DMEA 4145

DOCKET INDEX

ACTION DOCUMENTS

1. APPLICATION DATE RECEIVED 1-26-56

2. CONTRACT DATE 4-23-56

3. TERMINATION AGREEMENT: DATE

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

4. CERTIFICATION DATE

5. AUDIT REPORT DATE

6. AMENDMENTS - NUMBERS DATE

Docket Copy

MF-200A
(Rev. April 1956)

RECEIVED
JUL 18 1956

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

| *DMEA No.* | *Commodity* | *Contract No. Idm–E* | *County* | *State* |
|---|---|---|---|---|
| 4145 | Mica | 975 | Mitchell | North Carolina |

It is agreed JUL 23 1956, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Ed Huskins

whose mailing address is Route 3
Bakersville, North Carolina
hereinafter called the "Operator," as follows:

ARTICLE 1. *Authority and project.*—(a) This contract is entered into under the authority of the Defense Production Act of 1950, as amended. It consists of this form (MF–200A), the attached Annex I (land description), Exhibit A (work and costs), and the maps and documents listed therein. The project work is a search for indicated or undeveloped deposits of the commodity designated above. The Operator shall begin the work on or before ....., and, subject to the provisions of Article 7 and Exhibit A, shall complete the work within seven months from the date of the contract.

(b) The description of the work and the fixed cost for each unit of work to be performed (per foot of drilling, per foot of drifting, per hour of operations, etc.) are hereby agreed upon as specified in Exhibit A. The estimated total cost of the project work is $4,104.00. The Government will contribute 75 percent of the fixed unit cost of the work performed, not exceeding $3,078.00, in accordance with the provisions of Articles 4 and 5.

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

ARTICLE 2. *Operator's property rights.*—(a) The Operator represents and undertakes that Annex I correctly describes the land which is the subject of this contract and the nature of the Operator's rights of property and possession therein (whether as owner, lessee, or otherwise), and that such right, title, or interest is subject only to the following claims, liens, or encumbrances: Royalty as set forth in the lease

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

(c) 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. 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. Two copies of such instrument shall be furnished to the Government. If the Government's rights to royalty as provided in Article 6 have been terminated, the provisions of this paragraph (c) shall become inapplicable.

ARTICLE 3. *Performance of the work.*—(a) Operator's responsibility.—The work shall be performed diligently, efficiently, expertly, in a workmanlike manner, and in accordance with good mining standards and State regulations governing health, safety, and liability insurance covering employment. The Operator shall provide suitable and adequate equipment, facilities, materials, supplies, and labor to complete the work, as specified in Article 1 (a).

(b) *Government may inspect.*—The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract, and also after 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 4. *Contribution by the Government.*—The Government will make its contribution on the basis of the monthly vouchers referred to in Article 5 (b); but all payments by the Government are provisional only, subject to audit, and until the account between the Operator and the Government is finally audited and settled and the Operator's final report has been rendered, the Government may withhold such sums as it sees fit but not in excess of 10 percent of the estimated total cost of the work. To the extent that excesses over fixed unit costs or any excess over the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such excesses for his own account without contribution by the Government. The Government will not contribute to the cost of any work performed prior to the date of this contract. The Government may make payments for the account of the Operator directly to independent contractors and suppliers rather than to the Operator.

ARTICLE 5. *Reports, accounts, audits.*—(a) Operator's records.—The Operator shall keep suitable records and accounts of the units of work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine all pertinent books, documents, papers, and records of the Operator.

(b) *Progress reports and vouchers.*—The Operator shall provide the Government with five copies of monthly progress reports in three sections as follows: (1) Operator's Monthly Report and Voucher showing a detailed statement of units of work performed during the reporting period; (2) Operator's Unit Cost and Progress Report showing the various types of work performed during the reporting period and the fixed unit costs incurred for each type of work; and (3) a Narrative Report of the work performed during the reporting period including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground. (Forms for reporting under (1) and (2) above will be provided by the Government.)

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

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

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

ARTICLE 6. *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 the Operator has rendered a sufficient final report (see Article 5), 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 (for example, if the Operator either transfers or fails to retain his interest in the land), 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, for 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, 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, but excluding fabricating or manufacturing) applied to the crude ore or other production after it is extracted from the ground to put it into a commercially marketable form.

(d) *Unsold production.*—If any production (ore, concentrates, metal, or equivalent) after the lapse of six months from the date the ore was extracted from the ground remains neither sold nor used by the Operator in integrated manufacturing or fabricating operations (for instance, if it is stockpiled), the Government, at its option, as long as it so remains, may require the computation and payment of its royalty on the value of such production in the form (ore, concentrates, metal, or equivalent) it is in when the Government elects to require computation and payment. If any production is used by the Operator in integrated manufacturing or fabricating operations before the Government makes its election, the Government's royalty on such production shall be computed on the value thereof in the form in which and at the time 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 7. *Termination of the Government's obligations.*—(a) If in the opinion of the Government operations at any time have failed to achieve anticipated results that indicate the probability of making a worthwhile discovery and in the opinion of the Government further operations are not justified, the Government may give the Operator written notice thereof, and thereupon the Government shall be free of all obligation to pay on account of units of work not then performed, and the Operator shall be free of all further obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting.

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

(c) The giving of any notice by the Government under the provisions of this Article 7 shall not affect the Government's rights as provided for in the contract with respect to a percentage royalty, and liens to secure the payment thereof, and such rights shall be fully preserved.

ARTICLE 8. *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 the mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 9. *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 10. *Changes and added provisions.*—

.....

.....

.....

.....

.....

.....

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

ED HUSKINS
(Operator)

By Frank E. Johnson
ACTING Administrator, Defense Minerals Exploration Administration

By Ed Huskins

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: 1956—O-383069

Indentg 6/19/56
Thompson
"Appd. Sol. Off."
Hopkins
Houk
Chambers
Selfridge
FE Johnson

EXPLORATION PROJECT CONTRACT
ED HUSKINS
DOCKET NO. DMEA-4145

ANNEX I

The land referred to in Article 2 of the Contract is held by the Operator under a lease and is described as follows:

Beginning on an iron stake at the center of what is known as the George Prospect which is located 250' N.W. of another iron stake; and running 250' North; thence 250' West; thence 500' South; thence 500' East; thence 500' North; thence 250' West to a point of closing. This property located about 1½ miles N.W. of C. R. Phillips' store at Wing, N.C.

MF-203
Revised March 24, 1955

RECEIVED
JAN 26 1956

For Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator
Docket No. DMEA-
Contract No. Idm-E 975
Contract Date JUL 23 1956

CONSENT TO LIEN

To the United States of America:

Referring to that certain land in the County of Mitchell, State of North Carolina, described as follows:1/ Beginning on an iron stake at the center of what is known as the George Prospect which is located 230' N.W. of another iron stake; and running 250' North; thence 250' West; thence 500' South; thence 500' East; thence 500' North; thence 250' West to a point of closing. This property located about 1½ miles N.W. of C. R. Phillips' Store at Wing, N.C.,

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/

None

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

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

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

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

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

5. Added provision: _____

Dated this 24th day of January, 1956.

George Boone [Seal] Bakersville, Rt. 3, N.C.

Bill Willis [Seal] Bakersville, Rt. 3, N.C.

_____ [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]

EXPLORATION PROJECT CONTRACT
MD HUSKINS
DOCKET NO. DMEA-4145

RECEIVED
JUL 1 6 1958

EXHIBIT "A"

Description of the Work

The location of the work is shown in part on the map entitled, "George Prospect, Mitchell County, N. C. DMEA-4145 (Mica)" attached hereto and made a part hereof. The work consists of the following:

1. Construct:

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

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

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

The toolhouse may be unfloored; shall be made from 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 doors shall be securely locked with the equivalent of a 5-tumbler jarproof lock.

2. Excavate an entry road into the property having approximate dimensions of 150 feet long by 8 feet wide by 2 feet deep.

3. Excavate a portal site for a proposed adit having approximate dimensions of 40 feet long by 20 feet wide and averaging 15 feet in depth.

4. Drive not more than 120 feet of drift, crosscut and/or incline having minimum cross-sectional dimensions of 5 feet by 7 feet in the clear of timber.

