DMEA 3615

DOCKET INDEX

ACTION DOCUMENTS

1	APPLICATION	DATE RECEIVED	3/22/54
2	CONTRACT	DATE	3/14/55
3	TERMINATION AGREEMENT	DATE	4-7-55
4	CERTIFICATION	DATE	
5	AUDIT REPORT	DATE	
6	AMENDMENTS - NUMBERS	DATE	

Docket Copy

Hook
Talbert
Porter 6/24/5

RECEIVED
JUN 20 1955

NOTICE OF FAILURE TO ACHIEVE RESULTS

To: Mr. Elbert Watson
Route #3
Newland, North Carolina

Operator under Exploration
Project Contract Idm-E772
Docket No. DMEA-3615
dated: 14th day of March 1955

1. The United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, pursuant to the provisions of Article 8 of the subject contract, hereby notifies you that in its opinion operations under the contract have failed to achieve anticipated results that indicate the probability of making a worthwhile discovery, and in its opinion further operations are not justified.

2. Pursuant to the provisions of said Article 8, the Government upon giving this notice is "free of all obligation to pay on account of units of work not then performed.....;" and you are "free of all obligations to prosecute the work other than such as may be necessary and indidental to winding up, reporting, and accounting."

3. By the provisions of Article 8 c of the contract, the giving of this notice by the Government ".....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."

Dated this April 7, 1955.

THE UNITED STATES OF AMERICA

By Robert A. Laurence
Robert A. Laurence, Executive Officer
DMEA Field Team, Region V

Docket Copy

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 28 1955

MF-200A
(Revised June 1954)

Docket No. DMEA-3310

Commodity Mica

Contract No. Idm-E-772

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

It is agreed this 14th day of March, 1955, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2] Elbert Watson, whose mailing address is Route #3 Newland, 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 Avery, and is described in Annex I.[3]

(b) The Operator represents and undertakes that:

(1) The Operator is the [4] Owner of [5] the entire interest in the land, in possession and entitled to possession for all of the purposes of this contract, under and by virtue of a [6] ....., [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: .....

[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 Alga. The work to be performed is described in Exhibit "A." The Operator on or before APR 15 1955 shall commence the work, and on or before 6 mos. from date of contract (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 $3,112.00. The Government will contribute 75 percent of the fixed unit costs as work is performed, in a total sum not in excess of $2,334.00: *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.

[redacted]
(Operator)

By Elbert Watson

THE UNITED STATES OF AMERICA

By [redacted]

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

EXPLORATION PROJECT CONTRACT
ELBERT WATSON
DOCKET NO. DMRA-3615

ANNEX I

The land referred to in Article 2 of the Contract form is described as follows:

Begin on a chestnut, an old corner and runs S 40 E 14 poles to a double maple, Watson's corner; thence with Watson's line E 56 poles to a chestnut; Then up mtn. northerly 40 poles to stake in road; then with road general westerly direction to stake in old line; thence South 25 deg. west with old line 15 poles to Beg., and containing 20 acres.

EXPLORATION PROJECT CONTRACT
ELBERT WATSON
DOCKET NO. DMRA-3615

EXHIBIT "A"

Description of the Work

The work shall be performed in two successive stages, as follows:

Stage I

With a D-4 bulldozer or equivalent, cut a trench 15 feet wide and 6 feet deep along the strike of the pegmatite for a distance of not more than 100 feet.

The approximate location of the trench is shown on the sketch entitled, "Sketch of Ben Aldridge Mine - DMRA-3615 Mica," attached hereto and made a part hereof.

If the Government is of the opinion that the results of Stage I warrant it, and it grants prior approval, Stage II shall be performed.

Stage II

1. Construct the following:

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

   An exploder magazine, minimum dimensions 2 feet by 1½ feet by 1 foot.

The powder and exploder magazines shall be boxed on all sides; shall be made from 2-inch hard wood or 3-inch soft wood; and shall be braced at the corners. No metal shall be exposed; and the lids shall be securely locked with the equivalent of a 5-tumbler lock.

2. Sink a 65-foot, two compartment shaft in the pegmatite at a point agreed upon between the Government and the Operator. The shaft shall have minimum cross-sectional dimensions of 5 feet by 7 feet in the clear of timber.

All work shall be timbered as necessary.

