DMEA 3822

DOCKET INDEX

ACTION DOCUMENTS

1. APPLICATION DATE RECEIVED 5-20-55

2. CONTRACT DATE 7-28-55

3. TERMINATION AGREEMENT: DATE

   a. Mutual (with/without repayment provision).
   b. Unilateral.
   c. Amendment with automatic termination clause and with/without repayment provision.

4. CERTIFICATION DATE

5. AUDIT REPORT DATE

6. AMENDMENTS - NUMBERS DATE

Docket Copy

RECEIVED

MF-200A
(Revised June 1954)

Docket No. DMEA-3822

Commodity Mica

Contract No. Idm-E 843

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

It is agreed this JUL 28 1955 day of _____, 195__, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2]Richmond Thomas, Brown Willis, Paul Fortner and Lee Willis, partners,

whose mailing address is Route 3
Bakersville, 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 maps

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

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

(b) The Operator represents and undertakes that:

(1) The Operator is the [4] lessee of [5] the mineral rights in the land, in possession and entitled to possession for all of the purposes of this contract, under and by virtue of a [6] lease, [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: Consent to Lien of lessors.

[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."

16—70619-1

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

ARTICLE 3. *The exploration project.*—The project is a search for indicated or undeveloped deposits of Mica. The work to be performed is described in Exhibit "A." The Operator on or before OCT 10 1955 shall commence the work, and on or before January 6, 1956 (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 $4,464.00. The Government will contribute 75 percent of the fixed unit costs as work is performed, in a total sum not in excess of $3,348.00: *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.

RICHMOND THOMAS, BROWN WILLIS, PAUL FORTNER and LEE WILLIS.
(Operator) (partners)

By Brown Willis (partner)

By Lee Willis (partner)

By Richmond Thomas (partner)

By Paul Fortner (partner)

THE UNITED STATES OF AMERICA

By O. P. Mitchell
Administrator, Defense Minerals Exploration Administration

Heffelund
"Appd. Sol. Off."
Anderson
Z Kasmar
Chamberlin
Martin
Johnson

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
THOMAS, WILLIS, FORTNER and WILLIS
DOCKET NO. DMEA-3822

ANNEX I

The land referred to in Article 2 of the contract form is known as the Black Bull Mine. This mine is located on the north side of Silvers Hollow, 2.6 airline miles S 15° W of Bakersville, North Carolina, and is described as follows:

> In Snow Creek Township adjoining the lands of W. F. Deneen, Rass Silvers and others and BEGINNING on a stake which is north 18 degrees east 23 feet from a large white oak, which white oak is the Bryan Robinson corner, and runs north 37 degrees 30 minutes west 511 feet to a stake in a line fence on a ridge; thence north 48 degrees east 860 feet to a stake in W. F. Deneen's fence line; thence with the W. F. Deneen line south 18 degrees west 1035 feet to the point of BEGINNING, forming a triangle and containing 5.05 acres.

EXPLORATION PROJECT CONTRACT
THOMAS, WILLIS, FORTNER and WILLIS
DOCKET NO, DMEA-3822

EXHIBIT "A"

Description of the Work

Exploration for concentrations of strategic mica shall be accomplished in the area indicated on the attached map entitled "Sketch of Black Bull Mine Mitchell Co., N. C. DMEA-3822 (Mica) June 16, 1955," as follows:

1. Construct:

(a) A toolhouse, minimum dimensions 7 feet by 8 feet by 10 feet.

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

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

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

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

2. Sink on the pegmatite a 2-compartment incline shaft to a depth not to exceed 50 feet, as measured along the incline.

3. Explore the pegmatite by driving from the shaft an aggregate of not to exceed 60 feet of drifts and/or crosscuts.

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

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

FIXED UNIT COSTS
(The unit costs include all costs whatsoever necessary to complete the work.)

| | | |
|---|---|---|
| Constructing - Toolhouse 1/ | $ 76.00 | |
| - Powder Magazine 1/ | 25.00 | |
| - Exploder Magazine 1/ | 13.00 | |
| Sinking 50 feet of shaft @ $45/ft. | 2,250.00 | |
| Driving 60 feet of drifts and/or crosscuts @ $35/ft. | 2,100.00 | |
| Estimated total cost of project | | $4,464.00 |
| Government participation @ 75% | | $3,348.00 |

1/ The completed work constitutes the unit.

MF-203
Revised March 24, 1955

For Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator
Docket No. DMEA-
Contract No. Idm-E
Contract Date

RECEIVED
AUG 26 1955

RECEIVED
JUN 27

CONSENT TO LIEN

To the United States of America:

Referring to that certain land in the County of Mitchell, State of North Carolina, described as follows:1/ Beginning on a stake, which stake is N. 18 degrees E. 23 ft. from a large white oak, which white oak is the Bryan Robinson Corner, and runs N. 37 degrees 30 minutes W. 511 ft. to a stake in a fence line on a ridge; thence N. 48 degrees E 860 ft to a stake in the W. F. Deacon's fence line; thence with the W. F. Deacon line S. 18 degrees W. 1035 ft. to the point of beginning. Forming a triangle. Containing 5.05 acres.

which is the subject of a proposed exploration project contract, hereinafter called the "contract," with the United States of America, hereinafter called the "Government;" in consideration of the contract and as an inducement to the Government to enter into it, the undersigned hereby—

1. Undertakes and agrees that property in which the Government may acquire an interest or equity under the contract may be dismantled, severed from the land, and removed, as may be provided in the contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned;

2. Grants to the Government a lien upon all of the undersigned's right, title, and interest in the land and upon any production of minerals therefrom to secure the payment to the Government of a percentage royalty on production as may be provided for by the contract;2/ and represents and undertakes that there are no claims, liens, or encumbrances upon the undersigned's right, title, or interest in the land prior to that hereby granted to the Government other than the following:3/

3. Undertakes and agrees neither to commit any act nor assert any claim in conflict with the provisions of this Consent to Lien; and to give advance notice of the Government's rights under this Consent to Lien to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, or interest in the land; and

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

3/ Write "none" if that is the case. Do not leave lines blank.

4. Consents to all amendments and assignments of the contract without notice thereof, and agrees that this Consent to Lien shall extend and apply thereto.

5. Added provision: _____

_____

_____

_____

_____

_____

_____

_____

Dated this _____ day of _____, 195__.

Ross Gilles [Seal]

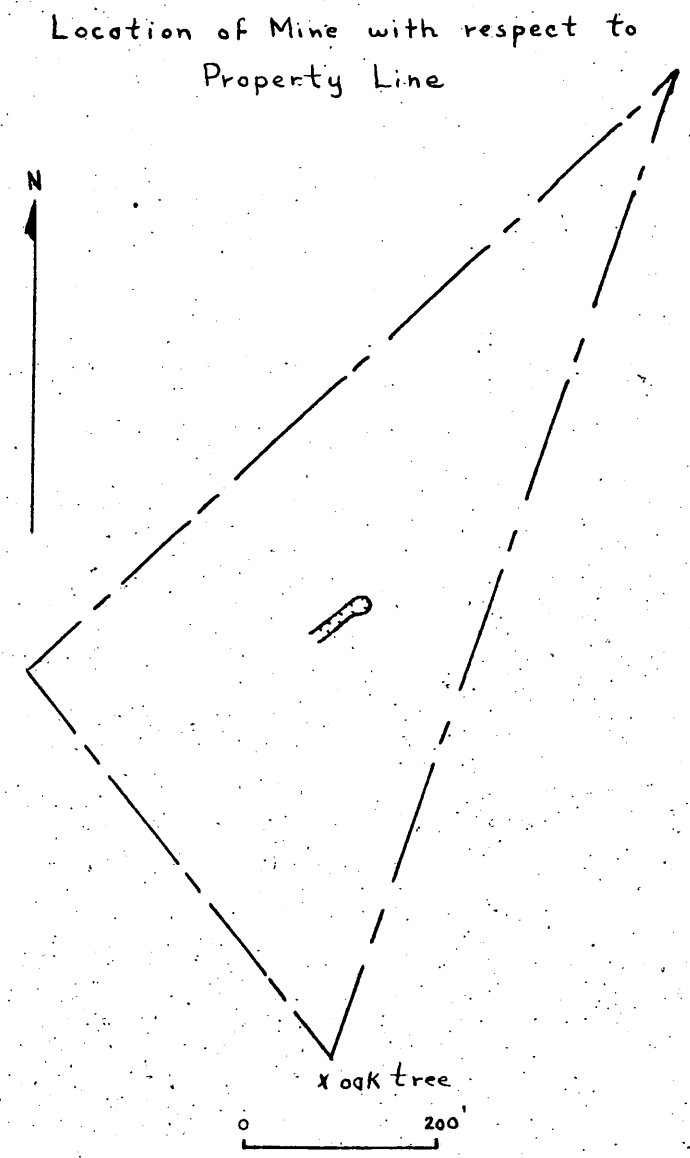
Dorothy M. Gilles [Seal]