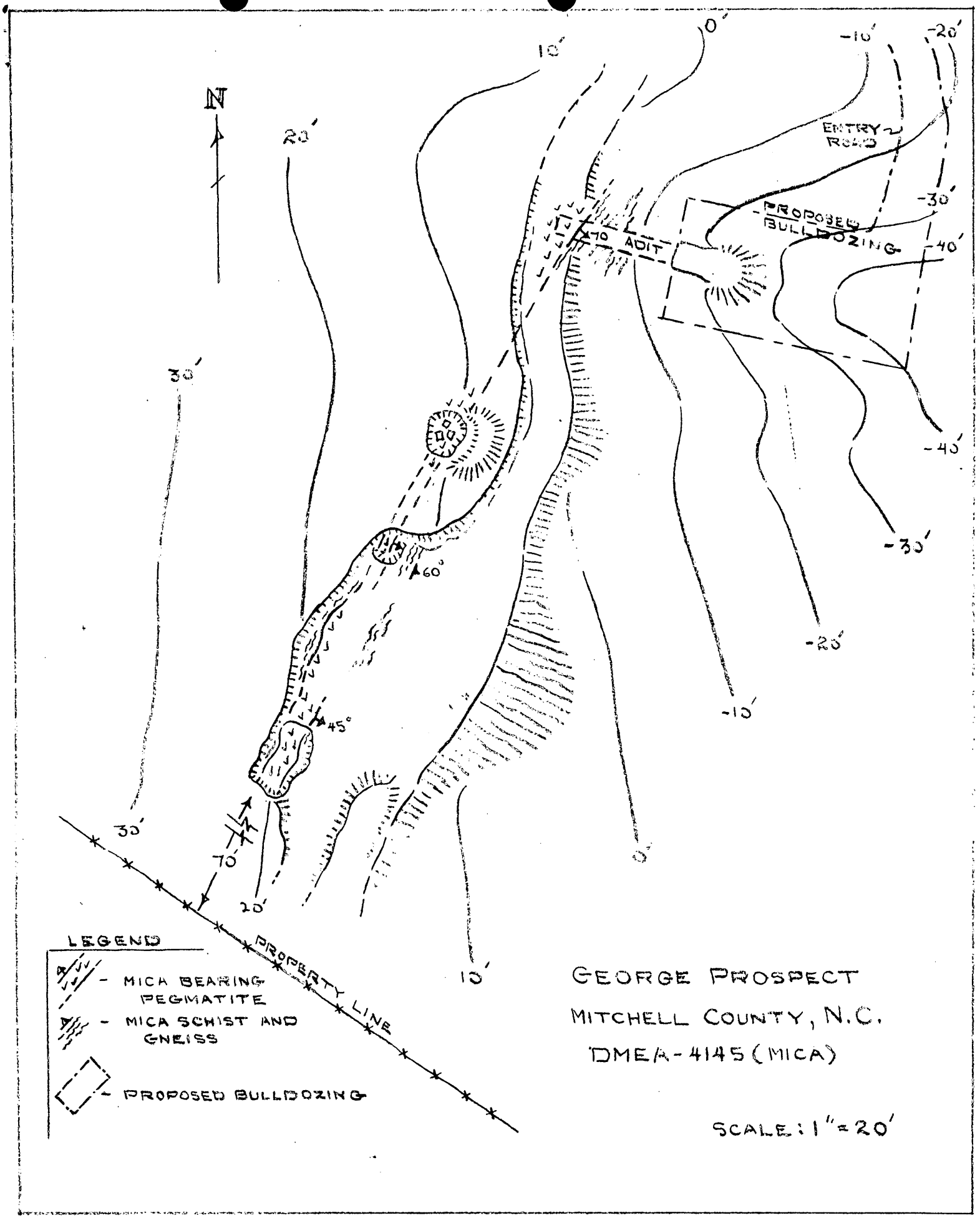
The location, direction, inclination, and extent of all work are subject to the approval of the Government.

All work shall be timbered as necessary.

## Fixed Unit Costs

| | | | |
|---|---|---|---|
| 1. | Construct: | | |
| | A Toolhouse | $75.00 | |
| | An Exploder Magazine | 13.00 | |
| | A Powder Magazine | 25.00 | $ 113.00 |
| 2. | Excavate entry road 150 feet by 8 feet by 2 feet, 89 cubic yards @ $0.20/cu. yd. | | 17.80 |
| 3. | Excavate portal site 40 feet by 20 feet by 15 feet, 444 cubic yards @ $0.30 cu. yd. | | 133.20 |
| 4. | Drive 120 feet of drift and/or crosscut and/or incline @ $32.00/ft. | | 3,840.00 |
| | Estimated Total Cost of Project | | $4,104.00 |
| | Government Participation @ 75% | | $3,078.00 |

$1.00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ENTRY ROAD
PROPOSED BULLDOZING
70 ADIT
60°
45°
70'
PROPERTY LINE
LEGEND
- MICA BEARING PEGMATITE
- MICA SCHIST AND GNEISS
- PROPOSED BULLDOZING
GEORGE PROSPECT
MITCHELL COUNTY, N.C.
DMEA-4145 (MICA)
SCALE: 1" = 20'

DMA Form 1

DEFENSE MINERALS ADMINISTRATION
Control Slip

## CONTROLLED DOCUMENT

DMA Docket No. 4145

## DO NOT DETACH THIS SLIP

Action on this document is recorded and controlled in Reports and Records Branch. Any movement of this document between divisions or offices of DMA or movement outside DMA must be reported to the Reports and Records Branch. Actions taken that affect status of the case must also be reported.

This document has been recorded as

Exploration

Any action taken to change the type of request for assistance must be promptly reported to the Reports and Records Branch. Use DMA Form 2 for submitting these reports.

Cys. GS, BM, Region V

Routing Slip

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| To: | 600 | Date | 1/26/56 |
| To: | Hopkins | Date | 1/30/56 |
| To: | Oper Com | Date | 2-6-56 |
| To: | COM | Date | 2-6-56 |
| To: | Oper Com | Date | 5-4-56 |
| To: | F.E. Johnson | Date | 5-7-56 |
| To: | COM | Date | 5-7-56 |
| To: | Oper Com | Date | 6-25-56 |
| To: | F.E. Johnson | Date | 6-27-56 |
| To: | COM | Date | 6-27-56 |
| To: | Oper Com | Date | 7-20-56 |
| To: | F.E. Johnson | Date | 7-20-56 |
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## DO NOT DETACH

## CONTROLLED DOCUMENT

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| DATE OF REQUEST | ACCESSION NO. | FOR RECORDS CENTER USE ONLY<br>LOCATION OF RECORD(S) TO BE SEARCHED |
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TO (Mail in window envelope)

General Services Administration
Federal Records Center, NARS

(City) (Zone) (State)

NATURE OF SERVICE

☐ FURNISH COPY OF RECORD(S) ONLY ☐ PERMANENT WITHDRAWAL

☐ OTHER (Specify) _____

FOR RECORDS CENTER USE ONLY

☐ RECORDS NOT IN CENTER CUSTODY ☐ MISSING (Neither record(s), information nor charge card found in container(s) specified)

☐ RECORDS PREVIOUSLY CHARGED OUT TO (Name, agency and date):

| SERVICE | TOTAL | TIME REQUIRED | SEARCHER'S INITIALS |
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| DOCUMENT | 1 | | |
| INFORMATION | | | |
| RESEARCH | | | |

REMARKS

FOR USE OF REQUESTER

NAME OF REQUESTER: Mrs Curtin

TELEPHONE NO.: 183 - 5348

NAME AND ADDRESS OF AGENCY (Include bldg. and room No.): 4450 Outreach

RECEIPT OF RECORDS

REQUESTER PLEASE SIGN, DATE, AND RETURN THIS FORM, FOR FILE ITEM(S) LISTED ABOVE, ONLY IF THE BLOCK TO RIGHT HAS BEEN CHECKED BY THE RECORDS CENTER..... ☐

| SIGNATURE | DATE |
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OPTIONAL FORM NO. 11
JULY 1959
PRESCRIBED BY
GEN. SERVICES ADMIN.
REG. 3—IV—302.07

REFERENCE REQUEST—FEDERAL RECORDS CENTERS

5011—101

7

OFFICIAL FILE COPY

| Date | Surname | Code |
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| 5/3 | Anderson | 600 |
| 5/3 | Houk | 600 |
| 5-6 | Chambers | 800 |
| 5/6 | Selfridge | 120 |
| " | Johnson | 110 |
| " | Mittendorf | 100 |
| 5/6 | C | 220 |
| | | 225 |
| | | |

600

6 MAY 1957

Mr. Ed Huskins
Route 3
Bakersville, North Carolina

Re: Docket No. DMEA-4145-Mica
Ed Huskins
George Prospect
Mitchell County, North Carolina
Contract No. Idm-E975

Dear Mr. Huskins:

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

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

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

Sincerely yours,

C. O. Mittendorf (fw)

Administrator

WCAnderson:rsi 5/2/57
Copy to: Admr. R. File
Mr. Chambers
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Bill Willis
Mr. George Boone

8623

orm 7
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OFFICIAL FILE COPY

| Date | Surname | Code |
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| 5/3 | Anderson | 600 |
| 5/3 | Houk | 600 |
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| " | Mittendorf | 100 |
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| | | 225 |
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600

6 MAY 1957

Mr. George Boone
Route 3
Bakersville, North Carolina

Re: Docket No. DMEA-4145-Mica
Ed Huskins
George Prospect
Mitchell County, North Carolina
Contract No. Idm-E975

Dear Mr. Boone:

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

This correspondence relates to the Consent to Lien signed by you on January 24, 1956.