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

Fixed Unit Costs

Stage I

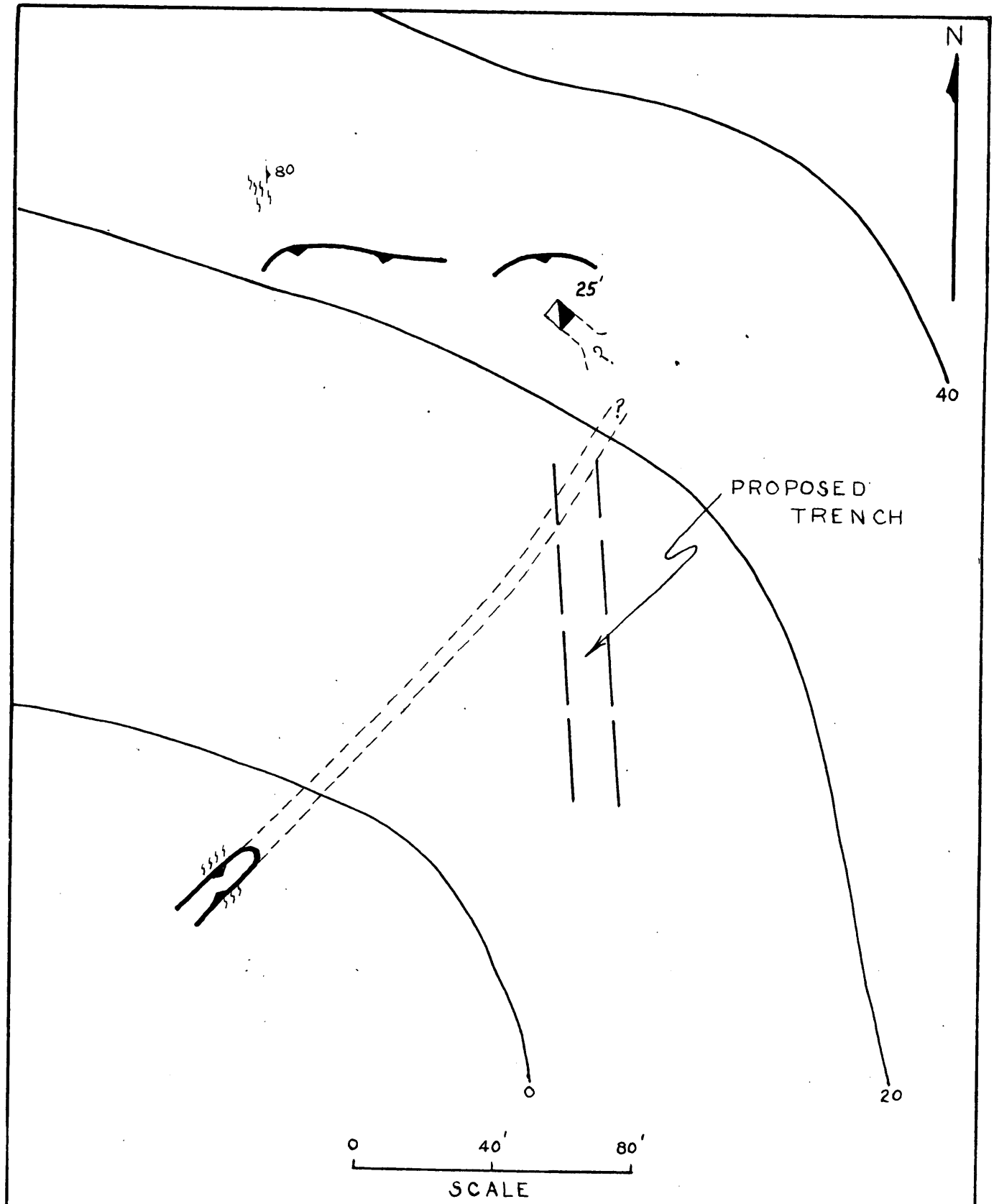
Bulldozer 15 hrs. @ $10.00/hr.	$ 150.00

Stage II

Construct:

Powder Magazine 1/	25.00	
Exploder Magazine 1/	12.00	
Sink 65 feet of shaft @ $45.00/ft.	2,925.00	
Estimated Total Cost of Stage II		$2,962.00
Estimated Total Cost of Project		$3,112.00
Government Participation @ 75%		$2,334.00

1/ The completed work constitutes the unit.



SKETCH OF BEN ALDRIDGE
~~BEN ALDRICH MINE~~
AVERY CO., N.C.

DMEA-3615 (mica)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
MAR 28 1955

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

March 11, 1955

Memorandum

To: Chairman, Operating Committee

From: Jay L. Chambers, Chief (Signed) J. L. Chambers
Contract Administration and Audit Division

Subject: Attached Proposed Mica Contract, DMEA-3615

Apparently no one in DMEA knows what the per footage costs of shafts, drifting, and crosscutting are in the mica area in North Carolina. We do know that we have consistently reduced the agreed unit cost of many items in that region.

It appears to me that for the sake of getting more information on the real cost that some of these mica projects should be let on a maximum cost basis. I know that one objection to such contract has been that it throws a burden of accounting on the operator. That is not necessarily true. The Contract Administration and Audit Division does not require a set of accounts. All the operator need to do is to save his invoices and payrolls and the payroll may be any kind of receipt or listing the operator may use. Actually, if he merely saved his canceled checks it would be sufficient. Surely he gets either a receipt or a canceled check for paying out money.

The attached proposed contract would be an ideal example for a maximum cost type.

Attachment

JLChambers/wb
March 11, 1955

Copy to: Docket
Admr. Reading File
Mr. Houk
Mr. Chambers

Docket File
Surname:
Hopkins
Houk
Chambers
Selfridge
Fitzhugh

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

600

FEB 27 1956

Mr. Elbert Watson
Route 3
Mayland, North Carolina

Re: Docket No. DMEA-3615 - Mica
Elbert Watson
Dan Aldridge Mine
Avery County, North Carolina
Contract No. IMA-1772

Dear Mr. Watson:

Reference is made to your terminated 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

Administrator

JHopkins:pk 8/1/55
Copy to: Admr. R. File
Docket
Mr. Chambers
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Field Team, Region V
Mr. Houk
Mr. Hopkins

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

Project Summary Report

By: James Hopkins JH February 23, 1956

1. Docket No. DMEA-3615 - Mica
Contract No. Idm-E772
Ben Aldridge Mine
Avery County, North Carolina

Operator: Elbert Watson
Route 3, Newland, North Carolina

Operator's property rights: Owner of Ben Aldridge Mine

2. Contract: Dated March 14, 1955
a. Work Authorized:

Stage I

Bulldozing 15 hrs @ 10.00/hr	$ 150.00

Stage II

Buildings	37.00
Shaft sinking 65 feet @ 45.00/ft	2,925.00
Total estimated cost	$3,112.00

b. Amendments: None

c. Work completed:

Bulldozing 15 hrs @ 10.00/hr	$ 150.00

Work began April 1, 1955 Final Field Team Report dated June 23
Work terminated April 7, 1955 Final Operator's Report - May 13

3. Audit: Report of Review dated May 24, 1955

Total cost as billed by Contractor	$ 150.00
Total accepted cost	$ 150.00
Government participation @ 75%	$ 112.50

4. Certification of discovery: None issued

5. Comments:
This project was established to explore a pegmatite that is reported to have been worked to a depth of 43 feet.
Existing dumps indicate that very little stoping was done.

Past production was sold to Colonial Mica Corp, and was valued at $4,600.00

Field Team recommended stripping along strike for a distance of 100 feet, and then to sink a 65 foot shaft at best location and drift 85 feet on the pegmatite.

The stripping was completed but the pegmatite was not promising and did not warrant additional work. The Field Team recommended termination by mutual agreement. The Operator disagreed with Field Team and would not sign the mutual agreement. A unilateral termination agreement was then issued by the Field Team.

The Field Team recommended that no certification of discovery be issued.

The Nonmetallic Minerals Division concur in this recommendation

The Mica Commodity members of the Bureau of Mines and the Geological Survey also concur in the recommendation.

James Hopkins, Mining Engineer

IN REPLY REFER TO:

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

RECEIVED
JUL 25 1955

July 8, 1955

Re: DMEA 3615, Idm-E772
Elbert Watson
Ben Alridge Mine
Avery Co., N. C.
$3,112.00 - 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.

I concur with the recommendation of the Field Team 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
JUL - 6 1955

July 5, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA - 3615 (mica)

Applicant: E. Watson

Name and Location of Property: Ben Alridge Mine
Avery County, North Carolina

Contract Number: Idm-E 772

Date of Field Team Report: June 23, 1955

Date Rec'd by Br. of Ceramic & Fertilizer Materials: June 30, 1955

Field Team Recommendation: No certification of discovery

Comments:

1. Possibility for discovery of a worthwhile deposit of strategic mica is considered poor.

2. Expenditures -

Total approved	$3,112.00
Total cost	150.00
Gov't. share of the cost	112.50
Value of production during operation	None

Recommendation:

I concur with the field team's recommendation of no discovery.

W. F. Dietrich

W. F. Dietrich

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

COPY

Room 13, Post Office Bldg.
Knoxville 2, Tenn.

June 24, 1955

Memorandum

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

From: Field Team, DMEA, Region V, Knoxville, Tennessee

Subject: Final Reports DMEA-3615, Idm-E772 (mica)
Elbert Watson
Ben Aldridge Mine, Avery County, North Carolina

Enclosed are four copies each of the Operator's and Field Team's reports on the subject contract, which was terminated upon completion of Stage I only.

