DMA Form 1

DEFENSE MINERALS ADMINISTRATION
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DMA Docket No. 4293

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Exploration Project

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Routing Slip Cys to USBM and USGS

To:	Nonmetallic Minerals	Date	5/16/56
To:	MR. ANDERSON	Date	5/16/56
To:	Oper Com	Date	7-16-56
To:	J.E. Johnson	Date	7-18-56
To:	Gon	Date	7-18-56
To:	Oper Com	Date	9-28-56
To:	Admr.	Date	9-28-56
To:	Oper Com	Date	12-11-56
To:	J.E. Johnson	Date	12-12-56
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	

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CONTROLLED DOCUMENT

Docket Copy
Surname:
Anderson
Houk
Kaul
Kilsgaard
Selfridge
Johnson

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

DEC 13 1956

Knob Mining Company

Franklin, North Carolina

Re: Docket No. DMEA-4293-Mica
Knob Mining Company
Beasley Mine No. 2
Macon County, North Carolina

Gentlemen:

Your application for aid for an exploration project and other reports available to us in Washington relating to the subject property have been reviewed.

Projects approved by the Defense Minerals Exploration Administration must, in its judgment, show definite promise of yielding materials of acceptable grade in quantities that will significantly improve the mineral supply position for the National Defense Program.

Careful study of all our information indicates to us that the probability of disclosing significant reserves of mica is not sufficiently promising to justify Government participation. We regret to advise you, under these circumstances, that your application for exploration assistance is denied.

We wish to thank you for your interest in the Defense Minerals Program and for bringing your property to our attention.

Sincerely yours,

C. O. Mittendorf

Administrator

WCAnderson:gad 12/7/56
Copy to: Admr. R. File
Docket
Field Team, Region V
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

R.C.K.

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

December 7, 1956

Memorandum

To: Mr. C. O. Mittendorf, Administrator

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

Subject: Evaluation of Application and Field Examination Report
Docket No. DMEA-4293-Mica
Knob Mining Company
Beasley Mine No. 2
Macon County, North Carolina

Denial of application is recommended.

Historical data outlined chronologically:

1. This mine was the subject of (a) application DMEA-1194X, which was denied because the proposed work was in an area which had been previously explored and, therefore, constituted development or mining work, and (b) Contract No. Idm-E563 (DMEA-2961), which consisted of driving a new adit below the old adit "A" which work did not result in a discovery.

2. Subsequently the area was stoped down-dip from adit "A".

3. Knob Mining Company put in a raise from the lower level to Adit "A" which showed up a block of unmined ore, which is the subject of the applicant's proposal. Its proposal consisted of driving 100 feet of crosscut to intersect this block of ore and then drive 100 feet of drifts along the strike of the pegmatite, for which he requested $7,480.00.

4. The Field Team in its examination report of September 5, 1956, recommended denial of the application because although a block of strategic mica does exist between the new adit (DMEA-2961) and Adit "A", the cost of driving a new adit through about 100 feet of country rock to intersect the pegmatite was estimated to be more than the value of the potential target, besides, any other approach would be unsafe. The Bureau of Mines concurred

in this denial. However, the Geological Survey disagreed and recommended that the examiners consider anew the implications of the "find" made in the raise.

5. Accordingly, pursuant to our request, the Field Team made a re-appraisal of the application and submitted a Supplemental Examination Report in which they proposed a 2-stage exploration project. This consisted of (Stage I) removal of muck from drift and bottom of stoped area and 250 feet of percussion holes from the present face to determine if Stage II was justified which consisted of 150 feet of drifting. Total estimated cost $7,096. They went on record as not recommending this contract, but would not oppose such approval.

6. Recommendations by the commodity members:
   (a) The Bureau of Mines -- approval of a staged contract as outlined by the Field Team.
   (b) The Geological Survey - The reasons given by the Field Team for not recommending the staged program outlined in their supplemental report are adequate, and therefore will not recommend Government participation in an exploration project at this property.

7. Recommendation by the Nonmetallic Minerals Division: Concurs in the Field Team's recommendation and the Geological Survey's approval to deny the application.

W. C. Anderson

W. C. Anderson
Nonmetallic Minerals Division

3
Revised March 24, 1955

4293

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

RECEIVED
JUN 14 1956

CONSENT TO LIEN

To the United States of America:

Referring to that certain land in the County of Macon, State of North Carolina, described as follows:1/ [illegible] or assigns, the exclusive right to prospect, mine, raise and remove any and all minerals, ores and mineral products in and upon the following described

Description is attached,

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.

RECEIVED
JUL 12 1956

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 11th day of June, 1956.