Sincerely yours,

C. O. Mittendorf (fw)

Administrator

Enclosure

WCAnderson:rsi 5/2/57
Copy to: Admr. R. File
Mr. Chambers
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

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OFFICIAL FILE COPY

| Date | Surname | Code |
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| 5/3 | Anderson | 600 |
| 5/3 | Houk | 600 |
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| 5/6 | Selfridge | 120 |
| " | Johnson | 110 |
| " | Mittendorf | 100 |
| 5/6 | C | 220 |
| | | 225 |
| | | |

600

6 MAY 1957

Mr. Bill Willis
Route 3
Bakersville, North Carolina

Re: Docket No. DMEA-4145-Mica
Ed Huskins
George Prospect
Mitchell County, North Carolina
Contract No. Idm-E975

Dear Mr. Willis:

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

This correspondence relates to the Consent to Lien signed by you on January 24, 1956.

Sincerely yours,

C. O. Mittendorf (for)

Administrator

Enclosure

WCAnderson:rsi 5/2/57
Copy to: Admr. R. File
Mr. Chambers
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

OFFICIAL FILE COPY

| Date | Surname | Code |
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| 5/2 | Anderson | 600 |
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600

May 2, 1957

Project Summary Report

By: Walter C. Anderson, Nonmetallic Minerals Division

1. Docket No. DMEA-4145-Mica
Contract No. Idm-E975
George Prospect
Mitchell County, North Carolina

Application: Form MF-103(April, 1952) received January 26, 1956.

Work proposed by Applicant:

| | |
|---|---|
| 30 hours of bulldozing @ $10.00/hr. | $300.00 |
| 70 feet of shaft @ $50.00/hr. | 3,500.00 |
| 80 feet of drift @ $35.00/ft. | 2,800.00 |
| | $6,600.00 |

Operator: Ed Huskins
Route 3, Bakersville, North Carolina

Operator's Property Rights: Five year mining lease on the Boone and Willis property consisting of 5 plus acres, dated January 24, 1956. Consent to Lien of lessors, dated January 24, 1956.

2. Contract: Form MF-200A(April, 1956) dated July 23, 1956.

Work Authorized:

| | |
|---|---|
| Construction - Toolhouse, powder and Exploder magazine | $113.00 |
| Excavation - entry road and portal site | 151.00 |
| 120 feet of drift and/or crosscut @ $32.00/ft. | 3,840.00 |
| Estimated total cost of project | $4,104.00 |
| Government participation @ 75% | $3,078.00 |

Amendments: None.

Work completed: Same as authorized.
Work began August 10, 1956, and was completed September 28, 1956.
Field Team Final Report received December 26, 1956.
Operator's Final Report, dated October 5, 1956, received October 10, 1956. No equipment purchased under contract.

3. Audit: Report of Review issued February 8, 1957.

| | |
|---|---|
| Total accepted cost | $4,104.00 |
| Government participation @ 75% | $3,078.00 |

8623

4. Certification of Discovery or Development: None issued. 1250 pounds of inferior mica produced during operation, from which mica was processed and sold, netting a total of $3.28 royalty. By memorandum of April 15, Field Team states this represents entire production.

5. Comments:
How Conducted: All of the work in which the Government participated was acceptable.
Operation: Good.
Engineering: Reporting by Operator was about average, room for improvement.

Geologic Premise: The abundance of mica noted in the surface exposure of the pegmatite is lacking in the lower workings, although the continuity of the pegmatite was proven by the work.

Geologic Criteria upon which work was based:

1. Pegmatite: Irregular, undulating, dike like, 2½ to 5 feet thick, inferred strikelength continuity of 110 feet, conformably emplaced in a contorted, highly weathered mica schist and gneiss.
2. Mica: 5 to 20% by volume of the pegmatite of marginal grade mica.

Geologic Criteria developed during project:

1. Pegmatite: Concordant, unzoned, kaolinized, fine-grained, quartz deficient, 6 feet thick and exposed for 92 feet along strike in drift. Composed of plagioclase, perthite, graphic granite, some quartz lenses with muscovite, biotite and sericite.
2. Country-rock: Semi to highly weathered hornblende-biotite gneiss, some mica schist zones.
3. Mica: Small amount of inferior grade.
4. Production: See paragraph #4.

Future Possibilities: Field engineers point out "fine-textured body with graphic-granite and perthite has proven to be of no economic importance in respect to strategic mica."

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

W. C. Anderson

W. C. Anderson
Nonmetallic Minerals Division

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

OFFICIAL FILE COPY
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April 15, 1957

Memorandum

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

From: Executive Officer, DMEA Field Team, Region V, Knoxville, Tenn.

Subject: DMEA-4145, Idm-E975, Ed Huskins, George Prospect, Mitchell County, North Carolina.

Reference is made to your letter of April 5, 1957, regarding royalties from the subject contract.

Mr. Beck checked on this while in Spruce Pine last week. A sale of 1250 pounds of hand cobbed mica was made to the depot on October 8, 1956. After being processed its total value was $65.67. Royalty in the amount of $3.28 has been paid on this the only sale made from production from this prospect.

The 1250 pounds sold in this sale was comprised of 920 pounds from the George Prospect and 330 pounds from the R. B. Phillips Mine. In order to bring the George Prospect mica up to a saleable grade, the R. B. Phillips mica was added. The Operator paid $89.10 or 27¢ per pound for it or $23.40 more than he received for the entire sale.

As stated above this is the only sale made from the property.

Robert A. Laurence

Robert A. Laurence

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| 4/3 | Anderson | 600 |
| 4/3 | Dark | 600 |
| 4-4 | Chamber | 800 |
| 4/5 | Selfridge | 130 |
| " | Lemmon | 110 |
| " | Northrop | 100 |
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| | | 225 |
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600

APR 5 - 1957

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

Re: Docket No. DMEA-4145-Mica
Ed Huskins
George Prospect
Mitchell County, North Carolina
Contract No. Idm-E975

Dear Mr. Laurence:

Reference is made to the subject contract and to the Field Team's recommendation not to certify.

The Field Team reported that about 1,200 pounds of inferior block muscovite was recovered during the operation, value of which is unknown. Royalties from production up to December 28, 1956, the date of the last payment of royalties, amounted to $3.28.

In order to close out this docket, it will be appreciated if you will report whether the royalty paid accounts for the production during the operation and whether any other production has been made up to April 5, 1957.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (2/B)

Approved:

Frank D. Lamb (2/B)
Member, Bureau of Mines

Thor H. Kiilsgaard (2/B)
Member, Geological Survey

WCAnderson:gad 4/3/57
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.
ROOM POST OFFICE BLDG.
KNOXVILLE 2, TENN.

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February 6, 1957

Memorandum

To: Jay L. Chambers, Chief Contract Admin. & Audit Div.

From: Executive Officer, DMEA- Region V

Subject: Reports of Review.

Reference is made to your letter of January 28.

Idm-E687, DMEA-3256, Glenn C. Rathburn

Construction of the powder magazine and cap magazine were reported in the interim report for September 24, 1954. Verification of the 28-feet of drifting claimed by the Operator is reported in my memorandum to you dated January 25, 1957. The Operator's final report and final MP-104 were forwarded on January 28.

Idm-E975, DMEA-4145, Ed Huskins

Total amount of excavation, as verified by our field examiners, was 100 cubic yards for the road and 475 cubic yards in portal site preparation. The excess over the contract amounts was at the Operator's own expense.

Idm-E914, DMEA-3855, Wm. G. Reynolds, will be discussed in a separate memorandum.

Robert A. Laurence

RAL/nm
Opr. Com.-2
Lynch
Files
Shirley

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

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January 7, 1957

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: W. F. Dietrich, Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-4145 (mica)

Applicant: Ed Huskins

Name and Location of Property: George Prospect, Mitchell County, N. C.

Contract Number: Idm-E 975

Date of Field Team Report: 12/21/56

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 1/2/57

Field Team Recommendation: Recommend no certification.

Comments:

1. This prospect produced about 1,200 pounds of inferior block muscovite during exploration work.
2. The quantity of mica rapidly diminishes with depth.
3. Possibility for discovery of a worthwhile deposit of strategic mica is considered poor.
4. Expenditures -

| | |
|---|---|
| Total approved | $4,104.00 |
| Total cost of project | 4,104.00 |
| Govt. share of the cost | 3,078.00 |
| Value of production | Unknown |
| Royalty paid to date | 2.50 |

Recommendation:

I concur with the recommendation of the field team that this prospect not be certified.