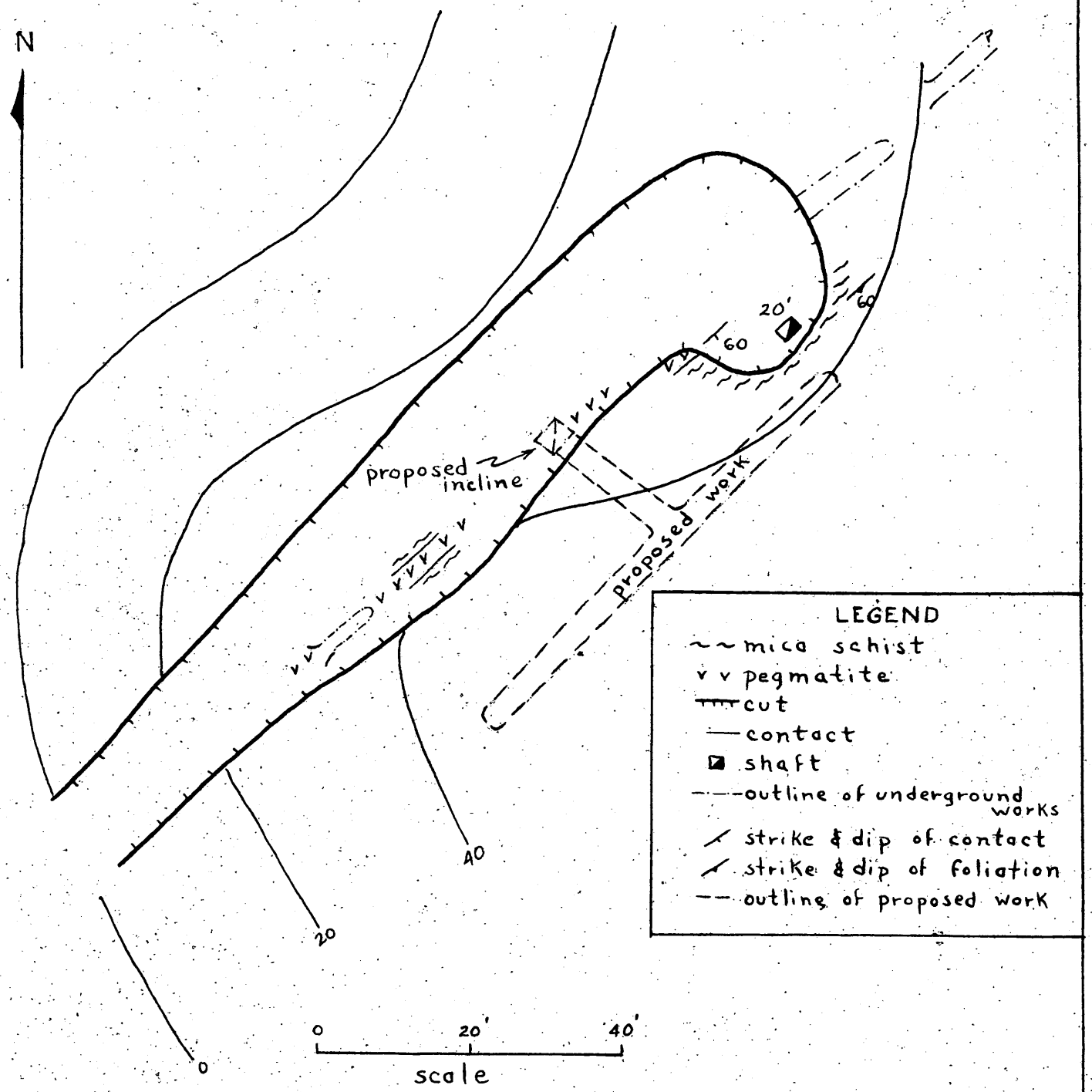
_____ [Seal]

I, _____ certify that I am the _____ _____ (Secretary, etc.) of the corporation named herein; that _____ _____ who signed this agreement was then _____ (President or Vice-President, etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

_____

[Corporate Seal]




# SKETCH OF BLACK BULL MINE

MITCHELL CO., N.C.

DMEA-3822 (mica)

June 16, 1955

RECEIVED
JUN 28 1955

DOCKET COPY
Surname:
Anderson
Hart
Chambers
Johnson

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

AUG - 8 1956

Messrs. Richmond Thomas, Brown Willis,
Paul Portner and Lee Willis
c/o Mr. Paul Portner
Route #3
Bakersville, North Carolina

Re: Docket No. DMEA-3022-nion
Richmond Thomas, Brown Willis,
Paul Portner and Lee Willis
Black Bull Mine
Mitchell County, North Carolina
Contract No. Idm-5549

Gentlemen:

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

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

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

Sincerely yours,

C. O. Mittendorf

Administrator

WCAnderson:ms 8/7/56
Copy to: Docket
Mr. Chambers
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Admr. R. File
Ross Silver )land owners
Hertha M. Silver)
Field Team, Region V

Copies to Field Team for forwarding.

R.C.L.

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

August 6, 1956

Project Summary Report

By: Walter C. Anderson, Nonmetallic Minerals Division

1. Docket No. DMEA-3822 - Mica
Contract No. Idm-E849
Black Bull Mine
Mitchell County, North Carolina

Application: Form MF-103 (April 1952) received May 20, 1955

Work proposed by applicant: 12 hours bulldozing, 40 feet of shaft and 80 feet of drifts.
Amount requested - $4,035.00.

Operators: Richmond Thomas, Brown Willis, Paul Fortner and Lee Willis
Route 3
Bakersville, North Carolina

Operators' property rights: Five year mining lease on the Ross Silver property consisting of 5.05 acres, dated May 9, 1955.
Consent to Lien of owner.

2. Contract: Form MF-200A (June 1954), dated July 28, 1955.

Work authorized:

| | |
|---|---|
| Construction - toolhouse, powder and exploder magazines | $114.00 |
| 50 feet of shaft @ $45/ft. | 2,250.00 |
| 60 feet of drifts and/or crosscuts @ $35/ft. | 2,100.00 |
| Estimated total cost of project | $4,464.00 |
| Government participation @ 75% | $3,348.00 |

Amendments - none

Work completed - same as authorized.

Project began September 15, 1955, and was completed on December 14, 1955. Field Team final report received January 11, 1956. Operators' final report, dated January 23, 1956, received February 13, 1956. -

Mica produced and sold under contract:

| | | |
|---|---|---|
| Good stained and better | 21.83 lbs. ) | |
| Stained | 15.94 lbs. ) | $304.50 |
| Full trim | 20.75 lbs. | 291.52 |
| Total | | $596.02 |
| Royalty received | | $30.95 |

This accounts for all "run of mine" produced.
No equipment purchased under contract.

3. Audit - Report of Review issued January 27, 1956

| | |
|---|---|
| Accepted cost | $4,464.00 |
| Government contribution | $3,348.00 |

4. Certification of discovery - none issued

5. Comments:

How conducted - all of the work in which the Government participated was acceptable and done in a workmanlike manner.

Operation - good.

Engineering - Operators' reporting was far below average. Sufficient work was done to prove mica does not exist in commercial quantities.

Geological criteria upon which work was based:

1. Pegmatite - unzoned, 3 feet thick, conformably enclosed in mica schist, appears to pinch and swell along strike and probably on the dip. Contains plagioclase, perthite, scattered small quartz, muscovite and biotite.
2. Mica - hard, flat, clear, ruby-colored, free splitting, and in books up to 10 inches across.
3. Old workings - shaft 20/feet deep and 3 short drifts, all caved.
4. Past production - only known production consists of 300 lbs. mica from recent bulldozing operation.

Criteria developed during project:

1. Pegmatite - 4 feet thick maximum thinning in both directions to less than 1 foot. Unzoned, conformable, enclosed in weathered mica schist.
2. Mica - poor quality, stained, ruby, occurring sporadically.
3. Reserves - negligible.

Future possibilities - no additional exploration work is warranted.

Recommendations:

The Nonmetallic Minerals Division and the commodity members of the Bureau of Mines and the Geological Survey concur in the Field Team's recommendation not to certify the project.

Walter C. Anderson

Walter C. Anderson
Nonmetallic Minerals Division

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

RECEIVED
AUG - 3 1956

August 1, 1956

Memorandum

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

From: Field Team - Region V - Knoxville, Tennessee

Subject: Docket No. DMEA-3822, Contract Idm-E849 (Mica)
Richmond Thomas, et al.
Black Bull Mine, Mitchell County, North Carolina

Reference is made to your letter of July 30.

The following sales of mica from this mine have been reported to us:

| | | |
|---|---|---|
| 12/14/55 | 1015 lbs. (initial payment) | $222.24 |
| 4/18/56 | final settlement on above lot | 82.26 |
| 2/17/56 | 20.75 lbs. (full trim) | 291.52 |
| Totals | 1035.75 lbs. | $596.02 |
| Royalty received | | $ 30.95 |

The 1015-pound lot yielded the following:

| | |
|---|---|
| Good-stained and better | 21.83 lbs. |
| Stained | 15.94 lbs. |

These sales are adequate to account for all mica on hand on completion of the contract. The 20.75 pounds sold on February 17 evidently was obtained from the 800 pounds on hand January 23. We have no report of sales of punch or scrap from this 800-pound lot, but the Operators have paid $1.15 more royalty than is due on $596.02 of sales. $1.15 would be equivalent to the royalty due on $23.00 which is adequate for the probable value of the scrap.

