DMEA 3908

DOCKET INDEX

ACTION DOCUMENTS

1. APPLICATION — DATE RECEIVED 7-22-55

2. CONTRACT — DATE 12-5-55

3. TERMINATION AGREEMENT: — DATE 11-57

   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

   1 — 6-11-56
   2 — 9-10-56

Docket Copy DMEA

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DATE	INITIALS	CODE
1-25	C	220
		225

TERMINATION AGREEMENT

It is agreed this 7th day of January, 1957, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Lloyd Stevenson, Ted Stevenson, Oakley Woody, and Frank W. Phillips, partners, d/b/a Stevenson Mine, hereinafter called the " Operator," parties to that Exploration Project Contract Idm-E902, Docket No. DMEA-3908, dated December 5, 1955, hereinafter called the "Contract," that:

1. Effective September 19, 1956, the Contract and all obligations of the parties thereunder, except as otherwise herein expressly provided, shall be and are hereby terminated.

2. The Government shall contribute to allowable costs incurred prior to said effective date; and shall contribute to allowable costs incurred or to be incurred beginning with said effective date in performing winding-up and settlement actions provided for in the Contract, including (a) the preservation and disposal of property to the cost of which the Government has contributed, and (b) the making and rendering of reports and accounts.

3. Any work or operations prosecuted or costs incurred by the Operator beginning with said effective date, except as otherwise provided in this termination agreement, shall be for the sole account of the Operator without contribution by the Government.

4. The Operator shall promptly perform all winding-up and settlement actions provided for in the Contract, including (a) the disposal of any facilities, buildings, fixtures, equipment, or other items to the cost of which the Government has contributed; and (b) the rendering of the final report and final account.

5. All rights of the Government provided for in the Contract with respect to a certification of discovery or development, percentage royalty and liens for its payment, records, audit, and recovery of any overpayment, are preserved.

6. The Operator hereby releases and agrees to save the Government harmless from all claims or demands under or arising out of said Contract, except as otherwise provided in this termination agreement.

IN WITNESS WHEREOF, these parties have executed this agreement as of the day and year first above written.

THE UNITED STATES OF AMERICA

By O'Mitendorf
Administrator, Defense Minerals
Exploration Administration

Indrtz 12/26/56
Dwyer
Appd. Sol. Off.
Anderson
Hoch
Selfridge
Chambers
H Johnson

STEVENSON MINE

By Lloyd Stevenson
Lloyd Stevenson, partner

By Ted Stevenson
Ted Stevenson, partner

By Oakley Woody
Oakley Woody, partner

By Frank W. Phillips
Frank W. Phillips, partner

Docket Copy

EXPLORATION PROJECT CONTRACT

Lloyd & Ted Stevenson
c/o Frank W. Phillips
Spruce Pine, N. C.

DMEA-3908, Idm-E902 - Mica

AMENDMENT No.2

It is agreed this 10th day of September, 1956, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Lloyd Stevenson, Ted Stevenson, Oakley Woody, Frank W. Phillips, partners, parties to Exploration Project contract Idm-E902 (Docket No. DMEA-3908) dated December 5, 1955, that the contract is further amended to read as follows:

1. The time for completion of the work, specified in Article 3, and Amendment No. 1, is extended to October 11, 1956, instead of June 11, 1956 as stated in Amendment No. 1.

2. Article 8, b, 2 is changed to read,"if the Government makes a certification of discovery or development, within a period of eleven years from the date of the contract, or until the total net amount contributed by the Government without interest is fully repaid, which ever ocuurs first."

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be required to contribute, the agreed unit cost of any item, nor the aggregate total amount under any category in exhibit "A" of the contract.

STEVENSON MINE

By Frank W. Phillips
(Partner)

By Lloyd Stevenson
(Partner)

BY Oakley Woody

By Ted Stevenson
(Partner)

UNITED STATES OF AMERICA

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

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EXPLORATION PROJECT CONTRACT

Docket No. DMEA-3908, Contract No. Idm-E 902

Lloyd Stevenson, Ted Stevenson, Oakley Woody
and Frank W. Phillips, partners, d/b/a
STEVENSON MINE

AMENDMENT NO. 1

Contract Idm-E 902, Docket No. DMEA-3908, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Stevenson Mine, dated December 5, 1955, is hereby amended as follows:

Article 3 is amended to read "The Operator ..... on or before September 11, 1956 shall either have completed the work ....." instead of June 11, 1956 as originally stated in the contract.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be required to contribute, the agreed unit cost of any item, nor the aggregate total amount under any category in exhibit "A" of the contract.

Dated: June 11, 1956

THE UNITED STATES OF AMERICA

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

STEVENSON MINE

By Frank W. Phillips
(Partner)

By Lloyd Stevenson
(Partner)

By Ted Stevenson
(Partner)

By Oakley Woody
(Partner)

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(Revised June 1954)

Docket No. DMEA 3908

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Contract No. Idm-E 902

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

EXPLORATION PROJECT CONTRACT[1]

It is agreed this DEC 5 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] Lloyd Stevenson, Ted Stevenson, Oakley Woody, and Frank W. Phillips, partners, d/b/a Stevenson Mine, whose mailing address is c/o Frank W. Phillips, Spruce Pine, North Carolina, hereinafter called the "Operator," as follows:

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

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 87 of Deeds page 199, 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

[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."

of the land (lessor, seller, optionor, etc.), are attached, as follows: Consent to Lien of owner

(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 8, it shall thereafter have no claim against the land or any production therefrom except for any production referred to in Article 8(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 FEB 10 1956 shall commence the work, and on or before June 11, 1956 (unless the Operator's obligation to prosecute the work is terminated—see Article 10) shall either have completed the work or shall have incurred allowable costs (see Article 6) in a sum not less than the estimated total allowable cost set forth in Exhibit "A."

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) *Independent contracts.*—To the extent that the allowable costs are estimated in Exhibit "A" with express reference to performance by independent contractors on a unit-price basis (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations), the work may be so performed; but if the reference in Exhibit "A" to any such independent contract requires the Government's approval thereof, payments under such contract will not be allowable costs unless the Government gives its written approval of the contract. Any such independent contract shall refer to some specific and identifiable part of the work, and shall be subject to all of the pertinent terms and conditions of this exploration contract; but the Government shall not be considered a party thereto, and its rights under this contract, including the right to terminate its contributions, shall not be affected thereby. Regardless of the provisions of any such independent contract and regardless of the Government's approval thereof, the Government will participate in payments to the independent contractor only on account of work performed in accordance with the provisions of this exploration project contract, and only to the extent that the Government deems the unit prices for the work under the independent contract to be reasonable.

(c) *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.*—The estimated total allowable cost of the project, set forth in Exhibit "A," is the sum of $ 6,716.00 The Government shall contribute 75 percent of the allowable costs as they are incurred in a total sum not in excess of $ 5,037.00 : *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 or not in excess of the amount of the Government's contribution to the cost of property which is or may become subject to disposal as provided in Article 9(c), whichever is greater. The Government will make its contribution on the basis of the monthly vouchers referred to in Article 7(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. "Costs incurred" mean costs that have been paid or have become due and payable, or that in the opinion of the Government have become an obligation. The Government may make payments directly to independent contractors and suppliers for the account of the Operator rather than to the Operator.

ARTICLE 6. *Estimated costs.*—(a) *Categories of costs.*—The allowable costs of the work to which the Government shall contribute are limited to those that are direct, reasonable, necessary, and that are estimated in Exhibit "A" by categories as specified in this article. If any category or subcategory is omitted from the estimate of costs, or if the word "none" is annexed to the listing thereof, costs under such category or subcategory are not allowable. Any excess over any estimate which is indicated as the maximum of any category, subcategory, or item, either as to requirement or related cost, and any excess over the estimated total allowable cost of the work, shall not be allowable. Any excess over the estimate of any category, subcategory, or item, either as to requirement or related cost, not indicated as a maximum shall be allowable within the limit of the estimated total allowable cost of the work. To the extent that excesses over maximums other than the estimated total allowable cost of the work may be necessary for the performance of the work, the Operator shall incur such excesses for his own account without contribution by the Government; but except for any such necessary excesses in categories, subcategories, or items thereunder the Operator is not obligated to incur more than his agreed percentage of the estimated, total allowable cost of the work.

To the extent specified in this article or in Exhibit "A" the following categories, subcategories, and elements thereof are maximums; but if not so specified either here or in Exhibit "A" they are not maximums, and may be exceeded within the limit of the estimated total allowable cost of the work:

CATEGORY (1)—INDEPENDENT CONTRACTS.—Work to be performed under independent contracts (see Article 4(b)). The estimated total amount of this category and the estimated cost of each unit of work for performance under an independent contract are maximums.

CATEGORY (2)—PERSONAL SERVICES.

Subcategory (a)—Supervision.—All elements of this subcategory (number of supervisors, periods of employment, rates of pay, and total) are maximums.

Subcategory (b)—Technical services.—All elements of this subcategory (number of technicians, periods of employment, rates of pay, and total) are maximums.

Subcategory (c)—Labor.

CATEGORY (3)—OPERATING MATERIALS AND SUPPLIES.—Includes such items as drill bits and steel, explosives, fuel, pipe, power, small tools costing less than $50 each, timber, track.

CATEGORY (4)—OPERATING EQUIPMENT.

Subcategory (a)—Rental.—The number of each object to be rented [6 mine cars, 1 truck], the rate of rental [$100 per month, $5 per hour], and the total of this subcategory are maximums.

Subcategory (b)—Purchases.—The estimated total of this subcategory is a maximum.

Subcategory (c)—Depreciation.—All elements of this subcategory (time periods, rate of depreciation, and subcategory total) are maximums.

CATEGORY (5)—INITIAL REHABILITATION AND REPAIRS.—Estimates under this category include all requirements and related costs, such as labor, materials and supplies, and supervision at a rate not higher than provided for in Category (2), and shall not be duplicated under any other category. The estimated total of this category is a maximum.

Subcategory (a)—Initial rehabilitation and repairs of existing buildings, fixtures, and installations (exclusive of mine workings).—The estimated total of this subcategory is a maximum.

Subcategory (b)—Initial rehabilitation and repairs of operating equipment.—The estimated total of this subcategory is a maximum.

CATEGORY (6)—NEW BUILDINGS, FIXTURES, AND INSTALLATIONS (EXCLUSIVE OF MINE WORKINGS).—Estimates under this category include all requirements and related costs, such as labor, materials and supplies, and supervision at a rate not higher than provided for in Category (2), and shall not be duplicated under any other category. The estimated total of this category is a maximum.

CATEGORY (7)—MISCELLANEOUS.—Repairs and maintenance (other than initial) of operating equipment, analytical work, prints and other reproductions, accounting, Operator's share of payroll taxes, liability insurance covering employment, travel, communications, and any other items of requirement or cost that do not fall within any of the first 6 categories.

THE ESTIMATED TOTAL ALLOWABLE COST of the work is a maximum.

(b) *Nonallowable costs.*—The following costs are not allowable for contribution by the Government:

(1) *Costs of the land,* such as rental, depreciation, depletion, or other cost of acquiring, owning, or holding possession;

(2) *Indirect costs,* such as general overhead, corporate management, interest, taxes (other than payroll and sales taxes), insurance (other than liability insurance covering employment), damages to persons, damages to property (other than necessary repairs or replacements of equipment or other property used in the work);

(3) *Previous work* performed or costs incurred before the date of this contract; and

(4) *Deferred payments.*—Any costs incurred by the Operator under any rental-purchase agreement, installment-purchase agreement, or any agreement for the purchase of goods under the provisions of which payment of the full purchase price is deferred more than 90 days from the delivery of the goods; unless the purchase agreement is approved by the Government in writing.

(c) *Reductions in costs.*—The Operator shall account for and give the Government credit for any incidental benefits, credits, or money received in the ordinary course of business in prosecuting the work (as by salvage or sale of materials or equipment, furnishing of room or board, furnishing of power or services to third persons, rebates or discounts on purchases, etc.), in the same ratio in which the Government contributes to costs; and such amounts shall be treated as a reduction in costs incurred so that they are available for use within the limit of the original estimated total cost. This provision does not apply to receipts from production which are subject to the Government's percentage royalty under the provisions of Article 9.

ARTICLE 7. *Reports, accounts, audits.*—(a) *Operator's records.*—The Operator shall keep suitable records and accounts of the 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. If the Government elects to audit said records and accounts relating to the exploration work by certified public accountant, it may do so as a cost of the work to which the Operator shall contribute. 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. If work under this contract is carried on in conjunction with any other operations, or if labor, supervision, services, materials, supplies, equipment, facilities, or other requirements for carrying on the work are also used in connection with other operations, the costs shall be segregated and accounted for on a basis and by methods and accounts that are satisfactory to and approved 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 detailed costs incurred during the reporting period; (2) Operator's Unit Cost and Progress Report showing the various types of work performed during the reporting period and 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 related costs incurred.

(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 8. *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 7) 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 therof 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 9. *Interests in purchased property.*—(a) *Title and ownership.*—All costs under this contract shall be incurred by the Operator in the Operator's own name and for the Operator's own account; but any property acquired to the cost of which the Government contributes shall belong to the Operator and the Government jointly in proportion to their respective contributions, although title thereto shall be taken in the name of the Operator.

(b) *Preservation of property.*—Until the final disposal of any property in which the Government has an interest the Operator shall preserve and protect same for the best interest of the Government, any reasonable and necessary costs thereof to be treated as an allowable cost of the project. After the completion of the work or termination of the Government's obligation to contribute, or when such property is not in use for or needed for the work, the Operator shall neither use it without the written consent of the Government nor without paying a reasonable rental to be fixed by the Government for its interest.

(c) *Disposal of property.*—Upon the completion of the work or termination of the Government's obligation to contribute to costs, or when the property is no longer needed for the work, the Operator shall promptly dispose of salable or salvageable property in which the Government has an interest for the joint account of the Government and the Operator, either by return to the vendor, by sale to others, or purchase by the Operator or the Government at a price at least as high as could be obtained from others, unless the Government in writing waives its interest in any such property. Without advance approval of the sales price by the Government the Operator shall not sell at any price any item of property the cost of which was more than $500, and shall not sell at less than 25 percent of the purchase price any item of property which cost $500 or less. The Government, in lieu of approving the sales price for any such item, may itself purchase the item at the best price which the Operator is able to obtain or himself cares to give. Property remaining upon any termination of the work shall be considered in groups or categories (such as drill steel, or explosives, or pipe, or rails), and if the original cost of the remaining unexpended portion of any such group or category is less than $50, the Government waives its interest therein. If necessary to accomplish the disposal of any item the Operator shall dismantle and sever it from the land, the cost thereof to be treated as a cost of the project.

(d) *Default of the Operator re disposal.*—If within 90 days after the completion of the work or termination of the Government's obligation to contribute to costs, or after the property is no longer needed for the work, or after such further time as the Government may in writing allow, the Operator has failed to sell or otherwise liquidate or dispose of any property in which the Government has an interest, the Government, at any time prior to final settlement under the contract, may pursue one of the following two courses: (1) the Government, by written notice to the Operator, may place upon such property what in its opinion is a fair valuation thereof, not in excess of the cost less 1.66 percent per month from the

date such property was purchased under this contract to the termination of said 90-day period; and such property shall thereupon be considered and accounted for as having been purchased by the Operator at the valuation so fixed by the Government; or (2) the Government may enter and take possession of such property wherever it may be found, and remove and dispose of it for the joint account of the parties.

ARTICLE 10. *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: (1) the Government shall be free of all obligation to contribute to costs not then incurred other than such as may be allowable under the provisions of the contract as necessary and incidental to winding up, reporting, and accounting; and (2) 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.

(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: (1) the Government shall be relieved of all obligation to contribute to costs not incurred when the notice was given, other than such as may be allowable by the provisions of the contract as necessary and incidental to winding up, reporting, and accounting; and (2) 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 10 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 11. *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 12. *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 13. *Changes and added provisions.*—

The Government will contribute only to the necessary and reasonable costs of the project, but not in excess of 75% of: $33.30 per foot for shaft sinking and $10 per foot for drifting.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By C. Mittendorf
Administrator, Defense Minerals
Exploration Administration

STEVENSON MINE
(Operator)

By Fayd S. Stevenson (Partner)

By Fred S. Stevenson (Partner)

By Ackley Woody (Partner)

By Frank W. Phillips (Partner)

Indrtz 11/21/55
Dunyes
"Appu. Bus. Ysis"
Anderson
Hook
Chambers
Selfridge
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—70617-1

EXPLORATION PROJECT CONTRACT
STEVENSON MINE
DOCKET NO. DMEA-3908

ANNEX I

The land referred to in Article 2 of the contract form is known as the Joe Stevenson (W. C. Burleson) Mine and is situate in Cane Creek Township on the headwaters of Cane Creek on the northeast side of White Rock Ridge, 1.7 miles southeast of Hawk, North Carolina, in Mitchell County, and is more fully described as follows:

> From a point marked "X" on the map referred to in Exhibit "A," and running north 200 feet to the point of beginning, thence west 800 feet, thence south 400 feet, thence east 1600 feet, thence north 400 feet, thence west 800 feet to the point of beginning, containing 15 acres, more or less.

EXPLORATION PROJECT CONTRACT
STEVENSON MINE
DOCKET NO. DMEA-3908

EXHIBIT A

Description of the Work

Exploration for concentrations of strategic mica shall be performed in the area indicated on the map, entitled "W. C. Burleson Mica Mine, Mitchell County, North Carolina DMEA-3908-mica," attached hereto and made a part hereof, as follows:

1. Divert stream unwater and clean out existing open cut and 35-foot incline and install a separate manway in the incline.

