 10. *Officials not to benefit.*—No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 11. *Changes and added provisions.*—

Executed in sextuplicate the day and year first above written.

Andy Pittman

ANDY PITTMAN

(Operator)

By .....

.....

THE UNITED STATES OF AMERICA

By O. Mitteudorf

Administrator, Defense Minerals Exploration Administration

Carter
Hoffland
Anderson
Hoot
Chandler
Selfridge

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

.....

[CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE 16—70618-1

RECEIVED
NOV 26 1954

EXPLORATION PROJECT CONTRACT
AUDY PITTMAN
DOCKET NO. DMEA-3458

ANNEX I

The land referred to in Article 2 of the contract is known as the Wiseman #2 Mine, and was leased for mining purposes to Audy Pittman for a period of five years with option to renew for an additional five years by International Minerals and Chemical Corporation, by an instrument dated June 22, 1954. The Wiseman #2 Mine is on the hillside east of Beaver Creek about 1.8 miles N. 22° E. of Spruce Pine, Mitchell County, North Carolina, and is described in the lease as follows:

> Beginning at a point on the West side of the ridge 313 feet below the Wiseman #2 Mine and runs 208 feet North, thence up the mountain 626 feet East, thence South 208 feet, thence West 626 feet to the beginning, so as to include the Wiseman #2 Mine in the center, and containing 3 acres more or less.

EXPLORATION PROJECT CONTRACT
AUDY PITTMAN
DOCKET NO. DMEA-3458

EXHIBIT "A"

Description of the Work

Exploration for concentrations of strategic mica shall be accomplished in the area indicated on the attached map entitled "Sketch of Wiseman #2 Mine, Mitchell Co., N.C. DMEA-3458 (mica)," as follows:

1. Construct 300 feet of access road, requiring removal of some rock ledges, and approximately 300 cubic yards of soil.

2. Prepare a shaft site, requiring leveling and removal of approximately 150 cubic yards of boulders and soil.

3. Construct:

   (a) A toolhouse, minimum dimensions 7 feet by 10 feet by 12 feet.

   (b) A powder storage magazine, minimum dimensions 4 feet by 3 feet by 2½ feet.

   (c) An exploder storage magazine, minimum dimensions 2 feet by 1½ feet by 1 foot.

The toolhouse may be unfloored; shall be made from rough, unfinished lumber with a protective roof covering; and shall be equipped with lock and key.

The powder and exploder magazines shall be boxed on all sides; shall be made from 2-inch hard lumber or 3-inch soft lumber; and shall be well braced at the corners. Lumber for these two buildings shall be smooth on the inside; no metal shall be exposed; and the lids or doors shall be securely locked with the equivalent of a 5-tumbler jarproof lock.

4. Sink a 75-foot, 2-compartment vertical shaft to intersect the pegmatite below the level of the old workings.

5. From the bottom of the shaft, drive 75 feet of drifts and/or crosscuts on the pegmatite.

The shaft and the drifts and/or crosscuts shall be timbered as necessary and shall have cross-sectional dimensions of not less than 5 feet by 7 feet in the clear of timber.

The location, inclination, direction, and extent of all work are subject to the approval of the Government.

Fixed Unit Costs

Constructing 300 feet of access road @ $0.50/ft.		$ 150.00
Preparing shaft site, 150 cubic yards @ $0.33-1/3/cu. yd.		50.00
Constructing:	Toolhouse 1/	78.00
	Powder magazine 1/	25.00
	Exploder magazine 1/	13.00
Sinking 75 feet of shaft @ $45.00/ft.		3,375.00
Driving 75 feet of drifts and/or crosscut @ $35.00/ft.		2,625.00
Estimated Total Cost of Project		$6,316.00
Government participation @ 75%		$4,737.00

1/ The completed work constitutes the unit.

MF-203
(Revised July 1, 1954)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 26 1954

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 _____, County of _____, described as follows:1/

_____

_____

_____

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/_____

_____

_____

hereinafter called the "Operator"; and

WHEREAS, under the provisions of said contract the Government is entitled to a percentage royalty on production 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.

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.

(OVER)

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 9th day of September, 1954.

Norman J. Dunbeck [Seal]
Norman J. Dunbeck, Vice President
International Minerals & Chemical Corp. [Seal]
20 North Wacker Drive, Chicago, Ill.
_____ [Seal]

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

RECEIVED
MAR 19 1956

March 13, 1956

MEMORANDUM

To: Field Team, Region I, Northwest District

From: Darrell M. Pinckney, Geologist, U. S. Geological Survey

Subject: Final inspection report, Docket No. DMEA-3458 (Lead-Zinc) Boss Mines, Inc., Boss & Atlantus claims, Neihart, Cascade County, Montana

Final inspection of the Boss and Atlantus workings was made February 29 by D. M. Pinckney and Don Kellum, geologists, U. S. Geological Survey. The drift on the 104 vein and the 50-foot winze level on the 101 vein were mapped (DMEA did not participate in the exploration from the winze).

The 104 vein structure north of the crosscut is completely barren and consists only of a few gouge strands in the footwall of the rhyolite porphyry dike. Both the alteration and gouge strands get progressively weaker farther from the crosscut.

South of the crosscut several vein strands merge to form a stronger oxidized vein composed chiefly of manganese oxides. The vein is exposed for about 45 feet; it reaches a width of 4 feet. Farther to the south the vein narrows and changes to two subparallel pink carbonate stringers that contain no sulfides. Sulfide stringers are restricted to the hanging wall near the crosscut.

The following samples have been taken:

No.	Width (feet)	Oz Au	Oz Ag	% Pb	% Zn	% Cu	% Mn	Remarks
934	8	0.005	2.2	0.15	--	0.06	2.25	Slightly mineralized sheared and altered footwall of vein in crosscut
935	1.3	0.005	21.0	10.1	26.0	0.22	2.30	Smaller sulfide pod oxidized vein south of crosscut
949	Results not yet available							

The 101 vein on the winze level contains as much as seven feet of vein material composed mostly of alternating bands of carbonates and sulfides. The vein is stoped for a horizontal distance of 30 feet and a vertical distance of 37 feet. The ore from this stope contains about 40 ounces of silver per ton, 3 percent lead and 3 percent zinc.

Distribution:
DMEA (Orig. & 3)
USBM (2)
USBM (AD)
Docket
Pinckney

Lead - Zinc

Docket File
Surname:
Anderson
J L Kinsure
Chambers
Selfridge
Johnson

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

DEC - 5 1955

Mr. Andy Pittman

Spruce Pine, North Carolina

Re: Docket No. DMEA-3458 - Mica
Wiseman #2 Mine
Mitchell County, North Carolina
Contract No. Idm-1736

Dear Mr. Pittman:

Reference is made to your completed exploration contract with the Government.

We sincerely regret that the work performed did not result in a certification of discovery or development under the provisions of the contract. In the absence of such certification, the Government retains no claim or lien against the property subject to the contract or any future production therefrom. We, therefore, are closing our books and records on this project. Your attention, however, is called to the provisions of the contract which require the Operator to keep and preserve certain records for the period indicated.

Your interest in the DMEA exploration program and participation therein are fully appreciated.

Sincerely yours,

C. O. Mittendorf
(By ES7)
Administrator

WCAnderson:pk 7/5/55
Copy to: Admr. R. File
Docket
Mr. Chambers
Mr. Dietrich, 3061
Mr. Kiilsgaard, 5222
Field Team, Region V
Mr. Houk
Mr. Norman J. Dunbeck, Vice President
International Minerals & Chmeical Corp.
20 North Wacker Drive
Chicago, Illinois

R.C.B.

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

1201 N. Division St.
Spokane 2, Washington
November 18, 1955

RECEIVED
DEC - 5 1955

MEMORANDUM

To: DMEA Field Team, Region I, Northwest District

From: John A. Bowsher, Mining Engineer, Bureau of Mines

Subject: Interim report, Docket No. DMEA-3458 (lead-zinc), Boss Mines, Inc., Boss and Atlantus Claims, Cascade County, Montana, Contract No. Idm-E743

A routine inspection was made on October 28, accompanied by S. W. Zoldok, Mining Engineer, Bureau of Mines. The previous inspection was made on October 6.

The advance during the interim was drifting north and south along the footwall of the rhyolite dike about 15 feet from the present face of the adit crosscut. The bearing of the drift is approximately N. 5° W. and the footage advance totals 28 feet - 11 feet north and 17 feet south of the crosscut. Fair lead-zinc mineralization was observed and the operator has been requested to take samples.

The total measured footage under the contract as of September 1, combined crosscutting and drifting, was 628 feet (authorized 760 feet). The total advance to date is 628 + 28 = 656 feet. The Operator's voucher for August (the last one received) shows a total of 659 feet. The Operator has been informed of the over-vouchering and a remeasurement will be made on the next month's inspection.

John A. Bowsher

Orig. & 3 cys - Wash.
USGS (2)
DMEA
M/D
AD
JAB/he

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
1201 N. Division St.
Spokane 2, Washington
September 29, 1955

RECEIVED
OCT 6 - 1955

Mr. C. L. Hewitt, President
Boss Mines, Inc.
P. O. Box 904
Helena, Montana

Re: Docket No. DMEA 3458 (lead-zinc)
Boss Mines, Inc.
Cascade County, Montana
Contract No. Idm-E743

Dear Mr. Hewitt:

This is in answer to your letter of September 23, 1955.

All ore mined within the boundaries of lands described in Article 2 of the contract is subject to the Government's percentage royalty, while the contract is in effect, even though the Government did not participate in the cost of the work in developing this ore.

When the contract is completed or terminated, then royalty would be payable only if a certification of discovery or development is made.