Robert A. Laurence
Robert A. Laurence
Executive Officer

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

DOCKET COPY
Surname:
Anderson
Houk
Martin
Johnson
Mitchenoy

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

JUL 30 1956

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

Re: Docket No. DMEA-3822-mica
Richmond Thomas, et al.
Black Bull Mine
Mitchell County, North Carolina
Contract No. Idm-E849

Dear Mr. Laurence:

Reference is made to the subject contract which was completed on December 14, 1955.

In reviewing the docket preparatory to writing the closing letter, we note that a letter dated January 23, 1956, from one of the operators, intended to be their final report, states that besides a sale of mica in the amount of $222.24, they have about 800 pounds of block mica which is being processed.

In order to close out the subject docket, we would appreciate a report on the results of the processing of this 800 pounds of mica.

Sincerely yours,

W. S. Martin (Ayes)

Chairman, Operating Committee

Approved:

For Robert W. George (Ayes)
Member, Bureau of Mines

N. E. Nelson (Ayes)
Member, Geological Survey

WCAnderson:ms 7/27/56
Copy to: Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Admr. R. File

R.C.B.

IN REPLY REFER TO:

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

RECEIVED
MAR 9 1956

March 8, 1956

DMEA 3822 Idm E 849
Richard Thomas, et al
Black Bull Mine
Mitchell Co., N. C.
$4,464.00 - Mica

Memorandum

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

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

Subject: Review of Final Field Team report

The contract authorized the expenditure of $4,464.00, of which $4,009.00 was spent. The Government's participation amounted to $3,006.75.

Work done under the contract, consists of:

| | |
|---|---|
| Vertical shaft | 50 feet |
| Crosscut | 13 feet |
| Drift | 47 feet |

The operator did 5 feet of sinking and cut a bench on force account.

The work was done to explore an unzoned, conformable 4-foot pegmatite. The drifting disclosed a pod-like pegmatite 4 feet wide where crosscut but pinching to less than 1 foot in the NE heading and 4 inches in the SW heading. The headings are 47 feet apart.

Some stained, ruby mica of non strategic or scrap quality was recovered, but the reserves are negligible because of the poor quality and the pinching of the pegmatite.

The examiners and Field Team recommend that the property not be certified.

I concur with that recommendation.

N. E. Nelson

N. E. Nelson

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1025, POST OFFICE BLDG.
WASHINGTON 25, D.C.
KNOXVILLE 2, TENN.

RECEIVED
FEB 13 1956

February 6, 1956

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region V

Subject: Operator's Final Reports

Enclosed herewith are four copies each of the Operator's final reports on the following projects:

DMEA-3822, Idm-E849, B lack Bull Mine

DMEA-3930, Idm-E872, Howard Smith

While neither of these meets the standards of a geologic and engineering report, we are accepting them as the best obtainable under the circumstances.

Robert A. Laurence

Robert A. Laurence

RECEIVED
FEB 13 1956

C O P Y

WING, NORTH-CAROLINA

1-23-56

Mr. R. A. Laurence

Knoxville, Tenn.

Dear Mr. Laurence,

Enclosed find check for $11.50 royalty on $222.24 the only sale we have made. We have about 800 lb. of mica in the block which is being worked now.

Yours truly

s/ Paul Fortner

Copied by zm.

cc:
Opr. Com. -4
Lynch

RECEIVED
FEB 13 1956

C O P Y

WING, NORTH CAROLINA

1-23-56

Mr. R. R. Laurence

Knoxville, Tenn.

Dear Mr. Laurence,

Enclosed find check for $11.50 royalty on $222.24 the only sale we have made. We have about 800 lb. of mica in the block which is being worked now.

Yours truly

s/ Paul Fortner

Copied by zm.

cc:
Opr. Com. -4
Lynch

C O P Y

WING, NORTH CAROLINA

1-23-56

Mr. R. R. Laurence

Knoxville, Tenn.

Dear Mr. Laurence,

Enclosed find check for $11.50 royalty on $222.24 the only sale we have made. We have about 800 lb. of mica in the block which is being worked now.

Yours truly

s/ Paul Fortner

Copied by zm.

cc:
Opr. Com. -4
Lynch

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

RECEIVED
JAN 26 1956

January 26, 1956

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA - 3822 (mica)

Applicant: R. Thomas, B. Willis, P. Fortner, L. Willis

Name and Location of Property: Black Bull Mine, Mitchell Co. N. C.

Contract Number: Idm-E 849

Date of Field Team Report: 1/9/56

Date Rec'd. by Ceramic & Fertilizer Materials: 1/23/56

Field Team Recommendation: Recommend no certification of discovery.

Comments:

1. Poor quality stained mica was produced from a pod-like pegmatite.

2. Maximum thickness of pegmatite was 4 feet and it thinned in all directions.

3. Reserves were considered negligible because of poor quality of mica and the narrowing of the pegmatite.

4. Expenditures -

| | |
|---|---|
| Total approved | $4,464.00 |
| Total cost | 4,009.00 |
| Gov't. share of the cost | 3,006.75 |
| Value of production during operation | None |

Recommendation:

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

W. F. Dietrich

W. F. Dietrich

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 208 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

WASHINGTON 25, D.C.

RECEIVED
JAN 11 1956

January 9, 1956

Memorandum

To: Operating Committee, DMEA - Washington

From: DMEA Field Team, Region V - Knoxville

Subject: Final Report on - DMEA-3822, Idm-E849 (mica) Black Bull Mine, ~~Yancey~~ Mitchell County, N. C.

Transmitted are four copies of the subject final report. The Field Team concurs with the field examiners that no certification of discovery should be made on this project.

V. J. Lynch

V. J. Lynch, Acting
Executive Officer, DMEA
Region V

S. C. Bergman

S. C. Bergman, Geologist
U. S. Geological Survey

Reviewed by
DMEA OPERATING COMMITTEE
1-13-56
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR

RECEIVED
JAN 11 1956

DEFENSE MINERALS EXPLORATION ADMINISTRATION

# FINAL REPORT
On

# DMEA-3822, Idn-E849 (mica) BLACK BULL MINE
Mitchell County, N. C.

BY

Lawrence E. Shirley, Mining Engineer
Bureau of Mines

and

S. C. Bergman and A. R. Taylor, Geologists
Geological Survey

January 9, 1956

Reviewed by
DMEA OPERATING COMMITTEE
1-13-56
(date)

RECEIVED
JAN 11 1956

FINAL REPORT
On

DMEA-3822, Idn-E849 (mica) BLACK BULL MINE

Operators: Richard Thomas, Brown Willis, Paul Fortner and Lee Willis, R#3, Bakersville, North Carolina

Location: On the north side of Silver Hollow, 2.6 airline miles S. 15° W. of Bakersville, N. C.

Poor quality, stained mica was produced in a pod-like pegmatite. No additional exploration is justified. The field examiners do not recommend certification of a discovery on the basis of limited reserves in a thinning pegmatite.

Work began September 15, 1955 and was completed December 14, 1955. A toolhouse, powder magazine and exploder magazine were constructed. No equipment was purchased.

The mine consists of a two compartment, timbered, 55 feet vertical shaft , 5 ' x 7' (5 ft. at Operator's expense), a 13 feet crosscut trending S 40° E from the shaft at the 50 ft level (benched to 55 ft level at Operator's expense), and 47 ft of NE - SW trending drift. The drift follows the strike of the pegmatite from the crosscut for 31 ft N55E, and 16 ft S 55 W.

Old workings consist of a 5 ft deep cut, three short, inaccessible, caved adits, and a partially filled shaft (reportedly 20 ft in depth).

Enclosed in a weathered mica schist, an unzoned, conformable, coarse pegmatite pinches and swells in the surface outcrop, but is pod-like in the drift. It is composed of plagioclase (albite-oligoclase), perthite, quartz (scattered), muscovite, and biotite.

In the surface outcrop the pegmatite strikes N 45-50° E and dips 50-60° SE; in the drift it strikes N. 55 E and dips 55-60° SE.

The shaft was started in pegmatite, but the pegmatite thinned and the shaft bottomed in country rock. Pegmatite about 4 feet thick was encountered by crosscutting 9 feet from the 50 foot level of the shaft. This was the thickest part of the pegmatite encountered; it thinned in both directions in the drift to ~~the~~ less than one foot in the NE heading and 4-inches in the SW heading.

Stained, ruby muscovite mica of poor quality was produced sporadically from the shaft and drift. Most of the larger mica books were recovered from the thickest part of the pegmatite, but the mica was bent or wavy. Almost all of the recovered mica was of non-strategic or scrap quality.

Reserves are negligible because of the poor quality and the narrowing of the pegmatite.

The Operators have done additional work at their own expense. The shaft was lowered an additional 5 feet from the contracted 50 feet and the crosscut was benched. It is doubtful if the Operators will continue work. No additional exploration or work is warranted.

The Operators conducted the work in an efficient, workmanlike manner.

Because of the limited amount and poor quality of mica, and limited indicated reserves, the examiners believe that inferred reserves along strike and down dip are lacking. The field examiners, therefore, recommend that the Black Bull Mine not be certified.