Certification is not recommended.

/s/ Robert A. Laurence
Executive Officer

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

Enclosures 8

Reviewed by
DMEA OPERATING COMMITTEE
7-1-55
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR

RECEIVED
JUN 2 7 1955

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT BY FIELD TEAM
DMEA REGION V

On
DMEA-3615, BEN ALRIDGE MINE (mica)
Plumtree, Avery County, N. C.

By

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

and

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

June 23, 1955

Reviewed by
DMEA OPERATING COMMITTEE
7-1-55
(date)

RECEIVED
JUN 27 1955

FINAL REPORT

On

DMEA-3615, BEN ALRIDGE MINE (mica)
Contract Idm-E772

Operator: Elbert Watson, Route 3, Newland, North Carolina

Location: On the south slope of Deep Gap Mountain, 3.04 airline miles N. 52° W. of Plumtree, Avery County, North Carolina

Trenching under Stage I of this contract failed to reveal pegmatite containing any appreciable amount of mica. Further work was not undertaken. No certification of discovery should be issued. Additional exploratory work is not warranted.

Two crosscutting trenches each about 50' x 15' x 6' deep were bulldozed under Stage I of the contract. As this failed to reveal pegmatite considered promising enough to proceed with Stage II, the contract was terminated by unilateral agreement effective April 7, 1955. The Operator at his expense cleaned out the old caved adit and made it assessible.

A pegmatite about 4 feet thick is exposed in the trenches and the old adit. It strikes about N. 70° E. and dips 40° SE and is conformable to the enclosing hornblende gneiss. The body consists of plagioclase, quartz, green muscovite, biotite, garnet, and sulphides, in order of abundance. No zoning is apparent except a concentration of biotite along the hanging wall. The west end of the body has been displaced by a fault (see attached sketch map).

Muscovite is very sparse and is of small sizes; otherwise, it is flat, hard, and clear. None was recovered from the trenching. In the opinion of the field examiners, mica is not abundant enough to sustain an economic operation.

No reserves were revealed by the work done under the contract.

Expenditures:

(a)	Total approved	$3,112.00
(b)	Total cost of project	150.00
(c)	Government's share of cost	112.50
(d)	Government's share unexpended	2,221.50
(e)	Value of production during operation	None

The work was conducted in an efficient and satisfactory manner.

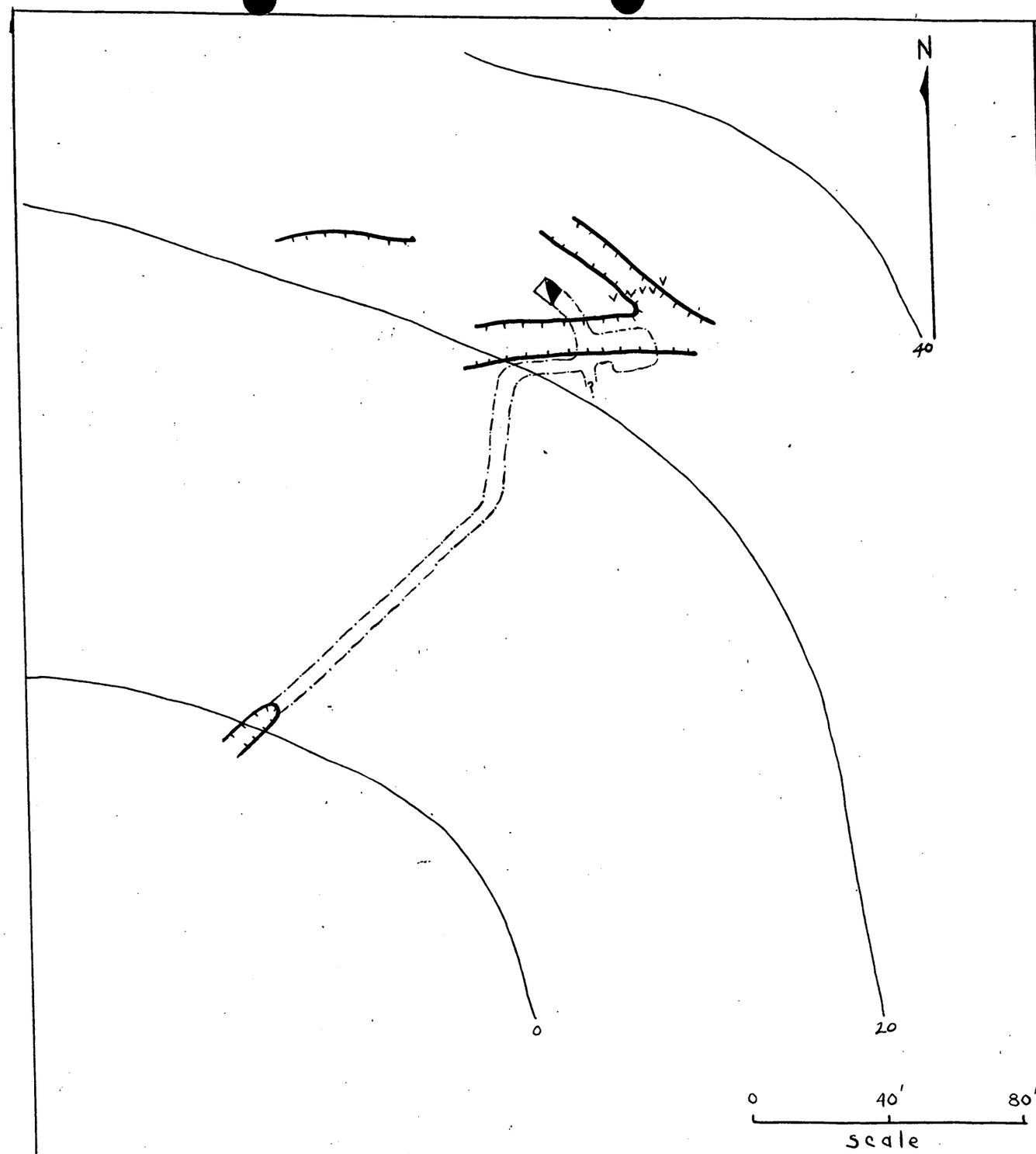
No equipment was purchased under the contract.