2. 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.

3. From the bottom of the rehabilitated incline, sink a 2-compartment inclined shaft, following the hanging wall of the pegmatite as closely as possible, for a distance of not more than 50 feet.

4. From the bottom or near the bottom of the inclined shaft, explore the pegmatite by driving not more than 100 feet of drifts and/or crosscuts.

The inclined shaft, and the drifts and/or crosscuts shall be timbered as necessary, and shall have maximum cross-sectional dimensions of 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.

Estimated Costs of the Project

(In addition to the maximum set forth in the contract form, an asterisk indicates maximum.)

Category (1) Independent Contracts - None

Category (2) Personal Services

(a) Supervision - None
(b) Technical Services - None
(c) Labor

Miners	@ $1.50/hour*	
Hoistmen	@ $1.25/hour*	
Laborers	@ $1.00/hour*	$ 3,350.00

Category (3) Operating Materials and Supplies 1,542.50

Category (4) Operating Equipment

(a) Rental

1 Compressor, 1 drill, 1 pump @ $240/mo.	1,020.00
1 Hoist @ $50/mo.	212.50
1 Jackleg @ $10/mo.	25.00

1257.50

Category (5) Initial Rehabilitation and Repairs

(a) Initial rehabilitation and repairs of existing buildings, fixtures, and installations -

None

(b) Initial rehabilitation and repairs of operating equipment -

None

Category (6) New buildings, fixtures, and installations

Toolhouse, powder magazine, and exploder magazine 1/	116.00

ory (7) Miscellaneous - The only allowable items of cost under this heading shall be:

Compensation insurance, Unemployment Insurance and Social Security	$ 450.00
Estimated Total Cost of Project	$6,716.00
Government Participation at 75%	$5,037.00

1/ The Government retains no interest in the salvage value of these buildings.

MF-203
Revised March 24, 1955

RECEIVED
FEB -3 1956

For Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator_____
Docket No. DMEA-_____
Contract No. Idm-E_____
Contract Date_____

CONSENT TO LIEN

To the United States of America:

Referring to that certain land in the County of [illegible], State of [illegible], described as follows:1/ A certain mica mine in Bone Creek Township [illegible] and on the land lying of Bone Creek, known as the Joe Stevenson mica mine, 600 feet each way from the branch, running [illegible] vein and 400 feet wide, so as to include all the mica vein. It is understood and agreed between the grantee herein named that Frank Phillips is to furnish all the equipment and explosives for the successful operation of said mine and is to have a one half interest in this lease and a one half interest in the net proceeds derived from the operation thereof.

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 [illegible], and recorded in book 17 page 169 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 28 day of October, 195[illegible].

Witness:
R. P. Greene Co

Arthur H. Stevenson [Seal]

Electa Stevenson [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]

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
11/14	Anderson	600
11/15	Houk	600
11.15	Chambers	800
11/15	Martin	130
"	Johnson	110
"	Mittendorf	100
		220
11/15	Lamb	130
11/15	Williams	130

600

NOV 18 1957

Mr. and Mrs. Arthur Stevenson

Re: Docket No. DMEA-3902-Mica
Lloyd Stevenson, Ted Stevenson,
Oakley Woody and Frank W. Phillips
Joe Stevenson (W.C.Burleson) Mine
Mitchell County, North Carolina
Contract No. Idm-3902

Dear Mr. and Mrs. Stevenson:

Enclosed is a copy of a self-explanatory letter of today to the Operators under the above-cited contract.

This correspondence relates to the Consent to Lien signed by you on October 28, 1955.

Sincerely yours,

C. O. Mittendorf (for)

Administrator

Enclosure

WCAnderson:rsi 11/14/57
Copy to: Admr. R. File
Mr. Chambers
Operating Committee
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

Form 7

OFFICIAL FILE COPY

Date	Surname	Code
11/14	Anderson	600
11/15	Houk	600
11-15	Chambers	800
11/15	Martin	130
"	Johnson	110
"	Mittendorf	1006
11/18	[illegible]	220
11/15	Land	130
11/15	Williams	130

600

NOV 18 1957

Mr. Frank W. Phillips
Stevenson Mine
Spruce Pine, North Carolina

Re: Docket No. DMEA-3903-Mica
Lloyd Stevenson, Ted Stevenson,
Oakley Woody and Frank W. Phillips
Joe Stevenson (W.C.Burleson) Mine
Mitchell County, North Carolina
Contract No. Idm-E902

225

Dear Mr. Phillips:

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 (for)

Administrator

WCAnderson:rsi 11/14/57
Copy to: Admr. R. File
Mr. Chambers
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. and Mrs. Arthur Stevenson
Operating Committee

8623

DMEA Form 7
(12-56)

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Date	Surname	Code
11/14	Anderson	600
11/15	Hoot	600
11-15	Chambers	800
11/15	Martin	130
"	Johnson	110
"	Hottenstein	100
		220

600

NOV 18 1957

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

Re: Docket No. DMEA-3908-Mica
Lloyd Stevenson, Ted Stevenson,
Oakley Woody and Frank W. Phillips
Joe Stevenson (W.C.Burleson) Mine
Mitchell County, North Carolina
Contract No. Idm-E902

Dear Mr. Laurence:

Enclosed is a letter to be forwarded to the signers of the Consent to Lien under the subject contract.

Kindly complete the address and forward, retaining your copies and returning the remaining copies.

Sincerely yours,

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

Approved:

Frank D. Lamb (HB)
Member, Bureau of Mines

W. P. Williams (HB)
Member, Geological Survey

Enclosure

WCAnderson:rsi 11/14/57
Copy to: Admr. R. File
Mr. Chambers
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Operating Committee
Mr. Houk

8623

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

IN REPLY REFER TO:

DMEA
RECEIVED NOV 14 1957

DATE	INITIALS	CODE
11/14	gr	220
		225

November 13, 1957

Memorandum

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

From: W. P. Williams, U. S. Geological Survey

Subject: Review of Final Field Team Report, DMEA 3908, Idm-E902, (mica), Ted Stevenson, Joe Stevenson Mine, Mitchell County, North Carolina

The examining team report that the Operator terminated work under the subject contract before completion of the work. The lower part of the pegmatite in which the work was done, however, has the indications of a bottoming structure. For that reason there appears to be no reason to induce the Operator to do more work.

Inasmuch as work under the contract did not result in the discovery of strategic-grade mica reserves, I am in agreement that a certification of discovery need not be issued the Operator by the Government.

W. P. Williams

W. P. Williams

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

October 30, 1957

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DMEA
RECEIVED OCT 31 1957
DATE | INITIALS | CODE
10/31 | C | 220
225

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-3908 (mica)

Applicant: Ted Stevenson, et al.

Name and Location of Property: Joe Stevenson Mine, Mitchell County, N. C.

Contract Number: Idm-E 902

Date of Field Team Final Report: 10/24/57

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 10/29/57

Field Team Recommendation: Recommend that no certification be issued.

Comments:

1. This mine has been worked intermittently since about 1900.

2. Unfavorable exploration was conducted under DMEA 2524 in 1953.

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

4. Expenditures -

Total approved	$6,716.00
Total cost	5,175.65
Gov't. share of the cost	3,881.74
Value of production during operation	532.99
Royalty paid	23.65

Recommendation:

I concur with the recommendation of the field team that no certification be issued.

W. F. Dietrich

W. F. Dietrich

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

WASHINGTON 25, D.C.

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DMEA
RECEIVED OCT 28 1957

DATE	[illegible]	CODE
10/28	gb	220
10/28	SAB	130
"	JLP	110
10/30	SAB	130
10/31	C	220
11/1	Hmh	600

October 24, 1957

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: DMEA-3908, Idm-E902(mica) Ted Stevenson, et al.
Joe Stevenson Mine, Mitchell County, N.C.
Field Team Final Report.

Attached are three copies of the final report on the subject exploration project.

We agree with the Examiners' conclusion that certification cannot be recommended.

Robert A. Laurence
Robert A. Laurence
Executive Officer, DMEA
Region V

S A Feitler
S. A. Feitler for V. J. Lynch
Member, Bureau of Mines

Reviewed by
DMEA OPERATING COMMITTEE
10-30-57
(date)

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
11/14	Anderson	600
11/15	Fowler	600
		110
		220

600

November 13, 1957

Project Summary Report

By: Walter C. Anderson, Division of Nonmetallic Minerals

1. Docket No. DMEA-3908-Mica
Contract No. Idm-E902
Joe Stevenson (W. C. Burleson) Mine
Mitchell County, North Carolina

Application: Form MF-103 (April 1952) received July 22, 1955.

Work Proposed By Applicant:

50 feet of shaft @ $50.00/ft.	$2,500.00
100 feet of drift @ $35.00/ft.	3,500.00
Total amount requested	$6,000.00

Operators: Lloyd Stevenson, Ted Stevenson, Frank W. Phillips, partners.
c/o Frank W. Phillips, Spruce Pine, North Carolina

Operator's Property Rights: Five year mining lease on the Stevenson Property consisting of 15 acres, dated September 1, 1955. Consent to Lien, dated October 28, 1955.

2. Contract: Form MF-200 (June 1954) dated December 5, 1955.

Work Authorized: Long form (actual costs).
Rehabilitate 35 feet of shaft, 50 feet of additional shaft, and 100 feet of drifts and/or crosscuts.

Estimated Costs:

Toolhouse, powder & exploder magazine	$116.00
Labor	3,350.00
Operating material and supplies	1,542.50
Operating equipment (rental)	1,257.50
Unemployment compensation, insurance & social security	450.00
Estimated total cost of project	$6,716.00
Government participation @ 75%	$5,037.00

Amendments:
No. 1 - 6/11/56 - Extended completion date from 6/11/56 to 9/11/56
No. 2 - 9/10/56 - Extended completion date from 9/11/56 to 10/11/56, and time for repayment of Government contribution in event of certification from 10 to 11 years.

Work Completed:

Toolhouse, powder & exploder magazines (dissallowed)	($116.00)
50 feet of shaft @ $49.12/ft.	2,456.00
80 feet of drifts @ $33.98/ft.	2,719.65
Total accepted cost	$5,175.65
Government participation @ 75%	$3,881.74

Contract work started January 31, 1956 and terminated by mutual Agreement, short of completion, on September 19, 1956.

8623

Field Team [redacted]l Report received October 28, [redacted]7. Operator's Final Report received March 28, 1957. No equipment purchased under contract.

3. Audit: Report of Review issued April 9, 1957.

Total cost as billed by Operators	$5,582.11
Exceptions	406.46
Total accepted cost	$5,175.65
Government participation	$3,881.74

4. Comments:

How Conducted: All of the work in which the Government participated, although poorly supervised, was acceptable.

Operation: Cooperation from the Operators was poor. Safety regulations were not followed.

Engineering: Reporting by Operators was poor. Accounts under long-form contract were poorly kept and not accurate. Final report was not submitted until six months after completion of contract, and then only after considerable prodding by the Field Team.

Geologic Premise: The premise that the down-dip extension of the pegmatite would contain mica-bearing structures was wrong, as no concentrations of mica of any size were intercepted by the shaft or drifts.

Geologic Criteria upon which work was based:

1. Pegmatite: Tabular in form, twisty, alternating from steep to relatively flat dips, mica concentrations occurring in flat portions. Objective of project was to penetrate the flat portions by shaft sinking and then drift along the strike. It appears that work under a prior contract Idm-E430 (DMEA-2524) was discontinued before the above-cited target was reached. About 10 feet thick, exposed along strike for 165 feet, and consists in order of abundance, plagioclase, microcline, quartz, muscovite, biotite, apatite, sericite, and garnet. Also contains country-rock projections. Generally concordant. Three types of country rock: hornblende gneiss, mica-garnet gneiss, and biotite gneiss.

2. Mica: Mostly ruby, some green which is mostly scrap, flat and usually free splitting. Some ruling and haircracks.

3. Past Production:

Geologic Criteria developed during project:

1. Pegmatite: Description of pegmatite above applies to that followed by the exploration work. The search for similar structures in the down-dip projection found what appears to be a bottoming condition.

2. Mica: Reddish-brown, mostly flat and free splitting, not abundant, of poorer quality, being badly cracked, reeved, and stained. No concentration of mica of any size.

Production during operation, 43.79 lbs. trimmed sheet,
value $532.99
Royalty paid 26.65

Future Possibilities: Practically no potential exists in lower part of pegmatite, which appears to be a bottoming structure.

Recommendations: The Division of Nonmetallic Minerals and the Commodity Members of the Geological Survey and Bureau of Mines concur in the Field Team's recommendation not to certify.

Walter C. Anderson

Walter C. Anderson
Division of Nonmetallic Minerals

WCAnderson:rsi 11/13/57
Copy to: Admr. R. File
Mr. Houk

OFFICIAL FILE COPY
DMEA
RECEIVED OCT 28 1957

DATE	INITIALS	CODE
10-30	JB	130
		220

UNITED STATES
Department of the Interior

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT

DMEA 3908, Idm-E902, JOE STEVENSON MINE
Mitchell County, North Carolina
(mica)

S. C. Bergman, Geologist
Geological Survey

L. E. Shirley, Mining Engineer
Bureau of Mines

October 24, 1957

Reviewed by
DMEA OPERATING COMMITTEE
10-30-57
(date)

FINAL REPORT

DMEA-3908, Idm-E902 (mica) Joe Stevenson (W.C.Burleson)
Mitchell County, N. C.

Operator: Ted Stevenson, Lloyd Stevenson, Oakley Wood and Frank W. Phillips, Partners. c/o Frank Phillips, Spruce Pine, North Carolina

SUMMARY

The Joe Stevenson or W. C. Burleson pegmatite is a large contorted tabular-shaped structure, which has been mined intermittently since about 1900 in stopes which plunge moderately to the south-southwest along mmica-bearing convolutions of the hanging wall contact. A previous contract in 1953 (DMEA-2524), resulted in a 49-foot shaft about 75 ft northeast of the present shaft, which the Operator abandoned without completing. The present contract explored the downdip extent of the pegmatite with no interceiption of mica-bearing structures or concentrations of any size, and with the recovery of only a small amount of block muscovite. Fifty feet of vertical and inclined shaft were sunk from the bottom of an existing shaft and a total of 80 ft of drift driven to the northeast and southwest. Cooperation from the Operators in providing safe access was poor as were his attempts to keep accounts straight under the long-form actual cost contract. No certification of discovery can be recommended by the Examiners.

INTRODUCTION

Location

The mine is located on the northeast slopes of White Rock Ridge, 1.38 airline miles S45°E of the road intersection at Hawk, Mitchell County, North Carolina. The site is in the southwest 1/9th of the Carver Gap, N. C.-Tenn. Quad(208-SE)Ed.1934,1:24,000.

Previous Work

A World War II, USGS map and report by James R. Wolfe, Jr. (March 1945) summarizes the known mine history and geology. According to this report, the mine was discovered and first worked about 1900 by Bailey Burleson and a Mr. McGlossum. Considerable amounts of mica were recovered in 1930 or 1931 by Joe Stevenson and Jesse Ledford and in 1932 Jesse McKInney, Frank and Ed Fortner.

In 1939 and 1940, the mine was worked by Ed Vance and Will Green with only a moderate and uneconomic recovery of muscovite. During World War II, the mine was profitably worked from 1942 to 1944 by Dewey Buchanan, and Jack, Lee and Jessie McKinney, and from 1944 to early 1945 by Acme Mines, Inc. (Mrs. Ogburn Spoon). The report lists an incomplete wartime production of 776.77 lbs of sheet, valued at $4,528.87, but totals are reported from the Colonial Mica Corp. records of 12,964.88 lbs valued at $20,789.52. Production figures prior to World War II are not available. Very little activity took place between 1945 and late 1952 when Otis L. and Ira Buchanan deepened an existing 15 foot incline to 49 feet under DMEA-2524, Idm-E430. The site is about 75 ft northeast of the present contract shaft. The Operators abandoned the project after completing 34 ft of inclined shaft. The subject contract work was begun in the bottom of an existing 52-ft deep vertical shaft at the northeast end of the stope area.

Contract Work

The contract work was started January 31, 1956, and terminated short of completion on September 19, 1956. Progress on the work was very slow because of equipment failure and the miners tendency to farm, fish, etc., rather than mine. Cooperation from the Operator in providing shaft access as repeatedly requested, was poor. The Operator was notably lax in keeping accurate accounts and records necessary for satisfying the requirements of the long-form actual cost contract, and practically every voucher submitted

had to be returned for correction.

The contract provided for construction of a toolhouse and exploder and powder magazines, pumping and rehabilitation of the open cut and 35-foot incline, sinking 50 ft of shaft and driving 100 ft of drifts and/or crosscuts. Rehabilitation was completed and thirteen ft of new vertical shaft was sunk in the pegmatite until the shallow-dipping pegmatite footwall was intercepted. A 12-foot percussion drill hole in the shaft bottom was entirely in country rock. The structure at that point had broken up into several shallow southeast-dipping pegmatite apophyses (see map section). The upper apophysis, which was rich in muscovite, was followed 13-ft downdip until it terminated abruptly. A test hole in the floor of the incline indicated the continuation of the lower apophysis which contained green muscovite. Since the lower part of the vertical shaft was now backfilled, it was decided to sink through the intervening section of country rock and follow the lower structure. Eleven feet of vertical shaft and 13 feet of incline to the southeast on the lower pegmatite completed the authorized 50 feet of shaft work. From the bottom of the shaft, level work included 4 ft of drift in the incline section, 28 ft of S55°W, 28 ft N50°E, 14 ft N76°E, and 12 ft N20°W, cutting the pegmatite from hanging to footwall contact (see map). The Operator reports a recovery of somewhat less than 500 lbs of block muscovite from the contract work.