Expenditures:

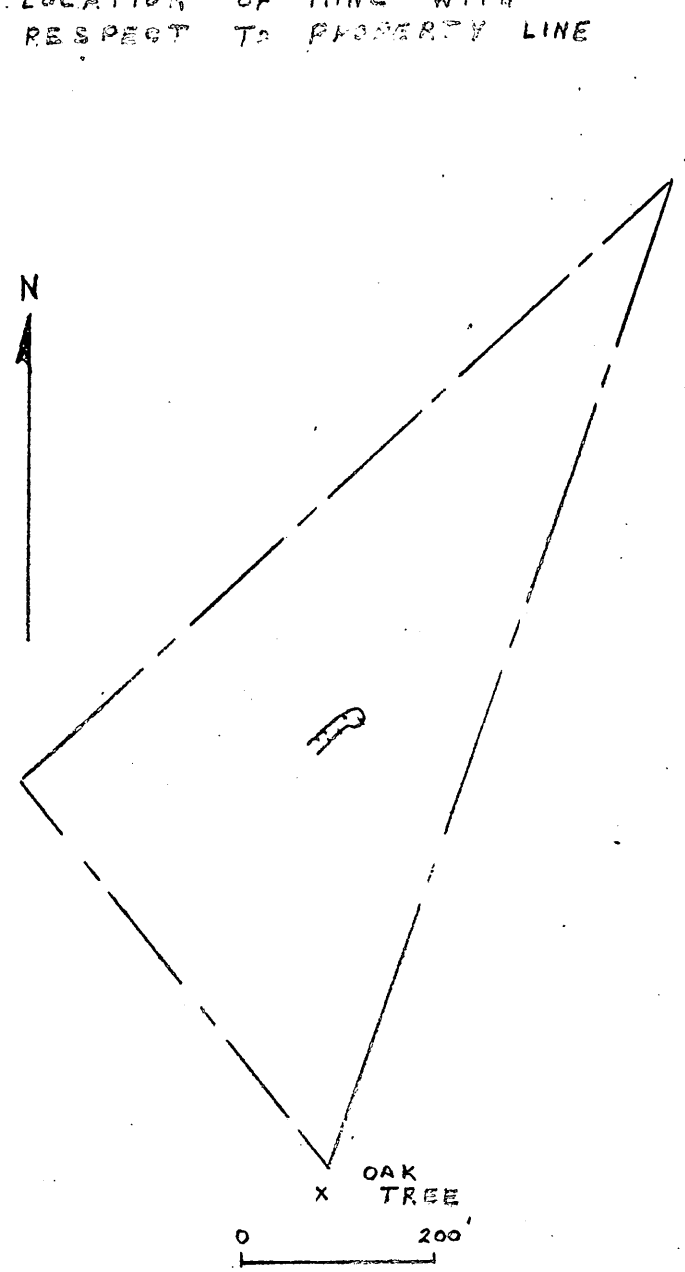
| | | | |
|---|---|---|---|
| (a) | Total approved | $4,464.00 | $ 4464.00 |
| (b) | Total amount spent | 4,009.00 | |
| (c) | Government's participation | 3,006.75 | 3,348.00 |
| (d) | Government's share unexpended | 341.25 | — o — |
| (e) | Value of production during opr. | None | |

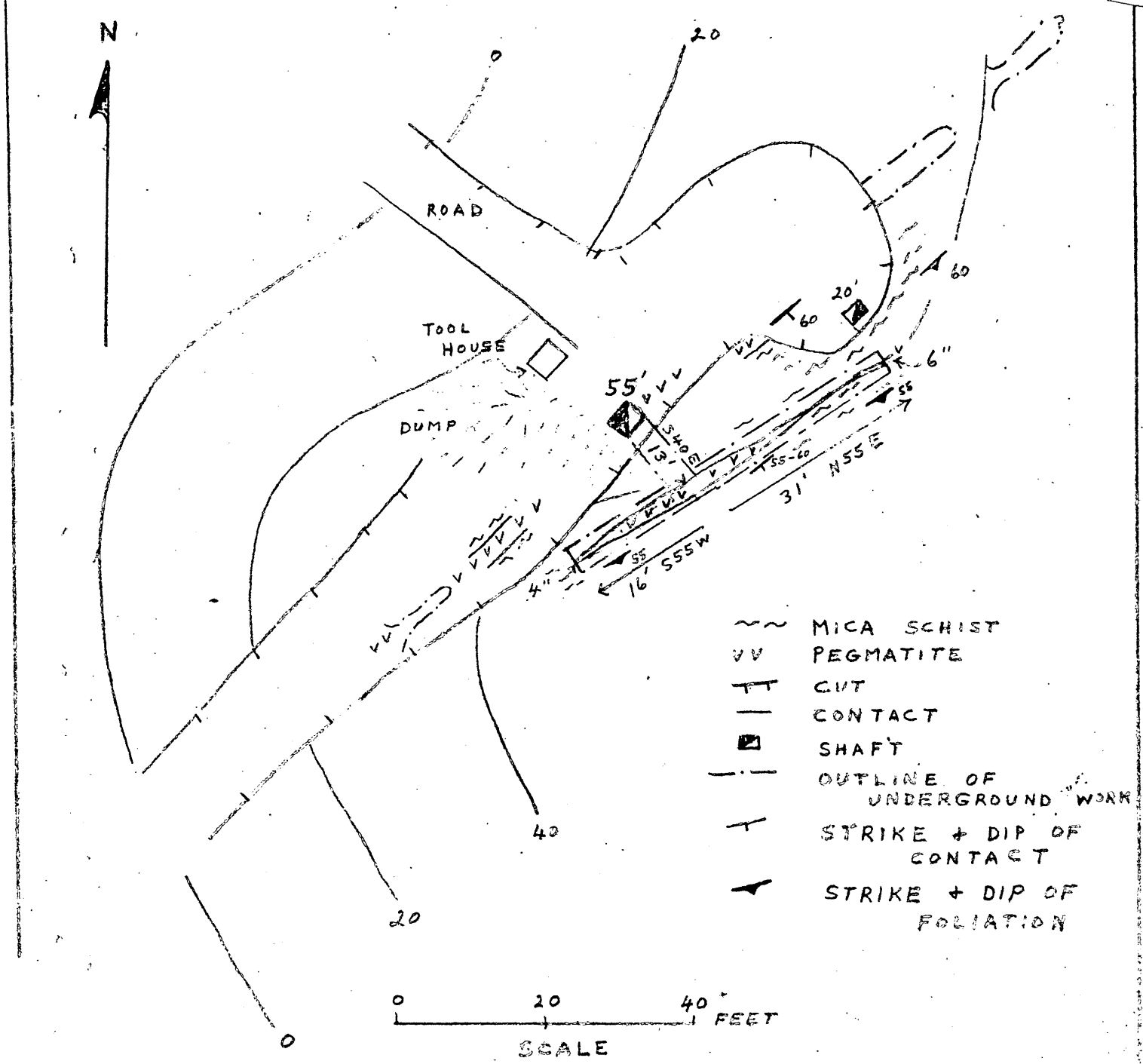
January 9, 1956

L. E. Shirley, Mining Engineer
Bureau of Mines

S. C. Bergman and A. R. Taylor, Geologists
Geological Survey

Z




# Sketch of The BLACK BULL MINE

MITCHELL CC., B.C.

BMEA-3622
CFC., 1955
Taylor

RECEIVED
JAN 1 1 1956

Docket Copy
Surname:
Anderson
Houk
Selfridge
Johnson
Mathewson

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

JAN 9 1956

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

Subject: Docket No. DMEA-3822 - Mica
Richmond Thomas, et al.
Black Bull Mine
Mitchell County, North Carolina
Contract No. Idm-E649

Dear Mr. Laurence:

Reference is made to the Field Team Interim Report on inspection at the subject mine on December 14, 1955.

The report states that the reserves of mica are limited, that the mica is of poor quality, and that the Operators are making sales to the General Services Administration Depot, Spruce Pine, North Carolina.

We are assuming that the final report will include an estimate of amount and value of mica reserves and the royalties received from sales of mica. We note that certification will not be recommended. We would like to have the above-mentioned and all other information pertinent to closing out the docket. In this connection we deem the Operators' Final Report important, which is intended to give the Operators' evaluation of accomplishment, including ore reserve estimate, total production, yield, and mica on hand.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (SHB)

Approved:

/s/ Robert W. Geohan (SHB)
Member, Bureau of Mines

Thor H. Kiilsgaard (SHB)
Member, Geological Survey

WCAnderson:gad 1/5/56
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Anderson

C

RECEIVED
DEC 27 1955

INTERIM REPORT

DMEA-3822, Idm-E849 (mica) BLACK BULL MINE

Operator: Richard Thomas, Brown Willis, Paul Fortner and Lee Willis, Route # 3, Bakersville, North Carolina

Location: On the north side of Silver Hollow, 2.6 airline miles S 15° W of Bakersville, N. C.