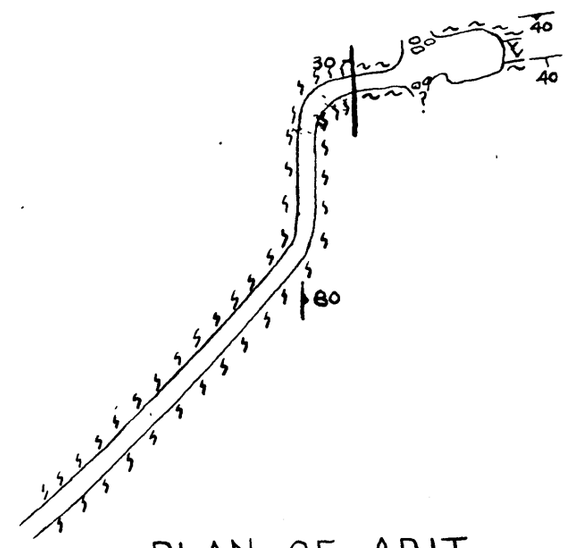
June 23, 1955

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

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

g





PLAN OF ADIT

LEGEND

- ~~ hornblende gneiss
- vv pegmatite
- — contact
- ||||| cut
- strike & dip of contact
- strike & dip of foliation
- —·— outline of underground works
- fault showing dip of fault plane
- shaft
- oo muck

SKETCH OF
BEN ALDRIDGE MINE
AVERY CO., N.C.

DMEA-3615 (mica)
April 6, 1955

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

RECEIVED
JUN 27 1955

June 24, 1955

Memorandum

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

From: Field Team, DMEA, Region V, Knoxville, Tennessee

Subject: Final Reports DMEA-3615, Idm-E772 (mica)
Elbert Watson
Ben Aldridge mine, Avery County, North Carolina

Enclosed are four copies each of the Operator's and Field Team's reports on the subject contract, which was terminated upon completion of Stage I only.

Certification is not recommended.

Robert A. Laurence
Robert A. Laurence
Executive Officer

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

Enclosures 8

RECEIVED

JUN 27 1955

Spruce Pine, N. C.
May 13, 1955

Mr. Robert A. Laurence, Executive Officer
D. M. E. A., Region VII, P.O. Bldg.
Knoxville, Tennessee

Re: DMEA-3615- Idm-E 772
Ben Aldridge Mine
Avery County, N. C.

Dear Mr. Laurence:

The following will serve as a final report of work done at the Ben Aldridge Mine.

We began work on April 1 on this project, and completed work on April 5. Fifteen hours bulldozing work was completed as called for in the first stage of the contract. After this work was done, the field team visited the mine and recommended that no further work be done. They requested cancellation of the contract as the prospect showed no promise of a discovery.

We would like to thank the field team for their assistance on this project. If further details are needed, please contact me.

Very truly yours,

Elbert Watson

Elbert Watson

P/b

Covering memo to O.C. 6-27 for copies

RECEIVED
MAY 17 1955
U. S. BUREAU OF MINES
DEF. MIN. ADM.
Knoxville, Tennessee

RECEIVED
JUN 27 1955

Spruce Pine, N. C.
May 13, 1955

Mr. Robert A. Laurence, Executive Officer
D. M. E. A., Region VII, P.O. Bldg.
Knoxville, Tennessee

Re: DMEA-3615- Idm-E 772
Ben Aldridge Mine
Avery County, N. C.

Dear Mr. Laurence:

The following will serve as a final report of work done at the Ben Aldridge Mine.

We began work on April 1 on this project, and completed work on April 5. Fifteen hours bulldozing work was completed as called for in the first stage of the contract. After this work was done, the field team visited the mine and recommended that no further work be done. They requested cancellation of the contract as the prospect showed no promise of a discovery.

We would like to thank the field team for their assistance on this project. If further details are needed, please contact me.

Very truly yours,

Elbert Watson

Elbert Watson

P/b

RECEIVED
MAY 17 1955
U. S. BUREAU OF MINES
DEF. MIN. ADM.
Knoxville, Tennessee

RECEIVED
JUN 27 1955

Spruce Pine, N. C.
May 13, 1955

Mr. Robert A. Laurence, Executive Officer
D. M. E. A., Region VII, P.O. Bldg.
Knoxville, Tennessee

Re: DMEA-3615- Idm-E 772
Ben Aldridge Mine
Avery County, N. C.

Dear Mr. Laurence:

The following will serve as a final report of work done at the Ben Aldridge Mine.

We began work on April 1 on this project, and completed work on April 5. Fifteen hours bulldozing work was completed as called for in the first stage of the contract. After this work was done, the field team visited the mine and recommended that no further work be done. They requested cancellation of the contract as the prospect showed no promise of a discovery.

We would like to thank the field team for their assistance on this project. If further details are needed, please contact me.

Very truly yours,

Elbert Watson

Elbert Watson

F/b

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1000 FIDELITY BLDG.
KNOXVILLE 2, TENN.

RECEIVED
JUN 20 1955

June 17, 1955

Memorandum

To: Operating Committee, DMEA- Washington

From: Acting Executive Officer, DMEA - Region 5, Knoxville, Tenn.

Subject: Termination Agreements; Idm-E772, DMEA-3615, Elbert Watson and (mica) North Carolina... Idm-E753, DMEA-3539, R.I. Rudasill

Transmitted are three copies each of the subject projects Termination Agreement Form No. 4, unilateral termination notice. The usual distribution of the other copies has been made.

V. J. Lynch
Acting Executive Officer

z

RECEIVED
JUN 22 1955
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

Docket Copy
Surname:
Hope
Houk
Talbot
Selfridge
Kinsman
McHendry

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

600

JUN 13 1955

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

Subject: Docket No. DMEA-3615 - Mica
Elbert Watson
Ben Aldridge Mine
Avery County, North Carolina
Contract No. Idm-E772

Dear Mr. Laurence:

Reference is made to your memorandum, dated May 31, 1955, regarding the Termination Agreement sent to the Operator of the subject contract May 2, 1955, for his signature.

Since this agreement has not been signed and returned, we suggest that you send a unilateral termination notice to the Operator using Form No. 4 in DMEA Circular 33 as a guide.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (GCS)

Approved:

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

Thor H. Kiilsgaard (GCS)
Member, Geological Survey

JHopkins:gad 6/10/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Dietrich, 3061
Mr. Kiilsgaard, 5222
Mr. Houk

R.C.S.

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

RECEIVED
JUN - 2 1955

May 31, 1955

Memorandum

To: Operating Committee, DMEA, Washington 25, D. C.

From: Executive Officer, DMEA, Region V

Subject: Termination Agreement - DMEA-3615, Idm-E772 (Mica)
Elbert Watson
Ben Aldridge Mine

Termination agreement for this contract was sent to the Operator on May 2, for signature. He has not returned them, and apparently will refuse to sign, as he thinks we should proceed with Stage II. We have declined to give approval for Stage II, as the results of Stage I indicate that no further work is warranted.

In such a case, should we send a unilateral termination agreement, or just assume that withholding approval for Stage II automatically terminates the contract?

The Operator has submitted a final report.

Robert A. Laurence
Robert A. Laurence

Dock-1 Cop

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 45 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

April 13, 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: Field Team, DMEA - Region 5, Knoxville, Tennessee

Subject: DMEA-3615, Idm-E772 (mica) Elbert Watson, Newland, N. C.
Request for Permission to Terminate

Enclosed are 4 copies of the latest interim report on the subject contract.