Repayment by the Operator is discussed under Article 8, paragraph (b) of your contract.

By Field Team, Region I, NW District

A. E. Weissenborn, Executive Officer
U. S. Geological Survey

Thomas E. Howard, Acting Member
U. S. Bureau of Mines

cc: DMEA (2)
USGS (2)
USBM (AD)

BOSS MINES, INC.
P. O. Box 904
Helena, Montana

RECEIVED
OCT 6 - 1955

Sept. 23, 1955

Mr. Verne C. Fryklund, Jr.
Acting Executive Officer
U. S. Geological Survey
for Field Team Region I
Northwest District.

Re Contract Idm-E743
Boss Mines, Inc.
545 N. Rodney St.
Helena, Montana.

Dear Mr. Fryklund:-

Your letter of Sept. 21 received and note that no payment can be made for samples taken from the winze.

There has been no DMEA participation in the costs of this winze work either in equipment or actual costs of sinking, so I hardly thought that the assaying would be allowable, but as the reports were made up before I thought of that aspect, I let them go with that work included.

If we produce ore from this winze now, the question that comes to my mind is whether we will be expected to pay a royalty to the DMEA on such smelter shipments. I would appreciate having your opinion on this matter.

Yours very truly,

C. L. HEWITT /s/

C. L. Hewitt, Pres.
Boss Mines, Inc.

C O P Y

ok

IN REPLY REFER TO:

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

RECEIVED
JUN 29 1955

June 29, 1955

Re: DMEA-3458, Idm-E736
Audy Pittman
Wiseman No. 2 Mine
Mitchell County, N. C.
$6,316.00 - Mica

Memorandum

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

From: N. E. Nelson, U. S. Geological Survey

Subject: Review of final report of Field Team

Comparison of the sketch maps accompanying this and the Field Team report indicate that what this old mine needed most was mucking out. The shaft from the surface to the adit-stope would have been unnecessary and the pinching of the pegmatite indicated.

I concur with the recommendation that no certificate of discovery be issued.

N. E. Nelson

N. E. Nelson

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

RECEIVED
JUN 21 1955

June 20, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-3458 (mica)

Applicant: Audy Pittman

Name and Location of Property: Wiseman No. 2 Mine,
Mitchell County, North Carolina

Contract Number: Idm-E 736

Date of Field Team Report: May 27, 1955

Date Rec'd by Br. of Ceramic & Fertilizer Materials: June 7, 1955

Field Team Recommendation:

1. No certification.

Comments:

1. Only a small quantity of mica was recovered.

2. Reserves of strategic mica are negligible.

3. Expenditures - Total approved $6,316.00
Total cost 5,586.00
Gov't share of the cost 4,189.50
Value of production during operation None

Recommendation:

I concur in the field team recommendation to deny certification.

W. F. Dietrich

W. F. Dietrich

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

C O P Y

~~WASHINGTON 25, D. C.~~

ROOM 13, POST OFFICE BLDG.
KNOXVILLE 2, TENN.

May 27, 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: DMEA Field Team, Region 5, Knoxville, Tenn.

Subject: DMEA-3458, Idm-E736 (mica) Audy Pittman, Spruce Pine, N. C.
Wiseman No. 2 Mine, Mitchell County, N. C.

Enclosed are four copies each of the Operator's and Field Team final reports for the subject contract.

Certification of discovery is not recommended.

/s/ ROBERT A. LAURENCE
Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION V

/s/ V. J. LYNCH
V. J. Lynch, Member
Bureau of Mines

Reviewed by
DMEA OPERATING COMMITTEE
6-16-55
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT
BY

FIELD TEAM - REGION V

DMEA-3458, WISEMAN No. 2 MINE (Mica)

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

and

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

May 26, 1955

Reviewed by
DMEA OPERATING COMMITTEE
6-6-55
(date)

FINAL REPORT

DMEA-3458, Idm-E736, WISEMAN No.2 MINE
(mica)

Operator: Audy Pittman, Spruce Pine, N. C.

Location: On the hillside east of Beaver Creek, 1.8 miles N. 22° E. of Spruce Pine, Mitchell County, N. C.

Exploration at this mine, down dip from previous producing pegmatite, failed to reveal mica-bearing rock. It is recommended that no certification be issued. Additional exploratory work is not warranted.

Work under contract began on December 16, 1954 and was completed April 22, 1955. An access road about 300 feet long was bulldozed to the mine; a shaft site was prepared; and a toolhouse, powder and exploder magazines were constructed. A 65-foot vertical shaft 5' x 7' in cross section was sunk; the first 36 feet being vertical and the remainder inclined -45° in a S 50° E. direction. From the bottom of this shaft a level 67 feet long was driven as follows: 30 feet in a N. 15° E. direction, then 29 feet due north and lastly, 8 feet S. 60° W.

Several discontinuous lens-shaped pegmatites are exposed in the lateral. The largest is about 5 feet thick and all are conformable to the enclosing biotite gneiss. Their attitude is variable striking N. 15° E. to N. 60° W. and dipping 0 - 40° eastward. The pegmatites are composed of plagioclase, quartz, muscovite and garnet, in order of abundance. No zoning is apparent. T he pegmatite which was mined in past operations (World War II) and which was the target of the current exploration apparently does not extend down dip to the level from which the work was conducted.

Only a small amount of mica was revealed by work performed under the contract and all is of poor quality being reeved and cracked and having mineral inclusions. Most is too small in size to yield trimmed sheet mica. One small sale of mica was made during the period of the contract but it was from old workings in the leased area and not from work performed under the contract.

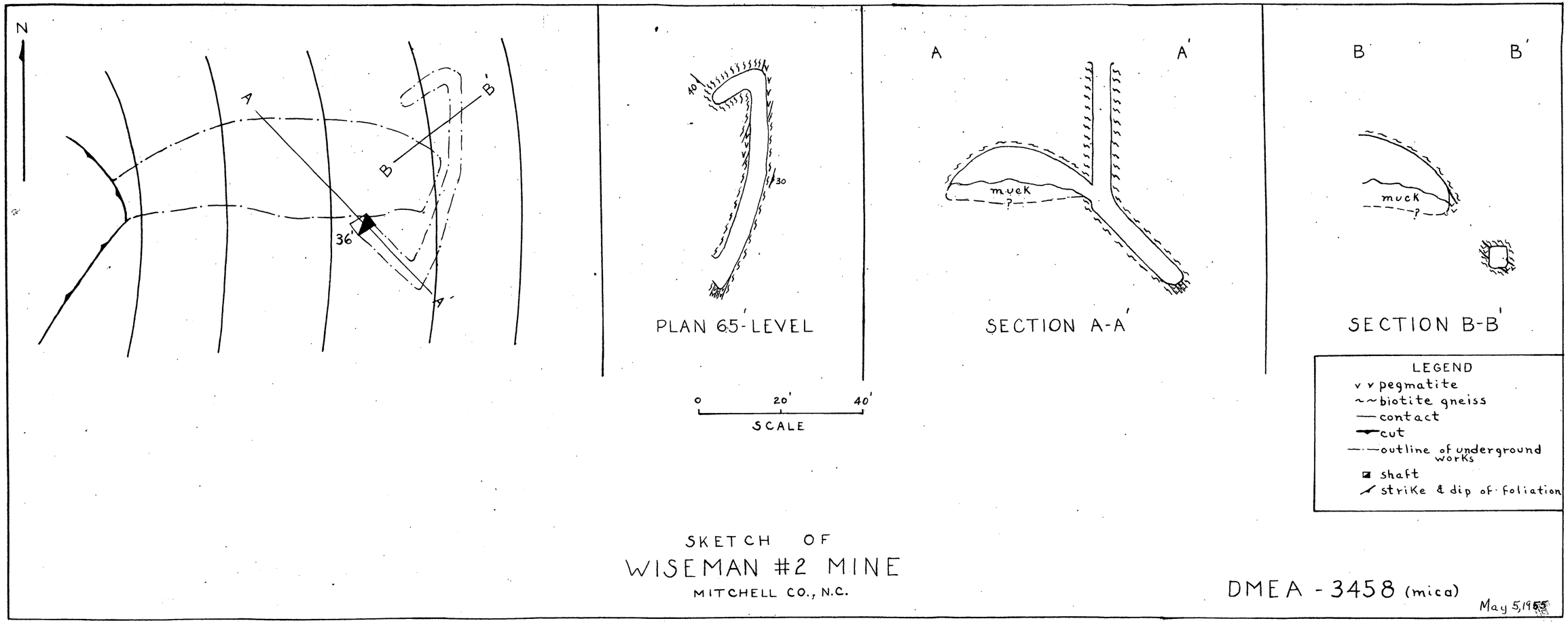
No reserves of strategic mica were revealed by the work done under the contract.

Expenditures:

(a)	Total approved	$6316.00
(b)	Total cost of project	5586.00
(c)	Government's share of cost	4189.50
(d)	" " unexpended	547.50
(e)	Value of production during opr.	None
(f)	Royalty received to date	10.60

The work completed under the contract was conducted in an efficient and satisfactory manner. No equipment was purchased under the contract.

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


N
A
A'
B
B'
36'
40
30
PLAN 65'-LEVEL
muck
?
SECTION A-A'
muck
?
SECTION B-B'
0
20'
40'
SCALE
LEGEND
v v pegmatite
~~biotite gneiss
—contact
cut
—·—outline of underground works
shaft
strike & dip of foliation
SKETCH OF
WISEMAN #2 MINE
MITCHELL CO., N.C.
DMEA - 3458 (mica)
May 5, 1955

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

May 27, 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: DMEA Field Team, Region 5, Knoxville, Tenn.