All work as outlined in Exhibit "A" of this contract has been completed. The field examiners are of the opinion that no additional exploration with Government participation is justified. A final inspection shows the pegmatite to be thinning on both ends and reserves are limited, thus the Examiners do not recommend certification of the contract. (To what)

Work completed consisted of sinking a vertical shaft, partially in pegmatite to a depth of 50 feet, driving 13 feet of crosscut in a S. 40° E. direction from the shaft bottom and driving 47 feet of drift to the northeast and southwest from the crosscut. Upon completion of the above work the Operator sunk the shaft, at his own expense, an additional 5 feet and lowered the crosscut floor 5 feet by benching. The present northeast drift heading shows pegmatite 1 foot thick composed principally of feldspar with minor amounts of quartz and small muscovite mica. The southwest heading shows a narrow body about 4 inches thick containing small mica. At the point where the crosscut crossed the body, the pegmatite is about 4 feet thick and most of the larger sizes of mica were recovered from this pod, which thins on both ends as described above. Mica produced was generally of poor quality and contained considerable stain. On the date of the last visit the Operators were making a sale of mica to the GSA Depot, Spruce Pine, N. C. Roy

This contract was completed satisfactorily and the Field Examiners suggestions were followed closely.

Date of Inspection: December 14, 1955.

L. E. Shirley

L. E. Shirley, Mining Engineer
Bureau of Mines

SCB and

S. C. Bergman and A. R. Taylor, Geologists
Geological Survey

z

INTERIM REPORT

RECEIVED
DEC 15 1955

DMEA-3822, Idm-E849 (mica) BLACK BULL MINE

OPERATOR: Richmond Thomas, Brown Willis, Paul Fortner, and Lee Willis, Route #3, Bakersville, N. C.

LOCATION: On the north side of Silvers Hollow, 2.6 airline miles S15°W of Bakersville, N. C.

Drifting continues on this contract, and drift and crosscut combined now totals 47 feet. Thirteen feet of crosscut was driven to the southeast from the shaft bottom; 32 feet of drift was driven to the northeast, and work in this direction was stopped because the pegmatite had thinned to a few inches, and no mica was present in the body. Drifting is now underway to the southwest, and an advance of about 2 feet has been made in pegmatite having a thickness of 4 feet, containing medium to large size blocks of muscovite mica of questionable quality. The operator was advised to drive the remaining 13 feet of drift to the southwest in an effort to ~~produce~~ find ? commercial mica. Progress on this contract is satisfactory.

L. E. Shirley

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

S. C. Bergman and A. R. Taylor, Geologists
U. S. Geological Survey

November 30, 1955

RECEIVED
NOV 28 1955

INTERIM REPORT

DMEA-3822, Idm-E849 (mica) BLACK BULL MINE

OPERATOR: Richmond Thomas, Brown Willis, Paul Fortner, and Lee Willis, Route #3, Bakersville, N. C.

LOCATION: On the north side of Silvers Hollow, 2.6 airline miles S15°W of Bakersville, N. C.

Crosscutting has been completed from the 50 foot shaft level, pegmatite has been intercepted, and drifting is underway on this contract.

Turnoff was made from the shaft bottom, and a crosscut was driven 13 feet S. 40° W. Pegmatite was encountered 9 feet from the shaft, and the remaining 4 feet were driven across the body. Thirteen and one-half feet of drift was driven to the northeast; the body strikes N55°E and dips 52°SE. The body narrows from 4 feet to 1 foot along the explored strike length. The pegmatite is composed of feldspar containing minor quartz, and mica of poor quality, most of which was bent or curved badly.

The operator was advised to continue the drift to the northeast until another visit can be made. The enclosing mica schist is highly weathered, and suggestions were made concerning necessary timbering in the drift area.

Progress on this contract is satisfactory.

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

S. C. Bergman A. R. Taylor
S. C. Bergman and A. R. Taylor, Geologists
U. S. Geological Survey

November 16, 1955

INTERIM REPORT

DMEA-3822, Idm-E849 (mica) BLACK BULL MINE

OPERATOR: Richmond Thomas, Brown Willis, Paul Fortner, and LeeWillis, Route #3, Bakersville, N. C.

LOCATION: On the north side of Silvers Hollow, 2.6 airline miles S15°W of Bakersville, N. C.

Shaft sinking has been completed to a total depth of 50 feet; turn off has been made to the southeast, and about 3 feet has been accomplished in mica schist containing small pods or lenses of pegmatite. The operator was advised to drive 10 feet of crosscut to the southeast, in an effort to intercept mica-producing pegmatite, before beginning work along the strike. Another visit will be made to the mine in the near future.

The operator was advised to extend timber to the shaft bottom as soon as practicable. Progress on this contract is satisfactory.

L. E. Shirley

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

K. H. Teague S. C. Bergman A. R. Taylor

K. H. Teague, S. C. Bergman, and A. R. Taylor
Geologists
U. S. Geological Survey

November 2, 1955

RECEIVED
NOV 14 1955

RECEIVED
OCT 28 1955

INTERIM REPORT

DMEA-3822, Idm-E849 (mica) BLACK BULL MINE

OPERATOR: Richmond Thomas, Brown Willis, Paul Fortner, and Lee Willis, Route #3, Bakersville, N. C.

LOCATION: On the north side of Silvers Hollow, 2.6 airline miles S15°W of Bakersville, N. C.

Vertical shaft sinking continues on this contract and is now at 40 feet. A narrow lense or pod of pegmatite has been followed to the present depth, and dump material showed kyanite pods and graphite associated with the country rock, a biotite gneiss. The pegmatite is composed of feldspar, scattered quartz, and small muscovite mica. The operator was instructed to continue the shaft to a total depth of 50 feet, and instructions were also given concerning turnoff when total depth is reached. Scant production of mica has resulted from exploration to date.

The shaft has been cribbed to within 3 feet of the bottom. A separated partition with ladders and landings extend to a depth of about 30 feet, and will be extended to the bottom as soon as practicable. Examination of the hoist rope showed about 15 feet of defective rope. The operator was advised to replace the rope at once. Progress on this contract is satisfactory.

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

K. H. Teague
K. H. Teague, S. C. Bergman, A. R. Taylor
Geologists, U. S. Geological Survey

October 19, 1955

INTERIM REPORT

RECEIVED
OCT 17 1955

DMEA-3022, Adm-4849 (mica) BLACK BULL MINE

OPERATOR: Richmond Thomas, Broum Willis, Paul Fortner, and Lee Willis, Route #3, Bakersville, N. C.

LOCATION: On the north side of Silvers Hollow, 2.6 airline miles S15°W of Bakersville, N. C.

Vertical shaft sinking continues on this contract and is now at 25 feet. A pegmatite, variable in thickness with depth, has been followed to the bottom. At the present depth, 6 inches of pegmatite is exposed on the northwest side of the shaft, and 14 inches is exposed on the southeast side; no pegmatite was observed in the shaft bottom. The body is primarily feldspathic and contains small mica. Approximately 300 pounds of block mica has been recovered from the work completed to date, and not all of this mica is of good quality.

The shaft has been cribbed to a depth of 21 feet with 2-inch by 6-inch sawed oak timbers and contains a separated partition with ladders and landings to the bottom. A toolhouse and cap magazine have been completed since the last visit. Progress on this contract is satisfactory.

L. E. Shirley

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

K. H. Teague

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

October 5, 1955

INTERIM REPORT

DMEA-3822, Idm-E849 (mica) BLACK BULL MINE

OPERATOR: Richmond Thomas, Brown Willis, Paul Fortner, and Lee Willis, Route #3, Bakersville, N. C.

LOCATION: On the north side of Silvers Hollow, 2.6 airline miles S15°W of Bakersville, N. C.

The starting date on this contract is September 15, 1955. Shaft sinking is in progress, and is now at 7 feet. Material encountered is pegmatite enclosed by mica schist. The body is 2 to 3 feet thick and is composed of feldspar, minor quartz, and biotite, and muscovite mica. No appreciable amount of mica has been recovered to date.

Mining equipment in use consists of a 105 c.f.m. Ingersoll-Rand compressor, gasoline-powered hoist, conventional hoisting frame and hand tools. A powder magazine has been built, and a cap magazine and toolhouse will be completed in the near future. Progress on this contract is satisfactory.

Messrs. V. J. Lynch and R. A. Laurence accompanied the examiners on this visit to the mine.

L. E. Shirley

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

K. H. Teague

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

September 21, 1955

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D.C.
ROOM 1087 OFFICE BLDG.
KNOXVILLE 2, TENN.

August 24, 1955

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Signed Contracts: Idm-E807, DMEA-3755, W. C. Crotts
(mica) Idm-E849, DMEA-3822, Fortner & Willis

Transmitted are three copies each of the subject contracts. The usual distribution of the other copies has been made by this office.

V. J. Lynch

V. J. Lynch

Docket File
Surname:
Anderson
J. L. Kanouse
Chamberlin
Martin
Hoffman

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

JUL 28 1955

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

Subject: Docket No. DMEA-3022 - Mica
Richmond Thomas, Brown Willis,
Paul Fortner and Lee Willis
Black Bull Mine
Mitchell County, North Carolina

Dear Mr. Laurence:

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

If the contract meets with your approval present it to the Operators for their approval and signature. Please explain to the Operators that the contract, when executed, is a firm commitment under the terms of which they are 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 Operators and cannot be amended within your delegated authority, then the original and all copies of the contract are to be returned to this office, together with the proposed changes for consideration.