Stage II has not been approved, as exposures made by Stage I indicate that it is not warranted.

Therefore, we request permission to terminate by mutual agreement, effective April 7, 1955. Certification will not be recommended.

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

V. J. Lynch
V. J. Lynch, Member
DMEA Field Team,
U. S. Bureau of Mines

4-21-55

INTERIM REPORT

DMEA-3615, Idn-E772 (mica) BEN ALDRIDGE MINE

Operator: Elbert Watson, R#3, Newland, N. C.

Location: On the south slope of Deep Gap Mountain, 3.04 airline miles N. 52° W. of Plumtree, Avery County, N. C.

Stage I of this contract has been completed. The work was done on April 4-6, 1955. Two trenches each about 50' x 15' x 6' were bulldozed across the projected trace of the pegmatite outcrop. The northern trench which trends N. 30° W. exposed a north-south trending mica-barren pegmatite which is about 2 feet thick. A second trench which trends east-west and was made about 40 feet to the south did not reveal any pegmatite.

An existing adit whose portal was partially caved and which was flooded was opened and drained by the Operator at the request of the Field Examiners. The adit crosscuts the country rock in a northeast direction for 125 feet at which point a pegmatite is intercepted. The body was then followed eastward by a drift for a distance of about 45 feet. Limited stoping operations have been conducted from this drift. The pegmatite strikes N. 70° E. and dips 35-40° to the southeast. It has a maximum thickness of about 5 feet and thins rapidly to the northeast; the southwest end is terminated by a fault which strikes north-south and dips about 30° to the west. This fault may account for the partial failure of the trenching to expose the pegmatite. The body is conformable to the enclosing hornblende gneiss and shows no apparent zoning. Muscovite of strategic size is very sparse in the pegmatite.

It is the opinion of the field examiners that the low percentage of mica would result in an uneconomical operation; thus, it is recommended that the contract be terminated by mutual agreement.

Date of Exam: April 4 and 6, 1955.

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

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

z

FILE COPY
Surname:

Hopkins
Houk
Selfridge
J Johnson
Mittendorf

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

600

APR 22 1955

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

Subject: Docket No. DMEA-3615 - Mica
Elbert Watson
Ben Aldridge Mine
Avery County, North Carolina
Contract No. Idm-E772

Dear Mr. Laurence:

Reference is made to your memorandum dated April 13, 1955, regarding your request for permission to terminate the subject contract by mutual agreement because the exposures made by Stage I of the project indicate that Stage II is not warranted.

Approval is granted to terminate the subject contract in accordance with the provisions of DMEA Circular No. 33, June 30, 1954, employing the form No. 6, "Termination Agreement (all contract forms-MF-200, MF-200A)".

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

J. H. Hedges
Member, Bureau of Mines

Thor H. Kiilsgaard
Member, Geological Survey

JHopkins:ad 4/21/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

R.C.S.

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

March 24, 1955

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Signed Contracts

Transmitted are the following signed contracts:

Idm-E772, DMEA-3615, Elbert Watson, R#3, Newland, N. C. (mica)

Idm-E769, DMEA-3599, Beam Mining Company, c/o J. R. Beam, Spruce Pine, N. C. (mica)

Distribution of the other copies has been made by this office.

V. J. Lynch

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1515 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

March 16, 1955

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: DMEA-3615 (mica) Elbert Watson, Newland, N. C.
Ben Aldridge Mine, Avery County, N. C.

Reference is made to your letter of March 14, 1955, transmitting the original and five copies of the subject exploration contract for signature by the Operator.

We are forwarding this to the Operator today. However, both in this case and with the Beam Prospect (DMEA-3599) we would have preferred approval of all three stages at the time the contract is executed. In that case, we can always terminate at the completion of any stage by refusing to approve the next stage. As these two contracts are now drawn, the Operators will have a period of uncertainty between the time that we recommend the succeeding stages and the time when we present an amendment for his signature, with no assurance to him that there will be such an amendment, if the results of the early stages are favorable. Naturally, this will increase the expense to the Operator, especially if he plays it safe and shuts down while awaiting the amendment.

The amount of Government money which would be encumbered in these two contracts is so small that the expense of additional handling to both the Operator and the Government in preparing an amendment appears out of proportion to the advantages gained by the present form of the contracts.

Robert A. Laurence

Robert A. Laurence

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

March 16, 1955

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: DMEA-3615 (mica) Elbert Watson, Newland, N. C.
Ben Aldriggs Mine, Avery County, N. C.

Reference is made to your letter of March 14, 1955, transmitting the original and five copies of the subject exploration contract for signature by the Operator.

We are forwarding this to the Operator today. However, both in this case and with the Beam Prospect (DMEA-3599) we would have preferred approval of all three stages at the time the contract is executed. In that case, we can always terminate at the completion of any stage by refusing to approve the next stage. As these two contracts are now drawn, the Operators will have a period of uncertainty between the time that we recommend the succeeding stages and the time when we present an amendment for his signature, with no assurance to him that there will be such an amendment, if the results of the early stages are favorable. Naturally, this will increase the expense to the Operator, especially if he plays it safe and shuts down while awaiting the amendment.

The amount of Government money which would be encumbered in these two contracts is so small that the expense of additional handling to both the Operator and the Government in preparing an amendment appears out of proportion to the advantages gained by the present form of the contracts.

Robert A. Laurence

RAL/sm

DOCKET COPY
Surname:

Hopkins
Houk
Chambers
Martin
J. Johnson

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

MAR 14 1955

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

Subject: Docket No. DMEA-3615 - Mica
Elbert Watson
Ben Aldridge Mine
Avery County, North Carolina

Dear Mr. Laurence:

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

If the contract meets with your approval present it to the Operator for his approval and signature. Please explain to the Operator that 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.

Please note that the contract does not include Stage III, drifting, as recommended by the Field Team. This may be authorized at a later date if it is justified by the results obtained in Stage II.

After execution of the contract, the copies are to be distributed in the usual manner. Copies of memoranda from the Geological Survey, dated February 18, 1955, and from the Bureau of Mines, dated February 24, 1955, are enclosed.

Sincerely yours,

Approved:

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

W. S. Martin
ACTING Chairman, Operating Committee (JHB)

Thor H. Kiilsgaard (JHB)
Member, Geological Survey

JHopkins:ad 3/10/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

Enclosures 10

Mitt -

Discussed with Chambers and Houk. This case not suitable for actual cost. Houk will set up next suitable case on maximum actual cost basis.

FEJOhnson

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

March 11, 1955

Memorandum

To: Chairman, Operating Committee

From: Jay L. Chambers, Chief
Contract Administration and Audit Division

Subject: Attached Proposed Mica Contract, DMEA-3615

Apparently no one in DMEA knows what the per footage costs of shafts, drifting, and crosscutting are in the mica area in North Carolina. We do know that we have consistently reduced the agreed unit cost of many items in that region.