Subject: DMEA-3458, Idm-E736 (mica) Audy Pittman, Spruce Pine, N. C.
Wiseman No. 2 Mine, Mitchell County, N. C.

Enclosed are four copies each of the Operator's and Field Team final reports for the subject contract.

Certification of discovery is not recommended.

Robert A. Laurence
Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION V

V. J. Lynch
V. J. Lynch, Member
Bureau of Mines

Wiseman #2 Mine, Mitchell County

The first 25 feet of the vertical shaft was thru hard slate.

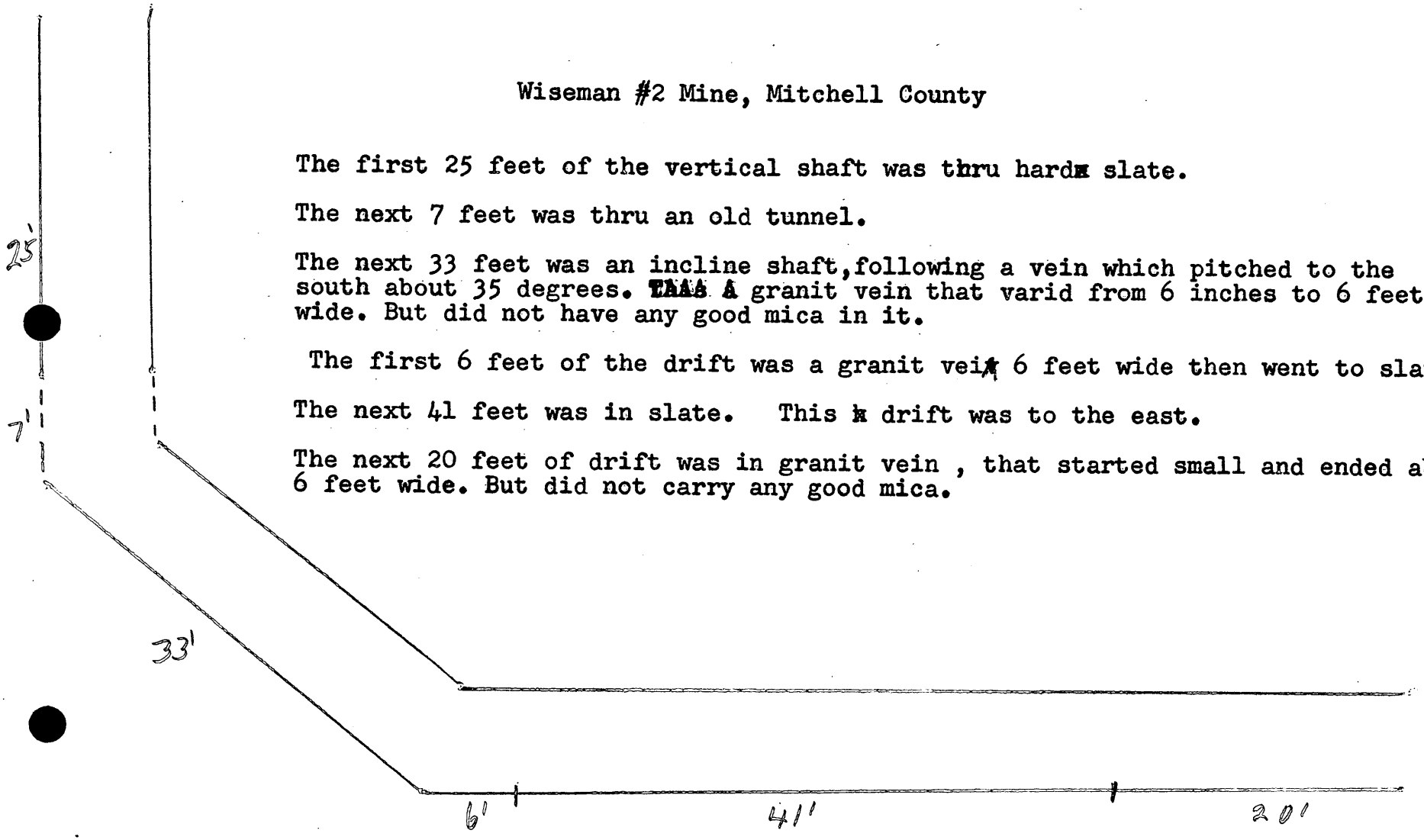
The next 7 feet was thru an old tunnel.

The next 33 feet was an incline shaft, following a vein which pitched to the south about 35 degrees. ~~THAS~~ A granit vein that varid from 6 inches to 6 feet wide. But did not have any good mica in it.

The first 6 feet of the drift was a granit vein 6 feet wide then went to slate.

The next 41 feet was in slate. This drift was to the east.

The next 20 feet of drift was in granit vein , that started small and ended about 6 feet wide. But did not carry any good mica.



Andy Pittman

Bee Cave Mine from Hill

Wiseman #2 Mine, Mitchell County

The first 25 feet of the vertical shaft was thru hard slate.

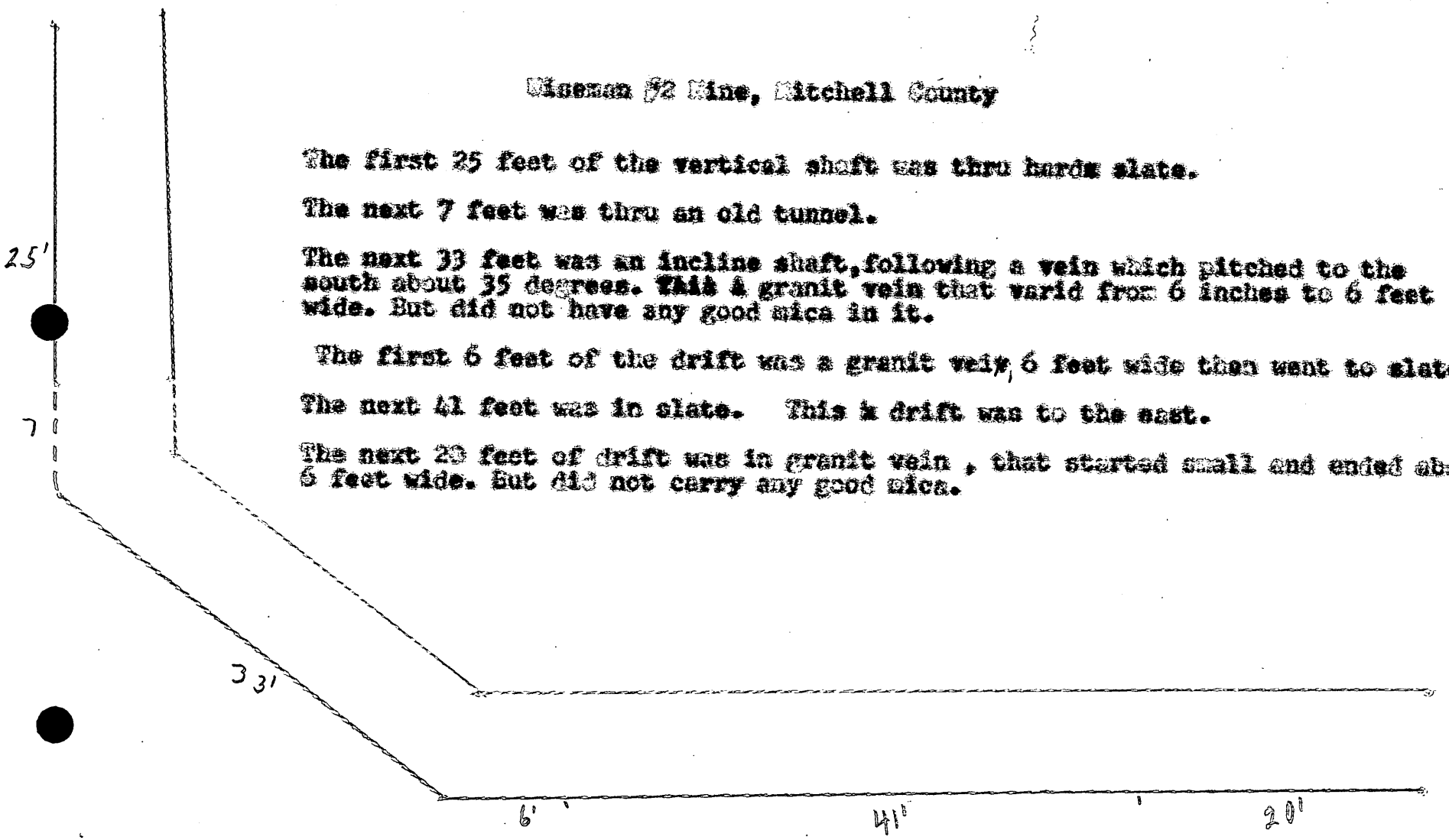
The next 7 feet was thru an old tunnel.

The next 33 feet was an incline shaft, following a vein which pitched to the south about 35 degrees. This A granit vein that varid from 6 inches to 6 feet wide. But did not have any good mica in it.

The first 6 feet of the drift was a granit vein, 6 feet wide then went to slate.

The next 41 feet was in slate. This drift was to the east.

The next 20 feet of drift was in granit vein, that started small and ended about 6 feet wide. But did not carry any good mica.



Andy Pittman

Wiseman #2 Mine, Mitchell County

The first 25 feet of the vertical shaft was thru hardm slate.