After execution of the contract, the copies are to be distributed in the usual manner. Copies of memoranda from W. F. Dietrich of the Bureau of Mines, dated July 12, 1955, and from W. E. Nelson of the Geological Survey, dated July 8, 1955 are enclosed.

Sincerely yours,

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

Approved:

/s/ Robert W. Geehan (WB)
Member, Bureau of Mines

Thor H. Kiilsgaard (WB)
Member, Geological Survey

Enclosures 10

WCAnderson:pk 7/25/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Anderson

R.C.S.

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

July 12, 1955

RECEIVED
JUL 13 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA - 3822 (mica)

Applicant: R. Thomas, B. Willis, L. Willis, and P.Fortner

Name and Location of Property: Black Bull (Thomas) Mine
Mitchell County, North Carolina

Date of Field Team Report: June 24, 1955

Date Rec'd by Br. of Ceramic and Fertilizer Materials: July 6, 1955

Field Team Recommendation: Recommend exploration program at a cost of $4,463.00

Comments:

1. The proposed program of exploration will determine value of ground in mine that previously has been reported as a producer of mica.

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

Recommendation:

I concur with the field team's recommendation of an exploration program.

W F Dietrich

W. F. Dietrich

IN REPLY REFER TO:

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

July 8, 1955

Re: DMEA 3822
Raymond Thomas, Brown Willis,
Lee Willis, Paul Fortner
Black Bull Mine
Mitchell Co., N. C.
$4,463.00 - Mica

Memorandum

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

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

Subject: Review of Field Team report.

Nearness to the large producers, Sinkhole and George Howell mines and general similarity of the geologic conditions, recommend this prospect.

If the pegmatite maintains an average thickness of 3 feet a block containing 750 tons would be indicated by the 50 feet of shaft work and 60 feet of drifting.

I concur with the recommendations of the Field Team.

N. E. Nelson

N. E. Nelson

RECEIVED
JUL 11 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 2 3 1955

June 27, 1955

Memorandum

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

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

Subject: Field Examination Report, DMEA-3822 (Mica)
Black Bull Mine, Mitchell County, North Carolina

Enclosed are original and three copies of the subject examination report, and six extra copies of the sketch map.

We recommend approval of a unit-cost contract, as proposed in the report, as the best means of exploring this pegmatite.

Robert A. Laurence
Robert A. Laurence
Executive Officer
DMEA Field Team

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

Reviewed by
DMEA OPERATING COMMITTEE
7-6-55
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR

RECEIVED
JUN 29 1955

DEFENSE MINERALS EXPLORATION ADMINISTRATION

# EXAMINATION REPORT BY FIELD TEAM, REGION V

On

DMEA-3822, BLACK BULL MINE (mica)
Mitchell County, N. C.

By

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

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

June 24, 1955

Reviewed by
DMEA OPERATING COMMITTEE
7-6-55
(date)

FIELD EXAMINATION REPORT

ON THE

BLACK BULL MINE - DMEA-3822 (mica)

Applicants: Richmond Thomas, Brown Willis, Lee Willis, and Paul Fortner
c/o Paul Fortner, Route 3, Bakersville, North Carolina

Recent bulldozing has resulted in the recovery of a small amount of excellent mica from this deposit. As only limited work has been done, additional reserves of mica appear to be present. Exploration assistance is recommended.

This deposit was examined on June 16, 1955. Messrs. Paul Fortner, Richmond Thomas, and Lee Willis accompanied the examiners on the inspection which required two hours.

The Black Bull (Thomas) Mine is on the north side of Silvers Hollow, 2.6 airline miles S. 15° W. of Bakersville, North Carolina. It is easily accessible at all times.

The applicants appear to be competent to conduct the proposed work. Area under lease is adequate. Relationship between boundaries of leased area and existing openings is shown on the attached sketch.

Existing openings, except for the new bulldozer cut, are caved and inaccessible. They consist of three short drifts, probably in the same pegmatite, and one shaft which is reported to be 20 feet deep, but is now partly filled. The shaft is probably in a parallel pegmatite as mica from it is very different from that from the drifts. The extent of the new cut is shown on the attached sketch; it is about five feet deep.

Rocks exposed in the cut consist of pegmatite and the enclosing mica schist. They are conformable, trend N. 45 - 50° E., and dip 50 - 60° SE. The mica-bearing pegmatite appears to pinch and swell along the strike, and probably does likewise on the dip. It is up to three feet in thickness, unzoned, and contains plagioclase, perthite, scattered small quartz, muscovite, and biotite. That part of the pegmatite exposed is coarse textured.

Very little mica is at present exposed. The applicants report that approximately 300 pounds of mica were recovered from the bulldozing. The examiners inspected about 100 pounds of this material. It is of excellent quality. It is hard, flat, clear, ruby-colored, free splitting, and in books up to 10 inches in diameter.

The examiners do not agree with the application as to amount of production during World War II. Insufficient work has been done for this deposit to have produced much mica.

The examiners regard this deposit as having good possibilities for the discovery of a worthwhile deposit. Previous work has been limited, quality is excellent, and the pegmatite is similar in mineral composition and quality of mica to that of the nearby Sinkhole and George Howell mines which have been very large producers. Actually this deposit is in the same zone of rock as the two mines metnioned above.

We recommend that a 50-foot incline be sunk on the pegmatite and 60 feet of drift be driven from the incline.

Estimated costs are:

| | | |
|---|---|---|
| Toolhouse | $75.00 | |
| Powder magazine | 25.00 | |
| Exploder magazine | 13.00 | |
| Total | | $113.00 |

Sink 50-foot, 2 compartment incline timbered where necessary (30 shifts):

| | | |
|---|---|---|
| Labor: | | |
| 1 - Miner @ $1.50/hr. | $360.00 | |
| 1 - Hoistman @ $1.25/hr. | 300.00 | |
| 1 - Laborer @ $1.00/hr. | 240.00 | |
| Equipment (rental): | | |
| Compressor and drill @ $220/mo. | 330.00 | |
| Hoist @ $50/mo. | 75.00 | |
| Supplies: | | |
| Explosives | 125.00 | |
| Drill steel | 75.00 | |
| Gasoline and oil | 80.00 | |
| Timber, 3,000 b.f. @ $65/M | 195.00 | |
| Small tools and pipe | 100.00 | |
| Miscellaneous | 120.00 | |
| Insurance and Social Security | 250.00 | |
| Total | | $2,250.00 |

45.00/ft

Drive 60 feet of drift on pegmatite (26 shifts)

| | | |
|---|---|---|
| Labor: | | |
| 1 - Miner @ $1.50/hr. | $312.00 | |
| 1 - Hoistman @ $1.25/hr. | 260.00 | |
| 2 - Laborers @ $1.00/hr. | 416.00 | |

| | | |
|---|---|---|
| Equipment (rental) | | |
| Compressor, drill, pump and jackleg @ $250/mo. | $325.00 | |
| Hoist @ $50/mo. | 65.00 | |
| Supplies: | | |
| Drill steel | 100.00 | |
| Explosives | 200.00 | |
| Gasoline and oil | 100.00 | |
| Small tools and pipe | 75.00 | |
| Miscellaneous | 97.00 | |
| Insurance and Social Security | 150.00 | |
| Total | | $2,100.00 |
| Estimated total cost | | $4,463.00 |

3500 | 4

June 24, 1955.

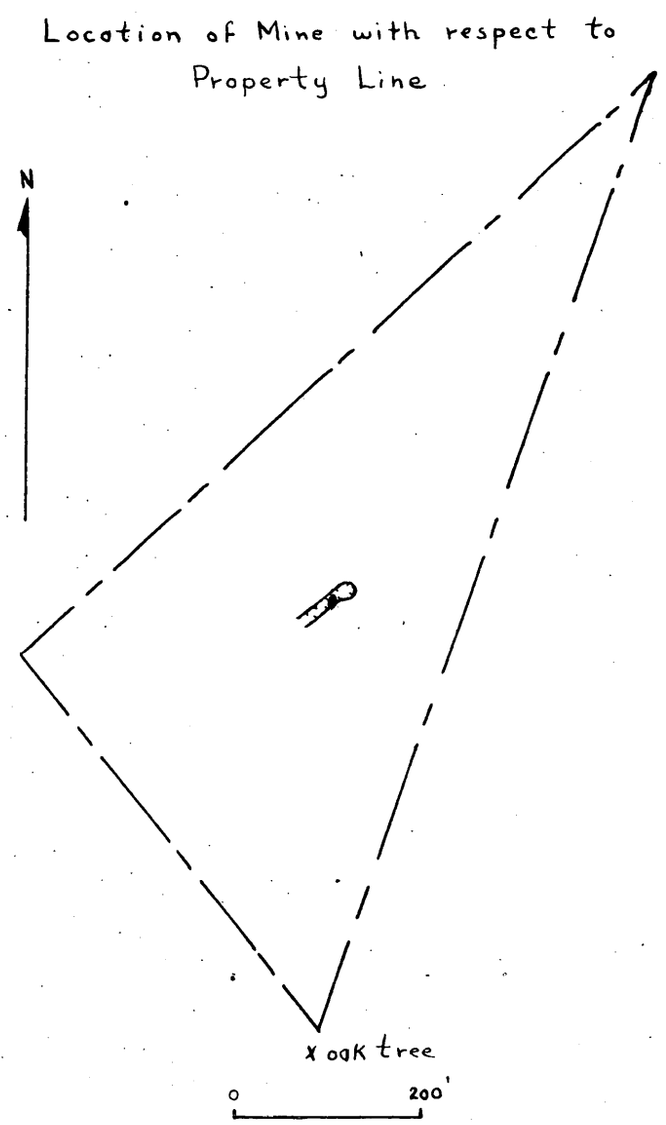
K. H. T eague and D. H. Amos, Geologists
U. S. Geological Survey