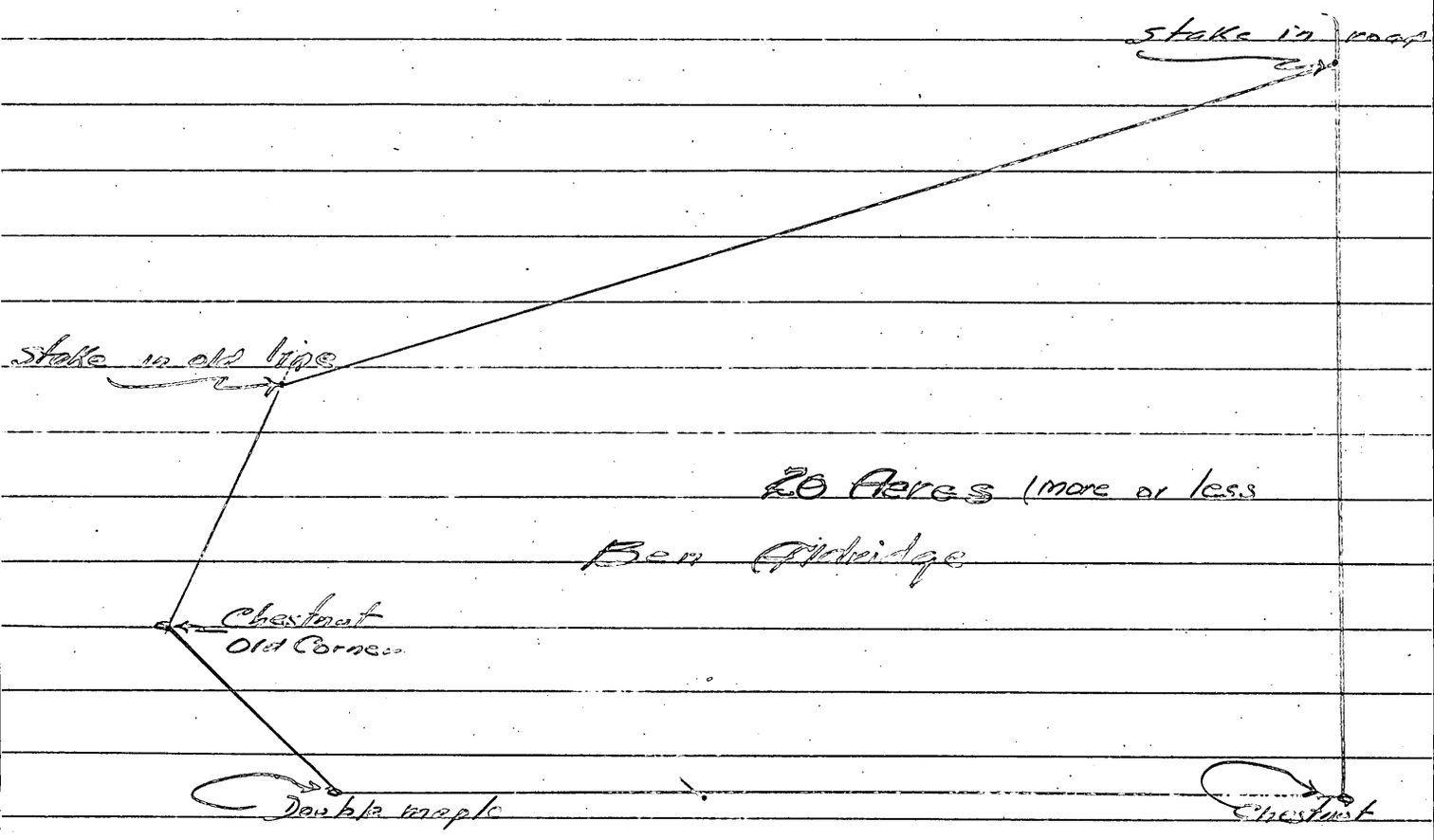
It appears to me that for the sake of getting more information on the real cost that some of these mica projects should be let on a maximum cost basis. I know that one objection to such contract has been that it throws a burden of accounting on the operator. That is not necessarily true. The Contract Administration and Audit Division does not require a set of accounts. All the operator need to do is to save his invoices and payrolls and the payroll may be any kind of receipt or listing the operator may use. Actually, if he merely saved his canceled checks it would be sufficient. Surely he gets either a receipt or a canceled check for paying out money.

The attached proposed contract would be an ideal example for a maximum cost type.

Attachment

Docket No DNEA 3615

Elbert Nelson,



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

February 24, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-3615 (mica)

Applicant: Elbert Watson

Name and Location of Property: Ben Aldridge Mine
Avery County, North Carolina

Date of Field Team Report: February 11, 1955

Date Rec'd. by Br. of Ceram. & Fert. Mat.: February 17, 1955

Field Team Recommendation:

1. Approval of contract.

Comments:

1. Dump mica is of strategic quality.

2. Proposed exploration outlined by the field team is consistent with good engineering practices and estimated costs are in line with other DMEA projects.

3. Total estimated costs are in the amount of $5,913.

Recommendation:

I concur in the field team's recommendation to approve exploration project in the amount of $5,913.

W. F. Dietrich

W. F. Dietrich

IN REPLY REFER TO:

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 18 1955

February 18, 1955

Re: DMEA-3615
Elbert Watson
(Ben Aldridge Mine)
Avery Co., N. C.
$5,913 - Mica

Memorandum

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

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

Subject: Review of Field Team examination report

The Field Team has recommended exploration assistance should be granted for a project which will consist of 100 feet of trenching and the sinking of a 65-foot shaft.

A pegmatite varying from 2 - 5 feet in thickness is reported to have been worked to a depth of 43 feet. The old workings are inaccessible, but the small size of the dumps suggests that very little stoping has been done in the mine.

Past production which was reported to have been sold during World War II to the Colonial Mica Corporation may have been worth about $4,600. However, mica sold to Colonial Mica was ruby mica and mica found on the dumps is green mica. It is quite possible the applicant's property is not the Ben Aldridge mine which is recorded in the old Colonial Mica files.

Inasmuch as the mica on the dumps is of strategic quality, there is some justification for further exploration. However, a two-stage project should be planned for the property. Stage I would consist of trenching and the Stage II shaft sinking would be allowed only if favorable evidence is exposed by the trenching phase of the project.

I recommend a two-stage program be approved.

E. L. Newcomb
E. L. Newcomb

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM WAS ROSTON FEDERAL BLDG.
KNOXVILLE 2, TENN.

February 11, 1955

FEB 14 1955

Memorandum

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

From: Acting Executive Officer, DMEA - Region V. Knoxville

Subject: Field Examination Report on DMEA-3615, Elbert Watson (mica)

Transmitted are four copies of the subject report with six extra copies of the map attached. The Field Team concurs with the field examiners that an exploration contract should be issued on this project as set forth in the report.