GEOLOGY

The pegmatite is a large contorted tabular structure which is more or less concordantly emplaced in a biotite gneiss with interlayered garnetiferous quartz-muscovite-biotite gneiss and hornblende gneiss and schist. The foliation strikes generally east to northeast with dips of 45 to 85° south and southeast, except where adjacent and conformable to the contorted pegmatite contacts. In the stope area, pegmatite is from 8 to 20 ft thick, strikes N70 to 90°E and dips from horizontal in the upper parts to vertical in the lower parts. In the contract shaft, pegmatite becomes slightly overturned to the north-northwest, abruptly changing to a 15° to 32° southeast dip in the lower shaft section. In the lower part of the shaft, pegmatite branches into a series of southeast-dipping apophyses, 2 to 4 feet thick, with the intervening tails of country rock projecting into the pegmatite proper. Some of these tails of gneiss have been broken off and now are thin isolated inclusions in the pegmatite. The extreme changes in dip reflect a high and variable stress condition during the intrusion of pegmatite, which resulted in a very "sloppy", asymmetrical, and sometimes anomalous dragfolding of the pegmatite margins. An extreme development of this folding is present in the roof of the old stope areas. Most of the contortions plunge moderately to the west-southwest, although a few plunge anomalously to the east-northeast. The structure appears to have developed in a highly mobile or plastic state. The overhanging contorted contacts have in many cases localized thin discontinuous mica-rich wall zones. The search for similar structures in the down-dip projection of pegmatite has found only what appears to be a bottoming condition. The

division of the downward projection of the structure into thin tapering fingers is shown on the accompanying cross-section.

At least four or more zones have been identified in pegmatite exposed in the stope areas. The zones are discontinuous and elongate in the axis of the convolutions, merging and becoming progressively simpler in the dip direction and away from the hangingwall structures. Massive granular white quartz on the dump suggests the presence of a massive quartz core in the upper stopes, but no suggestion of a core is present in the lower parts of the pegmatite. Most of the pegmatite is composed of an intermediate to centrally located, perthite-quartz-plagioclase zone or zones. The perthite is medium to medium-coarse grained with minor interstitial quartz (some graphic textures) and relatively fine-grained plagioclase. A few isolated books of muscovite and films of biotite are found in this zone. A discontinuous lens-like wall zone up to 4 feet in thickness is found at or near the hangingwall contact as well as occasionally near the footwall contact and hear the contacts with inclusions. Much of this zone is localized by the overhanging convolutions of the contact and is composed of medium-grained white to bluish-white plagioclase, interstitial smoky quartz, sheet muscovite and considerable accessory garnet and coarsely crystalline bright apatite which exhibits a dark-red fluorescence under the short wave ultraviolet. A discontinuous contact zone up to 1 1/2 ft thick, along the hangingwall contact is composed of a fine-grained aggregate of plagioclase and quartz, or quartz-muscovite and garnet. The pegmatite below the stope areas and in the vertical section is almost devoid of contact and wall zone material until it branches and flattens abruptly in the lower shaft.

The upper branch, on which incline work was started, is composed almost entirely of medium-grained plagioclase-quartz-muscovite, the lower branch of a mixture of plagioclase-perthite, and minor quartz-muscovite. Muscovite from near the hangingwall is a clear reddish-brown color and mostly flat and free-splitting. Muscovite from near the footwall is not as abundant and is a brownish-green color. It is substantially poorer in quality, being badly cracked, reeved and stained. The hangingwall muscovite was seen in books up to 6-inches across and 2-inches thick, with some cracking, ruling, isolated reeving and bending, as well as a moderate amount of fine oxide intergrowth. Occasional to rare intergrowths of quartz, garnet, and apatite were noted. A considerable amount of secondary fine-grained sericite is present along fractures and crystal interfaces in the plagioclase. In the stopes near the surface a traverse with a shortwave ultraviolet light revealed a considerable amount of secondary, uraniferous hyalite opal which fluoresces a brilliant apple-green color.

Records at the GSA Depot in Spruce Pine, indicate sales between May 18, 1956 and March 19, 1957 totaling 43-.74 lbs of trimmed sheet, valued at $532.99. This is an average of $12.19 per pound of sheet, with goodstained or better material ranging from 20.68% to 46.95% of each sale. This, as far as is known, represents all the muscovite trimmed from an estimated 500 lbs of block recovered during the contract work.

CONCLUSIONS AND RECOMMENDATIONS

The contract work was completed without making a significant discovery of strategic muscovite. Practically no potential exists in the lower part of the pegmatite which has all the indications of a bottoming structure. The only possibility for further exploration in this pegmatite appears to be along the plunge projection to the west-southwest, of structures exposed in the old stope area. On the basis of the completed contract work, no recommendation for certification can be made.

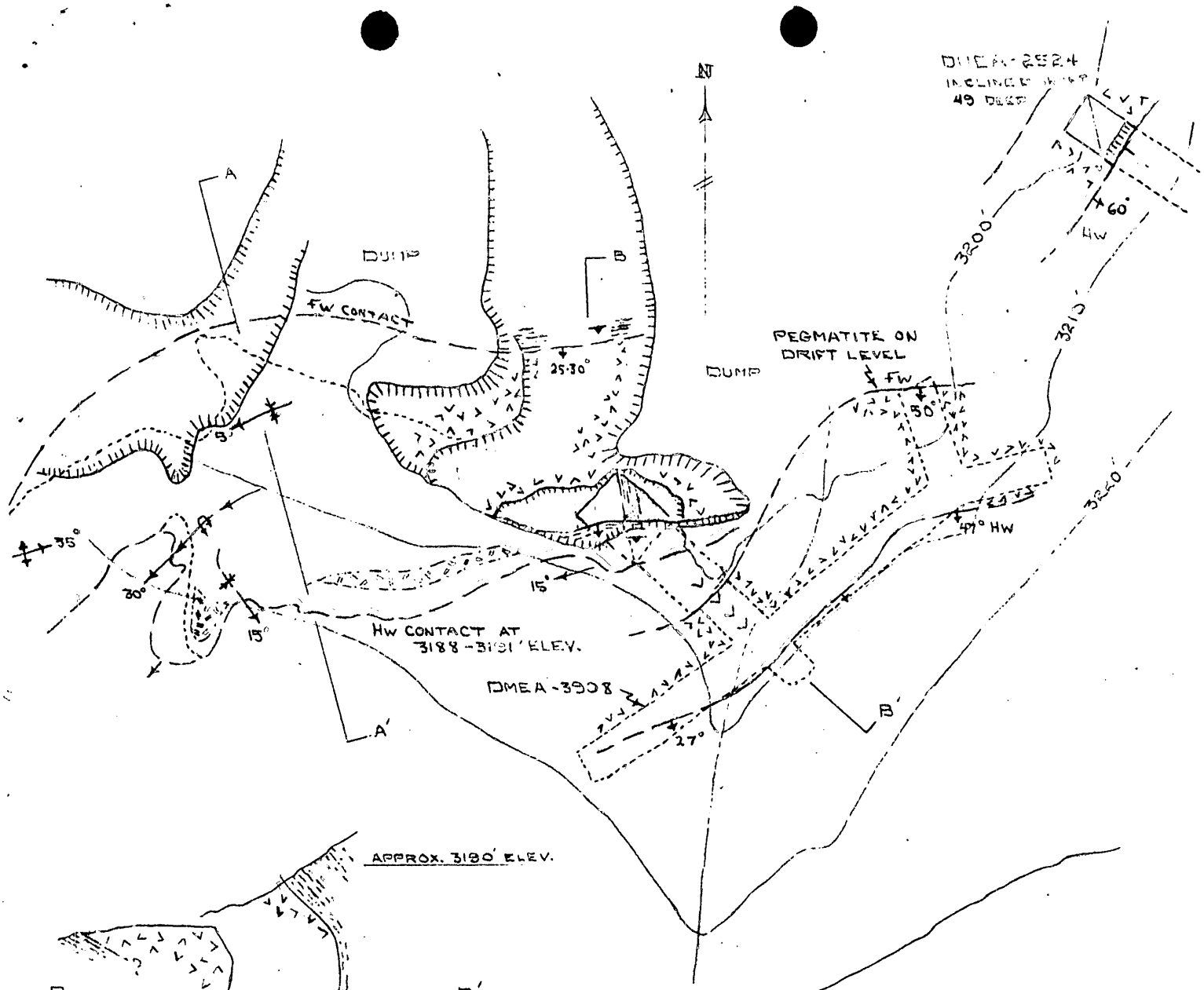
EXPENDITURES

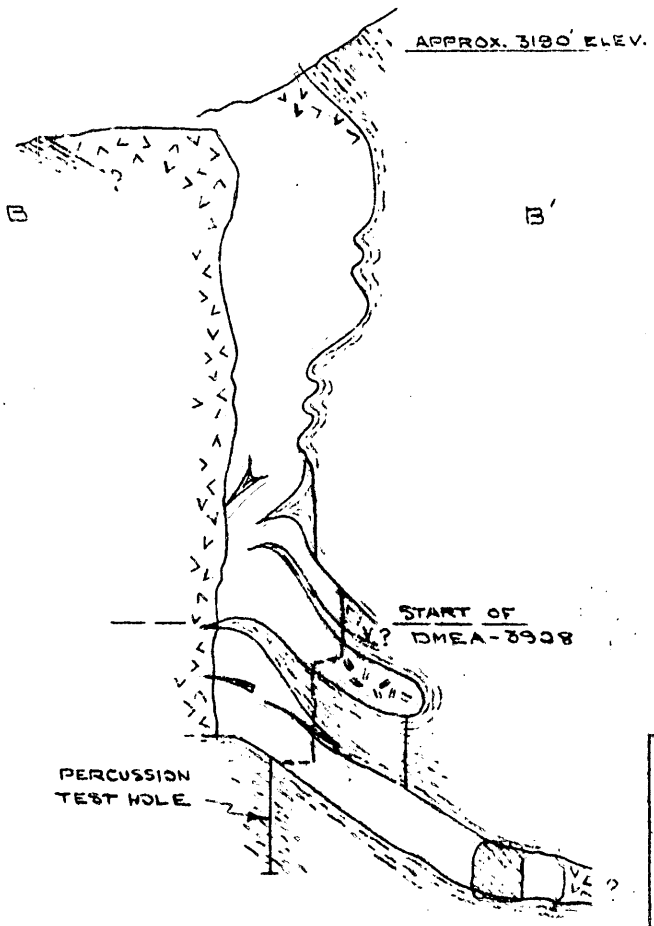
(a)	Total approved	$6,716.00
(b)	Total cost of project	5,175.65
(c)	Gov. share of cost	3,881.74
(d)	Gov. share unexpended	1,155.26
(e)	Value of production	532.99
(f)	Royalty paid to date	26.65

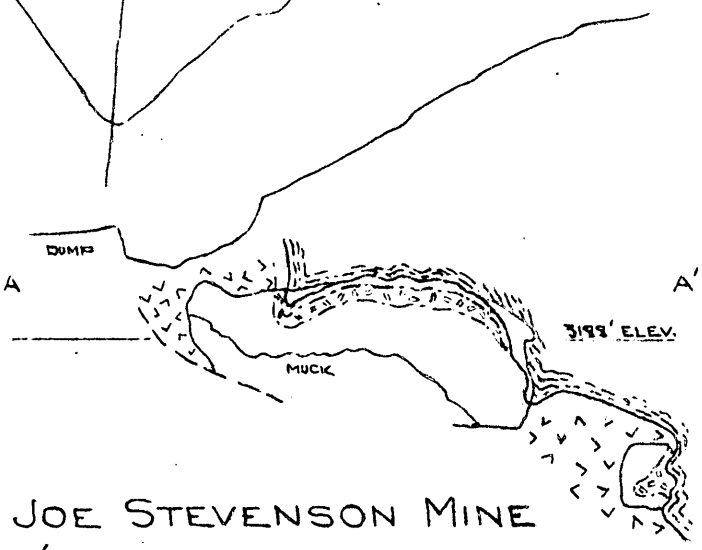
S. C. Bergman, Geologist
Geological Survey

L. E. Shirley, Mining Engineer
Bureau of Mines

z







JOE STEVENSON MINE
(W. C. BURLESON MINE)
MITCHELL COUNTY, N. C.
DMEA-3908 (MICA)

- OLIG-PERTHITE-QTZ PEGMATITE
- BIOTITE GNEISS
- MUSCOVITE RICH ZONE
- CONTACT BOUNDED UNDERGROUND WORKINGS
- EXCAVATION

SCALE: 1" = 20'

SCB 3/57

OFFICIAL FILE COPY
DMEA
RECEIVED OCT 28 1997

DATE	INITIALS	CODE

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

OFFICIAL FILE COPY
DMEA
RECEIVED AUG 15 1957

DATE	INITIALS	CODE
8/15	Q	220
8/15	C.EJ	800
		400 M&F

August 13, 1957

Mr. Oakley Woody

Hawk, North Carolina

Re: DMEA-3908, Idm-3902-mica
Stevenson, Woody & Phillips
Stevenson Mine, Mitchell County,
North Carolina

Dear Mr. Woody:

The information requested in your letter of August 9, giving total approved expenses under the cited exploration contract, is as follows:

Total cost as billed by Operator....	$5,582.11
Exceptions, from final review in lieu of on-site audit.....	406.46
Total accepted cost	$5,175.65
Government contribution @ 75%.....	$3,881.74

The final voucher claimed a total amount of $564.34, but because of unauthorized expenditures, only $157.81 could be approved. The Government contributed $118.36, as its 75% share, but the check was reduced by $26.65 for unpaid royalty due on mica sales; therefore, the final check mailed to Mr. Frank M. Phillips on April 17, 1957 was in the amount of $91.71.

Very truly yours,

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

RAL/zm
cc
Opr. Com.-2
Lynch
Shirley
Files

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
4/9	Talbert	800
4/10	C	220
		225

APR 9 - 1957

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

Re: Docket No. DMEA-3903 (Misc)
Stevenson Mine
Mitchell County, N. C.
Contract No. Idm-E902

Dear Mr. Laurence:

In accordance with your memorandum of April 5, 1957, to E. D. Talbert, the DMEA auditor to whom the referenced project was assigned for review in lieu of a final audit, a Report of Review has been completed to include all exceptions as listed in his letter of January 23, 1957, to the regional Finance Officer.

The original and two copies of the Report of Review are enclosed. If you concur with the facts as stated therein, one copy should be retained in your files and the original and one copy should be forwarded to the Finance Officer. If you do not concur, please return the original and both copies to this Division with your comments.

Our records indicate that the Operator heretofore has been paid an aggregate of $3,763.38 and, inasmuch as the Report of Review certifies payment of $3,881.74 as being valid and proper, there remains a balance of $118.36 due the Operator. It has been noted, however, that the Operator's final report states that $142.61 was received from a sale of mica on May 18, 1956, $245.07 was realized from a subsequent sale, and additional production, as then untrimmed, had an estimated value of $150.00. Our records do not disclose receipt of the Government's percentage royalty on these amounts.

Accordingly, unless the royalty due has been received, it is suggested that the amount of such royalty be deducted from the balance of $118.36 due the Operator for the Government's contribution to project costs. In such case, the Finance Officer should be requested to issue two checks, i. e., one payable to Defense Minerals Exploration Administration for the amount of the royalty due and one payable to the Operator for the net balance due.

The Finance Officer's files on this project, which were submitted to this Division by memorandum of March 28, 1957, are being returned to Mrs. Miller with a copy of this letter.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

Enclosure

EDTalbert/wb 4-9-57

Copy to: Docket
Admr. Reading File
Helen R. Miller
Mr. Chambers
Mr. Houk

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
4/2	Talbert	800
4/2	C	220
		225

APR 2 - 1957

Mrs. Helen R. Miller
Administrative Assistant
Bureau of Mines, Region V
P. O. Box 217
Norris, Tennessee

Re: Docket No. DMEA-3908 (Mica)
Stevenson Mine
Mitchell County, North Carolina
Contract No. Idm-F902

Dear Mrs. Miller:

By memorandum dated March 28, 1957, addressed to Mr. Chambers, you enclosed your applicable files and requested the issuance of a Report of Review in lieu of a final audit of the referenced project. However, a Report of Review issued on the basis of your present submission necessarily would include all of the exceptions listed in the Tentative Schedule of Exceptions enclosed with my letter to you under date of January 23, 1957.

The Operator's affidavit that the cost of the toolhouse and magazines was $116.00 (the exact amount of the contractual maximum for contribution by the Government) is not acceptable documentary evidence. To relieve all or a part of this exception it will be necessary for the Operator to submit a certified transcript of the applicable payroll and either the original or certified exact copies of all pertinent invoices or delivery tickets.

This is the normal documentation requirement for evidence of actual costs incurred. In this case it is especially necessary because of instances of duplication of costs claimed by this Operator. For example, charges for roofing, hasps, hinges, and locks included in the $116.00 for Category (6) were claimed also under Category (3). Possibly the same applies to lumber costs. Also, within Category (3) gas and oil charges of $114.72 were duplicated.

It is suggested that you discuss this matter with the Executive Officer and determine whether the Field Team desires to request further documentation for Category (6) or to let the indicated exception of $116.00 stand, together with all other exceptions listed in my January 23 letter. Pending further advice from you the issuance of a Report of Review and return of your files will be held in abeyance.