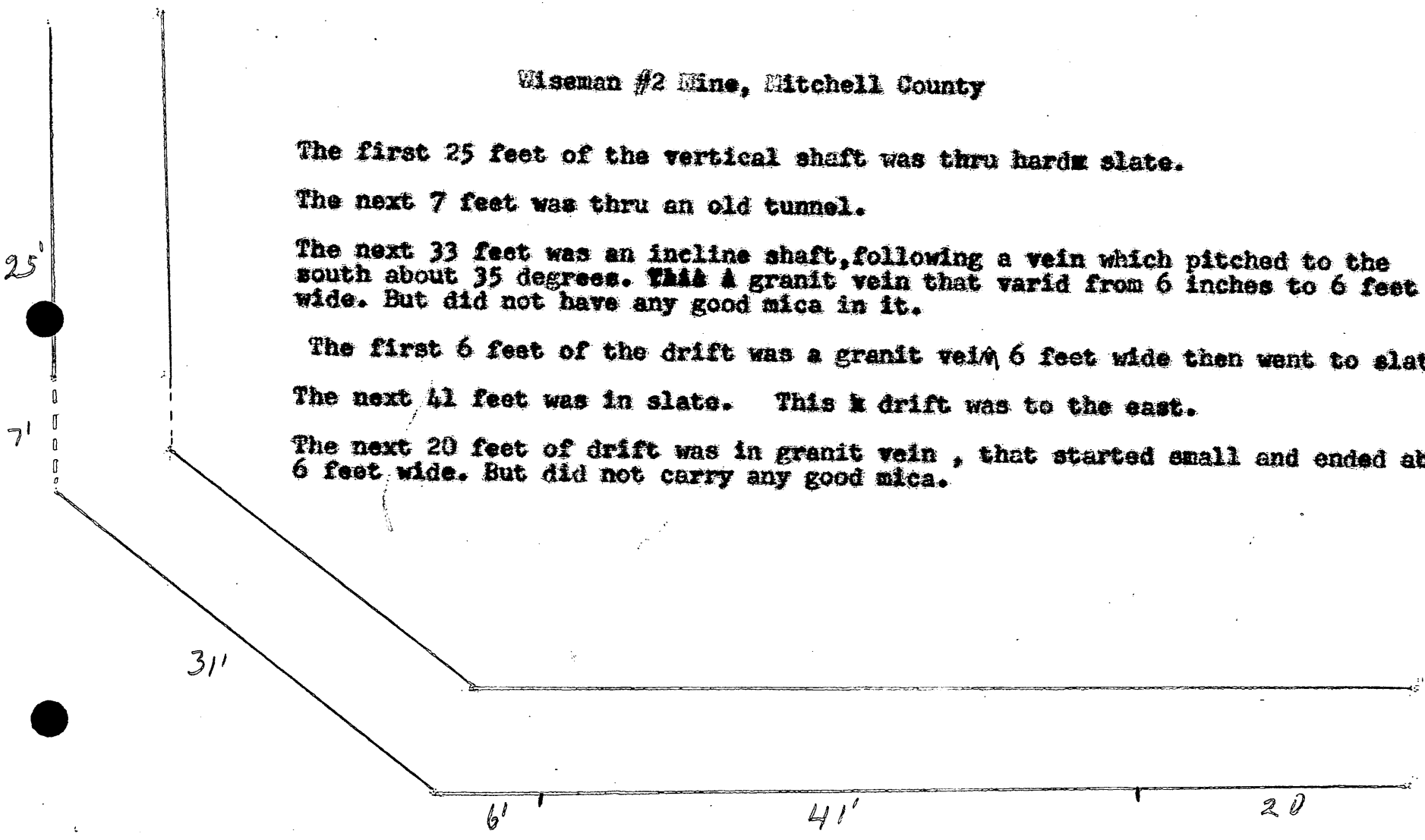
The next 7 feet was thru an old tunnel.

The next 33 feet was an incline shaft,following a vein which pitched to the south about 35 degrees. This A granit vein that varid from 6 inches to 6 feet wide. But did not have any good mica in it.

The first 6 feet of the drift was a granit vein 6 feet wide then went to slate.

The next 41 feet was in slate. This k drift was to the east.

The next 20 feet of drift was in granit vein , that started small and ended about 6 feet wide. But did not carry any good mica.



Andy Pittman

INTERIM REPORT

DMEA-3458, Idm-E736 (mica) WISEMAN No.2, MINE

Operator: Audy Pittman, Spruce Pine, N. C.

Location: On the hillside East of Beaver Creek about 1.8 miles N. 22° E. of Spruce Pine, Mitchell County, N. C.

All work as authorized on this contract has been completed at this location, without making a discovery of strategic mica. A recent visit from the Operator disclosed that all equipment has been moved from the site and that no additional exploration will be attempted by the Operator at his own expense.

Work completed consisted of : Construction of an access road, toolhouse, powder and exploder magazines, preparation of a shaft site, sinking a shaft 36 feet vertically and continued sinking on a -40° incline an additional 29 feet, and driving 70 feet of level work to the north from the 65 foot shaft bottom. Most of the work was conducted in feldspathic pegmatite containing scattered quartz and an occasional small block of mica. A small sale of mica recovered from old workings in the leased area, but not from work performed under contract, was made during the period while the contract was in force. It is suggested that no certification of discovery be issued on this mine.

The project was conducted satisfactorily and the Operator accepted all recommendations made by the Field Examiners.

May 5, 1955.

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

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

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

May 2, 1955

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: Amendment No. 1 - Docket No. 3458 - Mica
Audy Pittman
Wiseman No. 2 Mine
Mitchell County, North Carolina
Contract No. Idm-E736

The Nonmetallic Minerals Division concurs in Amendment No. 1 to the subject contract as written and executed in the field. This amendment extends the completion date from April 15, 1955, to June 8, 1955.

This amendment is necessary because the Operator was hampered by unexpected delays making it impossible to complete the work in the specified time and it is in the Government's interest to finish the contract.

Walter C. Anderson
Walter C. Anderson
Nonmetallic Minerals Division

7

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1 WASHINGTON 25, D.C. BLDG.
KNOXVILLE 2, TENN.
April 25, 1955

7

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA- Region 5, Knoxville, Tennessee

Subject: Amendment No. 1, on Idm-E736, DMEA-3458, Audy Pittman, N. C.

Transmitted are three copies of the subject amendment. The usual distribution of the other copies has been made.

This amendment was necessary due to unexpected delays, therefore the Operator was unable to finish the work in the allocated time. It is in the interest of the Government to extend the completion date.

Robert A. Laurence

Robert A. Laurence

RECEIVED
MAY 19 1955
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

INTERIM REPORT

DMEA-3458, Idm-E736 (mica) WISEMAN No. 2 MINE

Operator: Audy Pittman - Spruce Pine, North Carolina

Location: On the hillside east of Beaver Creek about 1.8 miles N. 22° E. of Spruce Pine, Mitchell County, N. C.

Level work continues on this project and now totals 67 feet consisting of 59 feet driven due north and the last 8 feet S. 60° W. A ~~long~~ low-dipping pegmatite with a maximum thickness of about 5 feet is exposed in the lateral at 40-60 feet from the incline bottom. Only sparse mica which is small and badly reeved and cracked is present in the body.

The Operator was advised to continue drifting on the pegmatite by inclining upward slightly from a point about 60 feet from the bottom of the incline.

Date Examined: April 21, 1955.

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

and

V. J. Lynch, Mining Engineer
U. S. Bureau of Mines

z

DOCKET FILE
Surname:

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

APR 20 1955

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

Dear Mr. Laurence:

We wish to call your attention to the following dockets the completion dates of which may require extension by amendment:

Docket	Contract	Completion date
DMEA-3188	Idm-E647	April 14, 1955
DMEA-3422	Idm-E726	April 1, 1955
DMEA-3458	Idm-E736	April 15, 1955

In those cases where this will be necessary and you approve, will you please furnish us copies of such amendments.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

J. H. Hedges

Member, Bureau of Mines

Thor H. Kiilsgaard

Member, Geological Survey

WCAnderson:ad 4/19/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

P.S. In the case of DMEA-3188 we will prepare the time extension amendment in this office if you are in agreement.

R.C.h.

INTERIM REPORT

DMEA-3458, Idm-E736 (mica) WISEMAN NO.2 MINE

Operator; Audy Pittman - Spruce Pine, North Carolina

Location: On the hillside east of Beaver Creek about 1.8 miles N. 22° E of Spruce Pine, Mitchell County, N. C.

Drifting continues on this contract and is now at 51 feet. The present drift direction is due north, following a body about 5 feet thick of coarser pegmatitic material than previously observed. A few small blocks of mica was observed in place near quartz. The body is enclosed in biotite gneiss, presently exposed in the roof. Six test holes not exceeding 7 feet, have been drilled since the last visit at a point 34 feet from the incline bottom in both walls and the roof and floor areas; no pegmatite was encountered in any of these holes, other than that already existing. The Operator was advised to continue the drift.

Safety suggestions made during this visit included the necessity for installation of ladders in the vertical shaft and additional scaling of the drift area. Progress on this contract is satisfactory.

Inspected: April 4, 1955

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

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

INTERIM REPORT

DMEA-3458, Idm-E73 (mica) WISEMAN NO.2 MINE

Operator: Audy Pittman, Spruce Pine, North Carolina

Location: On the hillside east of Beaver Creek about 1.8 miles N. 22° E. of Spruce Pine, Mitchell County, North Carolina

Drifting continues on this contract and is now at 30.5 feet. The drift has been driven N. 15° E. and the last work has followed pegmatitic stringer material containing small mica. The Operator was advised to do some test hole drilling in both the floor and roof of the drift before attempting any additional drift advance.

The Operator was advised to scale the drift overhead after shooting. Round poles have been installed along the incline as skids for bucket hoisting.