Wm. A. Beck, Acting Executive Officer
DMEA Field Team, Region V.

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

Reviewed by
DMEA OPERATING COMMITTEE
2-18-55
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

FIELD EXAMINATION REPORT BY FIELD TEAM, REGION V

On

DMEA-3615, BEN ALDRIDGE MINE(mica)
Avery County, N. C.

BY

Kefton H. Teague, Geologist
and
Dewey H. Amos, Geologist
U. S. Geological Survey

February 2, 1955

Reproduced by
DMEA CONTRACTORS COPY
2-18-55

FIELD EXAMINATION REPORT
On

DMEA-3615, BEN ALDRIDGE MINE (mica)

FEB 14 1955

Applicant: Elbert Watson, Route # 3, Newland, North Carolina

Only limited work has been accomplished at this depost. Mica of strategic grade occurs in the dump and the mineral assemblage suggests that additional reserves of mica may occur in the deposit. Exploration assistance is recommended.

This deposit was examined on February 2, 1955. Mr. Elbert Watson accompanied the examiners on the inspection which required two hours.

The Ben Aldridge Mine is along the west side of a south-flowing tributary of Henson Creek, along the south slope of Deep Gap Mountain, 3.04 airline miles N. 52° W. of Plumtree, Avery County, North Carolina. Access is possible most of the time by jeep.

The applicant has had mica mining experience and appears to be competent to conduct the proposed work. The area he owns is adequate to provide sufficient workings and dumping space.

Openings at this place consist of a shallow stripped area northwest of a 25-foot shaft, a 175-foot crosscutting adit which interesects the bottom of the shaft, and a reported 18' winze from the adit. The shaft is full of muck and the adit is slumped near the portal and is flooded, thus inaccessible.

All rock below the 10-foot level is unweathered. The country rock is a medium coarse hornblende gneiss which trends north-south and dips 30-45° E.

The pegmatite is reported to vary from 2 to 5 feet in thickness. It is conformable in strike to the enclosing rock, but has a dip of 60-70° E.

Dump material consists of coarse plagioclase, quartz, green muscovite, scattered and clusters of red garnet, and disseminated sulphides, listed in order of abundance. There is no information available regarding the concentration of mica in the pegmatite.

Dump mica is all small, but of strategic quality. It is hard, clear, flat, green-colored, and free splitting.

This mine was operated by the applicant during World War II; at that time he drove the 175-foot crosscutting adit, using hand drilling throughout. He reports he sold $4,000-5000 worth of mica to the Colonial Mica Corporation from this deposit. Microfilm records available to the examiners show that

843.52 pounds of mica were sold for $4,597.03 to the Colonial Mica Corp., from the Benn Aldridge Mine; however, the mica was classified as ruby. This may or may not be the subject mine.

This mine has been worked down dip to a reported depth of 43 feet. The dumps are small, indicating that little stoping has been done. The examiners believe the deposit affords a good possibility for the discovery of a worthwhile mica deposit.

We recommend the following exploration program: Strip pegmatite along strike for a distance of 100 feet, 6 feet deep, and 15 feet wide; construct powder and exploder magazines (building which can be used for toolhouse is on property); and sink 65-foot incline on pegmatite at best location; drive 85 feet of drifts from 60-foot level of shaft.

Estimated Cost:

Strip pegmatite (trench 100' x 6' x 15')		
Bulldozer, 15 hrs. @ $10/hr.		$ 150.00
Powder magazine		~~25.00~~ 24.00
Exploder magazine		13.00
		187.00
Sink 65-foot, 2-compartment shaft, timbered where necessary (40 shifts)		
Labor:		
1- miner @ $1.50/hr.	$480.00	
1-Hoistman @ $1.25/hr.	400.00	
1-Laborer @ $1.00/hr.	320.00	
Equipment (rental)		
Compressor, drill, & pump @ $240/Mo.	480.00	
Hoist @ $50/Mo.	100.00	
Supplies:		
Explosives	200.00	
Gasoline and oil	130.00	
Drill steel	100.00	
Timber, 2000 b. f. @ $65/M	130.00	
Pipe	100.00	
Small tools	100.00	
Miscellaneous	150.00	
Insurance, Social Security, etc.	235.00	$ 2,925.00
		3112.00
Drive 80 feet of drifts on pegmatite (40 shifts)		2334.00
Labor:		
1 - miner @ $1.50/hr.	480.00	
1 - Hoistman @ $1.25/hr.	400.00	

Labor cont'd

2 - laborers @ $1.00/hr.	$640.00	
Equipment (rental)		
Compressor, pump, drill and jackleg @ $250/Mo.	500.00	
Hoist @ $50/Mo.	100.00	
Supplies		
Explosives	240.00	
Gaspline and oil	150.00	
Drill steel	125.00	
Pipe	100.00	
Small tools	100.00	
Miscellaneous	135.00	
Insurance, social security, etc.	150.00	$2,800.00
Estimated Total Cost of Project		$5,913.00

Examined- February 2, 1955.

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

z

DOCKET FILE
Surname:

Hopkins
Houk
Hedges
Kiilsgaard
Selfridge
Fitzgerald

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

600

JAN 17 1955

Mr. Elbert Watson
Route # 3
Newland, North Carolina

Re: Docket No. DMEA-3615 - Mica
Elbert Watson
Ben Aldridge Mine
Avery County, North Carolina

Dear Mr. Watson:

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

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

Sincerely yours,

C. O. Mittendorf (for)

Administrator

JHopkins:ad 1/14/55
Copy to: Admr. R. File
Docket
Operating Committee
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

Case

DOCKET FILE
Surname:

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

600

JAN 17 1955

Hoik
Selfridge
FEJ

Mr. Robert A. Laurence
Executive Officer, DMEA
Field Team, Region V
Room 12, Post Office Bldg.
Knoxville 2, Tennessee

Subject: Docket No. DMEA-3615 - Mica
Elbert Watson
Ben Aldridge Mine
Avery 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 December 28, 1954, and from the Bureau of Mines, dated January 11, 1955, are enclosed for your information.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee (JHB)

Approved:

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

Thor H. Kiilsgaard (JHB)
Member, Geological Survey

Enclosures 4

JHopkins:ad 1/14/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 11 1955

January 11, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-3615 (mica)

Applicant: Elbert Watson

Name and Location of Property: Ben Aldridge Mine
Avery County, North Carolina

Date Application Rec'd. by Br. of Ceram. & Fert. Mat.: Dec. 23, 1954

Comments:

1. From limited information presented, it is difficult to determine if an exploration program is justified or if proposed plan is the logical plan.

2. It appears a field examination is necessary to determine the feasibility of a project.

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.