H. H. Grove Jr [Seal]

[illegible] [Seal]

J B Bray [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]

A description of the property:

RECEIVED
JUN 14 1956

The mineral interest and mining privileges on a tract of land consisting of 500 acres on the waters of Cowee Creek in Macon County, North Carolina, being a part of the property conveyed to Junaluskee Lodge No. 145 by Mary L. Bowers by deed, dated September 6, 1900, and recorded in Book JJ, at page 136, Public Registry of Macon County, and being the land on which the mines known as Beasley #1 and #2 are located, together with the right of ingress, egress and regress to and from said land and also the right to cut and use such timber as may be necessary for the conduct of said mining operations and also the right to use any water necessary for mining purposes.

MF-203
Revised March 24, 1955

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

RECEIVED
JUN 14 1956

CONSENT TO LIEN

To the United States of America:

Referring to that certain land in the County of Dixon, State of North Carolina, described as follows:1/ [illegible]

Description is attached

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.

RECEIVED
JUL 12 1956

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 11th day of June, 1956.

Tunaluskee Lodge AF&AM by.

_____ [Seal]

_____ [Seal]

_____ [Seal]

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

_____

[Corporate Seal]

RECEIVED
JUN 14 1956

A description of the property:

The mineral interest and mining privileges on a tract of land consisting of 500 acres on the waters of Cowee Creek in Macon County, North Carolina, being a part of the property conveyed to Junaluskee Lodge No. 145 by Mary L. Bowers by deed, dated September 6, 1900, and recorded in Book JJ, at page 136, Public Registry of Macon County, and being the land on which the mines known as Beasley #1 and #2 are located, together with the right of ingress, egress and regress to and from said land and also the right to cut and use such timber as may be necessary for the conduct of said mining operations and also the right to use any water necessary for mining purposes.

DESCRIPTION OF THE PROPERTY:

The mineral interest and mining privileges on a tract of land consisting of 500 acres on the waters of Cawee Creek

MF-203
Revised March 24, 1955

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

RECEIVED
JUN 14 1956

CONSENT TO LIEN

To the United States of America:

Referring to that certain land in the County of Macon, State of North Carolina, described as follows:1/ [illegible] the exclusive right to prospect, bind, raise and remove any and all minerals, ores and minerals present in and upon the following described property

Description is attached

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.

RECEIVED
JUL 12 1956

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 11th day of June, 1956.

W. H. Grove, Jr. [Seal]

[illegible] [Seal]

J B Bray [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]

RECEIVED
JUN 14 1956

A description of the property:

The mineral interest and mining privileges on a tract of land consisting of 500 acres on the waters of Cowee Creek in Macon County, North Carolina, being a part of the property conveyed to Junaluskee Lodge No. 146 by Mary L. Bowers by deed, dated September 6, 1900, and recorded in Book JJ, at page 136, Public Registry of Macon County, and being the land on which the mines known as Beasley #1 and #2 are located, together with the right of ingress, egress and regress to and from said land and also the right to cut and use such timber as may be necessary for the conduct of said mining operations and also the right to use any water necessary for mining purposes.

DESCRIPTION OF THE PROPERTY:

The mineral interest and mining privileges on a tract of land consisting of 500 acres on the waters of Cance Creek

MF-203
Revised March 24, 1955

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

RECEIVED
JUN 14 1956

CONSENT TO LIEN

To the United States of America:

Referring to that certain land in the County of Macon, State of North Carolina, described as follows:1/ That for and in consideration of the covenants and agreements hereinafter set forth, to be performed by the party of the second part, and for the payment of the sum of one dollar ($1.00) by the party of the second part, its successors or assigns, the exclusive right to prospect, mine, raise and remove any and all minerals, ores and mineral products in and upon the following described property

Description is attached,

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.

RECEIVED
JUL 12 1956

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 11th day of June, 1956.

W. W. Gunn, Jr. [Seal]

[illegible] [Seal]

J B Ray [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]

RECEIVED
JUN 14 1956

A description of the property:

The mineral interest and mining privileges on a tract of land consisting of 500 acres on the waters of Cowee Creek in Macon County, North Carolina, being a part of the property conveyed to Junaluskee Lodge No. 145 by Mary L. Bowers by deed, dated September 6, 1900, and recorded in Book JJ, at page 186, Public Registry of Macon County, and being the land on which the mines known as Beasley #1 and #2 are located, together with the right of ingress, egress and regress to and from said land and also the right to cut and use such timber as may be necessary for the conduct of said mining operations and also the right to use any water necessary for mining purposes.

DESCRIPTION OF THE PROPERTY:

The mineral interest and mining privileges on a tract of land consisting of 500 acres on the waters of Camp Creek

MF-203
Revised March 24, 1955

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

RECEIVED
JUN 14 1956

CONSENT TO LIEN

To the United States of America:

Referring to that certain land in the County of Bacon, State of North Carolina, described as follows:1/ [illegible]

Description is attached

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.