Progress on this contract is satisfactory.

Inspected: March 17, 1955

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

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

z

INTERIM REPORT

ON

DMEA-3458, Idm-E736 (mica) WISEMAN No. 2 MINE

Operator: Audy Pittman, Spruce Pine, North Carolina

Location: On the hillside east of Beaver Creek, about 1.8 miles N. 22° E. of Spruce Pine, Mitchell County, N. C.

Drifting is underway from the 65 foot incline level on this contract and an advance of 13 feet to the northeast has been made in the past two weeks. Material encountered consists of two pegmatite stringers separated by about 6 inches of mica gneiss. The stringers are barren of mica. The Operator was advised to continue drift operations until another visit can be made.

It was suggested that the Operator install railings around three sides of the shaft to the required height of 42 inches from the surface. Compliance in the near future was indicated. Progress on this contract is satisfactory.

Examined:
March 3, 1955,

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

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

z

DEFENSE MINERALS PROJECT

INTERIM REPORT
on

DMEA-3458, Idm-E736 WISEMAN No.2 MINE (mica)

Operator: Audy Pittman, Spruce Pine, North Carolina

Location: On the hillside east of Beaver Creek about 1.8 miles N. 22° E. of Spruce Pine, Mitchell County, N. C.

Incline sinking has continued from the 36 foot vertical shaft on this contract and total shaft footage is now 65 feet. The incline has been driven to the southeast on an angle of -40°. The Operator was advised to discontinue driving the incline, establish a sump and turn off drifts on the 65-foot level.

Material encountered in recent work is primarily feldspathic pegmatite containing scattered mica associated with sparse quartz. Due to the consistency of the material the examiners are of the opinion that additional depth is unnecessary and advised the operation to discontinue incline work. The Operator was agreeable with this action, and stated that drift work would begin immediately.

Progress on this contract is satisfactory.

Inspected: Feb. 16, 1955.

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

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

Defense Minerals Administration
RECEIVED
FEB 11 1955

DEFENSE MINERALS EXPLORATION ADMINISTRATION

INTERIM REPORT

DMEA-3458, Idm-E 736, WISEMAN NO. 2 MINE
(mica)

Operator: Audy Pitman, Spruce Pine, North Carolina

Location: In the hillside east of Beaver Creek about 1.8 miles N. 22° E. of Spruce Pine, Mitchell County, North Carolina

Shaft sinking continues on this contract and now totals 52.5 feet, the lower 16.5 feet being inclined -45° in a S. 50° E. direction. Material encountered consists of mixed biotite gneiss and pegmatite. Sinking will continue until another visit can be made.

Progress on this contract is satisfactory.

Date of Examination: February 2, 1955.

K. H. Teague D. H. Amos

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

z

DEPARTMENT OF THE INTERIOR
Defense Minerals

JAN 27 1955

INTERIM REPORT
(mica)
DMEA-3458, Idm-E736 WISEMAN NO.2 MINE

Operator: Audy Pitman, Spruce Pine, North Carolina

Location: In the hillside east of Beaver Creek about 1.8 miles N. 22° E. of Spruce Pine, Mitchell County, North Carolina

Shaft sinking continues on this contract and now totals 30 feet. The hanging wall of the pegmatite was intersected at a depth of 28 feet. Old works were cut by the north edge of the shaft at this point.

The Operator was advised to timber off these old works and to continue to sink vertically to the footwall of the body and then to incline the shaft southward on the pegmatite.

Progress on the contract is satisfactory.

Examined January 20, 1955.

K. H. Teague D. H. Amos

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

z

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 26 1955

INTERIM REPORT

DMEA-3458, Idm-E 736, WISEMAN NO. 2 MINE (mica)

Operator: Audy Pittman, Spruce Pine, N. C.

Location: On the hillside east of Beaver Creek about 1.8 miles N. 22° E. of Spruce Pine, Mitchell County, N. C.

Shaft sinking is underway on this contract and is now at 18 feet. The bottom contained about 10 feet of loose muck from trimming and could not be examined. The shaft is being cribbed with split rounds and is 5' x 7' in cross section. A toolhouse has been constructed, magazines are in the process of construction, a hoisting frame composed of straight leg and boom pole is in place, a gasoline powered hoist and an air compressor have been moved to the mine site. Access road construction has been completed satisfactorily. Recent progress on this contract has been good.

January 6, 1955-Examined.

L. E. Shirley: By: zm

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

K. H. Teague D. H. Amos

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

z

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 5 1955

INTERIM REPORT

DMEA-3458, Idm-E736, WISEMAN NO.2 Mine (mica)

Operator: Audy Pittman, Spruce Pine, N. C.

Location: On the hillside east of Beaver Creek about 1.8 miles N. 22° E of Spruce Pine, Mitchell County, N. C.

The starting date on this contract is December 16, 1954. Road work is underway but bulldozing is not completed. The mine site was revisited and the contract discussed with the Operator. Shaft sinking will begin as soon as road construction and preparation for shaft site is completed.

Mr. Robert A. Laurence, Executive Officer, DMEA Region VII accompanied the Examiners on this visit to the mine.

December 16, 1954.

Laurence E. Shirley - By: gm
Lawrence E. Shirley, Mining Engineer
U. S. Bureau of Mines

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

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 26 1954

November 23, 1954

Memorandum

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

From: Executive Officer, DMEA- Region VII

Subject: Signed Contract - DMEA-3458, Audy Pitman, Spruce Pine, N. C.

Transmitted are three signed copies of the subject contract. The usual distribution of the other copies has been made.

Robert A. Laurence
Robert A. Laurence

Docket Copy
Surname:
Houk
Chamberlain
Selfridge

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

NOV 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-3458 - Mica
Audy Pittman
Wiseman No. 2 Mine
Mitchell County, North Carolina

Dear Mr. Laurence:

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

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

After execution of the contract, the copies are to be distributed in the usual manner. Copies of memoranda from the Geological Survey, dated September 24, 1954, and from the Bureau of Mines, dated September 28, 1954, are enclosed.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (SLB)

Approved:

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

E. L. Newcomb (SLB)
Member, Geological Survey

Enclosures 10

WCAnderson:gad 11/5/54
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

R.G.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

RECEIVED
OCT - 4 1954

October 1, 1954

Memorandum

To: Operating Committee, DMEA - Washington

From: Field Team, DMEA - Region VII

Subject: Docket No. DMEA-3458(mica) Audy Pittman, applicant
Wiseman No. 2 Mine, Mitchell County, N. C.

Reference is made to your letter dated September 27, 1954 on subject property.

In regard to exploring the deposit from a shaft located near the zero contour, certain possible factors should be considered. So far as we know the mica shoot does not extend west of the portal. Should there be any appreciable rake to the east of the "shoot", then a shaft sunk on the zero contour would miss the target. Furthermore, the plunge of the east end of the body is such as to suggest this possibility. We agree that the more economical approach would be to collar the shaft as far down the hill as possible. We do not believe, however, that location should be west of the 20-foot contour. Therefore, we recommend that the shaft be located about 20 feet east of the drift portal at about the 20-foot contour.

It is impractical to follow the plunging crest downward, as the old workings are unsafe, much muck would need to be removed and considerable timber would be required.

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

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

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-3458 (mica)

Applicant: Andy Pittman

Name and Location of Property: Wiseman #2
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. Approval of a contract for an exploration project.

Comments:

1. The field examiners are of the opinion that an exploration project is justified.

2. Proposed exploration is consistent with good engineering practices and costs are in line with other DMEA projects in this area.

Recommendation:

I concur with the field team's recommendation in the approval of an exploration project in the amount of $6,313.

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-3458
Audy Pittman
(Wiseman #2 Mine)
Mitchell Co., N. C.
$6,313 - Mica

Memorandum

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

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

Subject: Review of field report

The Field Team recommends a project involving 300 feet of access road, a 75 foot vertical shaft, and 75 feet of crosscutting and/or drifting.

The quality of the mica and the record of past production on this property are factors which indicate further exploration is warranted. The geologic setting and the nature of the pegmatite are favorable for a possible discovery of significant amounts of strategic mica.

I concur with the Field Team's conclusions, and recommend their modified project be approved.

E. L. Newcomb

E. L. Newcomb

Docket Copy
Surname:
Houk
Johnson
Mistadorf

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

SEP 27 1954

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

Subject: Docket No. DMEA-3458 - Mica
Audy Pittman
Wiseman No. 2 Mine
Mitchell County, North Carolina

Dear Mr. Laurence:

Reference is made to the field examination report on the subject property.

Would it be possible to explore the emplaced pegmatite on an overturned anticlinal fold more economically by locating the shaft near the zero contour and following either the North or South limb of the anticline. Another possible approach to exploration might be to follow the plunging crest downward.

Your reaction to these suggestions would be appreciated.

Sincerely yours,

George C. Selfridge (by ES7)
Chairman, Operating Committee

Approved:

J. W. Hedges
Member, Bureau of Mines

Thor H. Kiilsgaard
Member, Geological Survey

LGHouk:gad 9/23/54
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Dietrich, 3061
Mr. Kiilsgaard, 5227
Mr. Houk

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

Subject: Field Examination Report, DMEA-3458 (mica) Audy Pittman, Spruce Pine, N. C. Wiseman No.2 Mine. Mitchell County, N.C.

Enclosed are four copies of the subject report and six extra copies of the map. The property was examined without field referral.

Also enclosed are 6 copies of the Owner's Consent to Lien, sent in by the applicant.

We recommend approval of a contract for exploration of this pegmatite as outlined in the report. It is suggested that "drift and/or crosscut" be used in place of "drift," although it is intended that all level work will be in the pegmatite if possible.