W. F. Dietrich

W. F. Dietrich

IN REPLY REFER TO:

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 29 1954

December 28, 1954

Re: DMEA-3615
Elbert Watson
(Ben Aldridge Mine)
Avery Co., N. C.
$5,480 - Mica

Memorandum

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

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

Subject: Review of application

The application contains no data which suggests the proposed work is warranted.

We do not have any information on this property in our files.

Many of the recent mica applications from this region have been very poorly prepared. In most cases, a field referral has been practically a routine matter. I believe we all will grant that a complete geologic map with appropriate descriptive material is an impossible task for most of the applicants in the mica districts of this area; however, I believe we are justified in requesting a map, description of the property and its geology which has been prepared to the maximum ability of the applicant.

This present application does not meet even these minimum standards. I would have no objection to a request by DMEA for more information and a more complete application from the applicant before a field referral is made.

E. L. Newcomb

E. L. Newcomb

December 23, 1954

Memorandum

To: Executive Officer, DMEA Field Team, Region VII

From: Chief, Operation's Control and Statistics Division

Subject: Assignment of Docket Number

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

DMEA-3615 Elbert Watson

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

December 23, 1954
Subject: DMEA-3615
Re: Exploration Assistance
Ben Aldridge Mine

Mr. Elbert Watson
Route #3
Newland, N. C.

Dear Sir:

The receipt of your application dated December 17, 1954 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA-3615 and referred to the Non-Metallic Minerals Division.

Kindly identify all future correspondence relating to your application by this docket number.

Sincerely yours,

Robert E. Adams, Chief
Operations Control and
Statistics Division

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 22 1954

December 20, 1954

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region VII

Subject: Application - Elbert Watson, Newland, N. C. (mica)
Ben Aldridge Mine, Avery County, N. C.

Transmitted are the original and two copies of the subject application, together with six copies of Owner's Consent to Lien. We have retained one copy of the application for our files.

Robert A. Laurence

Robert A. Laurence

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 22 1954

December 20, 1954

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region VII

Subject: Application - Elbert Watson, Newland, N. C. (mica)
Ben Aldridge Mine, Avery County, N. C.

Transmitted are the original and two copies of the subject application, together with six copies of Owner's Consent to Lien. We have retained one copy of the application for our files.

Robert A. Laurence

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 22 1954

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. 3615
Metal or Mineral MICA
Date Received
Estimated Cost $5,480
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: Elbert Watson, Route #3, Newland, 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 BEG. on a chestnut, an old corner and runs S 40 E 14 poles to a double maple, Watson's corner; thence with Watson's line E 56 poles to a chestnut; Then up mtn. northerly 40 poles to stake in road; then with road general westerly direction to stake in old line; thence South 25 deg. west with old line 15 poles to Beg., and containing 20 acres.

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

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

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

(*e*) If you own the land, describe any liens or encumbrances on it None.

(*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. Worked in WW II

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

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

(*d*) State the facts with respect to the accessibility of the project: Access roads, distances to shipping, supply and residence points. On Henson Creek Road, Avery Co, NC-15 miles from Spruce Pine, NC

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

Manpower, materials, supplies available.

16—66551-1

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

(*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. Several years experience.

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

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

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

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

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

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

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

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

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

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

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

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

[X] Money [X] Use of equipment owned by you [X] Other Labor

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 17 December, 1954.

Elbert Watson
(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

5(b) Propose to bulldoze some and then tunnel approximately 200 feet.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 22 1954

6. Estimate of Costs:

For Labor:

1 hoist operator $1 per hr. 40 hrs wkly 24 weeks
1 drill operator $1.25 hr. " "
3 muckers $1 per hr. " " " (each)

TOTAL LABOR COSTS------$3120.00

Rent on compressor @ $150 mo. for 6 mos.	900.00
Rent on Hoist @ $35 mo. for 6 mos.	210.00
Explosives and Supplies	900.00
Bull Dozing Expenses	50.00
Contingencies	300.00
	$5480.00

MF-203
(Revised July 1, 1954)

OWNER'S CONSENT TO LIEN

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 22 1954

WHEREAS, the undersigned, as owner, ~~sublessor~~, lessor, or seller has an interest in certain property in the State of North Carolina, County of Avery, described as follows:1/ BEG. on a chestnut, an old corner and runs S 40 E 14 poles to a double maple, Watson's corner; thence with Watson's line in an eastern direction 56 poles to a chestnut; thence north up mtn. 40 poles to a ~~stake in road; thence with the road a general western direction to a stake~~ in the old line; thence S 25 degrees west with the old line 15 poles to ~~the BEGINNING and containing 20 acres, more or less.~~

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/ Elbert Watson

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 17th day of December, 1954.

Elbert Watson [Seal]

Lizzie Watson [Seal]

_____ [Seal]

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 22 1954

MF-203
(Revised July 1, 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 ~~North Carolina~~, County of Avery, described as follows:1/ BEG. on a chestnut, an old corner and runs S 40 E 14 poles to a double maple, Watson's corner; thence with Watson's line in an eastern direction 56 poles to a chestnut; thence north up mtn. 40 poles to a ~~stake in road; thence with the road a general western direction to a stake~~ in the old line; thence S 25 degrees west with the old line 15 poles to ~~the BEGINNING and containing 20 acres, more or less.~~

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/ Elbert Watson

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 17th day of December, 1954.

Ellis Watson [Seal]

Lizzie Watson [Seal]

_____ [Seal]

MF-203
(Revised July 1, 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 North Carolina, County of Avery, described as follows:1/ BEG. on a chestnut, an old corner and runs S 40 E 14 poles to a double maple, Watson's corner; thence with Watson's line in an eastern direction 56 poles to a chestnut; thence north up mtn. 40 poles to a stake in road; thence with the road a general western direction to a stake in the old line; thence S 25 degrees west with the old line 15 poles to the BEGINNING and containing 20 acres, more or less.

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/ Elbert Watson

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 17th day of December, 1954.

Elbert Watson [Seal]

Liggie Watson [Seal]

_____ [Seal]

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 22 1954

MF-203
(Revised July 1, 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 North Carolina, County of Avery, described as follows:1/ [illegible] on a chestnut, an old corner and runs S 45 E 15 poles to a double maple, Watson's corner; thence with Watson's line in an eastern direction 50 poles to a chestnut; thence north 45 E. 40 poles to a stake in road; thence with the road a general northern direction to a stake in the old line; thence S 25 degrees west with the old line 15 poles to the beginning and containing 20 acres, more or less.

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/ Elbert Watson

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 17th day of December, 1954.

Elbert Watson [Seal]

Lizzie Watson [Seal]

_____ [Seal]

MF-203

(Revised July 1, 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 17th day of December, 195 4.

Ellbert watson [Seal]

Liggie Watson [Seal]

_____ [Seal]

MF-203
(Revised July 1, 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 17th day of December, 195 4.

X Ellerst watson [Seal]

X Lizzie watson [Seal]

_____ [Seal]