Sincerely yours,

(Signed) E. D. Talbert

E. D. Talbert
DMEA Auditor

EDTalbert/wb
April 1, 1957

Copy to: Docket
Admr. Reading File
R. A. Laurence, Reg. V
Mr. Houk
Mr. Chambers
Mr. Talbert

8623

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

ROOM 13 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

March 26, 1957

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 28 1957

DATE	INITIALS	CODE
3/28	C	220
3/28	[illegible]	800
		225

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: DMEA-3908 Idm E902 (Mica) Stevenson Mine, c/o F. W. Phillips, Spruce Pine, N. C., Stevenson Mine, Mitchell County, N. C. Operator's Final Report.

Here, at long last, are four copies of the Operator's final report on the subject contract. They have also submitted a certified statement of costs of building the tool house and magazines, which is being attached to the final MF104.

Robert A. Laurence
Robert A. Laurence
Executive Officer, DMEA
Region V

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

RAL/as
cc
Opr. Com. 2
Laurence
Lynch
Shirley

STEVENSON MINE DMEA 3908 Idm- E 902

Operators Final Report

Work began on this mine February 20, 1956 with three men operating the mine irregularly, due to farm work and gardening. Some small scattering mica was found at around 15' - 20' depth.

First Sale was made May 18, 1956 to U. S. Mica Depot for $142.61.

Shaft was sunk to a depth of 50' before drifts were started. At this depth water was getting too heavy for dipping and in order to use an electric pump, we had a power line run tom the mine for which we had to make an advance payment of $246.25 to Carolina Power and Light Co.

A North-East drift was driven first, picking up a few small scattered blocks of mica which was sold to U. S. Mica Depot for $245.07. Then a South-West drift was driven and some mica was found in this drift which has not been trimmed, but has an estimated value of around $150.00.

This heading was driven into a slate wall and 10' test holes in the wall driven in different directions did not show any vein material and contract was terminated at this point. We stopped operating this mine because it was proving to be a loss.

Total feet of shaft -- 50

Total feet of drift -- 80

I certify that the above narrative is correct.

Frank W Phillips Operator

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 28 1957

DATE	INITIALS	CODE

RECEIVED
MAR 25 1957

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

WASHINGTON 25, D.C.

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 4 1957

DATE	INITIALS	CODE
3/4	C	220
3/4	[illegible]	800
		225

February 28, 1957

Stevenson Mine Co.
c/oMr. Frank Phillips
Spruce Pine, N.C.

Re: DMEA-~~3906, Idm-E902-Mica~~
Stevenson Mine
Mitchell County, N.C.

Dear Mr. Phillips:

This is to remind you that we cannot approve your final voucher for payment until we receive your final report, and acceptable documentation for the construction of the toolhouse and magazines.

I understand that Mr. Beck explained this to you when he was in Spruce Pine during the first week of February.

Please send your report as soon as possible so that we can release your voucher.

Very truly yours,

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

RAL/zm
cc
Lynch
Opr. Com-2
Files

Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
1/23	Talbut	800
1/23	C	220
		225

JAN 23 1957

Mrs. Helen R. Miller
Administrative Assistant
Bureau of Mines, Region V
P. O. Box 217
Norris, Tennessee

Re: Docket No. DMEA-3908 (Mica)
Stevenson Mine
Mitchell County, North Carolina
Contract No. Idm-E902

Dear Mrs. Miller:

Enclosed is your Certifying Officer's file, which you submitted by memorandum dated January 15, 1957, requesting the issuance of a Report of Review in lieu of a final audit covering the referenced project.

The findings of the review are indicated in the attached audit review summary and schedule of exceptions. These findings are tentative, being subject to possible adjustment for:

(a) the allowance of additional costs (not to exceed $109.00), upon submission of acceptable documentation by the Operator, for the construction of the toolhouse and magazine;

(b) any inventory of materials and supplies on hand as of September 14, 1956, the last day of work on the project (but exclusive of the deliveries on that day of explosives and gasoline disallowed by this review); and

(c) an assessment against the Operator if he fails to submit a final geological and engineering report and such requirement is not waived.

By copy of this letter, together with a copy each of the tentative audit review summary and schedule of exceptions, the Executive Officer, DMEA Field Team, Region V, is being advised of these audit findings and requested to take such action as may be required for the determination and submission of the information indicated in the above paragraph.

Issuance of a formal Report of Review in lieu of a final audit will be held in abeyance pending settlement of these matters and receipt by this auditor of the communication from the Executive Officer required by a memorandum, subject: Instructions on the Release

R.C.G.

8623

Audits and Reports of Review, dated January 9, 1957, copies of which are forwarded by the Operating Committee's letter of January 17, 1957, to the Executive Officer for compliance.

No exceptions have been taken in this case to some inappropriate certifications to the copies of payrolls and invoices, viz., "I certify that the above time record is correct", "I certify that the above time is correct for the Stevenson Mine for the month of July, 1956", "I certify that this time record is correct", and "I certify that the above bill is correct and just and that payment therefor has not been received". For your future guidance, however, you are advised that:

(a) Exact copies of payrolls should be endorsed over the Operator's signature with "Certified true copy" and transcripts of payrolls (or combinations of time and pay records) should be endorsed "Certified true transcript"; and

(b) Original invoices, receipts, delivery tickets, etc., need not be certified, but copies thereof should be endorsed "Certified true copy".

Sincerely yours,

E. D. Talbert
DMA Auditor

Attachment

EDTalbert/wb
January 22, 1957

Copy to: Docket
Admr. Reading File
Mr. Laurence, Region V
Mr. Houk
Mr. Chambers
Mr. Talbert

Tentative Audit Review Summary

Rm-902, NMA-3906, Stevenson, Inc

	Totals Rept. RC-304	Corrected Distribution	Inventions		Accepted Costs
(2) Labor & Supervision:					
Labor	12,645.87	12,645.87	-		12,645.87
(3) Operating Materials & Supplies:					
Timber	-	87.11	-		87.11
Explosives	616.55	721.30	48.73	(C)	672.57
Fuel & Lubricants	337.48	436.84	167.06	(C)(F)	269.78
Drill Steel & Bits	-	121.57	-4.93	(C)	126.50
Other Supplies (Tools & Misc.)	588.47	12.32	-1.70	(C)	14.02
(4) Operating Equipment, Rental	1,257.50	1,257.50	-		1,257.50
(6) Dev Bldgs., Fixtures & Installations:					
Toolhouse & Magazines	110.00	123.00	116.00	(C)	7.00
Electric Pumping Facilities	-	44.77	44.77	(C)	-
(8) Miscellaneous:					
Repairs to Equipment	-	51.59	51.59	(F)	-
Payroll Taxes	52.81	52.81	47.51	(C)	5.30
Excess Costs	-22.57	-22.57	-22.57	(H)	-
Totals	15,502.11	15,523.11	447.46		15,175.65

Tentative Schedule of Exceptions

[illegible]-502, [illegible]-3908, Stevenson Mine

(A) Supplies delivered on September 14, 1956, the last day of project work:

Explosives Supply Company, Inc.:	
Invoice [illegible]-2355 (explosives)	$ 30.73
Tri-County Oil Company, Inc.:	
Delivery Ticket [illegible]-19301 (gasoline)	92.34

(B) Gasoline and oil, apparently duplicate charges of deliveries claimed on Tri-County Oil Company delivery invoices, not included in amount of "paid" receipt of Mitchell Lumber Company (delivery agent of Operator) submitted in response to Certifying Officer's letter of 9/17/56:

Mitchell Lumber Company:	
Invoice 19823 5/15/56	66.71
" 18660 2/1/56	33.01
" 19811 5/24/56	15.00

(C) Documented costs underclaimed on forms [illegible]-104, as follows:

July, 1956	-2.50
August, 1956	-2.43
September, 1956	-1.70

(D) Costs claimed for toolhouse and compressor not supported by documentation (exclusive of $7.00 for hasps, hinges, locks and roofing erroneously charged to Operating Matls. & Supplies) 116.00

(E) Costs claimed for installation of electric pumping facilities not authorized under the contract:

Johnson Electric Company, Inc.:	
Invoices 5/11/56 and 5/31/56	24.87
Spruce Pine Electric Company:	
Invoices 5/9/56 and 5/31/56	19.90

(F) Costs claimed for equipment repairs not authorized by the contract:

Mitchell Distributing Company, Inc.:	
Invoice K-1521 3/31/56	.10
" K-2072 5/14/56	24.29
" K-2180 6/18/56	26.90

(C) F.I.C.A. (Social Security) taxes claimed on partners' (Oakley Woody, Lloyd Stevenson, and Ted Stevenson) wages, such being personal taxes and not allowable costs	17.51
Sub-total	439.03
(D) Reinstatement of excess costs, disallowed by Field Team letter 9/19/50 to Operator, the total acceptable costs of $5,175.65 not being in excess of the contractual maximums for sinking and drifting for work performed, i. e., 50' @ $53.30 and 80' @ $40.00, respectively, or $5,865.00	-32.57
	$406.46

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 40 POST OFFICE BLDG.
WASHINGTON 25, D. C.
KNOXVILLE 2, TENN.

OFFICIAL FILE COPY
DMEA
RECEIVED JAN 25 1957

DATE	INITIALS	CODE

January 23, 1957

Memorandum

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

From: Executive Officer, DMEA Field Team, Region V

Subject: Termination Agreement, DMEA-3908, Idm-E902
Stevenson Mine, Spruce Pine, North Carolina
Joe Stevenson (W.C.Burleson) Mine, Mitchell County, N.C.

Enclosed are the original and two copies of the subject termination agreement. The usual distribution has been made by this office.

Robert A. Laurence

Robert A. Laurence

Enclosures 3

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

January 8, 1957

Memorandum

To: Catherine Curtin, Statistics and Control Division

From: Hazel Berry, Operating Committee

Subject: Amendment to Contract

Attached is the following docket copy of an amendment to a contract which has been reviewed and approved by the commodity division and the Contract Administration and Audit Division. No clearance by Legal appears necessary.

Lloyd Stevenson, et al., DMEA-3908, Idm-E902, Amendment No. 2.

Attachment-1

OFFICIAL FILE COPY

Date	Surname	Code
1/3/57	Anderson	600
1/3	Houk	600
1/7	Chambers	800
1/7	Selfridge	130
1/7	Edmonds	110
1/7	Mitchell	100
1-8	C	225

600

JAN 8 1957

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

Re: Docket No. DMEA-3908-Mica
Lloyd Stevenson, Ted Stevenson,
Oakley Woody and Frank W. Phillips
Joe Stevenson (W.C.Burleson) Mine
Mitchell County, North Carolina
Contract No. Idm-E902

Dear Mr. Laurence:

Reference is made to the Field Team Interim Report of September 18, 1956, recommending termination of the subject contract by mutual agreement.

We have prepared and enclose the original and five copies of a Termination Agreement which have been signed by the Administrator for the Government. Two extra copies are enclosed for the use of the Field Team. If it meets with your approval present it to the Operators for approval and signature.

If any part of this agreement 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 are to be returned to this office, together with the proposed changes for consideration.

After execution of the Termination Agreement, the copies are to be distributed in the usual manner.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee (GCS)

Approved:

Frank D. Lamb (GCS)
Member, Bureau of Mines

Thor H. Kiilsgaard (GCS)
Member, Geological Survey

Enclosures 8

WCAnderson:gad 1/3/57
Copy to: Admr. R. File
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

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

January 7, 1957

Memorandum

To: Mr. C. O. Mittendorf, Administrator

From: L. G. Houk, Chief, Nonmetallic Minerals Division

Subject: Amendment No. 2 - Docket No. DMEA-3908-Mica
Lloyd Stevenson, et al.
Stevenson Mine
Mitchell County, North Carolina
Contract No. Idm-E902

The Nonmetallic Minerals Division concurs in Amendment No. 2 to the subject contract as written and executed in the field. This amendment extends the completion date from September 11, 1956, as provided in Amendment No. 1 to October 11, 1956, and if the Government makes a certification of discovery or development, extends the payment of royalties from 10 to 11 years from the date of the contract.

This amendment became necessary to authorize work done after September 11, 1956.

Walter C. Anderson
W. C. Anderson
Nonmetallic Minerals Division

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

WASHINGTON 25, D.C.

RECEIVED 26 1956

November 23, 1956

Memorandum

To: Operating Committee, DMEA - Washington

From: Acting Executive Officer, DMEA - Region V

Subject: Idm-E902, DMEA-3908, Frank W. Phillips, et al.
Spruce Pine, N.C. Stevenson Mine, Mitchell Co.,NC.C
Amendment No.2.

Transmitted are three signed copies of the subject amendment No.2, received in this office today.

The usual distribution of the other copies has been made.

V. J. Lynch.

V. J. Lynch

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1305, 25 DEC BLDG.
KNOXVILLE 2, TENN.

RECEIVED
OCT 22 1956

October 19, 1956

Mr. Frank W. Phillips

Spruce Pine, North Carolina

Re: DMEA-3903, Idm-E902 (Mica)
Lloyd Stevenson, et al.
Stevenson Mine
Mitchell County, North Carolina

Dear Mr. Phillips:

On September 18, I sent you six copies of an amendment to the subject contract, to be signed by you and your partners. Please return this, with all the necessary signatures, as soon as possible.

Without this amendment, fully executed, we will be unable to contribute to the cost of any work done after September 11, 1956.

Sincerely yours,

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

RAL/mg
cc - Operating Committee (2)
Mr. V. J. Lynch
Mr. L. E. Shirley
File

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

RECEIVED
OCT 22 1956

October 19, 1956

Memorandum

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

From: Field Team, Region V, Knoxville, Tennessee

Subject: Docket No. DMEA-3908, Contract Idm-E902 (Mica)
Lloyd Stevenson, et al.
Stevenson Mine, Mitchell County, North Carolina

Reference is made to your letter of October 17, 1956:

We have not received the signed Amendment No. 2, and have written to the Operator asking for it.

As this project was about 95% complete when the field examiners recommended termination, on September 18, we did not think a termination agreement was required. If it is your opinion that one should be prepared, please do so, making the effective date September 19, 1956. It will still be necessary to have amendment No. 2, to authorize work done after September 11.

Robert A. Laurence
Robert A. Laurence
Executive Officer

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

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

DOCKET COPY
Surname:
Anderson
Houk
Chapman
Selfridge
Muttendorf

OCT 17 1956

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

Re: Docket No. DMEA-3908-mica
Lloyd Stevenson, Ted Stevenson,
Oakley Woody and Frank W. Phillips
Joe Stevenson (W. C. Burleson) Mine
Mitchell County, North Carolina
Contract No. Idm-3902

Dear Mr. Lawrence:

Reference is made to the Field Examiners' Interim Report of September 18, 1956, recommending termination of the subject contract by mutual agreement.

We note in your letter of September 18, 1956, to the operator, that Amendment No. 2 extending the time for completion of the contract to October 11, 1956, is pending.

We will defer processing the requested Termination Agreement until we hear from you on the status of this amendment. At the same time please indicate the effective date of termination that should be used.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

P. F. Yopes
Member, Bureau of Mines

Thor H. Kiilsgaard
Member, Geological Survey

WCAnderson:ms 10/15/56
Copy to: Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Admr. R. File

R.C.S.

ACTION ON INTERIM
OR FINAL FIELD TEAM REPORT

Date 9-28

Referred to:

1. ~~Mr. Mittenthal~~
2. ~~Mr. Johnson~~
3. ~~Mr. Chambers~~
4. ~~Docket Control Mails and Files~~
5. [redacted] Division
6. ~~Docket Control Mails and Files~~

Note comments in report regarding:

1. Mutual Reinsurance Commission

2.

3.

4.

and take appropriate action.

- - - - - - - -

Action taken by Division: Request filed for status of pending Amendment No. 2, which sets effective date of termination

Robert E. Adams

RECEIVED
SEP 23 1956

INTERIM REPORT

DMEA-3908, Idm-E902 (mica) STEVENSON MINE

Operator: Lloyd and Ted Stevenson, c/o Frank Phillips, Spruce Pine, North Carolina
Location: 1.7 miles southeast of Hawk, Mitchell County, North Carolina

Drifting has been in progress on this contract. The Field Examiners are of the opinion after this inspection that sufficient level work has been done to adequately explore this body and recommend that the contract be terminated by mutual consent of both parties. Scant mica production of very poor quality has resulted to date, with less than 500 pounds of mine-run block mica having been reported.

Work completed other than rehabilitation, toolhouse construction and magazine construction consisted of deepening an existing inclined shaft an additional 50 feet and driving 86 feet of drift. In addition to drift already reported, 12 feet of crosscut has been driven in a N20°W direction and wall was intercepted; no mica production resulted from this work completed during the past two weeks.

Certification of this contract will not be recommended due to lack of apparent reserves of strategic mica. This job was not conducted in an efficient or safe manner and cooperation from the operators was hard to obtain.

Mr. Milford L. Skow, Commodity-Industry Analyst, Branch of Ceramic and Fertilizer Materials, Washington, D. C., accompanied the Examiners on this visit to the mine.

L. E. Shirley

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

A. R. Taylor, Geologist
S. C. Bergman, Geologist
U. S. Geological Survey

September 18, 1956

Operating Committee

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

September 19, 1956

Mr. Frank W. Phillips

Spruce Pine, North Carolina

Re: BMEA-3908, Idm-E902 -Mica
Stevenson Mine
Mitchell County, N.C.

Dear Mr. Phillips:

Please note that Article 13 of the contract provides a maximum of $53.30 per foot for shaft sinking and $40 per foot for drifting. Your July MF-104A gives only a single unit cost of $45.64, and it is impossible to determine, from your data, what the unit costs for shaft and drift are. Also you indicate that 54 feet of shaft have been completed, although the contract authorizes only 50 feet; our records indicate that only 50 feet have been done.