W. F. Dietrich

W. F. Dietrich

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

IN REPLY REFER TO:

OFFICIAL FILE COPY
DMEA
RECEIVED JAN 4 1957

| DATE | INITIALS | CODE |
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| 1/4 | C | 220 |

January 3, 1957
Re: DMEA 4145 Idm-E975
Ed Huskins
George Prospect
Mitchell County, N. C.
$4,104.00(Approved) - Mica

Memorandum

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

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

Subject: Review of Field Team Final Report

The applicant was awarded a contract approving the expenditure of $4,104.00 in exploring a newly discovered pegmatite. At the outcrop abundant mica is to be seen.

A crosscut to the pegmatite 28 feet long showed the pegmatite to be 6 feet thick but lacking in mica, and the showing in the 92-foot drift is no better. The drift is only 25-30 feet below the outcrop. About 1,200 pounds of poor mica was recovered and $50.00 worth was sold.

Because of the unfavorable results, the examiners and the Field Team recommend that no certificate of discovery be issued.

I concur with the recommendation.

N. E. Nelson

N. E. Nelson

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

H

December 21, 1956

RECEIVED DEC 26 1956 D.M.E.A.

Memorandum

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

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

Subject: Field Team Final Report - Ed Huskins, Bakersville, N. C.
Docket No. DMEA-4145, Contract Idm-E975 (Mica)
George Prospect, Mitchell County, North Carolina

Transmitted are the original and three copies of the subject report.

The Field Team agrees with the field examiners' recommendation that this not be certified.

V. J. Lynch
V. J. Lynch
Acting Executive Officer

Helmuth Wedow
Helmuth Wedow, Geologist
U. S. Geological Survey

Enclosures 4

Reviewed by
DMEA OPERATING COMMITTEE
12/31/56
(date)

UNITED STATES

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

# FINAL REPORT

FIELD TEAM, REGION V

On

DMEA-4145, Idm-E975 (mica) GEORGE PROSPECT
Mitchell County, North Carolina

By

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

and

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

December 20, 1956

Reviewed by
DMEA OPERATING COMMITTEE
12/31/56
(date)

FINAL REPORT

DMEA FIELD TEAM, REGION V

DMEA-4145, Idm-E975 (mica) GEORGE PROSPECT

Mitchell County, North Carolina

Operator: Ed Huskins, Route 3, Bakersville, North Carolina

## Summary

About 1200 pounds of inferior block muscovite were recovered from 120 feet of crosscut and drift. No further exploration is warranted. Certification is not recommended.

## Introduction

### Location

This prospect is on a southeastern slope of Burns Mountain in Snow Creek Township, Mitchell County, North Carolina, and 0.94 air miles N. 44° W. of Wing (Micaville Quad., N. C., TVA, 1/24,000).

### Works

Work began August 10, 1956, and was completed satisfactorily September 28, 1956. An access road and a portal site were excavated; facilities constructed include a tool house and magazines.

From a point selected by the examiners, a crosscutting adit was driven 28 feet N. 65° W., then a drift was driven along pegmatite for 92 feet (30' S. 20° W., 15' S. 55° W., 47' S. 20° W.). The works were timbered as necessary.

No equipment was purchased by the government.

## Geology

A semi-weathered pegmatite, containing (about 10%) small muscovite, is exposed intermittently for 110 feet on the surface. Its

continuity has been proven by the new adit which is about 25 - 30 feet below the surface exposures.

The abundance of muscovite noted on the surface (Examination Report, DMEA-4145, April 20, 1956) is lacking in the lower workings. Only 1200 pounds of poor grade "mine-run-block" green muscovite was recovered. The largest crystals observed were 3 inches wide.

A concordant, unzoned, kaolinized, fine grained, quartz deficient pegmatite was intersected at the 22-ft point in the crosscut and followed throughout the drift. The body, 6-ft thick, is composed of plagioclase, perthite, graphic granite, some scattered small quartz lenses associated with muscovite, biotite, and sericite. The muscovite was recovered mostly from the hanging wall, while the biotite seemed predominant on the footwall. The pegmatite strikes N. 20° - 35° E. and dips 75° SE.

The country rock is essentially a semi-weathered to highly weathered hornblende-biotite gneiss with some biotite-muscovite schist zones.

No significant reserves were discovered.

## Conclusions

An estimated 1000 pounds of poor mica was recovered. The work done has proven that the muscovite seen on the surface does not go to depth. Here again a fine-textured body with graphic-granite and perthite has proven to be of no economic importance in respect to strategic mica.

It is recommended that no certificate of discovery be issued.

Expenditures:

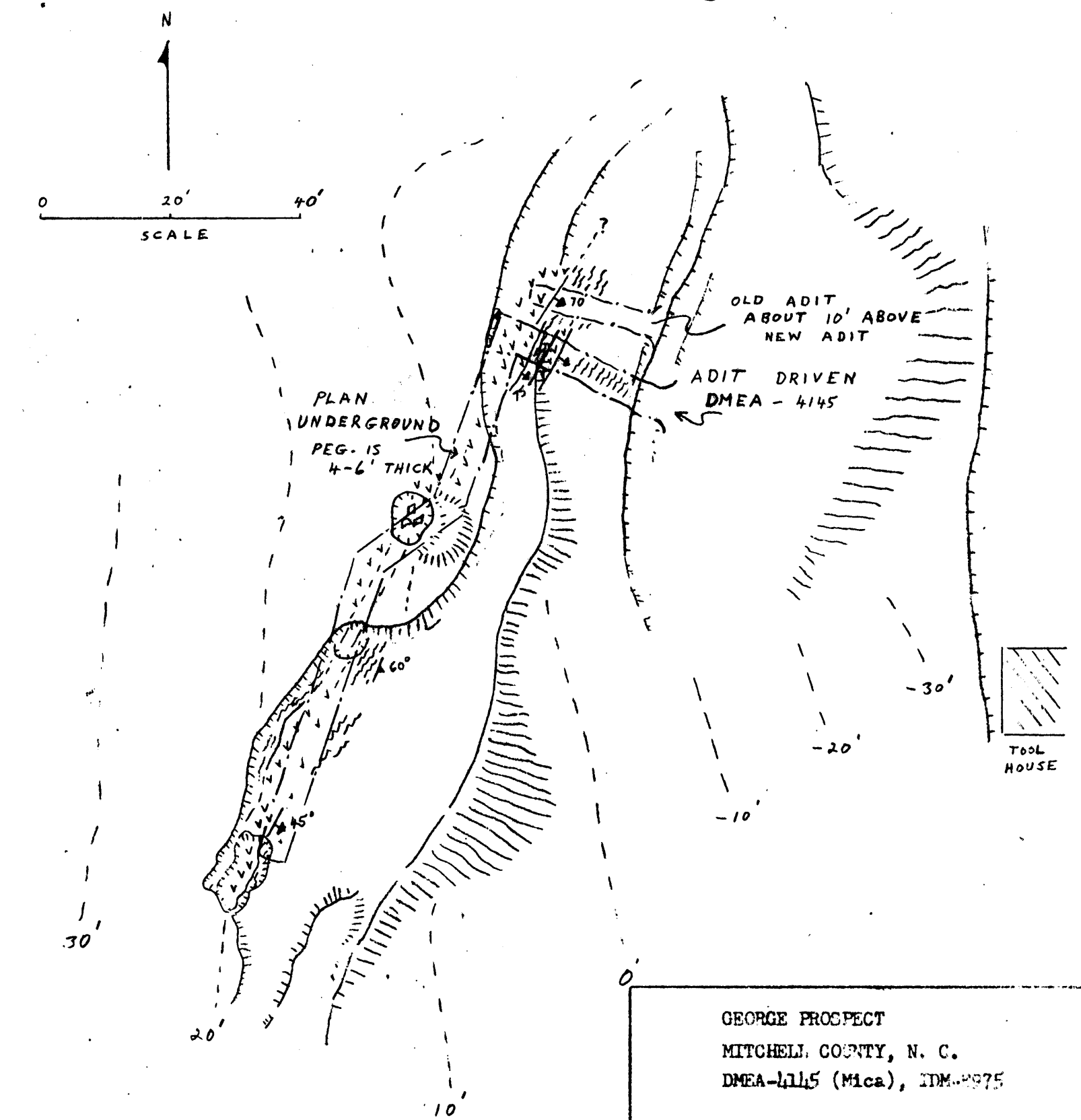
| | | |
|---|---|---|
| (a) | Total approved | $4104.00 |
| (b) | Total cost of project | 4104.00 |
| (c) | Government's share of cost | 3078.00 |
| (d) | Government's share unexpended | none |
| (e) | Value of production | Unknown |
| (f) | Royalty paid to date | 2.50 |

December 20, 1956

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

and

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




GEORGE PROSPECT
MITCHELL COUNTY, N. C.
DMEA-4145 (Mica), IDM-2975

Mica Pegmatite

Mica Schist and Hornblende Gneiss

Outline of Underground Work

12-17-56 ART

October 3, 1956

Memorandum

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

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

Subject: Operator's Final Report, DMEA-4145, Idm-E975 (mica)
Ed Huskins, Spruce Pine, N.C. George Mine, Mitchell County, N.C.