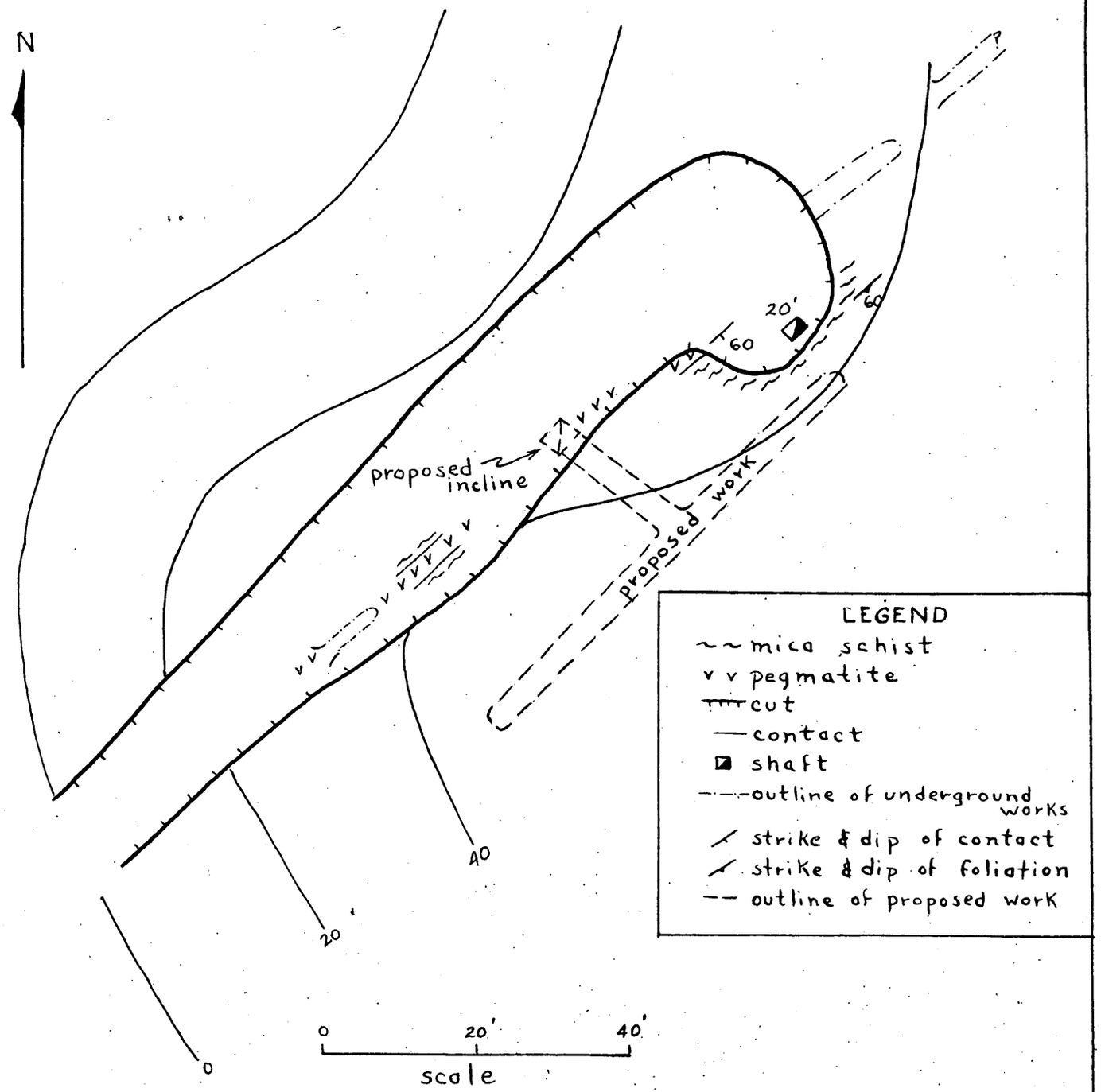
and

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



g




SKETCH OF
BLACK BULL MINE
MITCHELL CO., N.C.

DMEA-3822 (mica)
June 16, 1955

RECEIVED
JUN 29 1955

Docket Copy
Surname:
Anderson
Houk
Selfridge
Johnson

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

600

JUN 10 1955

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

Subject: Docket No. DMEA-3822 - Mica
Richmond Thomas, Brown Willis,
Paul Fortner and Lee Willis
Black Bull Mine
Mitchell County, North Carolina

Dear Mr. Laurence:

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

There was no Owner's Consent to Lien attached to the application. If a contract is recommended please advise the applicant to submit the usual number of copies of Consent to Lien properly executed.

Copies of memoranda from T. H. Kiilsgaard of the Geological Survey, dated May 23, 1955, and from W. F. Dietrich of the Bureau of Mines, dated June 7, 1955, are enclosed for your information.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee (GCB)

Approved:

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

Thor H. Kiilsgaard (GCB)
Member, Geological Survey

Enclosures 4

WCAnderson:gad 6/8/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

R.C.L.

Docket Copy
Surname:
Anderson
Houk
Hedges
Kilsgaard
Selfridge
H. Johnson

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

600

JUN 10 1955

Mr. Paul Fortner
Route 3
Bakersville, North Carolina

Re: Docket No. DMEA-3822 - Mica
Richmond Thomas, Brown Willis,
Paul Fortner and Lee Willis
Black Bull Mine
Mitchell County, North Carolina

Dear Mr. Fortner:

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.

Please be advised that in case an applicant is a lessee it is a requisite that the Government be furnished executed Owner's Consent to Lien forms. Enclosed are seven copies of this form for execution, six copies of which are to be returned to this office.

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

Enclosures 7

WCAnderson:gad 6/8/55
Rewritten 6/10/55
Copy to: Admr. R. File
Docket
Operating Committee
Field Team, Region V
Mr. Dietrich, 3061
Mr. Kiilsgaard, 5222
Mr. Houk

Docket Copy
Surname:
Anderson
Houk

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

600

Mr. Paul Fortner
Route 3
Bakersville, North Carolina

Re: Docket No. DMEA-3822 - Mica
Richmond Thomas, Brown Willis,
Paul Fortner and Lee Willis
Black Bull Mine
Mitchell County, North Carolina

Dear Mr. Fortner:

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.

There was no Owner's Consent to Lien attached to your application. Please be advised that in the case of an applicant being a lessee it is a requisite that the Government be furnished an Owner's Consent to Lien. In the event a contract is recommended, the DMEA Field Team will advise you concerning the Consent to Lien.

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

Sincerely yours,

C. O. Mittendorf

Administrator

WCAnderson:gad 6/8/55
Copy to: Admr. R. File
Docket
Operating Committee
Field Team, Region V
Mr. Dietrich, 3061
Mr. Kiilsgaard, 5222
Mr. Houk

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

RECEIVED
JUN - 7 1955

June 7, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-3822 (mica)

Applicant: R. Thomas, B. Willis, P. Fortner, and L. Willis

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

Date Application Rec'd. by Br. of Ceram. & Fert. Mat.: May 20, 1955

Comments:

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

2. Exploration proposed by applicants is consistent with local practices and in line with unit-cost estimates for other DMEA projects.

3. Total estimated costs are in the amount of $4,035.

Recommendation:

It is recommended that the field team visit this mine 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.

May 23, 1955

Memorandum

To: L. G. Houk, Chief, Nonmetallic Minerals Division, Defense Minerals Exploration Administration

From: Thor H. Kiilsgaard, U. S. Geological Survey

Subject: Review of application, DMEA 3822, Black Bull mine, Mitchell County, North Carolina

The applicant, a partnership composed of Messrs. Richmond Thomas, Brown Willis, Paul Fortner, and Lee Willis, propose to explore a pegmatite on the Black Bull mine by 10 to 12 hours of bulldozing, 40 feet of shaft, and 80 feet of drifting. The property is reported to be one quarter of a mile from the productive Sink Hole mine. The Black Bull mine is also reported to have been productive during World War II, although the applicants imply the only recent production is three bags of good mica. No map was submitted with the application showing the pegmatite to be explored, or where the work is to be done.

A search of the Survey's files failed to disclose any information on the Black Bull mine. North Carolina Conservation and Development Bulletin No. 43, by J. C. Olson, 1944, describes the area in which the mine is located but without mention of the mine. Further, Mr. Olson does not recall the mine, although admitting it could have been productive after he worked in the area.