Thus, the maximum amount we can approve for 50 feet of shaft sinking and 28.5 feet of drifting is:

$2,665.00	(shaft)
1,620.00	(drift)
$4,285.00	(total)

The previously approved totals for shaft and drift came to $3,281.56. If the $1,036.01 claimed for this month's work is added to that, it comes to $4,317.57. Therefore, it is necessary to deduct the difference, or $32.57 from the approved total for this voucher. Payment will therefore be approved for $752.58.

On your next form MF-104A, please separate unit costs for shaft sinking and drifting. Please correct the total on your voucher to show, in the "Totals previously reported" column, the following:

Labor.....$1,925.75

Payroll taxes.... 38.48

Contingencies:

Deduction for excess over maximum allowable -$32.57

Total..... $4,401.00

All other items in your total column are correct as shown on your July voucher.

Sincerely yours,

Robert A. Laurence
Executive Officer, DMEA
Region V

RAL/mm
cc
Opr. Com.-2
Finance Office
Lynch
Shirley
Files

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

RECEIVED
SEP 20 1956

September 18, 1956

Mr. Frank W. Phillips

Spruce Pine, North Carolina

Re: DMEA-3908, Idm-E902 (mica)
Lloyd Stevenson, et al
Stevenson Mine, Mitchell County,
North Carolina

Dear Mr. Phillips:

Enclosed are six copies of Amendment No.2, extending time for completion of the contract to October 11, 1956. In your telephone call September 10 to Mr. L. E. Shirley, you indicated that 14 feet of drifting remained to be done, and one month should be adequate for this.

Please note that the amendment provides for an extra year added to the time for royalty repayments. We are now required to do this on all contracts which are extended more than 3 months beyond the original completion date. Amendment No. 1 extended this for 3 months, and the present amendment makes a total of 4 months' extra time.

Please have all four partners sign all six copies, keep the Operator's Copy and return all the others to me. If any part of it is not acceptable to you, please return all copies unsigned, with proposed changes for our consideration. However, without an executed amendment, we will be unable to pay for any work done after September 11, 1956.

Also, please send me the present mailing address of the landowners, Arthur and Electra Stevenson.

Very truly yours,

Robert A. Laurence
Executive Officer, DMEA
Region V

RAL/xm
cc:
Opr. Com.-2
Lynch
Shirley
Files

INTERIM REPORT

DMEA-3908, Idm-E902 (mica) STEVENSON MINE

Operztor: Lloyd & Ted Stevenson, c/o Frank Phillips, Spruce Pine, N.C.

Location: 1.7 airline miles southwest of Hawk, Mitchell County, NC.

This contract is progressing satisfactorily. A total of 42 feet (28' N 50° E, 14 feet N 75° E) of drift has been driven to the northeast. Total drift is now 74 feet.

The heading at the 42-foot point exhibits fine-grained mixed sodic-feldspar and quartz barren of muscovite. Both walls have been followed to about the 30 foot point where the pegmatite apparently bulges and becomes much thicker, with an increase in muscovite. Drill holes (six ft long) near the 30 ft point toward the footwall have been entirely in pegmatite. The pegmatite narrows in the heading to about ~~the~~ 5 feet.

The Operator was advised to crosscut to the footwall along the 5 -ft thick muscovite zone from the 30 ft point in the hope of picking up a producing zone. In the meantime the Operator will drive, at his own expense, a drift from a level about 15-feet from the shaft bottom to the southwest.

Inspected: September 4, 1956.

A. R. Taylor S. C. Bergman

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

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

August 22, 1956

Mr. Frank W. Phillips

Spruce Pine, North Carolina

Re: DMEA-3908, Idn-E902 (Mica)
Stevenson mine, Mitchell Cty., N.C.

Dear Mr. Phillips:

Your July voucher has been received.

Please send us a narrative report on the month's work which tells what has been accomplished (see instruction C on reverse of Form MF-104, also enclosed sample narrative). The narrative should give such data as thickness of vein, amount and quality of mica recovered, if any, etc.

We will approve this voucher for payment, but future vouchers which contain inadequate narratives will be held until satisfactory information is received.

Very truly yours,

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

RAL/mg
Enclosure
cc - Operating Committee (2)
Lynch
Shirley
Files

INTERIM REPORT

DMEA-3908, Idm-E902, STEVENSON MINE (mica)

Operator: Lloyd and Ted Stevenson, c/o Frank Phillips, Spruce Pine, N. C.

Location: 1.7 airline miles southeast of Hawk, Mitchell County, N. C.

Drifting continues and now totals 64 ft. From the bottom (50-ft point of new work) of the new incline or at the 102-ft level (not vertical) 4 ft of drift has been driven S. 40° E. as incline extension, 28 ft has been driven S. 55° W., and 32 ft has been driven on the hanging wall N. 50° E. (general direction).

The Operator was advised to continue drifting to the northeast on the hanging wall. A few crystals of (3 x 4 inch wide) ruled greenish-brown muscovite were observed at the 32-ft point in the northeast drift. Progress is satisfactory.

Inspected: August 21, 1956

S. C. Bergman A. R. Taylor

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

RECEIVED
AUG 13 1956

INTERIM REPORT

DMEA-3908, Idm-E902 (mica) STEVENSON MINE

Operator: Lloyd and Ted Stevenson, c/o Frank Phillips, Spruce Pine, N.C.

Location: 1.7 miles southeast of Hawk, Mitchell County, N.C.

Drifting continues on this contract and how totals 58 feet. Work completed since the last field examination (July 25, 1956) has consisted of extending the northeast drift an additional 13.5 feet in a N 58° E direction. This opening is being driven along the hanging wall of the pegmatite. Only a small amount of mica has been encountered in recent work.

The Operator was advised to continue drifting to the northeast.

Recent progress on this contract has been satisfactory.

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

Inspected: August 7, 1956

S. C. Bergman and D. H. Amos, Geologists
Geological Survey

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RECEIVED
AUG - 1 1956

INTERIM REPORT

DMEA-3908, Idm-E902 (Mica) STEVENSON MINE

Operator: Lloyd and Ted Stevenson, c/o Frank Phillips, Spruce Pine, North Carolina

Location: 1.7 miles southeast of Hawk, Mitchell County, North Carolina

Drifting continues on this contract and now totals 44.5 feet. Four feet have been driven S40°E as incline extension which intercepted the hanging wall, 28 feet have been driven S55°E and this area is now back-filled with muck, and 12.5 feet have been driven N50°E. Drift work will continue for the present to the northeast in pegmatite composed of quartz, feldspar, scattered muscovite mica in small, thick blocks, and accessory garnet.

Several minor timbering needs in the shaft and the provision of ladders to the drift area were discussed with the operator. Drift progress on this contract has improved recently.

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

A. R. Taylor, Geologist
U. S. Geological Survey

July 25, 1956

RECEIVED
JUL 1 1956

INTERIM REPORT

DMEA-3908, Idm-E902 (mica) STEVENSON MINE

Operators: Lloyd and Ted Stevenson, c/o Frank Phillips, Spruce Pine, N. C.

Location: 1.7 miles southeast of Hawk, Mitchell County, N. C.

Drifting with the pegmatite to the southwest totals 28 feet. Mica recovery from drifting has been very poor. Progress for the past month has been slow due to equipment failures.

The Operator was instructed to continue drifting.

Inspected: July 11, 1956

A. L. Peyton, Mining Engineer
Bureau of Mines

S. C. Bergman

S. C. Bergman, Geologist
Geological Survey

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INTERIM REPORT

DMEA-3908, Idm-E902 (mica) STEVENSON MINE

Operators: Lloyd and Ted Stevenson, c/o Frank Phillips, Spruce Pine, N. C.

Location: 1.7 miles southeast of Hawk, Mitchell County, North Carolina

The Operator drifted 12 feet with the pegmatite to the southwest. Mica recovery from the drifting was very poor in quality and quantity. The Operator was instructed to drift to the northeast.

Progress is satisfactory.

Inspected: June 20, 1956

A. L. Peyton

A. L. Peyton, Mining Engineer
Bureau of Mines

S. C. Bergman

S. C. Bergman, Geologist
Geological Survey

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JUN 2 3 1956

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

June 19, 1956

Memorandum

To: Mr. C. O. Mittendorf, Administrator

From: Lawrence G. Houk, Chief Lawrence G. Houk
Nonmetallic Minerals Division

Subject: Amendment No. 1 - Docket No. DMEA-3908-mica
Lloyd Stevenson, et al.
Stevenson Mine
Mitchell County, North Carolina
Contract No. Idm-E902

The Nonmetallic Minerals Division concurs in Amendment No. 1 to the subject contract as written and executed in the field. This amendment extends the completion date from June 11, 1956, to September 11, 1956.

Amendment No. 1 is necessary because the operator was unable to complete the project in the specified time and it is in the Government's interest to complete this exploration project.

Walter C. Anderson
Walter C. Anderson
Nonmetallic Minerals Division

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1550 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

RECEIVED
JUN 18 1956

June 15, 1956

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Amendment No. 1. Idm-E902, DMEA-3908, Stevenson Mine, c/o Frank W. Phillips, Spruce Pine, N. C.

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

Robert A. Laurence
Robert A. Laurence
Executive Officer, DMEA
Region V

A. L. Peyton
A. L. Peyton for V. J. Lynch
Member, Bureau of Mines

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

RECEIVED
JUN 13 1956

June 11, 1956

Stevenson Mine
c/o Mr. Frank W. Phillips
Spruce Pine, North Carolina

Re: DMEA-3908, Idm-E902 (mica)
Stevenson Mine
Mitchell County, North Carolina

Dear Mr. Phillips:

Enclosed are six copies of an amendment which will provide an additional three months for completion of the drifting at the Stevenson Mine. If it meets with your approval, please have all six copies signed by all four partners; keep the Operator's Copy and return all the others to me. If it does not have your approval, please return all copies unsigned, together with suggested changes for our consideration.

Please note that the original cost estimates in the contract were based upon completion in approximately 4½ months (about 2 months for sinking and 2½ months for drifting). Therefore, we can only contribute to costs up to the total amounts so estimated and it is therefore very definitely in your interest to complete the drifting within the specified time to avoid paying for equipment rental, labor, etc., above those maximums. Please note also that, according to Article 13 of the contract, we cannot contribute to any costs which average in excess of $53.30 per foot for shaft sinking and $40.00 per foot for drifting.

Very truly yours,

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

RAL/mg
Enclosures 6
cc
Operating Committee (2)
Lynch
Files

INTERIM REPORT

RECEIVED
JUN 1 8 1956

BMEA-3908, Idm-3902, STEVENSON MINE
(mica)

Operator: Lloyd and Ted Stevenson, c/o Frank Phillips, Spruce Pine, N.C.

Location: 1.7 miles SE of Hawk, Mitchell County, N. C.

The Operator has completed the incline shaft footage called for in the contract and is ready to start drifting with the pegmatite. About 200 pounds of mine run muscovite recovered in the last 10 feet shows a slight improvement in quality. The drift footage will be used in exploring both directions from the shaft.

Progress is satisfactory.

Inspected: June 5, 1956

A. L. Peyton

A. L. Peyton, Mining Engineer
Bureau of Mines

S. C. Bergman

S. C. Bergman, Geologist
Geological Survey

RECEIVED
JUN 1 - 1956

INTERIM REPORT

DMEA-3908, Idm-E902, STEVENSON MINE
(mica)

Operator: Lloyd and Ted Stevenson, c/o Frank Phillips, Spruce Pine, N. C.

Location: 1.7 miles SE of Hawk, Mitchell County, N. C.

The Operator has installed new pumping facilities, dewatered the shaft and advanced 6 feet in the past two weeks. The pegmatite has flattendd out to a near horizontal position with an improvement in the mica content. The Operator was instructed to continue on the pegmatite.

Inspected: May 23, 1956

A. L. Peyton

A. L. Peyton, Mining Engineer
Bureau of Mines

S. C. Bergman

S. C. Bergman, Geologist
Geological Survey

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RECEIVED
MAY 1 8 1956

INTERIM REPORT

DMEA-3908, Idm-E902 (mica), STEVENSON MINE

Operator: Lloyd and Ted Stevenson, c/o Frank Phillips, Spruce Pine, N.C.

Location: 1.7 miles southeast of Hawk, Mitchell County, N. C.

No inspection made, shaft filled with water. Operator is installing electric pumping facilities. Shaft will be dewatered as soon as power line is completed.

Inspected: May 9, 1956

A. L. Peyton
A. L. Peyton, Mining Engineer
Bureau of Mines

A. R. Taylor /for
S. C. Bergman, Geologist
Geological Survey

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INTERIM REPORT

DMEA-3908, Idn-E902 - Mica, STEVENSON MINE

Operator: Lloyd and Ted Stevenson, c/o Frank Phillips, Spruce Pine, N. C.

Location: 1.7 miles southeast of Hawk, Mitchell County, N. C.

No inspection due to shaft being partially filled with water. Last measurement taken March 11, makes a total of 34 feet advance in shaft and/or incline.

Operator was instructed to dewater shaft and continue sinking.

April 25, 1956.

A. L. Peyton, Mining Engineer
Bureau of Mines

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RECEIVED
MAY 3 - 1956

INTERIM REPORT

DMEA-3908, Idm-E902 (mica) STEVENSON MINE

Operator: Lloyd and Ted Stevenson, c/o Frank Phillips, Spruce Pine, N. C.

Location: 1.7 miles southeast of Hawk, Mitchell County, N. C.

The Operator advanced 7 feet in the shaft during the past two weeks making a total of 34 feet of new shaft and of incline. Timbering manway is underway and about 50% complete. The Operator was instructed to continue sinking on pegmatite.

Progress is satisfactory.

Inspected: April 11, 1956

A. L. Peyton

A. L. Peyton, Mining Engineer
Bureau of Mines

S. C. Bergman

S. C. Bergman, Geologist
Geological Survey

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RECEIVED
APR 9 - 1956

INTERIM REPORT

DMEA-3908, Idm-E902-Mica, STEVENSON MINE

Operator: Lloyd and Ted Stevenson, c/o Frank Phillips, Spruce Pine, N. C.

Location: 1.7 miles southeast of Hawk, Mitchell County, North Carolina

The Operator cut 14 feet of incline to the southeast along the pegmatite. At this point the pegmatite turns down. The pegmatite exposed at this depth is considerably smaller than in the old works above.

Timber for manway and shaft had not been installed at the time of this visit.

Inspected: March 28, 1956

A. L. Peyton

A. L. Peyton, Mining Engineer
Bureau of Mines

S. C. Bergman

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

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INTERIM REPORT

DMEA#3908, Idm-E902 (mica) STEVENSON MINE

Operator: Lloyd and Ted Stevenson, c/o Frank Phillips, Spruce Pine, N. C.

Location: 1.7 miles southeast of Hawk, Mitchell County, North Carolina

The Operator has advanced 6 feet in shaft, making a total of 13 feet in new shaft work. A 12-foot hole drilled in bottom of shaft was in schist and or gneiss all the way. The Operator was instructed to start on pegmatite 6 feet above bottom of shaft and incline to the southeast, staying with the pegmatite. At this point the pegmatite changes from vertical to an incline to the southeast. About 300 pounds of mica recovered to date is fair quality.

The Operator has not complied with previous instructions to install timber and manway, says timber has not been delivered.

Inspected: March 14, 1956.

A. L. Peyton

A. L. Peyton, Mining Engineer
Bureau of Mines

S. C. Bergman

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

z

RECEIVED
MAR 12 1956

INTERIM REPORT

DMEA-3908, Idm-E902, STEVENSON MINE
(mica)

Operator: Lloyd and Ted Stevenson, c/o Frank Phillips, Spruce Pine, N. C.

Location: 1.7 miles southeast of Hawk, Mitchell County, North Carolina

The existing shaft has been dewatered and cleared of debris. Timbering and manway is not complete. Operator says timber hasbeen ordered and will be installed as soon as received. New shaft advance totals 7 feet. The new work is in pegmatite but no mica was observed. Operator was instructed to continue sinking.

Inspected: February 29, 1956

V. J. Lynch A. L. Peyton

V. J. Lynch and A. L. Peyton, Mining Engineers
U. S. Bureau of Mines

S. C. Bergman

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

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RECEIVED
FEB 27 1956

INTERIM REPORT

DMMA-3908, Idm-E902 (mica) STEVENSON MINE

Operator: Lloyd and Ted Stevenson, c/o Frank Phillips, Spruce Pine, N.C.

Location: 1.7 miles southeast of Hawk, Mitchell County, N. C.

Construction of toolhouse and magazines is complete. Rehabilitation of existing incline is underway and should be completed within one week. The Operator was reminded as to the necessity for a safe manway, which is to be installed as soon as rehabilitation will permit.

Inspected: February 15, 1956

A. L. Peyton

A. L. Peyton, Mining Engineer
Bureau of Mines

S. C. Bergman

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

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

February 2, 1956

Memorandum

To: Operating Committee, DMEA - Washington

From: DMEA Field Team, Region V - Knoxville, Tenn.

Subject: Signed Contract - Idm-E902, DMEA-3908, Lloyd and Ted Stevenson, Oakley Woody, and Frank W. Phillips, d/b/a Stevenson Mine, c/o Frank W. Phillips, Spruce Pine, N. C.

Transmitted are three signed copies of the subject contract.

The usual distribution of the other copies has been made by this office.

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

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

RECEIVED
FEB 13 1956

INTERIM REPORT

DMEA-3908, Idm-E902, (mica) STEVENSON MINE

Operators: Lloyd and Ted Stevenson, c/o Frank Phillips, Spruce Pine, N. C.

Location: 1.7 miles SE of Hawk, Mitchell County, North Carolina

The prospect was visited January 31, 1956, at which time all lumber and equipment had been moved to the work site. The Operators were in the process of building a hoist house. Pumping and shaft rehabilitation had not been started.