Robert A. Laurence
Robert A. Laurence
Executive Officer, DMEA, Reg. VII

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

SEP 20 1954

9/24/54

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM - REGION VII

on

DMEA-3458, WISEMAN No.2 MINE (mica)
Mitchell County, N. C.

By

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

and

L. E. Shirley, Mining Engineer
U. S. B ureau of Mines

Sept. 16, 1954

EXAMINATION REPORT BY FIELD TEAM
On
DMEA-3458, WISEMAN NO. 2, MINE (Mica)

SEP 20

Applicant: Audy Pittman, Spruce Pine, North Carolina

This mine was a substantial producer of mica during World War II. The pegmatite has been worked on the dip about 30 feet and along the strike for 87 feet. Possibilities appear to be good for the discovery of a worthwhile deposit of strategic mica. Exploration assistance is recommended.

The deposit was examined on September 8, 1954. Mr. Audy Pittman accompanied the examiners on the inspection which required two hours.

The Wiseman No. 2 mine is on the hillside east of Beaver Creek about 1.8 miles N. 22° E. of Spruce Pine, Mitchell County, North Carolina. Access is by the paved road up Beaver Creek and one-half mile of jeep or truck road up the hillside. About 300 feet of road work will be required to make the mine accessible.

The applicant is competent to conduct the proposed exploration. He holds the property under lease from the International Minerals and Chemical Corporation, Inc., area of which is adequate for the proposed project.

The Wiseman No. 2 mine is about 100 feet east of the east end of the W. W. Wiseman Mine. Work at the No. 2 mine consists of an adit about 90 feet long which, during the course of mining during World War II was converted into a stope that is now 87 feet long, 25 feet wide, and 15 feet high. Mr. Pittman reports there is about 15 feet of muck on the floor of the stope, thus the stope height was originally about 30 feet.

Pegmatite at this place is enclosed conformably by coarse unweathered mica schist. It appears to be emplaced in an overturned anticlinal fold which plunges near the heading about 45° due east. Along the limbs of the anticline, the south limb dips 30° - 60°, and the north limb 60 to 90°. The axis of the fold trends about N. 70° E. which seems to be the strike of the pegmatite. No information is available as to the total thickness of the pegmatite, although it must be at least 15 feet thick. It exhibits no apparent zoning; however, mica seems to be more abundant adjacent to the wall rock contact.

All of the feldspar, examined in the dump and in the stope is sodic plagioclase. In addition to the feldspar, the pegmatite is composed of dark gray quartz, muscovite, red garnet, and a little green apatite. All of the garnet observed occurs in the quartz. Mica books appear to be more abundant in that portion of the wall zone where quartz is concentrated.

Mr. Pittman discovered this mine during World Warr II. He reports that he sold approximately $44,000 worth of mica to the Colonial Mica Corp., and about $12,000 worth of mica to the Tarheel Mica Company during 1943-45. The microfilm records of Colonial's purchases from this mine show only 1153 pounds which were bought for $7,295.00.

The mica is light green in color, hard, flat, free splitting, and generally clear. Books up to 12 inches across are exposed in the top of the stope. The chief defect of the mica is that some of the books are cracked.

This mine appears to have a good potential for the production of considerable quantities of strategic mica. It is near the W. W. Wiseman Mine which prior to 1920 produced large quantities of mica and feldspar. However, mica from the No. 2 mine is of much better quality than that from the old mine. It seems to the field examiners that since the No. 2 mine has been worked only about 30 feet down dip and produced considerable mica, additional mica should occur at lower levels, probably on both the north and south walls.

The applicants proposal seems to be reasonable, although the amount of drifting is excessive. The examiners recommend that 300 feet of access road be built, shaft site prepared, toolhouse and magazines constructed, 75-foot vertical shaft sunk south of the stope to intersect the pegmatite below level of muck, and 75-feet of drifts on the pegmatite.

Estimated Cost:

Construct 300 feet of access road @ 50¢ per ft. (This will require some rock ledges to be removed, and 300 cu. yds. of soil).	$150.00
Prepare shaft site(will require leveling and removing approx. 150 cu. yds. of boulders and soil)@ 33 1/3 ¢ per yd.	50.00
Construct toolhouse	75.00
Powder Magazine	25.00
Explorder Magazine	13.00

Sink 75 feet 5' x 7', 2-compartment shaft (50 shifts)

Labor:

1 - Miner @ $1.50/hr.	$600.00
1 - Helper @ $1.25/hr.	500.00
1 - Hoistman @ $1.25/hr.	500.00

Equipment (rental):

Compressor, drill, etc. @ $220/Mo.	550.00
Hoist @ $50/Mo.	125.00

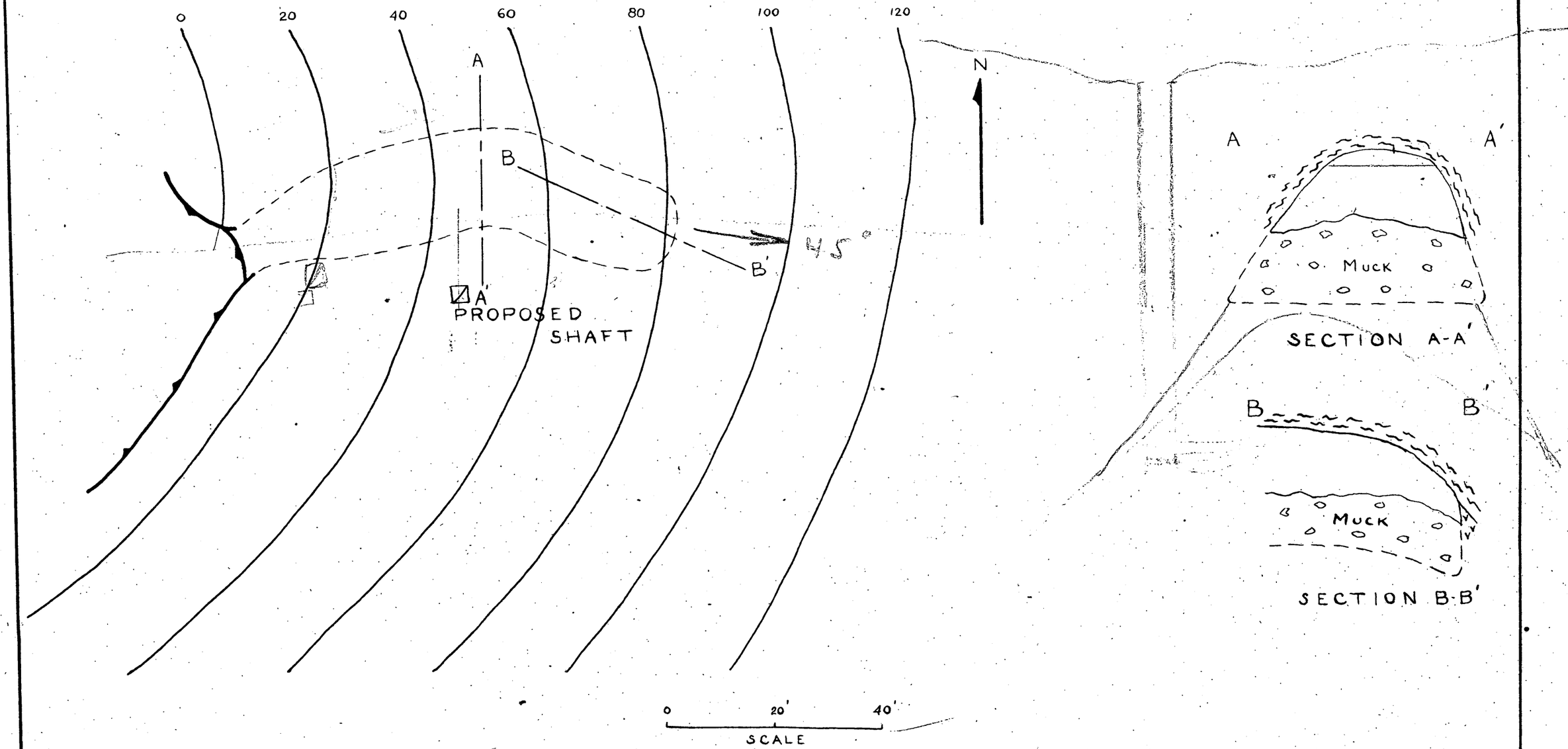
Supplies:		
Explosives	$250.00	
Gasoline and oil	150.00	
Drill steel (carbide bits)	150.00	
Pipe, airline, etc.	75.00	
Small tools, etc.	100.00	
Miscellaneous, timber	100.00	
Insurance, social security, etc.	275.00	$ 3,375.00
Drive 75 feet drift (30 shifts)		
Labor:		
1 - Miner @ $1.50/hr.	360.00	
1 - Helper @ $1.25/hr.	300.00	
1 - Hoistman @ $1.25/hr.	300.00	
1 - Laborer @ $1/hr.	240.00	
Equipment (rental):		
Compressor, drill, jackleg @ $240/Mo.	360.00	
Hoist @ $50/Mo.	75.00	
Supplies:		
Explosives	220.00	
Gasoline and oil	125.00	
Drill steel	100.00	
Pipe, airline, etc.	50.00	
Small tools, etc.	50.00	
Miscellaneous	200.00	
Insurance, Social Security, etc.	245.00	$2,625.00
Estimated Total Cost		$6,313.00

September 16, 1954.

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

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

z



SKETCH OF
WISEMAN #2 MINE
MITCHELL CO., N.C.