Enclosed are the original and three copies of the Operator's final report on the subject contract.

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

V. J. Lynch, Member
Bureau of Mines

RAL/zm
cc:
Lynch
Shirley
Files

Spruce Pine, North Ca
October 5, 1956

Mr. Robert A. Laurence, Executiver Officer
D.M.E.A., Region V
Room 13, Post Office Building
Knoxville, Tennessee

Re: DMEA-4145, Idm-E 975 (Mica)
George Mining Company, Mitchell County
Final Report

Dear Mr. Laurence:

We begin work on the above project on August 10, 1956, and completed work on September 28, 1956

In August we bulldozed road access and portal site, sat up equipment and constructed toolhouse. We also completed 28' crosscut, ran out of vein material, then truned left with hanging wall and continued to drift for 40'. In September we completed 52' of drift, which completes our contract. 28' was crosscut, 92' drift making a total of 120'.

We recovered approximately 700 lbs. of very poor mica.

We wish to thank the field team for their assistance on the George Project. If further details are necessary, please contact us.

Very truly yours,

George Mining Company

Ed Huskins

P/J

RECEIVED
OCT 8 - 1956
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

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OCT 10 1956

Spruce Pine, North Carolina
October 5, 1956

Mr. Robert A. Laurence, Executiver Officer
D.M.E.A., Region V
Room 13, Post Office Building
Knoxville, Tennessee

Re: DMEA-4145, Idm-E 975 (Mica)
George Mining Company, Mitchell County
Final Report

Dear Mr. Laurence:

We begin work on the above project on August 10, 1956, and completed work on September 28, 1956

In August we bulldozed road access and portal site, sat up equipment and constructed toolhouse. We also completed 28' crosscut, ran out of vein material, then truned left with hanging wall and continued to drift for 40'. In September we completed 52' of drift, which completes our contract. 28' was crosscut, 92' drift making a total of 120'.

We recovered approximately 700 lbs. of very poor mica.

We wish to thank the field team for their assistance on the George Project. If further details are necessary, please contact us.

Very truly yours,

George Mining Company

Ed Buskins

P/j

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U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

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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.

RECEIVED
OCT 10 1956

October 8, 1956

Memorandum

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

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

Subject: Operator's Final Report, DMEA-4145, Idm-E975 (mica)
Ed Huskins, Spruce Pine, N.C. George Mine, Mitchell County, N.C.

Enclosed are the original and three copies of the Operator;s final report on the subject contract.

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

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

RECEIVED
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Spruce Pine, North Carolina
October 5, 1956

Mr. Robert A. Laurence, Executiver Officer
D.M.E.A., Region V
Room 13, Post Office Building
Knoxville, Tennessee

Re: DMEA-4145, Idm-E 975 (Mica)
George Mining Company, Mitchell County
Final Report

Dear Mr. Laurence:

We begin work on the above project on August 10, 1956, and completed work on September 28, 1956

In August we bulldozed road access and portal site, sat up equipment and constructed toolhouse. We also completed 28' crosscut, ran out of vein material, then truned left with hanging wall and continued to drift for 40'. In September we completed 52' of drift, which completes our contract. 28' was crosscut, 92' drift making a total of 120'.

We recovered approximately 700 lbs. of very poor mica.

We wish to thank the field team for their assistance on the George Project. If further details are necessary, please contact us.

Very truly yours,

George Mining Company

Ed Huskins

Ed Huskins

P/j

RECEIVED
OCT 8 - 1956
U. Geolog
Knoxville, Tenn.

Service Fund, Still Operations
October 5, 1976

Mr. Clifford A. Anderson, Superintendent Engineer
Tennessee Valley Authority
Knoxville, Tennessee 37902
Nashville, Tennessee

Contract TVA-41845, Item-2 VTS (Pilot)
Energy Research Laboratory, Mineral Resources
Tulsa, Oklahoma

Dear Mr. Anderson:

We brought back on the above project on January 10, 1976 and completed work on it February 20, 1976.

We applied to the Pilot Lake Leasing and Certificate, and the Pilot Plant and Commercial Facilities. We also completed the economic work of both matrices, then turned the data with figures, well and continuous to TVA for QC. We forwarded the completed QC of crude, which completed our work. All we, however, still can't determine total of MMBTU.

We recovered approximately 200 lbs. of very pure oil.

We wish to thank the staff for the high cooperation on the Lecoma project. If further details are needed, please contact us.

Very truly yours,

Service Fund Corp.

Ed Hawkins

Ed Hawkins

RECEIVED
OCT 8 - 1976

4145

ACTION ON INTERIM
OR FINAL FIELD TEAM REPORT
Date 10-12

Referred to:

1. ~~Mr. Mittendorf~~
2. ~~Mr. Johnson~~
3. ~~Mr. Chambers~~
4. ~~Docket Control Mails and Files~~
5. Division
6. Docket Control Mails and Files

Note comments in report regarding:

1. Finished — N.G.!
2.
3.
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and take appropriate action.

- - - - - - - -

Action taken by Division:

Robert T. Adams

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OCT 1 2 1953

# INTERIM REPORT

## DMEA-4145, Idm-E975 (mica) GEORGE PROSPECT

Operator: Ed Huskins, Route No. 3, Bakersville, North Carolina
Location: 0.94 airline miles N44°W of Wing, Snow Creek Township, Mitchell County, North Carolina

This contract has been completed without making a significant discovery of strategic mica. A recommendation for certification of this contract will not be made by the Field Examiners.

Contract work completed consisted of access road construction, portal site excavation, building tool house and magazines and driving 120 feet of combined crosscut and drift. Twenty-eight feet of crosscut was driven N65°W which intercepted the principal body at 22 feet. Drifting began from the 28 foot point and was driven as follows: 30 feet S20°W, 15 feet S55°W, and 47 feet S20°W. Material encountered in the drift was pegmatite composed of kolinized feldspar, scattered quartz, disseminated small mica, and a narrow mica rich-quartz zone along the hanging wall at points where that particular wall was explored. Approximately 1200 pounds of mine-run book resulted from the exploration. The general quality of the mica was poor, but a small percentage could be processed satisfactorily. Disposition of the mica had not been made at time of last reports.

Work under contract was completed satisfactorily and in accordance with the Field Examiners recommendations.

L. E. Shirley

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

A. R. Taylor & S. C. Bergman
Geologists
U. S. Geological Survey

October 1, 1956

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

L. E. Shirley

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

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

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

September 17, 1956

RECEIVED
SEP 13 1956

INTERIM REPORT

DMEA-4145, Idm-E975 (mica) GEORGE PROSPECT

Operator: Ed Huskins, Route No. 3, Bakersville, North Carolina
Location: 0.94 airline miles N44°W of Wing, Snow Creek Township, Mitchell County, North Carolina

Drifting continues on this contract, and combined with 28 feet of crosscut, now totals 68 feet. The drift is being driven in a S20°W direction and the hanging wall has been encountered and followed for some distance. The pegmatite from the turn to the present face for a distance of 40 feet is composed of small scattered quartz, kaolinized feldspar, and small muscovite mica. The mine foreman stated that 400 to 500 pounds of mine-run book had been produced from the drifting completed to date. The operator was advised to continue drifting and to alter the direction to pick up the footwall in an effort to explore that wall adequately and possibly produce more strategic mica. Suggestions concerning necessary timbering and general safety were made to the operator.

L. E. Shirley

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

A. R. Taylor

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

September 5, 1956

INTERIM REPORT

DMEA-4145, Idm-E975 (mica) GEORGE PROSPECT

RECEIVED
SEP - 3 1956

OPERATOR: Ed Huskins, R#3, Bakersville, North Carolina

LOCATION: 0.94 airline miles N 44° W of Wing, Snow Creek Township, Mitchell County, N. C.

All excavation as outlined under the contract has been completed. An entry road and portal site have been finished, and a crosscut in the form of an adit is now being driven in a N65°W direction. A total of 28 feet of crosscut have been completed to date, and two pegmatites have been intercepted at the 16.5-foot and 22-foot points respectively. At 16.5 feet the body is 2.5 feet thick, strikes N60°E, dips 32° to 42° SE, and is composed principally of kaolinized feldspar. The two bodies are separated by about 3 feet of weathered biotite gneiss. At 22 feet, the second pegmatite is 5 to 6 feet thick, strikes N 70° E, dips 37° SE, and is composed of kaolinized feldspar, small scattered quartz, and small muscovite mica. The Operator was advised to start drifting to the southwest from the present position in the crosscut. Another visit will be made in the near future.

A toolhouse has been built.