RECEIVED
JUL 12 1956

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 11th day of June, 1956.

W. H. Grace, Jr. [Seal]

[illegible] [Seal]

J B Bray [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]

RECEIVED
JUN 14 1956

A description of the property:

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DESCRIPTION OF THE PROPERTY:

The mineral interest and mining privileges on a tract of land consisting of 500 acres on the waters of Cedar Creek

MF-203
Revised March 24, 1955

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

RECEIVED
JUN 14 1956

CONSENT TO LIEN

To the United States of America:

Referring to that certain land in the County of Macon, State of North Carolina, described as follows:1/ ~~The undersigned hereby grants to the Government, or assigns, the exclusive right to prospect, mine, raise and remove any and all minerals, ores and mineral products in and upon the following described~~

Description is attached,

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.

RECEIVED
JUL 12 1956

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

5. Added provision: _____

_____

_____

_____

_____

_____

_____

_____

Dated this _____ day of _____, 195__.

_____ [Seal]

_____ [Seal]

_____ [Seal]

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

_____

[Corporate Seal]

RECEIVED
JUN 14 1956

A description of the property:

The mineral interest and mining privileges on a tract of land consisting of 500 acres on the waters of Cowee Creek in Macon County, North Carolina, being a part of the property conveyed to Junaluskee Lodge No. 145 by Mary L. Bowers by deed, dated September 6, 1900, and recorded in Book JJ, at page 136, Public Registry of Macon County, and being the land on which the mines known as Beasley #1 and #2 are located, together with the right of ingress, egress and regress to and from said land and also the right to cut and use such timber as may be necessary for the conduct of said mining operations and also the right to use any water necessary for mining purposes.

DESCRIPTION OF THE PROPERTY:

The mineral interest and mining privileges on a tract of land consisting of 500 acres on the waters of Cane Creek

IN REPLY REFER TO:

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

A

RECEIVED NOV 30 1956 D.M.E.A.

November 29, 1956

Re: DMEA 4293
Knob Mining Co.
Beasley No. 2 Mine
Macon Co., N. C.
$7,480.00 - Mica.

Memorandum

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

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

Subject: Review of supplemental Field Team Report.

The reasons given by the examiners for not recommending an easterly drift on the New Adit level are adequate. If the footwall of the pegmatite has not been shown in the drift, it would seem prudent for the operator to crosscut to it, but I do not recommend Government participation.

N. E. Nelson

N. E. Nelson

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

RECEIVED NOV 29 1956 D.M.E.A.

November 28, 1956

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

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

Subject: DMEA- 4293 (mica)

Applicant: Knob Mining Co.

Name and Location of Property: Beasley No. 2 Mine,
Macon Co., North Carolina

Date of Field Team Report: November 16, 1956

Date Rec'd. by Br. of Ceramic and Fertilizer Materials: November 21, 1956

Field Team Recommendation:

Field team does not recommend approval of contract; also does not oppose denial.

Comments:

1. Field examiners re-examination indicates the possible "fingering out" of target body.

2. Strategic grade mica has been produced from the property.

Recommendation:

Approval of a staged contract as outlined by field examiners.

W. F. Dietrich

W. F. Dietrich

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
ROOM 151 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

A,

November 16, 1956

Memorandum

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

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

Subject: Report of Re-examination, DMEA-4293 (Mica)
Knob Mining Co., Franklin, North Carolina
Beasley No. 2 Mine, Macon County, North Carolina

Enclosed are four copies of a supplemental report, reviewing Mr. Nelson's suggestion as requested in your memorandum of September 28. Mr. Taylor and Mr. Shirley re-examined the mine, and discussed the proposal with the Applicants.

We are still doubtful that the target is promising enough to justify the estimated cost of approximately $7,000. Past experience in this pegmatite indicates that strategic mica is present when there is a quartz core, and it appears that the core, and possibly the pegmatite, may be pinching out to the east of the "new adit workings."

If a contract is approved, drifting should be subject to results of preliminary drilling. Percussion drilling would be adequate only to ascertain the thickness of the pegmatite; it is doubtful if the quartz core could be recognized. Further, as it is not common practice in the area to save cuttings, we doubt that an adequate sample would be obtained. Diamond-drilling, for such a short footage, would be excessively costly.

The report includes an estimate of costs for the suggested work, based on 150 feet of drifting. We do not recommend approval of a contract, but we would not oppose such approval.

Robert A. Laurence
Robert A. Laurence
Executive Officer

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

Reviewed by
DMEA OPERATING COMMITTEE
11-21-56
(date)

RECEIVED
NOV 19 1956
D.M.E.A.