DMEA - 3458 (mica)

Docket Copy
Surname:
Hopkins
Houk

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

Mr. Audy Pittman

Spruce Pine, North Carolina

Re: Docket No. DMEA-3458 - Mica
Wiseman #2 Mine
Mitchell County, North Carolina

Dear Mr. Pittman:

Your application for exploration assistance on 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.

We are lacking the Owner's Consent to Lien which we must have to continue the processing of your application. We understand the Field Office has sent you the required number of forms for execution.

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,

Administrator

LGHouk:gad 9/21/54
Copy to: Admr. R. File
Docket
Field Team, Region VII
Operating Committee
Mr. Dietrich, 3061
Mr. Kiilsgaard, 5227
Mr. Houk

Not Acceptable
Claim Expired
9-21-54

Docket Copy
Surname:

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

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

Subject: Docket No. DMEA-3458 - Mica
Andy Pittman
Wiseman #2 Mine
Mitchell 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 August 27, 1954, and from the Bureau of Mines, dated September 16, 1954, are enclosed for your information.

Sincerely yours,

Chairman, Operating Committee

Approved:

Member, Bureau of Mines

Member, Geological Survey

Enclosures 4
LGHouk:gad 9/21/54
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Dietrich, 3061
Mr. Kiilsgaard, 5227
Mr. Houk

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

Defense Minerals Administration
RECEIVED
SEP 17 1954

September 16, 1954

GS
9/21/54

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

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

Subject: DMEA-3458 (mica)

Applicant: Audy Pittman

Name and Location of Property: Wiseman No. 2 Mine
Mitchell County, North Carolina

Date Application Rec'd. by Ceramic & Fertilizer Mtls. Br.: August 25, 1954

Comments:

1. Bureau of Mines records show that mica from subject mine was classed as non-ruby by Colonial Mica on October 26, 1944, and 11 pounds (4-Good Stained, 5-Stained, and 2-Heavy Stained) were sold to GSA on December 4, 1953 by W. A. Wiseman from "Wiseman" 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 27, 1954

Memorandum

REVIEW OF APPLICATION DMEA-3458 (mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: E. L. Newcomb, U. S. Geological Survey
Applicant's name and address: Audy Pittman, Spruce Pine, North Carolina
Name of property: Wiseman #2 Mine
Location of property: 3 mi. from Spruce Pine, North Carolina
Summary of applicant's proposal:
60 foot shaft below present tunnel.
120 feet of drifting from shaft bottom.
TOTAL COST - $7,150
Sources of information on applicant's property:
Our only information on a Wiseman mine is in an unpublished Survey report (1943) which describes the W. W. Wiseman mine. As we lack sufficient data to relate the applicant's property with this report we cannot appraise the merits of the proposed work.
Comments:
If the Wiseman #2 and W. W. Wiseman mines are the same properties, further exploration may be warranted.
RECOMMENDATION: I recommend the application be referred to the Field Team for consideration and an examination.

E. L. Newcomb
E. L. Newcomb

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

August 25, 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 -3458 Audy Pittman

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

August 25, 1954
Subject: DMEA-3458
Re: Exploration Assistance
Wiseman #2 Mine

Mr. Audy Pittman
Spruce Pine
North Carolina

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-3458 and referred to the Non-Metallic Minerals Division.

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

Sincerely yours,

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

August 20, 1954

Memorandum

To: Operating Committee, DMEA - Washington

From: Field Team, DMEA - Region VII

Subject: Application from Andy Pittman, Spruce Pine, N. C. (mica)

Enclosed are 3 copies of an application received in this office from Andy Pittman of Spruce Pine, N. C. The fourth copy is being retained here.

The applicant has been requested to submit six signed copies of form MF-203.

Robert A. Laurence
Executive Officer, DMEA-Reg. VII

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

RAL/zm
cc:
Beck
Lync
Files

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
PROVISIONAL STOCKPILE BLOC
KNOXVILLE 2, TENN.

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. 3458
Metal or Mineral Mica
Date Received
Estimated Cost $7,150
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: Audy Pittman, Spruce Pine, 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 BEGINNING at a point on the west side of the ridge 313 feet below the Wiseman #2 Mine and runs 208 feet north, thence up the mountain 626 feet east, thence south 208 feet, thence west 626 feet to the BEGINNING, so as to include the Wiseman#2 Mine in the center, and containing 3 acres more or less.

(*b*) State any mine name by which the property is known. Wiseman #2 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. Lease attached.

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

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

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

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

(*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. See attached sheet.

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

16—66551-1

5. *The exploration project.*—(*a*) State the mineral or minerals for which you wish to explore 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. 35 years mining experienc

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.

Rudy Pittman
(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

AUDY PITTMAN

4(a) In 1944 there were mining operations at this mine. Mine workings are accessible for examination purposes.
(b) Considerable amount of mica mined here in 1944.
(c) Mica Vein. There is tunnel on top. I want to catch the vein under the tunnel.
(d) Located on Beaver Creek about 3 miles from Spruce Pine, N. C. Proceed up Beaver Creek Road to Floyd Pendley's residence and the mine is about one mile from that point. The government mica depot at Spruce Pine is approximately 3 miles from the mine.

5(b) Desire to sink a 60 foot shaft below the present tunnel and to have two drifts of 60 feet each on each side of the shaft.

6. ESTIMATE OF COSTS:
Independent contractor:

60 ft. shaft @ $45 per ft.	$2700.00
120 ft. drifting (60 ft. on each side of shaft) @$35 per foot	4200.00
Tool House	150.00
Magazine	100.00
TOTAL	$7150.00

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

August 20, 1954

Memorandum

To: Operating Committee, DMEA - Washington

From: Field Team, DMEA - Region VII

Subject: Application from Andy Pittman, Spruce Pine, N. C. (mica)

Enclosed are 3 copies of an application received in this office from Andy Pittman of Spruce Pine, N. C. The fourth copy is being retained here.

The applicant has been requested to submit six signed copies of form MF-203.

Robert A. Laurence
Robert A. Laurence
Executive Officer, DMEA-Reg. VII

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

NORTH CAROLINA,
Mitchell
~~YANCEY~~ COUNTY.

THIS AGREEMENT OF LEASE, made and entered into this 22nd day of June, 1954, by INTERNATIONAL MINERALS & CHEMICAL CORPORATION, a Corporation chartered under the laws of the State of New York with its general office at 20 North Wacker Drive, Chicago, Illinois, sometimes hereinafter referred to as LESSOR, and AUDY PITMAN of the County of Mitchell and State of North Carolina, sometimes hereinafter referred to as LESSEE.

W I T N E S S E T H:

That for and in consideration of the sum of ONE DOLLAR ($1.00), paid by Lessee to Lessor, the receipt whereof is hereby acknowledged and in further consideration of the rents and royalties to be paid and of the stipulations and agreements hereinafter contained to be kept and observed, Lessor hereby lets, remises and leases unto Lessee for mining purposes all of the feldspar, mica, quartz and such other minerals as Lessee may desire in, upon or under the following tract of land situated in County of Mitchell, State of North Carolina, known as "Wiseman #2 Mine" and more particularly described as follows:

> BEGINNING at a point on the West Side of the ridge 313 feet below the Wiseman #2 Mine and runs 208 feet North, thence up the mountain 626 feet East, thence South 208 feet, thence West 626 feet to the beginning, so as to include the Wiseman #2 Mine in the center, and containing 3 acres more or less.

1.

Lessee shall have the exclusive right to quarry, blast, dig, mine and remove from said land all the feldspar, mica, quartz and such other minerals as Lessee may desire, upon the terms and conditions more fully hereinafter set forth, and during such operations, said Lessee agrees at all times to

keep said mine in workmanlike condition and free from waste, and upon abandoning the mine at the termination of this lease, or any renewal thereof, Lessee agrees to leave all tunnels and entries to the mine in a good and workable condition.

2.

The period or term for which said property is leased is five (5) years from and after the date of the proper execution and acknowledgment of this lease, it being mutually agreed between all parties hereto that if Lessee shall have faithfully kept and performed all of the stipulations, conditions and agreements herein contained, and shall have paid to Lessor all royalties then due, then, and in that event, Lessee may have an extension of said lease for an additional five year period thereafter.

3.

The royalties to be paid by the Lessee to Lessor hereunder shall be as follows:

A. For all mica mined, removed, sold or shipped from said premises - one-eighth (1/8) of the sale price (at the point where sold).

B. For all feldspar mined, removed and sold or shipped from the herein leased premises - fifty (50) cents per gross ton of 2240 pounds (it being mutually agreed between both parties hereto that Lessor is to have the exclusive right to purchase all feldspar mined on this property. In the event the Lessor is unable to receive the feldspar, it is to be stockpiled on the property until such time as the Lessor desires to purchase same. All feldspar produced at the mine is to be purchased at the market price being paid by Lessor to North Carolina producers for similar feldspar).

C. For all quartz mined, removed, sold or shipped from said premises - ten (10) cents per gross ton of 2240 pounds.

D. For all other minerals removed, sold or shipped from said premises - ten per cent (10%) of the selling price of the same from the mine.

All royalties are to be due and payable on the fifteenth day of the month next succeeding the month in which shipments or sales are made.

4.

Lessee shall have all the necessary rights of ingress, egress and regress over the lands of Lessor for the purpose of conducting said mining and shipping operations and such other operations as pertain to the same and over all mineral lands demised by this lease.

5.

It is further understood that this lease cannot be assigned, except by the written consent of the Lessor.

6.

During the continuance of this lease, said Lessee shall have the right to erect, place, replace and maintain any buildings, roadways, tramways, inclines, bridges, and machinery of all descriptions, chutes, pipe lines, ditches, tie lines and other such proper methods as are used in mining and the Lessee shall have the right to remove any and/or all of the same from the property at the Lessee's own discretion.