L. E. Shirley

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

A. R. Taylor

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

August 21, 1956

RECEIVED
SEP 23 1956

INTERIM REPORT

DMEA-4145, Idm-E975 (mica) GEORGE PROSPECT

Operator: Ed Huskins, Route No. 3, Bakersville, North Carolina
Location: 0.94 airline miles N44°W of Wing, Snow Creek Township, Mitchell County, North Carolina

Drifting continues on this contract and combined with cross cutting now totals 106 feet. Completed drift, directions, and distances are as follows: 30 feet S20°W, 15 feet S55°W, and 30 feet S20°W to the present face. All of the drift work has followed pegmatite composed primarily of feldspar with a quartz-mica zone occurring at intervals along the hanging wall. Most of the mica production has come from this zone and the operator was instructed to drive the remaining drift footage (14 feet) along the hanging wall contact. The operator estimates total mine-run mica production to date at approximately 1000 pounds of block.

The mine foreman was advised to continue timbering the drift where necessary and to scale roof areas thoroughly after shooting where timbers have not been used. Progress on this contract has been satisfactory.

RECEIVED
AUG 13 1956

INTERIM REPORT

DMEA- 4145, Imd-E975 (mica) GEORGE PROSPECT

Operator: Ed Huskins, R#3, Bakersville, North Carolina
Location: 0.94 airline miles N 44° W of Wing, Snow Creek Township, Mitchell County, N.C.

Contract work at this Prospect began August 6, 1956. An entry road to the site has been bulldozed.

Mr. Robert A. Laurence, Executive Officer of DMEA, Region V, accompanied the examiners on this visit to the Prospect.

Inspected: August 7, 1956.

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

z

RECEIVED
JUL 27 1956

July 25, 1956

Mr. Ed Huskins
Route # 3
Bakersville, North Carolina

Re: DMEA-4145, Idm-E975 (mica)
George Prospect
Mitchell County, N. C.

Dear Mr. Huskins:

Enclosed is your signed copy of the subject contract.

A starting date of September 1, 1956 has been inserted but you may begin work any time before that date if you wish.

Very truly yours,

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

ZM.
cc:
Lynch
Finance Office
Opr. Com.-2
Shirley
Files

Docket Copy
Surname:
Houk
Talbutt
Selfridge
F E Johnson

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

JUL 23 1956

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

Re: Docket No. DMEA-4145 - Mica
Ed Huskins
George Prospect
Mitchell County, North Carolina

Dear Mr. Laurence:

Enclosed are the Operator's, Field Team's and Finance Officer's copies of the subject contract which have been dated, numbered, and executed by the Administrator for the Government.

Please fill in and advise this office of the starting date, and make the usual distribution.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee (JHB)

Approved:

P. F. Yopes (JHB)
Member, Bureau of Mines

Thor H. Kiilsgaard (JHB)
Member, Geological Survey

LGHouk:gad 7/20/56
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

Enclosures 3

R.C.S.

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

RECEIVED
JUL 18 1956

July 16, 1956

Memorandum

To: Operating Committee, DMEA- Washington

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

Subject: Proposed Contract- DMEA-4145 (mica) Ed Huskins, R#3, Bakersville, N.C. George Prospect, Mitchell County, N.C.

Transmitted are all six copies of the subject contract signed by the applicant and returned for the signature of the Administrator.

V. J. Lynch
V. J. Lynch

DOCKET COPY
Surname:

Hopkins
Houk
Chamberlin
Selfridge
Johnson
Mottendorf

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 Building
Knoxville, 2, Tennessee

June 7 1956

Re: Docket No. DMEA-4145-mica
Ed Huskins
George Prospect
Mitchell County, North Carolina

Dear Mr. Laurence:

Enclosed are the original and five copies of an unexecuted contract. Please note the Administrator has not signed the contract. Attachments to the contract are Annex I, Consent to Lien, Exhibit "A" (2 pages), and the map of George Prospect. Two extra copies of Annex I, Exhibit "A" and the map are enclosed for the use of the Field Team.

If the proposed contract meets with your approval, present it to the applicant for execution. Please explain to the applicant that the contract is a firm commitment to complete the work outlined at the agreed cost. After execution by the operator, all copies are to be returned to this office for execution by the Administrator.

If any part of this proposed contract does not have either your approval or that of the applicant and cannot be amended within your delegated authority, then the original and all copies of the contract and the two extra copies of Annex I, Exhibit "A" and the map are to be returned to this office, together with the proposed changes for consideration.

Copies of memoranda dated May 1 and 8, 1956, by Mr. N. E. Nelson, USGS, and Mr. W. F. Dietrich, USBM, respectively, relating to the project are enclosed.

Approved:

P. F. Yopes (GWS)
Member, Bureau of Mines

Thor H. Kiilsgaard (GWS)
Member, Geological Survey

Enclosures: 12

Sincerely yours,

George C. Selfridge (GWS)
Chairman, Operating Committee

JHopkins:ms 6/21/56

Copy to: Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Admr. R. File

P.S. Contracts to be signed by Operator before execution by the Government. This action is necessary as administrative safeguard until Defense Production Act is extended by the Congress. Please do not date.

R.A.L.

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

RECEIVED
JUN 14 1956

June 12, 1956

Memorandum

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

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

Subject: DMEA-4145 (Mica)
Ed Huskins, Route 3, Bakersville, N. C.
George Prospect, Mitchell County, North Carolina

Reference is made to your letter of May 7, 1956.

Exploration by an adit still seems to us to be better than sinking a shaft from a point on the hill. An adit of less than 20 feet in length should cost less, including bulldozing, than a comparable amount of shaft sinking, and the additional drifting and/or crosscutting is cheaper from an adit. It also avoids the problem of flooding of the shaft during intermittent periods of inactivity which occur on practically all mica mining jobs.

With reference to the fourth paragraph, information on recovery from the entire 1500 lbs. was not available. The 15% figure was based on the sales from the 140 lbs., and $\frac{22.93}{140}$ gives 16.3%. The figure of 5 to 20% was based on a visual estimate, for which data were insufficient to make a statistical estimate.

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
ROOM 13 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

RECEIVED
JUN 14 1956

June 12, 1956

Memorandum

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

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

Subject: DMEA-4145 (Mica)
Ed Huskins, Route 3, Bakersville, N. C.
George Prospect, Mitchell County, North Carolina

Reference is made to your letter of May 7, 1956.

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Robert A. Laurence
Executive Officer

V. J. Lynch
Member, Bureau of Mines

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

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

RECEIVED
MAY 9 - 1956

May 8, 1956

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: W. F. Dietrich, Chief
Branch of Ceramic and Fertilizer Materials

Subject: DMEA-4145 (mica)

Applicant: E. Huskins

Name and Location of Property: George Prospect, Mitchell Co., N. C.

Date of Field Team Report: 4/20/56

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 5/2/56

Field Team Recommendation: Recommend a staged unit-cost exploration program at an estimated cost of $4,100.

Comments:

1. The partly exposed pegmatite has an inferred strike length of at least 110 feet.

2. This deposit appears to have possibilities for the development of strategic mica.

Recommendation:
I concur with the field team's recommendation.

W. F. Dietrich

W. F. Dietrich

DOCKET COPY
Surname:

Hopkins
Selfridge
Jefferson
Mottendorf

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

MAY 7 1956

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

Re: Docket No. DMEA-4145-mica
Ed Huskins
George Prospect
Mitchell County, North Carolina

Dear Mr. Laurence:

Reference is made to the Field Team Report dated April 20, 1956, on the subject property.

We note that the examiners recommend an exploration project consisting of bulldozing of a steep hillside for a portal site, to be followed by crosscutting and drifting on a pegmatite whose dip is approximately parallel to the slope of the hillside. The applicant's proposal involved sinking on the pegmatite followed by drifting from the shaft. Our review of the Field Team Report and map data leads us to believe that the applicant's proposal may be more feasible and would furnish more information on the pegmatite in a shorter period of time. Also, by confining all work to the pegmatite the risk of bulldozing and crosscutting to a pegmatite that might have pinched out just below the surface would be eliminated.

Please let us have your comments on this alternate proposal. If you agree with it, please send us your estimate of costs.

Please explain how it was estimated that the structure contained 5-20% by volume of the smaller sizes of strategic mica and how recovery of strategic mica from the block ran 15% $\left(\frac{22.93}{1500} = 1.5\%\right)$

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (GHB)

Approved:

P. F. Yopes (GHB)
Member, Bureau of Mines

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

JHopkins:ms 5/4/56
Copy to: Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Hopkins
Admr. R. File

R.C.L.

IN REPLY REFER TO:

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

RECEIVED
MAY 2 - 1956

May 1, 1956

Re: DMEA 4145 (Mica)
Ed Huskins
George Prospect
Mitchell Co., N. C.
Application est. - $6,600
Field Team est. - $4,100

Memorandum

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

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

Subject: Review of Field Team report.