I recommend the application be referred to the field for further investigation. In examining the property, the field examiners should check on the limits of the triangular block of land, which is to be subject to contract terms, to see if the coverage is adequate to justify Government participation in the cost of the exploration work.

Thor H. Kiilsgaard

T. H. Kiilsgaard

May 20, 1955

Subject: DMEA 3822
Re: Exploration Assistance
Black Bull Mine

Mr. Richmond Thomas
Route #3,
Bakersville, N. C.

Dear Sir:

The receipt of your application dated May 14, 1955 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA 3822 and referred to the Non Metallics 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

60932

May 20, 1955

Memorandum

To: Executive Officer, DMEA Field Team, Region V

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 V.

DMEA 3822 Mr. Richmond Thomas, Brown Willis, Paul Fortner and Lew Willis.

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

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

RECEIVED
MAY 2 0 1955

May 18, 1955

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Application : Richmond Thomas, Brown Willis, Paul Fortner, and Lee Willis, R#3, Bakersville, N. C. (mica)

Transmitted are three copies of the subject application, and one copy of the mining lease. One copy has been retained in this office.

Wm. A. Beck

Wm. A. Beck

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 23 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

May 18, 1955

Department of the Interior
Defense Minerals Administration
RECEIVED
MAY 20 1955

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Application : Richmond Thomas, Brown Willis, Paul Fortner, and Lee Willis, R#3, Bakersville, N. C. (mica)

Transmitted are three copies of the subject application, and one copy of the mining lease. One copy has been retained in this office.

Wm. A. Beck

ZM.
CC;
Lynch
Shirley
Files

MF-103
(Revised April 1952)

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

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

DEPT. OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 20 1955

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

*Not to be filled in by applicant*

Docket No. DMEA 3822
Metal or Mineral Mica
Date Received 5-20-55
Estimated Cost $4,035.
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: Richmond Thomas, Brown Willis, Paul Fortner and Lee Willis, Rt #3, Bakersville, North Carolina

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

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

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

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

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

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

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

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

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

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

RECEIVED
MAY 17 1955
U. S. Geological Survey
Knoxville, Tenn.

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

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

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

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

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

Manpower, materials, supplies, etc. are readilly available.

5. *The exploration project.*—(a) State the mineral or minerals for which you [illegible] to explore Ruby Mica.

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

(*c*) The work will start within 30 days and be completed within 3 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. See attached sheet.

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

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

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

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

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

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

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

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

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

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

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

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

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

Explain in detail on acompanying paper.

## CERTIFICATION

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

Dated May 14th, 1955

Richmond Thomas, Brown Willis, Paul Fortner and Lee Willis
(Applicant)

By Paul Fortner

**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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 20 1955

3(a) In Snow Creek Township, Mitchell County, North Carolina, adjoining the lands of W. F. Deneen, Rass Silvers and others, and BEGINNING on a stake which is north 18 degrees east 23 feet from a large white oak, which white oak is the Bryan Robinson corner, and runs north 37 degrees 30 minutes west 511 feet to a stake in a line fence on a ridge; thence north 48 degrees east 860 feet to a stake in W. F. Deneen's fence line; thence with W. F. Deneen's line south 18 degrees west 1035 feet to the point of BEGINNING, forming a triangle and containing 5.05 acres.

4(a) In cleaning off the place 3 bags of good mica were obtained and we understand that the mine was quite productive during World War II.
(b) Quite productive during World War II.
(d) About 1/4th mile from Sink Hole Mine, near Bandana, Mitchell County, North Carolina. The mine is located about 12 miles from Spruce Pine, North Carolina.

5(b) First desire to bull doze about 10 or 12 hours. Then desire to do about 40 feet of shafting and then drift approximately 40 feet each way.
(d) Richmond Thomas has had about 5 years mining experience and Brown Willis about 3 years mining experience.

6 Estimate of Costs:

| | |
|---|---|
| Bull Dozing Expenses | 250.00 |
| Rental on compressor, hoist and pump $125 per month for 3 months | 375.00 |
| Explosives and Supplies | 450.00 |
| Labor Costs: | |
| 1 Drill operator $1.25 per hr. 8 hrs. per day 5 days week for 12 weeks | 600.00 |
| 1 Hoist Operator @ $1.25 hr. as above | 600.00 |
| 2 Muckers @$1.00 hr. as above 12 weeks | 960.00 |
| Gasoline and oil | 200.00 |
| Tool House | 200.00 |
| Miscellaneous & Emergency | 400.00 |
| TOTAL | $4035.00 |

# MINING LEASE

State of North Carolina Mitchell County:

This indenture made this 9 day of May, 1953, between Rass Silvers and wife Hertha Silvers of Mitchell County and State of North Carolina as party of the first part, and known as lessor, and Richmond Thomas, Brown Willis, Paul Fortner & Lee Willis of Mitchell County and State of North Carolina, party of the second part and known as lessee.

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

In Snow Creek Township adjoining the lands of W. F. Deneen, Rass Silvers and others and BEGINNING on a stake which is north 18 degrees east 23 feet from a large white oak, which white oak is the Bryan Robinson corner, and runs north 37 degrees 30 minutes west 511 feet to a stake in a line fence on a ridge; thence north 48 degrees east 860 feet to a stake in W. F. Deneen's fence line; thence with the W. F. Deneen line south 18 degrees west 1035 feet to the point of BEGINNING, forming a triangle and containing 5.05 acres.

TO HAVE AND TO HOLD the said lands to him, for mining purposes, the said lessee and his heirs and assigns for the aforesaid period of five years in compliance with the condition of this instrument, for the purpose and with the right to dig, quarry, search, explore for, obtain, and remove any kind of minerals, metals or fossils, and particularly mica, and to conduct the same to any extent the said party of the second part, the lessee, may desire. And it is hereby agreed between the parties to this agreement that the party of the second part is to have the use of any unoccupied buildings on said lands for mining purposes, and that he shall have the right to erect such buildings as he needs to carry on such mining operatins during the period of this lease, and that the party of the second part shall keep the same in as good condition as when received, unavoidable accidents excepted. And it is also agreed by the party of the second part that no unnecessary damage is to be done to the lands herein leased during the period of this lease and the continuance of said lease, but the said party of the second part shall have the right to take from said lands leased to the party of the second part any wood or timber the party of the second part may need to carry on said mining operations or which may be needed to carry on the addition to existing buildings or to erect new buildings or sheds on said lands. (Timber of high or special market value is excepted and shall not be used by the lessee.) And it is hereby agreed that the party of the second part, the lessee, is to have right-of-way of ingress and egress to said mines or land upon which exploration is being conducted.

AND IT IS FURTHER AGREED That the party of the second part, the lessee hereby agrees to pay to the said parties of the first part, or his or their heirs or assigns, a rental royalty of

1/8th on all mica

~~on the minerals~~ taken and sold from said mines which shall be for the use of the said lands for the aforesaid period of five years. The said amounts shall be payable on the computation of selling bills on the tenth day of each month covering sales made during the previous month. Any minerals other than those set forth above which may be taken and sold shall be paid for and at the usual royalty rate of the minerals taken.

AND IT IS FURTHER AGREED That the lessee, the party of the second part, his heirs or assigns, shall have the option to renew this lease and to extend the period of its running for an additional five years from the date of its present termination. The option shall be exercised by giving formal written notice to the party of the first part or by the continuation of any mining operations then being conducted. The lessor reserve the right to use the land, or convey the same not conflicting with this lease, but under any conveyance the terms of this lease must be recognized by the grantee, purchaser, or assigns thereof. And it is agreed that the lessee may assign this mining lease or any part thereof and that he may sublease.

~~AND IT IS FURTHER AGREED That the lessee, the party of the second part, his heirs or assigns, is hereby given an option to purchase all the right, title and interest, legal and equitable to and in the real estate described and set forth in this lease for a total purchase price of _____, said purchase price to be paid in full within three years from the date of this instrument and it is agreed that all rental royalties paid to the party of the first part shall apply toward and be a part of the total purchase price above set forth, and that at such time that the total purchase price is paid in the form of royalties or a lump sum payment or a combination of both, the party of the first part will execute a special warranty deed to the party of the second part and that a tender of the remaining purchase price at any time within the next three years shall entitle the party of the second part to specific performance of this option contract.~~

BUT IT IS EXPRESSLY AGREED That unless mineral or fossil material of practical value for mining purposes shall be found within a period of two years from the date of this instrument, the lease may be terminated by the lessee at any time thereafter on thirty days notice to the lessor. The lessee agrees that during the period of this lease or the continuance of this lease work in said mines or exploration for new mines within the area leased shall not cease longer than ninety days at any one time, unavoidable accidents excepted.

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

Witness: Truett G. Johnson

x Ross Silver (Seal)

x Hertha M. Silvers (Seal)

x _____ (Seal)

NORTH CAROLINA
MITCHELL COUNTY

I, Geo Young, Notary Public hereby certify that Rass Silvers and wife Hertha Silvers personally appeared before me this date and acknowledged the due execution of the foregoing Mining Lease for the uses and purposes therein expressed.

Witness my hand and notarial seal this the 13 day of May 1955.

George Young
NOTARY PUBLIC

My commission expires: March 20th 1957