S. C. Bergman

January 31, 1956

S. C. Bergman, Geologist
Geological Survey

L. E. Shirley, Mining Engineer
Bureau of Mines

A. R. Taylor, Geologist
Geological Survey

z

Docket copy

Surname:

Houk

Houk
Indritz
Dwyer
Selfridge
Jackson
Mitchell

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

Rewritten by 140

DEC 19 1955

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

Re: Docket No. DMEA-3908 - Mica
Lloyd Stevenson, Ted Stevenson,
Oakley Woody and Frank W. Phillips
Joe Stevenson (W.C. Burleson) Mine
Mitchell County, North Carolina

Dear Mr. Laurence:

Reference is made to your telephone conversation of December 7, 1955, with Mr. L. G. Houk, on adding a provision under Article 13 of the long-form subject contract.

This letter is your authority to add the following statement in Article 13:

"The Government will contribute only to the necessary and reasonable costs of the project, but not in excess of 75% of: $53.30 per foot for shaft sinking and $40 per foot for drifting."

This procedure is to avoid the loss of time of returning the contract to this office and rewriting it. Future long-form contracts will be written on a fixed-cost-per-foot basis waiving all the schedules except labor, supervision, supplies, and equipment rental.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (DHB)

Approved:

/s/ Robert W. Geehan (DHB)

Member, Bureau of Mines

Thor H. Kiilsgaard (DHB)

Member, Geological Survey

LGHouk/PIndritz/emd 12/15/55
Copy to: DMEA Docket
Adm. R. File
Operating Comm.
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Dwyer
Mr. Indritz
chron
pending

R.S.S.

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

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

Subject: Docket No. DMEA-3908 - Mica
Lloyd Stevenson, Ted Stevenson,
Oakley Woody and Frank W. Phillips
Joe Stevenson (W.C.Burleson) Mine
Mitchell County, North Carolina

Dear Mr. Laurence:

Reference is made to your telephone conversation of December 7, 1955, with Mr. L. G. Houk, on adding a provision under Article 13 of the long form subject contract.

This letter is your authority to add the following statement in Article 13:

"The Government will contribute only to the necessary and reasonable costs of the project, [The Government participation is limited to $40 per foot for shaft sinking and $30 per foot for drifting."]

This procedure is to avoid the loss of time of returning the contract to this office and rewriting it. Future long form contracts will be written on a fixed cost per foot basis waiving all the schedules except labor, supervision, supplies, and equipment rental.

Sincerely yours,

Chairman, Operating Committee

Approved:

Member, Bureau of Mines

Member, Geological Survey

Docket Copy
Surname:
Houk

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

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

Subject: Docket No. DMEA-3908 - Miss Lloyd Stevenson, Ted Stevenson, Oakley Woody and Frank W. Phillips Joe Stevenson (W.C.Burleson) Mine Mitchell County, North Carolina

Dear Mr. Laurence:

Reference is made to your telephone conversation of December 7, 1955, with Mr. L. G. Houk, on adding a provision under Article 13 of the long form subject contract.

This letter is your authority to add the following statement in Article 13:

"The Government will contribute only to the necessary and reasonable costs of the project. The Government participation is limited to $40 per foot for shaft sinking and $30 per foot for drifting."

This procedure is to avoid the loss of time of returning the contract to this office and rewriting it. Future long form contracts will be written on a fixed cost per foot basis waiving all the schedules except labor, supervision, supplies, and equipment rental.

Sincerely yours,

Chairman, Operating Committee

Approved:

Member, Bureau of Mines

Member, Geological Survey

LGHouk:gad 12/13/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

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

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

Subject: Docket No. DMEA-3906 - Miss Lloyd Stevenson, Ted Stevenson, Oakley Woody and Frank W. Phillips Joe Stevenson (W.C.Burleson) Mine Mitchell County, North Carolina

Dear Mr. Laurence:

Reference is made to your telephone conversation of December 7, 1955, with Mr. L. G. Houk, on adding a provision under Article 13 of the long form subject contract.

This letter is your authority to add the following statement in Article 13:

"The Government will contribute only to the necessary and reasonable costs of the project. The Government participation is limited to $40 per foot for shaft sinking and $30 per foot for drifting."

This procedure is to avoid the loss of time of returning the contract to this office and rewriting it. Future long form contracts will be written on a fixed cost per foot basis waiving all the schedules except labor, supervision, supplies, and equipment rental.

Sincerely yours,

Reviewed by
DMEA OPERATING COMMITTEE

(date)

Approved:

Member, Bureau of Mines

Member, Geological Survey

Chairman, Operating Committee

LGHouk:gad 12/13/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

Docket Copy
Surname:
Anderson
Houk
Chambers
Selfridge
Hyman

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

DEC - 5 1955

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

Subject: Docket No. DMEA-3906 - Miss Lloyd Stevenson, Ted Stevenson, Oakley Woody and Frank W. Phillips Joe Stevenson (M.C.Burleson) 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 Administrator for the Government with effective date as shown. Two extra copies of "Exhibit A" are enclosed for the use of the Field Team.

If the contract meets with your approval present it to the Operators for approval and signature. 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.

Please bring to the attention of the Operators that this is an actual cost contract and they must keep copies of their payrolls and vouchers of purchases and get receipts for all cash payments not made by check. The original of the monthly Forms MF-104 must be supported by appropriate documentary evidence of the costs claimed.

This contract automatically makes maximums of the totals shown in Categories IV and VI but not the individual items in Category VI. Other maximums are shown by an asterisk.

After execution of the contract, the copies are to be distributed in the usual manner. Copies of memoranda dated September 13 and 15, 1955, by Mr. N. E. Nelson, USGS, and Mr. W. F. Dietrich, USBM, respectively, relating to the project are enclosed.

Approved:

Robert W. Geehan
Director, Bureau of Mines

Thor H. Kiilsgaard
Director, Geological Survey

Enclosures 12

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee

WCAnderson:gad 11/29/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

R.C.S.

EXPLORATION PROJECT CONTRACT
STEVENSON MINE
DOCKET NO. DMEA-3908

ANNEX I

The land referred to in Article 2 of the contract form is known as the Joe Stevenson (W. C. Burleson) Mine and is situate in Cane Creek Township on the headwaters of Cane Creek on the northeast side of White Rock Ridge, 1.7 miles southeast of Hawk, North Carolina, in Mitchell County, and is more fully described as follows:

From ~~Beginning at~~ a point marked "X" on the map referred to in Exhibit "A," and running north 200 feet, thence west 800 feet, thence south 400 feet, thence east 1600 feet, thence north 400 feet, thence west 800 feet, ~~thence south 200 feet~~ to the point of beginning, containing 15 acres, more or less.

to the point of beginning,

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

Estimated Costs of the Project

(In addition to the maximum set forth in the contract form, an asterisk indicates maximum.)

Category (1)	Independent Contracts - None	
Category (2)	Personal Services	
	(a) Supervision - None	
	(b) Technical Services - None	$3,350.00
	(c) Labor	~~$2,950.00~~
	Miners @ $1.50/hour*	
	Hoistman @ $1.25/hour*	
	Laborers @ $1.00/hour*	
Category (3)	Operating Materials and Supplies	1,542.50
Category (4)	Operating Equipment	
	(a) Rental	
	1 Compressor, 1 drill, 1 pump @ $240/mo.	1,020.00
	1 Hoist @ $50/mo.	212.50
	1 Jackleg @ $10/mo.	25.00
Category (5)	Initial Rehabilitation and Repairs	
	(a) Initial rehabilitation and repairs of existing buildings, fixtures, and installations	
	None	
	(b) Initial rehabilitation and repairs of operating equipment	None
	~~Rehabilitation of existing incline~~	~~$100.00~~
Category (6)	New buildings, fixtures, and installations	
	Toolhouse, powder magazine, and exploder magazine 1/	116.00

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

RECEIVED
NOV - 4 1955

November 2, 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region V - Knoxville

Subject: DMEA-3908 (mica) Lloyd Stevenson, Ted Stevenson, Oakley Woody and Frank W. Phillips, applicants. Stevenson Mine, Mitchell County, N. C.

There are attached three copies of a lease and six copies of Consent to Lien on the subject application, these were requested in your letter to Mr. Frank W. Phillips dated October 24.

Robert A. Laurence

Robert A. Laurence

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1050 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

RECEIVED
NOV - 4 1955

November 2, 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region V - Knoxville

Subject: DMEA-3908 (mica) Lloyd Stevenson, Ted Stevenson, Oakley Woody and Frank W. Phillips, applicants. Stevenson Mine, Mitchell County, N. C.

There are attached three copies of a lease and six copies of Consent to Lien on the subject application, these were requested in your letter to Mr. Frank W. Phillips dated October 24.

Robert A. Laurence

RM.
cc:
Lynch
Shirley
Files

MINING LEASE

RECEIVED NOV - 4 1955

State of North Carolina Mitchell County:

This indenture made this 1st day of September, 1955 ~~1952~~.

between Arthur Stevenson and wife Electa Stevenson

of Mitchell County and State of North Carolina as party of the first part, and known as lessor~~s~~ and Ted Stevenson, Lloyd Stevenson, Oakley Woody & Frank Phillips

of Mitchell County and State of North Carolina, party of the second part and known as lessee.

WITNESSETH, That the part~~y~~ies of the first part in consideration of One Dollar in hand received and hereby acknowledged by the lessor~~s~~, 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: A certain mica mine in Cane Creek Township and one the head waters of Cane Creek, known as the Joe Stevenson mica mine, 800 feet each way ~~from the branch, running with the mica vein~~ and 400 feet wide, so as to include all the mica vein. ~~It is understood and agreed between the grantees~~ herein named that Frank Phillips is to furnish all the equipment, gas and ~~explosives for the successful~~ operation of said mine and is to have a one half ~~interest in this lease and a one half interest in the net proceeds derived~~ from the operation thereof

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 part~~y~~ies of the first part, or his or their heirs or assigns, a rental royalty of One eighth on all mica taken from and sold from said mine

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~~s~~ 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~~s~~. 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:

Thomas McKinney

Kenneth R McKinney

Com Exp 8/17/57

Oakley Woody

Arthur Stevenson (Seal)

Electa Stevenson (Seal)

Ted Stevenson (Seal)

Lloyd Stevenson

Frank W. Phillips

STATE OF NORTH CAROLINA,
MITCHELL COUNTY.

Personally appeared before me this day, Arthur Stevenson and wife Electa Stavenson, the grantors named in the within lease, who acknowledged that they signed and executed the same for the use and purposes therein expressed.

Witness my hand this the 9th day of September, 1955.

Brown McKinney
J.P.

STATE OF NORTH CAROLINA
MITCHELL COUNTY

The foregoing certificate of Brown McKinney, a Justice of the Peace of Mitchell County, with his official seal attached, is adjudged to be correct.

Let the instrument, with the certificates be registered. This the 9 day of Sept, 1955.

C. P. Greene
Clerk of the Superior Court

Filed for Registration on the 9 day of Sept. 1955 at 10:10 o'clock A M., and Registered in the office of the Register of Deeds for Mitchell County, N. C. this 9 day of Sept 1955 at ____ o'clock ____ M., in Book 17 of Deeds, on Page 199 etc.

Bill Mosta
Register of Deeds

MINING LEASE

RECEIVED
NOV - 4 1955

State of North Carolina [illegible] County:

This indenture made this 1st day of September, 1955, 1953, between Arthur Stevenson and wife Electa Stevenson of Mitchell County and State of North Carolina as party of the first part, and known as lessor, and Ted Stevenson, Lloyd Stevenson, Oatley Woody & Frank Phillips of Mitchell County and State of North Carolina, party of the second part and known as lessee.

WITNESSETH, That the part 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: A certain tract of land in Grassy Creek [illegible] adjoining the lands of the Grassy Creek, known as the Joe Stevenson mica vein, 100 feet on a way from the branch, including with the mica vein all to that which, [illegible] include all the mica vein, it is understood and agreed between the parties hereto, based that Frank Phillips is to furnish all the equipment, [illegible] explosives for the successful operation of said mine and to have a 5% interest in said lease and a [illegible] interest in the net proceeds derived from the operation thereof.

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 part of the first part, or his or their heirs or assigns, a rental royalty of Ten cents on all mica taken from and sold and sold and

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:

Tom McKinney

Oatley Woody

Arthur Stevenson (Seal)

Electa Stevenson (Seal)

Ted Stevenson (Seal)

Lloyd Stevenson

Frank W. Phillips

MINING LEASE

RECEIVED
NOV - 4 1955

State of North Carolina Mitchell County:

This indenture made this 1st day of September, 1955 ~~19~~, between Arthur Stevenson and wife Electa Stevenson of Mitchell County and State of North Carolina as party of the first part, and known as lessor and Ted Stevenson, Lloyd Stevenson, Oakley Woody & Frank Phillips of Mitchell County and State of North Carolina, party of the second part and known as lessee.

WITNESSETH, That the part~~y~~ies of the first part in consideration of One Dollar in hand received and hereby acknowledged by the lessor~~s~~, 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: A certain mica mine in Cane Creek Township and one the head waters of Cane Creek, known as the Joe Stevenson mica mine, 600 feet each way from the branch, running with the mica vein and 400 feet wide, so as to include all the mica vein. It is understood and agreed between the grantees herein named that Frank Phillips is to furnish all the equipment, gas and explosives for the successful operation of said mine and is to have a one half interest in this lease and a one half interest in the net proceeds derived from the operation thereof

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 part~~y~~ies of the first part, or his or their heirs or assigns, a rental royalty of One eighth on all mica taken from and sold from said mine

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~~s~~ 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~~s~~. 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:
Tom McKinney

Oakley Woody
Arthur Stevenson (Seal)
Electa Stevenson (Seal)
Ted Stevenson (Seal)
Lloyd Stevenson
Frank W. Phillips

STATE OF NORTH CAROLINA,
MITCHELL COUNTY.

Personally appeared before me this day, Arthur Stevenson and wife Electa Stevenson, the grantors named in the within lease, who acknowledged that they signed and executed the same for the use and purposes therein expressed.

Witness my hand this the 1st day of September, 1955.

Thos McKinney Jr

Docket Copy
Surname:
Anderson
J. Okasure

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

OCT 24 1955

Mr. Frank W. Phillips
Stevenson Mine
Spruce Pine, North Carolina

Re: Docket No. DMEA-3908 - Mica
Lloyd Stevenson, Ted Stevenson,
Oakley Woody and Frank W. Phillips
Stevenson Mine
Mitchell County, North Carolina

Dear Mr. Phillips:

On September 21, 1955, we wrote you a letter requesting that you submit a new lease and Consent to Lien, executed by the owner, covering an area of approximately five acres. We explained that these documents must contain an adequate land description, i. e., the bearings and distances of the boundary lines which enclose the property and, also refer to a permanent and identifiable landmark, natural or artificial, such as the center of a shaft, adit portal, building, benchmark, etc. To date we have not received a reply to our letter and we assume that you no longer desire to proceed with the application.

We wish to cooperate with you in the matter of allowing ample time to obtain this information but if this requested data are not received by December 1, 1955, we will then remove the application from the active file and consider the matter closed.

Sincerely yours,

Frank E. Johnson

Acting Administrator

WCAnderson:gad 10/24/55
Copy to: Admr. R. File
Docket
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Anderson

Docket Copy
Surname:
Anderson
F L Knouse
F E Johnson

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

Mr. Frank W. Phillips
Stevenson Mine
Spruce Pine, North Carolina

SEP 21 1955

Re: Docket No. DMEA-3908 - Mica
Lloyd Stevenson, Ted Stevenson,
Oakley Woody and Frank W. Phillips
Stevenson Mine
Mitchell County, North Carolina

Dear Mr. Phillips:

Reference is made to your application for Government assistance to explore the subject property.

On August 9, 1955, you and Messrs. John Phillips, Oakley Woody and Ted Stevenson accompanied the Government examiners on the inspection of the Stevenson Mine. At that time the examiners requested that you submit a new lease and Owner's Consent to Lien covering an area of approximately five acres. To date, we have not received these documents. These documents must contain an adequate land description, i.e., the bearings and distances of the boundary lines which enclose the property and, also refer to a permanent and identifiable landmark, natural or artificial, such as the center of a shaft, adit portal, building, benchmark, etc.

A prompt delivery of these documents will enable us to continue processing your application.

Sincerely yours,

(S) F. L. Knouse

Frederick L. Knouse, Acting Chief,
Nonmetallic Minerals Division

WCAnderson:gad 9/21/55
Copy to: Admr. R. File
Docket
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Anderson

F. C. S.

nca

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

RECEIVED
SEP 16 1955

September 15, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-3908 (mica)

Applicant: F. Stevenson, T. Stevenson, O. Woody, F. Phillips.

Name and Location of Property: Joe Stevenson Mine, Mitchell Co., N. C.

Date of Field Team Report: 8/9/55

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 9/13/55

Field Team Recommendation: Recommend a unit-cost exploration program at a cost of $6,714.00.

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 for a unit-cost exploration program.

W. F. Dietrich

W. F. Dietrich

Mr. Knowd
Mr. Goodwin

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
ROOM 13 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

12

September 8, 1955

Memorandum

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

From: Field Team, DMEA, Region V

Subject: Field Examination Report, DMEA-3908 (Mica)
Floyd Stevenson, Ted Stevenson, Oakley Woody, and Frank Phillips.
Joe Stevenson mine, Mitchell County, North Carolina

Enclosed are four copies of the subject report, and nine extra copies of the map.

We agree that additional work at this mine is warranted, and recommend approval of a unit-cost contract as outlined in the report.