The applicant requested assistance in exploring a newly discovered pegmatite outcrop about which no information was given.

The examiners found the pegmatite to be the bearer of abundant mica, much of which is small and of marginal grade. A staged work program is recommended consisting of:--

| | |
|---|---|
| Stage I | |
| Bulldozing | $ 150.00 |
| Stage II | |
| Buildings | 115.00 |
| 120 feet of drift and/or crosscut | 3,835.00 |
| | $4,100.00 |

I concur with the recommendations of the examiners and the Field Team.

N. E. Nelson

N. E. Nelson

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

RECEIVED
APR 27 1956

April 25, 1956

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Field Examination Report - DMEA-4145 (mica) Ed Huskins, R#3, Bakersville, N. C. George Prospect, Mitchell County, N.C.

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

This pegmatite is sufficiently promising to warrant further exploration, therefore the Field Team recommends approval of a contract for the bulldozing and underground exploration proposed in the report.

We suggest, however, a two-stage project, so that approval of the site of the adit may be given after completion of the bulldozer work. We also suggest that the contract provide that the cross-cutting adit may be inclined, if conditions exposed by the bulldozing indicate that to be desirable. The purpose of the bulldozing is to prepare the portal site and to obtain a much lower portal and correspondingly increased amount of pegmatite to be explored, as well as to place it in harder, unweathered ground.

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

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

Reviewed by
DMEA OPERATING COMMITTEE
4-30-56
(date)

RECEIVED
APR 2 1 1956

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

# FIELD EXAMINATION REPORT - REGION V

On

DMEA-4145, GEORGE PROSPECT
(mica)
Mitchell County, N. C.

BY

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

and

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

Reviewed by
DMEA OPERATING COMMITTEE
4-30-56
(date)

April 20, 1956

FIELD EXAMINATION REPORT

ON

DMEA-1145, GEORGE PROSPECT (mica)
Mitchell County, N. C.

RECEIVED
APR 2 4 1956

Applicant: Ed Huskins, Route # 3, Bakersville, North Carolina

An irregular tabular (dike like) pegmatite is intermittently exposed along strike for 110 feet. The inferred strike length continuity is strong. The structure contains from 5-20% by volume of the smaller sizes of strategic muscovite. In spite of marginal quality, the abundance of strategic muscovite and size of structure indicate a good potential producer. The Field Examiners recommend an exploration program be set up under DMEA authorization.

The George Prospect is just below the crest of Big Ridge, on the southeastern extremity of Burns Mountain, at an elevation of approximately 3050 feet. It is in Snow Creek Township, Mitchell County, North Carolina, 0.94 airline miles N 44° West of Wing (Micaville Quadrangle, TVA, 1934 Ed., 1/24,000).

An examination was made Wednesday, February 29, 1956. The examiners were accompanied by Mr. Claude Huskins, Mr. George Boone, and Mr. Sam Phillips. The applicant has proved to be competent by his operation of other DMEA contracts.

A 50 foot long bulldozer cut, containing two small test pits, an old prospect pit, and a 20-foot adit, have exposed an irregular, undulating, dike like pegmatite 2 1/2 to 5 feet thick. There is inferred strikelength continuity of at least 110 feet (see map). The structure trends N 25-35° E, dips 45-70° southeast, and is conformably implaced in a contorted, highly weathered mica schist and gneiss.

About 70 feet northeast of the property line is a 50 foot long bulldozer trench an average of 6 feet deep. Pegmatite is exposed inter-

mittently along the northwest wall of the cut (see map). About 1000 pounds of block muscovite was recovered from the bulldozing done in 1955. An estimated 500 pounds more or less was recovered from 2 small test pits at the extremities of the cut. Two small sales of an estimated 140 pounds of block muscovite was made (2/1/55, 2/15/55), resulting in 22.93 pounds of trimmed mica valued at $115.59. An average of 14% was classified as good stained or better. Recovery from the block, of strategic mica ran 15%. Thirty feet northeast is an old caved test pit in pegmatite. Forty feet farther along strike is an old 20 foot long crosscutting adit below the entry road, which cut 4 feet of pegmatite. Nothing remains at this point to indicate its mica potential.

Although the muscovite is of marginal grade, it is very abundant and has proved to have a high recovery factor. The Examiners recommend bulldozing a short entry road, and an adit portal on the slope below the present adit. It is then suggested that a total of 120 feet of crosscut and drift be driven to, and along the strike of the pegmatite. The bulldozing should be able to easily cut within 20 feet of the pegmatite and at least 40 feet below road level in the soft earthy mica schist and gneiss.

Estimated Costs:

| | | |
|---|---|---|
| Toolhouse | $76.00 | |
| Powder Magazine | 25.00 | |
| Exploder Magazine | 14.00 | $115.00 |

Bulldoze with a D-6 tractor, or equivalent, an entry road 150' x 8' x 2', 89 cu. yds @ .20¢/cu.yd. = $17.80 cu. yds

Bulldoze a portal site for proposed adit with a D-6 tract or equivalent - 40 x 20 x 15' average depth, 444 cu. yds @ .30¢ per cu. yd = $132.20 --------- 150.00

133.20

Drive 120 feet of drift (adit) and/or crosscut of 5' x 7' cross section to and along the magnetite structure, from site prepared by above bulldozing (60 shifts).

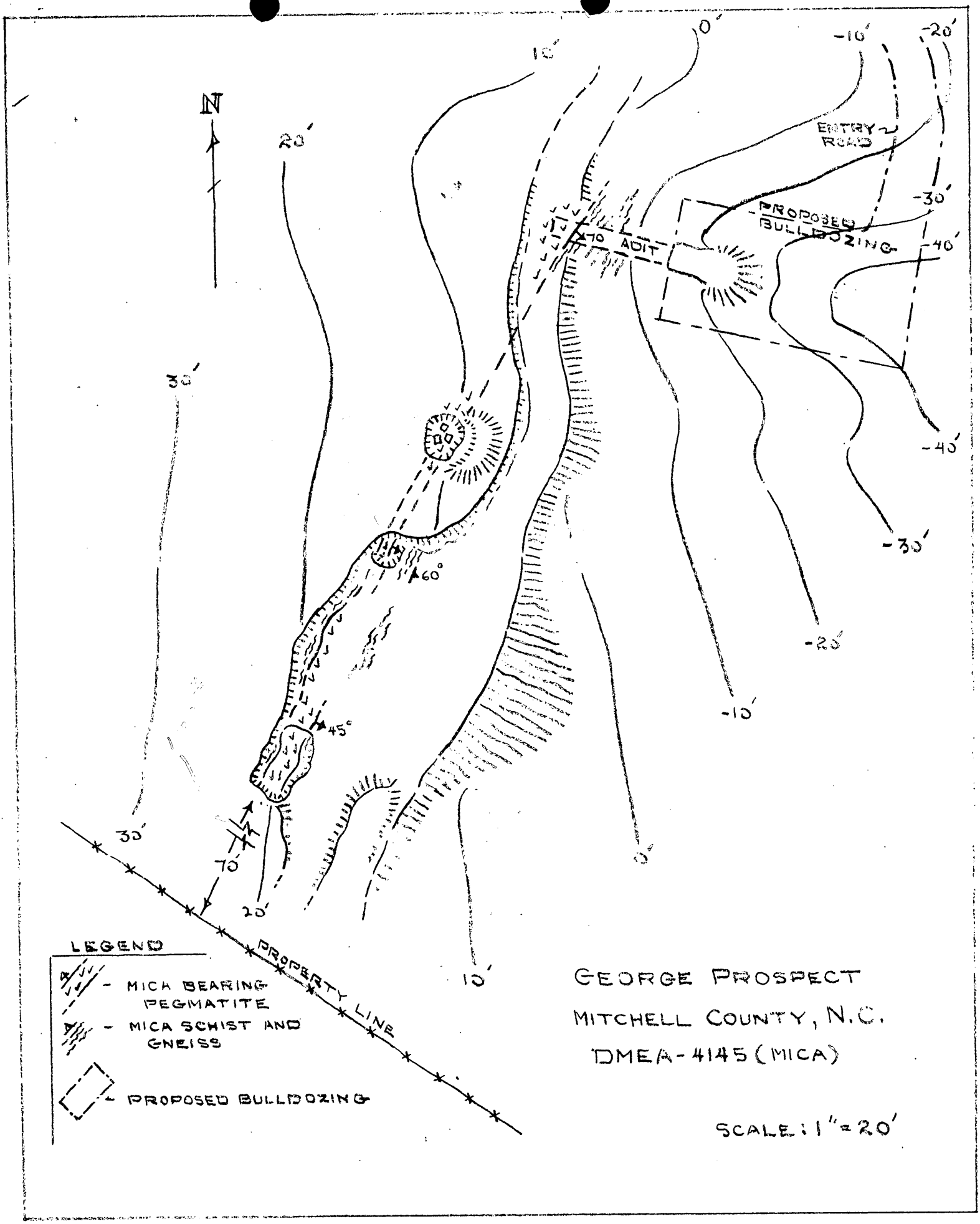
| | | | |
|---|---|---|---|
| Labor: | 1 - Miner @ $1.50/hr. | $720.00 | |
| | 2 - Laborers @ $1.00/hr. | 960.00 | |
| Equipment (rental): | | | |
| | Compressor, Drill and Jackleg @ $250/Mo. | 750.00 | |
| Supplies: | | | |
| | Explosives | 370.00 | |
| | Drill steel | 180.00 | |
| | Gasoline and oil | 225.00 | |
| | Small tools and pipe | 135.00 | |
| | Timber, 1000 b.f. @ 65/M | 65.00 | |
| | Miscellaneous | 195.00 | |
| | Liability Ins. @ 10% of payroll | 168.00 | |
| | Social Security, @ 2% " | 33.60 | |
| | Sales Tax | 33.40 | $3,835.00 |
| | Estimated Total Cost of Project..... | | $4,100.00 |