7.

Lessee agrees to save the Lessor harmless from any claims for damage to surface of property covered by this lease. It is understood and agreed that if, at any time, during the continuation of this lease in the judgment of the Lessee mining operations shall become unprofitable, Lessee shall have the right to terminate this lease by giving to Lessor notice in writing of such intention to terminate and Lessee shall have one month from and after such notice within which to remove all of his machinery and equipment, with the exception of mine timbering or other supports necessary to the safe operation of the mine. It is further understood and agreed that upon the

failure of the Lessee to comply with the terms of this lease, the Lessor may, at its option, declare this lease null and void and terminate the same by giving to the Lessee one month's notice in writing, and Lessee shall have a period of one month after receipt of such notice within which either to immediately correct such noncompliance or to cease operations altogether; and should this lease be so terminated, all machinery, tools, buildings, bridges, inclines, tramways, cableways, pipe lines, tie lines, fixtures and all other improvements and property placed upon said premises by Lessee shall be and remain the property of the said Lessee and the said Lessee shall have one month within which to remove any and/or all of said property, provided, that all royalties shall have been paid up to date and all other terms of this lease shall have been complied with.

8.

Lessee agrees that at all times during the continuance of this lease, or any renewals thereof, that Lessee will carry sufficient compensation and liability insurance to protect his operations and said Lessee agrees to save Lessor harmless from any injury to persons or property resulting from said Lessee's operations.

Lessee further covenants and agrees that he will so conduct his mining operations upon the herein leased premises that he will at all times during such operation have and maintain the status of an independent contractor.

Lessee further contracts and agrees to pay to Lessor a minimum royalty of FIVE HUNDRED DOLLARS ($500.00) per year during the term of this lease or any renewal thereof, i.e. Lessee guarantees to the Lessor that he will pay to Lessor the sum of $500.00 for each year as royalty during the term of this lease or any period thereof whether the regular royalties

hereinabove provided for will amount to $500.00 or not, it being mutually understood and agreed between all parties hereto that during each year of the term of this lease if the regular royalties paid by Lessee to Lessor for each year during the pendency of this lease, shall equal or exceed $500.00, then this clause in regard to minimum royalties may be disregarded for that year, but it is understood and agreed between all parties hereto that Lessee hereby guarantees to Lessor a minimum of $500.00 royalties per year for each year whether the regular royalties herein provided for amount to $500.00 per year or not.

IN WITNESS WHEREOF, Lessor has caused these presents to be signed in its name by its President or Vice-President and attested by its Secretary and its corporate seal to be attached hereto in attestation hereof, all by order of its Board of Directors in regular session duly given, on the 22 day of June, 1954, and Lessee has hereunto set his hand and affixed his seal on the date hereinabove written.

ATTEST:

(Corporate Seal)

C. J. Edwards
Secretary

With:
B. P. Greene, OSC

INTERNATIONAL MINERALS & CHEMICAL CORP.

By Norman J. Dunbeck (SEAL)
Vice President

LESSOR

Rudy Pittman (SEAL)

_____ (SEAL)

LESSEE

STATE OF ~~NORTH CAROLINA~~ Illinois,

COUNTY OF Cook.

On this 25th day of June, 1954, personally came before me ~~Audy Pitman~~ Norman J. Hunbeck, to me well known to be the person who signed the foregoing lease, and she acknowledged the due execution of said instrument by himself for the purposes therein expressed.

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

Nancy C. Stafford
Notary Public

My comm. expires: MY COMMISSION EXPIRES OCTOBER 16, 1954

MF-203

OWNER'S CONSENT TO LIEN

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

"Wiseman #2 Mine"

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/ Andy Pittman

hereinafter called the "Operator"; and

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

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

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

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

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

Dated this 25 day of June, 1954.

International Minerals & Chemical Corp.

Norman J. Dunbeck [Seal]

_____ [Seal]

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

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

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

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

RELEVANT CONTRACT PROVISIONS

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

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

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

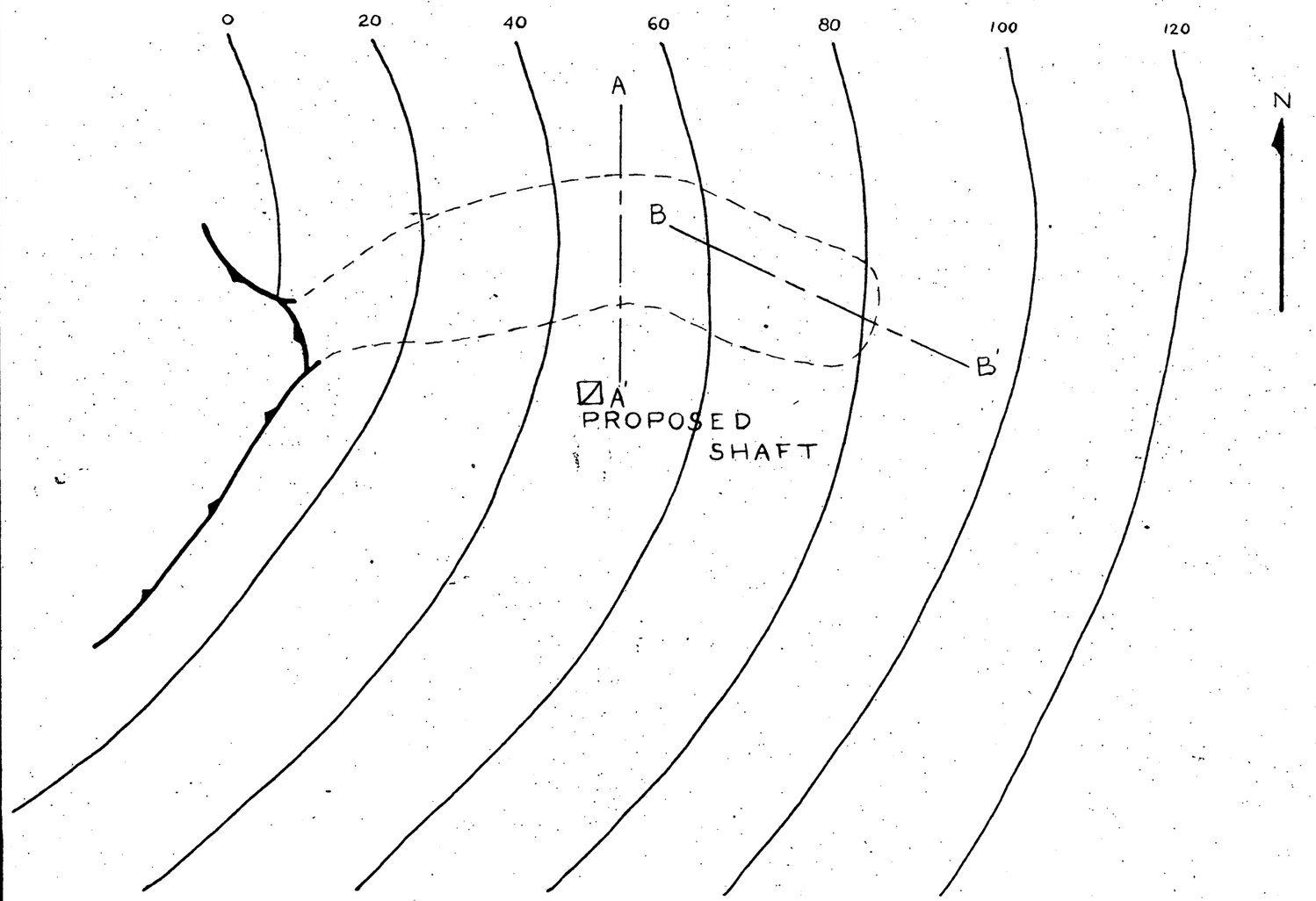
(For instance: the percentage royalty on a net amount of five dollars ($5.00) per ton, would be one and one-half (1½) per cent; on a net amount of ten dollars ($10.00) per ton, three and one-half (3½) per cent.)

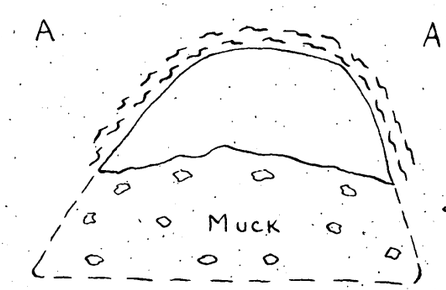
(b) As here used, "net smelter returns", "net concentrator returns", and "other net amounts realized from the sale or other disposition", mean gross revenue from sales; or if not sold, the market value, the market value of the material after it is mined in the form in which and the place where it is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

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

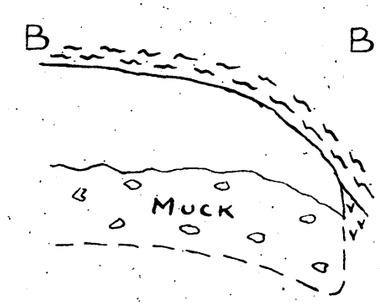
(d) This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

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





SECTION A-A'



SECTION B-B'

0 20' 40'

SCALE

SKETCH OF

WISEMAN #2 MINE

MITCHELL CO., N.C.

DMEA - 3458 (mica)

DEFENSE MINERALS
EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D. C.~~

OFFICIAL BUSINESS

S. 157 HOWARD ST.
Spokane 4, Wash.

AG 3 7 PM
1954

30 CENTS 30
3 CENTS 3
1954

Mr. George C. Selfridge, Chairman
Operating Committee
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.