As present information indicates that this plan is preferable to continuation of work abandoned by previous Operators under DMEA-2524, we do not think the new applicant should be required to assume liability for repayment of money paid under that contract.

Robert A. Laurence
Robert A. Laurence
Executive Officer

V. J. Lynch
V. J. Lynch
Member, DMEA Field Team

Reviewed by
DMEA OPERATING COMMITTEE
9-14-55
(date)

RECEIVED
SEP 12 1955

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM, REGION V

On

DMEA-3908, JOE STEVENSON (W. C. Burleson) Mine
(mica) Mitchell County, North Carolina

BY

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

August 9, 1955

Reviewed by
DMEA OPERATING COMMITTEE
9-14-55
(date)

FIELD EXAMINATION REPORT
ON
DMEA-3908 (mica) JOE STEVENSON MINE, (W. C. Burleson Mine)

Applicants: Floyd Stevenson, Ted Stevenson, and Oakley Woody, Bakersville, N. C., and Frank Phillips, Spruce Pine, N. C. c/o Frank Phillips.

This is an old mine from which considerable production has been obtained in the past. Additional reserves of strategic mica are probably present.

The deposit was examined on August 9, 1955. Messrs. Frank Phillips, John Phillips, Oakley Woody, and Ted Stevenson accompanied the examiners on the examination which required two hours.

The Joe Stevenson (W. C. Burleson) Mine is on the northeast side of White Rock Ridge, 1.7 miles southeast of Hawk, Mitchell County, N. C. Access is possible at all times by car to within about 200 yards of the mine. A jeep can reach the mine at all times.

All applicants appear to be competent to conduct the proposed work. Area under lease as shown in the application is too small for the proposed project. The applicants were instructed to secure ~~and~~ an area of approximately 5 acres. This will require a new or an amended lease. Also new Owner's Consent to Lien were requested.

There are no facilities on the property. Much of the following description of the mine is taken from a manuscript report prepared in March 1945 by James R. Wolfe, Jr., of the U. S. G. S.

"The mine was discovered about 1900 and worked by Bailey Burleson and Mr. McGlossun.

"Joe Stevenson and Jess Ledford operated the mine in 1930 or 1931, and obtained a large amount of mica, probably from the stope crossed by section D-D'. The mine was reportedly rich in mica under the roll in the hanging wall shown in section D-D'.

"In 1932, Jesse McKinney, Frank Fortner, and Ed Fortner worked the mine for about three months, and though they obtained a considerable amount of mica the prices were too low for profitable production at that time. In 1939 and 1940 Ed Vance and Will Green worked the mine. They enlarged and then mined from the large middle cut. This venture met with only moderate success.

"Dewey Buchanan and Jack, Lee, and Jesse McKinney worked the mine from June 1942 until June 1944. Operations were profitable except during the last three months. The east end of the main stope was worked and

the 35-foot winze was sunk. Acme Mines, Inc., (Mrs. Ogburn Spoon) opened the mine on September 25, 1944 and worked until early in 1945.

"The principal workings form a large stope that is 45 feet wide and extends 125 feet west-southwest. It is divided into two levels by pillars and a loft. The stope is inclined about 35° to the south-southeast and is worked from two inclines that rake across it at a lesser angle and trend midway between the strike and direction of dip of the pegmatite. A long pillar separates the two inclines into east and west parts, which open respectively into east and west cuts that extend along the strike of the pegmatite for about 50 and 70 feet. The workings are about 10 feet in average height, as measured normal to the dip.

"Just north of the main stope a small stope (10 x 27 feet) extends south-southwest from the center of the west cut. At the west end of the west cut is an incline to the small (north) stope below. A winze at the east end of the east cut is reported to have been sunk down the dip of the pegmatite for about 35 feet. It pitches 70° south, and is now flooded. About 25 feet northwest of the west cut is a small slumped prospect cut about 15 feet long, from which a short adit may have extended southeast."

During late 1942 Buchanan and Buchanan deepened an existing 15-foot pit to 49 feet on the extreme northeast end of the area. Little production resulted from this work (DMEA-2524, Idm-E430).

"The area around the mine is underlain by three types of country rock; hornblende gneiss, mica-garnet gneiss, and biotite gneiss, listed in order of decreasing distance from the pegmatite. Most of the outcrops consist of hornblende gneiss, alothough many loose blocks of mica-garnet gneiss lie on the hillside south of the cuts. The rock in immediate contact with the pegmatite is biotite gneiss.

"The country rock foliation strikes east with slight variations, and dips 45° to 85° south. This attitude is rather uniform, except where the foliation rolls over the top of the intrusive at the west end of the cuts. Here the rock strikes about north and dips 30° west.

"Numerous joints are present, the largest of which generally strike slightly east of south and dip 80° to 85° east."

"The pegmatite is a rather large, tabular body that strikes about east-northeast and generally dips moderately southeast. The strike is uniform, but the dip ranges from nearly horizontal to 60°. This variation id due to the step-like shape of the footwall, and to rolls and projections in the hanging wall (see sections). The pegmatite also has a steeper average dip in lower, south and southwest parts of the stope. The average dip of the country rock on the surface to the south is much steeper than the average dip of the pegmatite. Thus, at still lower

levels the intrusive may continue to dip as steeply as in the lower part of the workings. If this is true, the chances for encountering rich mica concentrations in a down-dip direction are lessened, as they seem to be concentrated chiefly in the more gently dipping part of the pegmatite.

"The pegmatite body is 10 to 15 feet thick, and has been exposed along the strike for 165 feet. It seems to be pinching down rapidly on the east end, but possibly thickens slightly on the west end. No rake or plunge can be observed. Numerous rolls in the hanging wall are generally parallel to the strike; their axes pitch gently, both to the northeast and to the southwest. Southwest pitches are more common.

"The pegmatite is generally concordant, although locally it cuts across the foliation of gneiss projections in the hanging wall. Contacts with the country rock are sharp. Small masses of quartz in the country rock may have been formed through the action of pegmatite solutions. Several tabular inclusions of biotite gneiss that are 1 to 2 feet thick and about 10 feet long strike parallel with the intrusive but dip 40° to 50° northwest, and hence directly across the intrusive. Their arrangement suggests that they represent country rock projections that were broken off during injection of the pegmatite and carried away in the moving material, leaving the bases of the projections still noticeable on the wall farther down dip (see sections A-a' and D-D'). Other thin, tabular inclusions lie parallel and close to the hanging wall (see the upper part of section A-A').

"The pegmatite contains the following minerals, listed in decreasing order of their abundance: plagioclase, microcline, quartz, muscovite, biotite, apatite, sericite, garnet, pyrite, and hyalite. Most of the plagioclase is white, but some is blue-gray in color and shows twinning. Quartz is fairly abundant in small particles throughout the pegmatite. Graphic granite occurs in the small north stope and blocks of massive gray quartz are present on the adjacent dump. A white, granular, sugary type of massive quartz is also on the dump. The biotite generally occurs as thin books and ruled strips about 2 inches wide. The apatite in the sugary quartz occurs as small, fractured, clear blue to blue-green crystals. A considerable amount of bright green sericite is present in the pegmatite, and is generally concentrated near garnet aggregates. Many pink and red garnets are present in some of the feldspar masses. Most are very small but some are as large as half an inch. All are fractured. Small flakes of pyrite are present. A little light green hyalite occurs as thin sheets on fracture surfaces in the massive gray quartz from the small north stope.

"The pegmatite may be divided into four or more zones. Along the hanging wall in most places is a border zone of fine-grained plagioclase-quartz pegmatite, generally 1 to 1½ feet thick. This zone is absent locally from the hanging wall and is not present in any of the limited footwall exposures. Where well developed, it includes many thin streaks

of fine-grained mica, quartz, and garnet that alternate with plagioclase-quartz pegmatite, and hence may be considered as a complex of several zones too thin to map separately. The resemblance of the thicker mica streaks to the thin, partly recrystallized ends of gneiss inclusions suggests a xenolithic origin for at least some of the material in such streaks.

" Below the border zone in may places is a discontinuous wall zone that consists mainly of coarser-grained plagioclase and quartz, with abundant scrap mica and a moderate amount of sheet (ruby) muscovite. This zone, generally 1 to 2 feet thick is as much as 4½ feet thick in a few places and lenses out entirely elsewhere. Locally it lies directly against the hanging wall or footwall (see section D-D'), but in other places it seems to be separated from the border zone or gneiss walls by portions of the intermediate zone. This apparently anomalous relation is well shown in one place (see section A-A') where the mica zone blends away from a point near the hanging wall and cuts directly across the pegmatite a little below three detached projections of the hanging-wall gneiss. It probably is related to masses of country rock not exposed in the present face.

" The main bulk of the pegmatite as now exposed is an intermediate zone consisting of plagioclase, microcline, and quartz of irregular but fairly coarse texture. It averages about 10 feet in thickness and in the center of the mine forms the entire cross section of the pegmatite. At the southwest end of the mine (see section A-A' and B-B') this rock type forms a thin layer along the border zone. A few isolated muscovite books of fair size are scattered throughout the intermediate zone.

" In the small north stope a coarsely crystalline mass of graphic granite about 7 feet thick occupies the center of the pegmatite. Green muscovite is associated with it. This probably constitutes an inner imtermediate zone, but may be the core itself or a part of it. The abundant massive quartz on the dump may represent the true core. No definite core material was found in place, though patches of quartz on the northwest wall near section line A-A' may be remnants of such a core.

" Ruby mica is concentrated mainly in the discontinuous wall zone 1 or 2 feet below the hanging wall. The outer portion of the mine, where the pegmatite dipped gently, have been most productive, especially under broadly arched rolls of the hanging wall (see northwest ends of sections B-B', C-C', and D-D'). The steeper southwest and down-dip parts of the pegmatite were relatively lean. A less important sheet mica concentration occurs locally a little above the footwall along the flat bench in the upper part of the main stope (section B-B', and C-C'). At places within the intermediate zone mica is sufficiently concentrated to be minable. Some green mica occurs with the graphic granite.

"Most of the sheet mica produced is ruby, the green being mainly scrap. A moderate amount of the mica is stained by iron oxide, generally as small specks but also as films a quarter of an inch across. There are some garnet and quartz intergrowths across the mica cleavage planes. Moderate amounts of ruling and haircracks are present. The mica is flat and usually free splitting.

"The W. C. Burleson mica mine seems to have fair future possibilities. The mine has been profitably worked by a number of operators, though the last operation by Acme Mines, Inc. probably was conducted at a loss. This probably was the result of mining lean ore rather than inefficiency or difficulties in mining. As mentioned above, much of the mica was concentrated in that part of the pegmatite near the hanging-wall contact, and where the hanging wall formed a broad, flattened roll. Where the dip was steep, the mica was sparse. The dip of the hanging wall steepens, both down dip to the south and along the strike to the west, and the present headings are rather barren. The thickness of the pegmatite exposed in the headings suggests that a large part of the body is as yet unmined.

"The mica concentrations at the Burleson mine appear to be controlled by the structure of the pegmatite, particularly the hanging-wall structure; hence, one might expect to find more mica concentrations if other favorable structures could be found. The three best chances of finding a favorable structure probably would involve (1) the sinking of an inclined winze straight down the dip of the pegmatite, (2) driving west-southwest along the flat roll in the small northwest stope, or (3) the deepening of the inclined winze to the east.

"The winze might be sunk at the foot of the incline extending from the east cut (see the point where section C-C' crosses the south wall of the stope). In this lower part of the mine near section C-C', the hanging wall was reported to be "rolling back" so that it dipped northeast. By analogy to rolls at higher levels, this might indicate a steep roll in the hanging wall before a leveling roll to the southwest. The purpose in driving west-southwest in the northwest adit would be to determine whether the hanging-wall roll would broaden westward as it does eastward. If the roll does broaden to the west, a rich mica concentration might be found beneath the hanging wall. The mica is reported to be fairly rich in the lower east end of the main stope. The winze to the east was sunk to mine this area with more efficient haulage. However, the winze never was sunk far enough, owing to labor shortage. It might be deepened to furnish access to the reported mica-rich area below."

This mine's production during World War II was 12,964.88 pounds of mica which was sold to the Colonial Mica Corporation for $20,789.52.

The applicants and the examiners are in agreement that recommendation No. 3 above will be the least costly method to use in exploring the

deposit. Furthermore, if it is successful, muck can be handled most efficiently by this method. The examiners recommend the open cut (it is in rock) and 35-foot incline be dewatered, cleaned out, partitioned and ladders installed and deepened an additional 50 feet. The incline should follow the hanging wall contact. From the incline 100 feet of level is recommended. Also the small stream will need to be diverted around the open cut.

The above program is recommended rather than continuing work from the 49-foot shaft sunk under DMEA-2524 because it appears to offer more promise of making a significant discovery. Furthermore the bottom of the incline is deeper than the bottom of the 49-foot shaft.

Estimated Cost:

Divert stream, dewater and clean out existing open cut and 35-foot incline; Install a separate manway in incline $400.00

Construct:

Toolhouse	76.00
Powder magazine	25.00
Exploder "	13.00

Deepen 35-foot incline 50 feet following hanging wall contact (35 shifts)

Labor:

1 Miner @ $1.50/hr.	$420.00	$21.00/ft.
1 Hoistman @ $1.25/hr	350.00	
1 Laborer @ $1.00/hr.	280.00	
	1050	

Equipment (rental)

Compressor, drill & pump @ $240/Mo.	420.00	10.15
Hoist @ $50/Mo.	87.50	

Supplies:

Timber, 1 M. b. f. @ $65/M	65.00	1.30
Explosives	225.00	4.50
Drill steel	100.00	2.00
Gasoline and oil	117.00	2.34
Small tools and pipe	100.00	2.00
Miscellaneous	170.50	3.40
Compensation insurance	105.00	3.30
Unemployment Ins. & Social Sec.	40.00	
Sales Tax	20.00	$2,500.00

50.00

Drive 100 feet of level (50 shifts)

2 f 1 sh

Labor:

1 - Miner @ $1.50/hr.	$600.00	19.00
1 - Hoistman @ $1.25/hr.	500.00	
2 - Laborers @ $1.00/hr.	800.00	
	1900	

Equipment (rental)

Compressor, pump, drill and jackleg @ $250/Mo	625.00	7.50
Hoist @ $50/Mo.	125.00	

Supplies:

Explosives	300.00	- 3.00
Drill steel	100.00	- 1.00
Gasoline and oil	175.00	- 1.75
Small tools and pipe	100.00	- 1.00
Miscellaneous	90.00	- .90
Compensation Insurance	190.00	2.85
Unemployment Ins. & Social Sec.	75.00	
Sales tax	20.00	$3,700.00

37.00

Estimated Total Cost..... $6,714.00

Examined: August 9, 1955

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

and

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

IN REPLY REFER TO:

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

RECEIVED
SEP 14 1955

September 13, 1955

Re: DMEA 3908
Floyd Stevenson and others
Joe Stevenson (W. C. Burleson) Mine
Mitchell Co., N. C.
$6,714.00 - Mica

Memorandum

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

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

Subject: Review of Field Team report.

The work now proposed for this relatively large and twisty pegmatite, by the examiners, is one of three suggestions for exploration made by J. R. Wolfe, Jr. It appears to be the easiest way to explore the pegmatite and the location for the shaft is probably as good as any if the 49-foot shaft cannot be utilized.

Accepting the section on the 49-foot shaft which accompanies the Final Report on DMEA-2524 as reasonably factual, and not diagrammatic, a favorable "flat" in the hanging wall may be indicated. Presumedly the possibility did not appeal to the operators under Idm-E430.

I concur with the acceptance recommendation of the Field Team.

N. E. Nelson

N. E. Nelson

Docket Copy
Surname:
Anderson
I Kerouac
W Williams
Martin
Hymson

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

AUG 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-3928 - Mica
Lloyd Stevenson, Ted Stevenson,
Oakley Woody and Frank W. Phillips
Stevenson Mine
Mitchell County, North Carolina

Dear Mr. Laurence:

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

If the applicants plan to use the 25-foot shaft sunk under a previous contract (ISm-7430, DMEA-2524), or if the work done under the previous contract will benefit the proposed exploration work, the applicants should be advised that they will be required to assume the obligation to repay the Government's contribution which amounted to $1,125.00.

We are returning the applicants' lease, as it does not contain an adequate land description. The applicants should furnish a lease and six copies of Consent to Lien containing an adequate legal description of the land.

If your office recommends an exploration program approved by the applicants, please furnish the necessary information to draft a contract. In this connection, nine copies of a map showing the proposed work and pegmatite exposures in relation to the property lines will be required.

Copies of memoranda from Mr. H. R. Nelson of the Geological Survey, dated August 1, 1955, and from Mr. W. F. Dietrich of the Bureau of Mines, dated August 1, 1955, are enclosed for your information.

Sincerely yours,

Approved:

O. M. Bishop (SHB)
Member, Bureau of Mines

/s/ W. P. Williams (SHB)
Member, Geological Survey

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

WCAnderson:gad 8/9/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Anderson

Enclosures 4

Docket Copy
Surname:
Anderson
J. L. Keome
Williams
Bishop
Martin
Jefferson

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

600

AUG 10 1955

Stevenson Mine
C/O Mr. Frank W. Phillips
Spruce Pine, North Carolina

Re: Docket No. DMEA-3908 - Mica
Lloyd Stevenson, Ted Stevenson,
Oakley Woody, and Frank W.
Phillips
Stevenson Mine
Mitchell County, North Carolina

Gentlemen:

Your application for assistance in exploring the subject property has been reviewed by the Nonmetallic Minerals Division of the Defense Minerals Exploration Administration and has been referred to Mr. Robert A. Laurence, Executive Officer, DMEA Field Team, Region 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 you may give the members of the Field Team during the examination will be appreciated.