Examined: February 29, 1956

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

A. L. Peyton, Mining Engineer
Bureau of Mines

z


N
0'
10'
-10'
-20'
20'
ENTRY ROAD
-30'
PROPOSED BULLDOZING
-40'
70 ADIT
30'
-40'
-30'
60°
-20'
-10'
45°
30'
70'
20'
0'
10'
PROPERTY LINE
LEGEND
- MICA BEARING PEGMATITE
- MICA SCHIST AND GNEISS
- PROPOSED BULLDOZING
GEORGE PROSPECT
MITCHELL COUNTY, N.C.
DMEA-4145 (MICA)
SCALE: 1" = 20'

DOCKET COPY
Surname:

Hopkins
Houk
Selfridge
Kiilsgaard

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

FEB 6 1956

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

Re: Docket No. DMEA-4145-Mica
Ed Hoskins
George Prospect
Mitchell County, North Carolina

Dear Mr. Laurence:

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

Copies of memoranda dated January 30 and 31, 1956, by Mr. N. E. Nelson, USGS, and Mr. W. F. Dietrich, USBM, respectively, relating to the project are enclosed.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee (JHB)

Approved:

/s/ Robert W. Geeham (JHB)
Member, Bureau of Mines

Thor H. Kiilsgaard (JHB)
Member, Geological Survey

Enclosures: 4

JHopkins:ms 2/3/56
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Hopkins

RGL

DOCKET COPY
Surname:

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

Hopkins
Hou
Kiilsgaard
Geehan
Selfridge
Hefner

Mr. Ed Huskins
Route 3
Bakersville, North Carolina

FEB - 6 1956

Re: Docket No. DMEA-4145-Mica
Ed Huskins
George Prospect
Mitchell County, North Carolina

Dear Mr. Huskins:

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. Mitchell

Administrator

JHopkins:ms 2/3/56
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Hopkins
Field Team, Region V

R.C.G.

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

RECEIVED
FEB - 1 1956

January 31, 1956

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-4145 (mica)

Applicant: Ed. Huskins

Name and Location of Property: George Prospect, Mitchell Co., N.C.

Date Application Rec'd. by Br. of Ceramic & Fertilizer Materials: 1/26/56

Comments:

1. No data available in this office on this property.

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

Recommendation:

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

W. F. Dietrich

W. F. Dietrich

IN REPLY REFER TO:

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

RECEIVED
JAN 30 1956

January 30, 1956

Re: DMEA 4145
Ed Huskins
George prospect
Mitchell Co., N. C.
$6,600.00 - Mica

Memorandum

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

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

Subject: Review of application.

It must remain for the examiners to furnish information on this new prospect, since no information is given in the application.

Referral to the Field Team is recommended.

N. E. Nelson

N. E. Nelson

January 26, 1956

Subject: DMEA-4145
Re: Exploration Assistance
George Prospect

Mr. Ed Huskins
Route 3
Bakersville, North Carolina

My dear Mr. Huskins:

The receipt of your application dated January 24, 1956, for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA-4145 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
JAN 26 1956

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

*Not to be filled in by applicant*

Docket No. DMEA - 4145
Metal or Mineral Mica
Date Received 1-26-56
Estimated Cost $6,600.00
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: Ed Huskins
Route 3
Bakersville, 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 Legal description given on lease.

(*b*) State any mine name by which the property is known. George Prospect

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

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

(*e*) If you own the land, describe any liens or encumbrances on it Do not own land.

(*f*) If the land consists of unpatented claims, add to the description above, the book and page numbers for each recorded location notice. None

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

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

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

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

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

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. See sheet.

(*c*) The work will start within 30 days and be completed within ..... 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. Now on file with DMEA.

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: See sheet.

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

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

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

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

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

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

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

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

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

7. (*a*) Are you prepared to furnish your share of the cost of the proposed project in accordance with the regulations on Government participation (Sec. 7, DMEA No. 1)? Yes. Will furnish required 25%.

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

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

Explain in detail on acompanying paper.

## CERTIFICATION

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

Dated January 24, 1956

Ed Huskins
(Applicant)

By Ed Huskins

**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

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MF-103 (continuation sheet)

4. (a) No previous workings. This is a new prospect.

(b) No past production

(c) Outcropping vein indicates that mica may be found by exploration work.

(d) Project is accessible to roads and shipping.

(e) Manpower, supplies, equipment are available. Power is within 1/4 mile.

5. (b) We propose to bulldoze away overburden, bulldoze a trench 200' long, 10' deep and 12' wide to expose pegmatite; sink a 5'x7' shaft 70 feet deep; then drift 80' with vein.

6. Estimate of costs:

| | |
|---|---|
| 30 hours Bulldozing @ $10.00 per hour . . . | $ 300.00 |
| 70' Shaft @ $50.00 per ft. . . . . | 3500.00 |
| 80' Drift @ $35.00 per ft. . . . . | 2800.00 |
| Total estimated cost of project | $ 6600.00 |

# MINING LEASE

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State of North Carolina Mitchell County:

This indenture made this 24th day of January, 1956, 1953,

between George Boone and Bill Willis

of Mitchell County and State of North Carolina as party of the first part, and known as lessor s, and Ed Huskins

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

WITNESSETH, That the parties of the first part in consideration of One Dollar in hand received and hereby acknowledged by the lessors, 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:

Beginning on an iron stake at the center of what is known as the George Prospect which islocated 230' N.W. of another iron stake and running 250' North; thence 250' West; thence 500' South; thence 500' East; thence 500' North; thence 250' West to a point of closing. This property located ~~a~~ about 1½ miles N.W. of C.F.Phillips' Store at Wing, N.C.

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 1/8 (One-Eighth)

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:

Kenneth R McKinney
Notary Public
My Com Exp. 8/17/57

x George Boone (Seal)

Bill Willis (Seal)

_____ (Seal)

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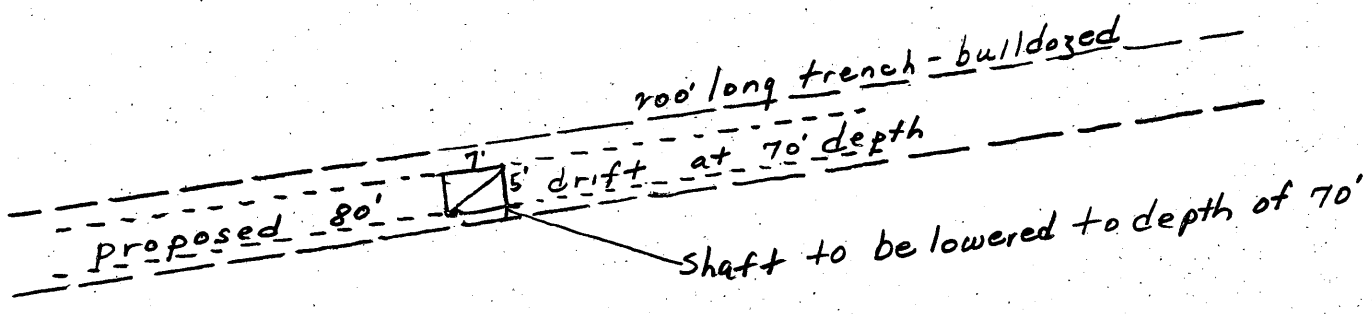
# GEORGE PROSPECT

Mitchell County
N. C.



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REQUISITION NO. 90130

THIS PACKAGE CONTAINS PHOTOSTAT PAPERS, IF IT SHOULD BE LOST OR MISLAID IN ANY WAY THE FINDER SHOULD RETURN SAME IMMEDIATELY TO THE DUPLICATING SECTION. ROOM 1061, INTERIOR DEPARTMENT BUILDING.

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