Sincerely yours,

C. O. Mittendorf

Administrator

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

P.C.L.

IN REPLY REFER TO:

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

RECEIVED
AUG - 3 1955

August 1, 1955

Re: DMEA 3908
Lloyd Stevenson, et al.
Stevenson Mine
Mitchell Co., N. C.
$6,000 - Mica

Memorandum

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

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

Subject: Review of Application.

This property was the scene of work under Idm-E430, DMEA 2524. The contract was terminated in 1953 by mutual agreement, following the refusal of the contractors to proceed with the drifting. The Final Field Team report, dated September 16, 1953, says "The operators abandoned the project before it was brought to completion. That portion of the project completed failed to discover a worthwhile deposit of mica; therefore, no certificate of discovery should be issued." The report also says "Approximately 800 pounds of book mica was obtained from the incline, about 50 percent was green in color." No estimate as to its value is given and none is reported sold. An Interim Report dated February 10, 1953, says "It was suggested that they continue, carrying out the drifting as set up in the contract because to the NE of the shaft location and along the strike of the pegmatite, there are certainly good indications of mica bearing pegmatite at surface level." The present application says "The mine had produced a reasonable quantity of high quality mica for what work had been done.

In view of the varying opinions the decision should be made by the Field Team. A contract that would complete the older program would appear to be in order.

Referral to the Field Team is recommended.

N. E. Nelson

N. E. Nelson

Mr F
Mr A.

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

RECEIVED
AUG - 1 1955

August 1, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA - 3908 (mica)

Applicant: L. Stevenson, T. Stevenson, O. Woody, F. W. Phillips

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

Date Application Rec'd. by Br. of Ceram. and Fert. Materials: July 26, 1955

Comments:

1. This property was prospected under DMEA-2524 but the project was abandoned prior to completion.

2. From the limited information presented, it is difficult to determine if an exploration program is justified or if the proposed plan would be the best method of explorating this property.

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

July 26, 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-3908 Stevenson Mine

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

July 26, 1955
Subject: DMEA-3908
Re: Exploration Assistance
Stevenson Mine

Stevenson Mine
c/o Frank W. Phillips
Spruce Pine, N.C.

Gentlemen:

The receipt of your application dated July 18, 1955 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA-3908 and referred to the Nonmetallic 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

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

RECEIVED
JUL 22 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. 3908
Metal or Mineral Mica
Date Received 7-22-55
Estimated Cost None
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: STEVENSON MINE c/o Frank W. Phillips, Spruce Pine, N.C.

partnership { Lloyd Stevenson, Bakersville, N C
Ted Stevenson, Bakersville, N C
Oakley Woody, Bakersville, N C
Frank W. Phillips, Spruce Pine, N C

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

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

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

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

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

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

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

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

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

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

(*c*) Describe the geologic features of the property, including mineralization, type of deposit (vein, bedded, etc.) and your asons for wishing to explore. Illustrate with maps or sketches. Send with your application [illegible] necessary [illegible] a part it) any geologic or engineering report, assay maps, or other technologic information you may have, indicating on each ether you require its return to you.

(*d*) State the facts with respect to the accessibility of the project: Access roads, distances to shipping [illegible] and residence ats.

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

RECEIVED
JUL 20 1955
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.
16—66551-1

5. *The exploration project.*—(*a*) State the mineral or minerals for which you wish to explore ---------- 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 ----5---- days and be completed within ----12---- months from the date of an exploration project contract.

(*d*) State the operating experience and background of the applicant with relation to the ability to carry out such exploration project, and also that of the person or persons who will supervise the operations.

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

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

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

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

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

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

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

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

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

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

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

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

☐ Money ☒ Use of equipment owned by you ☒ Other

Explain in detail on acompanying paper.

CERTIFICATION

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

Dated ----July 18----, 1955

Steve nson Mine
(Applicant)

By Frank N. Phillips

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

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

RECEIVED
JUL 22 1955

July 20, 1955

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Applications: Moulton Mining Co. (mica) and Stevenson Mine (mica) North Carolina

Enclosed are three copies of each of the subject applications, as received from applicants. One copy of each lease is included.

We have kept the fourth copies of the applications for our use.

Please note that the Stevenson Mine was partially explored under DMEA-2524, Idm-E430, W. C. Burleson Mine. The Operators of that contract abandoned the work without satisfactory explanation. So far as we know, no further work has been done.

We are requesting that both applicants submit Owner's Consent to Lien.

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

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

STEVENSON MINE

RECEIVED
JUL 22 1955

4. It is our understanding that the Defense Minerals Exploration Adm. has had a recent contract on this mine and that the operators gave it up. The mine had produced a rea sonable quanity of high quality mica for what work has been done.

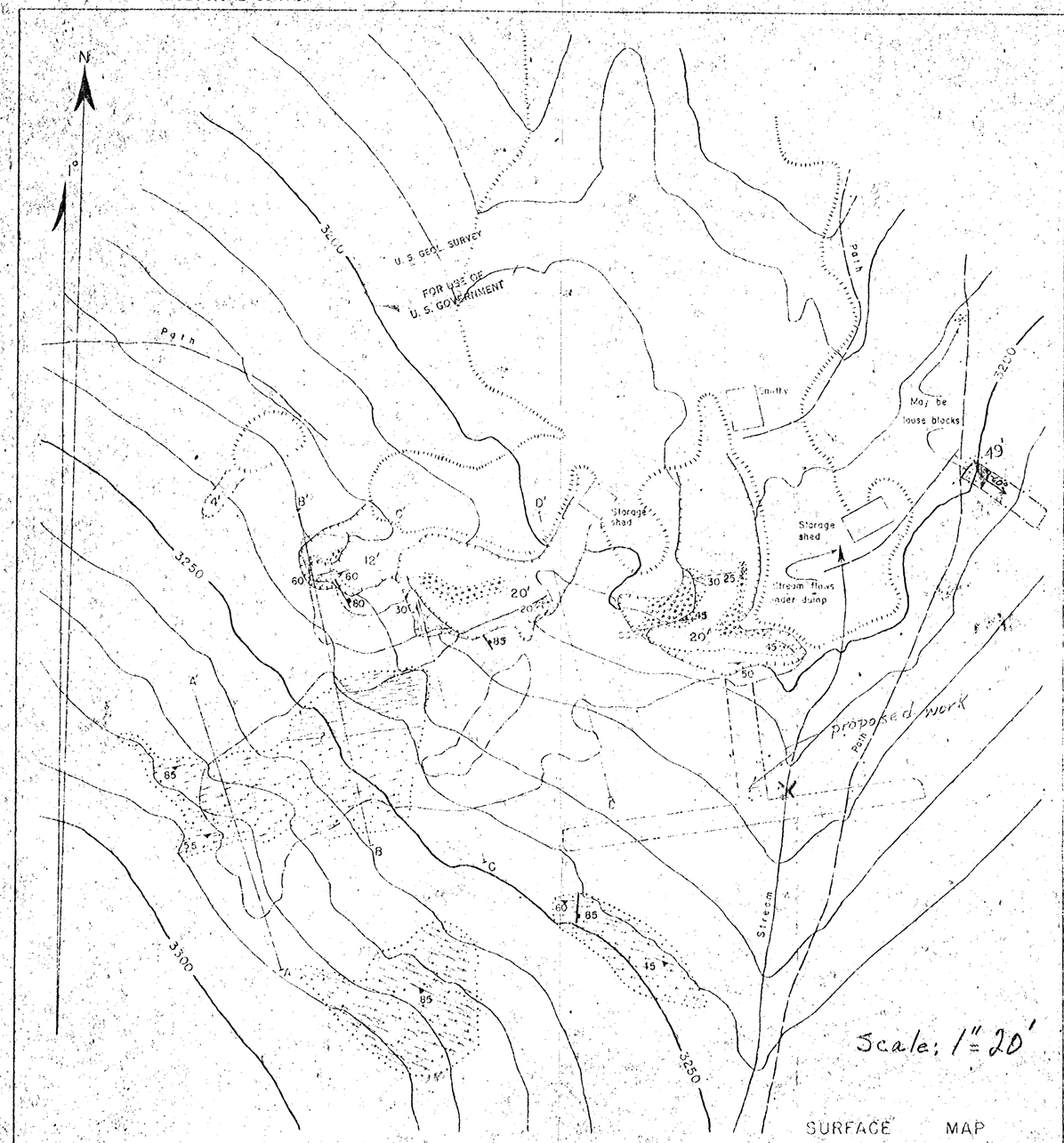
We have equipment and labor available.

We wpuld like to sink a shaft 50 ft. @ $50.00 ----- $2500.00

and drift 100 ft. @ $35.00 ----- $3500.00

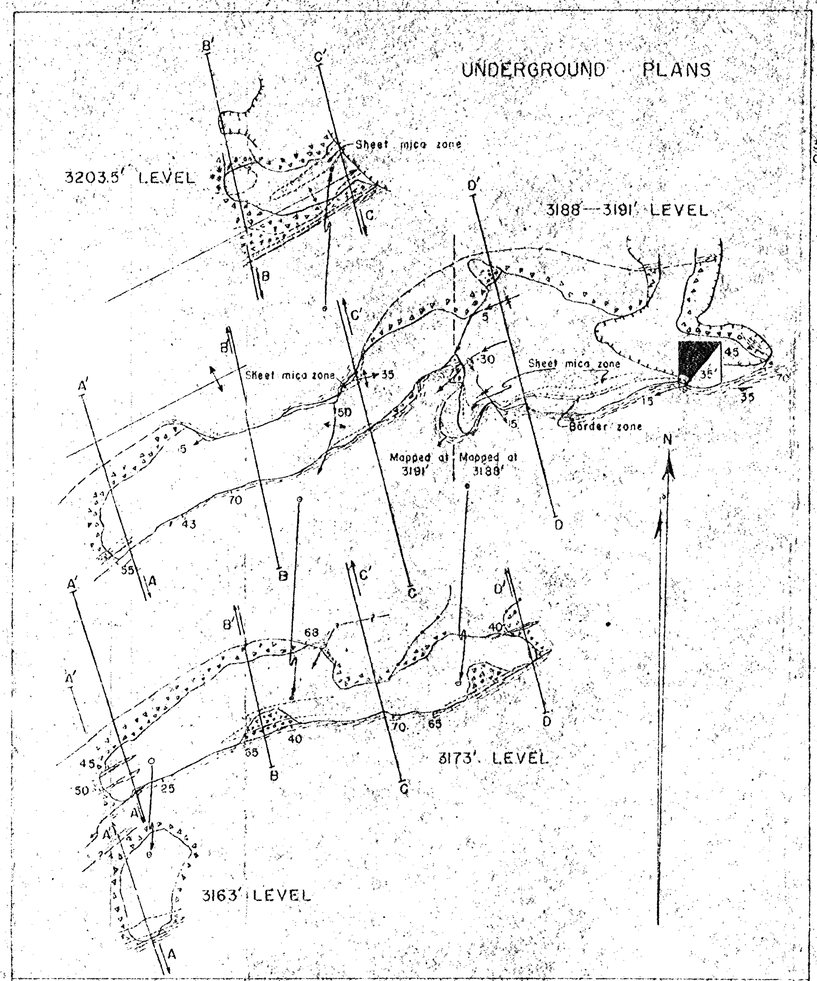
UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

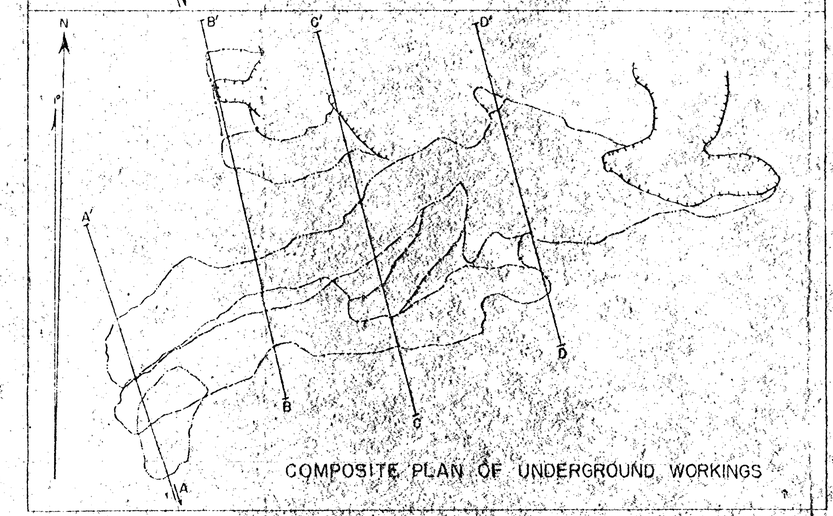
STRATEGIC MINERALS INVESTIGATIONS
PRELIMINARY MAP



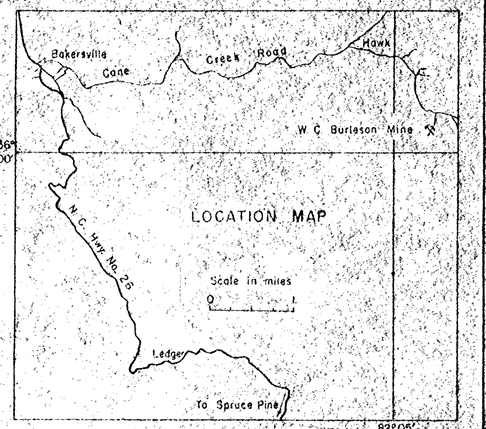
SURFACE MAP

W. C. Burleson Mica Mine





COMPOSITE PLAN OF UNDERGROUND WORKINGS



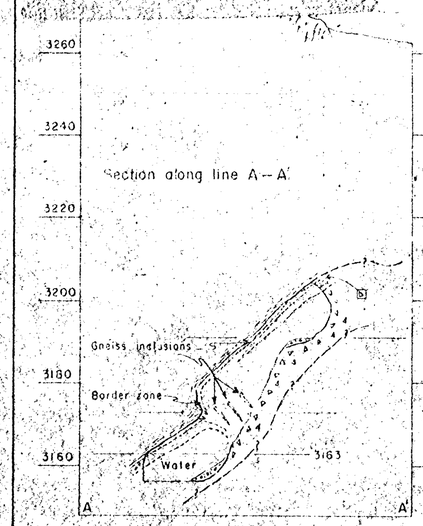
EXPLANATION

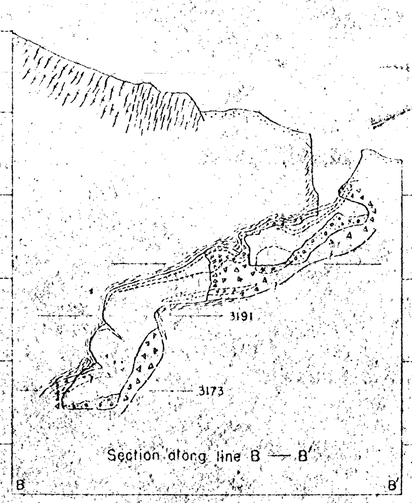
- Muck
- Overburden
- Graphic granite
- Plagioclase – quartz – microcline pegmatite
- Plagioclase – quartz pegmatite containing sheet mica
- Border zone
- Biotite gneiss
- Mica – garnet gneiss
- Hornblende gneiss
- 60 Strike and dip of foliation
- 85 Strike and dip of joint
- 50 Pitch of rail in pegmatite contact
- 50 Axis of minor anticline, showing pitch
- 5 Axis of minor syncline, showing pitch
- 55 Contact, with dip
- Approximate contact
- Inferred contact
- Exposed contact between pegmatite units
- Inferred contact between pegmatite units
- Limit of exposure
- 4' Rim of excavation, showing depth
- Outline of dump
- Outlines of mapped levels:
  - 3163' level
  - 3173' level
  - 3188-3191' level
  - 3203.5' level
- Intermediate levels
- Outer limits of underground workings (surface map)
- Approximate outline of underground workings
- 35' Shaft, showing depth

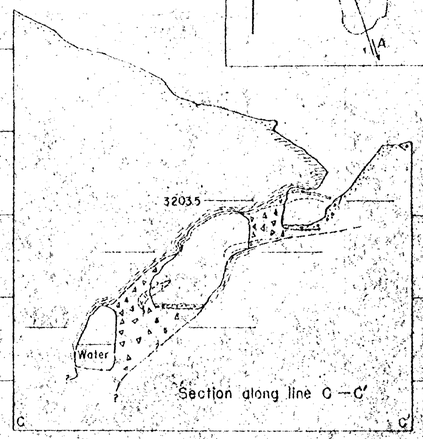
Mapped by: U. S. GOVERNMENT
J. B. Hadley
J. R. Wolfe, Jr.
W. P. Irwin
R. W. Lemke

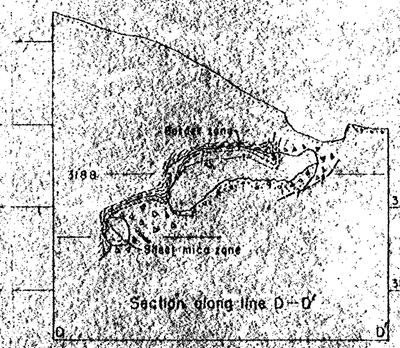
December 1944 and January 1945

Prepared in cooperation with the North Carolina Department of Conservation and Development









Scale in feet
20 10 20 40 60 80 100
Contour interval 10 feet. Datum assumed

DMEA-3908 (mica)

W. C. BURLESON MICA MINE, MITCHELL COUNTY, NORTH CAROLINA