Enclosures 4

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

SUPPLEMENTAL EXAMINATION REPORT

On

DMEA-4293 (mica) BEASLEY No. 2 MINE
Macon County, North Carolina

Reviewed by
DMEA OPERATING COMMITTEE
11-21-56
(date)

By

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

and

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

October 19, 1956

SUPPLEMENTAL FIELD EXAMINATION REPORT

On

DMEA-4293 (mica) BEASLEY No. 2 MINE

Applicant: Knob Mining Company, a partnership, Reid Womack, Jay Houston, Raleigh Houston, and E. B. Duvall, all of Franklin, N. C.

Introduction

The Beasley No. 2 Mine was re-examined on October 19, 1956 in the company of Mr. Jay Houston, and Mr. Robert Maclay, Geologist, U. S. Geological Survey. Two hours were spent in examining both the drifts and raise of the lowermost (the "new adit") workings and the drifts from "Adit A".

The Applicants, at the time of this re-examination, stated that they were in favor of an exploration program similar to that suggested and contained in a recent review of the original application.

Geology of New Adit

East Heading

The Field Examiners' re-examination of the east heading of the drift from the "New Adit" (lowermost adit) as a possible exploration location for future work indicates the possible "fingering out" or possible termination of the body.

The pegmatite containing many biotite gneiss inclusions is at least 6 - 7 feet thick and possibly more. A section along the walls of the drift shows an increase in the abundance of country rock inclusions towards the east and a trend towards finer-grained plagioclase and quartz mixed

with scattered larger crystals of plagioclase (up to 1½" wide). Muscovite is small (¼" - ½" wide), flat, and evenly disseminated (see map sections).

Massive quartz is exhibited on the northern wall near the foot of the raise, and shows an apparent plunge into the drift floor towards the southeast. This quartz core is the one worked below (DMEA-2961) and in the drift back towards the adit. Muscovite of strategic size and quality was found associated with the core in the upper workings but not with the core in the "New Adit". It now appears that this quartz core is different from the one in the upper works (Adit A), not by megascopic examination, but by it being barren and apparently offset. This offset, discontinuity, or bending, whichever it is, is only inferred because of that shown on the plan view of the two known positions (upper and lower).

The rake of the quartz core in the "Adit A" workings is 30 to 40° to the southeast, which, if it is continuous, may be eastward of the east heading. On the other hand, it may very well terminate although muscovite was produced in the raise. An examination of the dust covered +45° raise disclosed an abundance of block muscovite in hard rock, but soft, weathered feldspathic pegmatite came in at the top, making stoping dangerous because of the water and muck in the old works above (Adit A).

Drifting eastward will determine conclusively whether the pegmatite continues and whether the core comes down or not. Since DDH No. 2 intersected pegmatite 220 feet below the "New Adit", work could be done in new ground down slope quite a distance, but the cost of a long crosscut seems prohibitive.

Conclusions and Recommendations

Returning to the east drift for any exploration requires the use of the new adit and other workings for muck removal unless some of the other workings are backfilled with muck from the proposed drift or stope work. Rehabilitation will necessarily include the provision for adequate ventilation to the working area, laying track from the portal to the working area, muck removal, since much is partially blocking access to the drift, etc. Drift cost which includes all necessary items, will be higher than usual.

The Field Examiners' re-examination of the east heading as a possible exploration location for future work indicates the possible "fingering out", or possible termination of the body. Test hole percussion drilling should be used after muck removal to prove or disprove the continuity of the body before drifting is undertaken. It is recommended that a staged contract be prepared, placing muck removal and test hole drilling under Stage I and drifting and/or/raising and/or/crosscutting under Stage II.

Estimate of Costs:

Stage I

Remove muck from drift and at bottom of stoped area. 25' x 25' x 15' = 350 cubic yards 350 cu. yds. @ $0.40/cu. yd.	$140.00
Drill not more than 250 feet of percussion holes from the present face. 250 feet @ $1.00/ft.	250.00
Total Cost of Stage I	$390.00

DMEA-4293 - Knob Mining Co.

Estimate of Costs--continued.

Stage II

Labor:		
1 - Foreman-Miner @ $1.75/hr.	$1,050.00	
1 - Hoistman @ $1.50/hr.	900.00	
2 - Laborers @ $1.00/hr.	1,200.00	
Equipment Rental		
1 - 210 c.f.m. air Compressor @ $250/Mo.	937.25	
1 - Gasoline powered air blower @ $75/Mo.	281.25	
1 - Air Rock drill @ $25/Mo.	93.75	
1 - Air Jack leg @ $25/Mo.	93.75	
Supplies:		
Gasoline and oil	263.00	
Explosives	412.00	
Drill steel	200.00	
Small tools, pipe, etc.	172.00	
1 - Mine car	100.00	
Rail - double @ $0.70/ linear ft.	350.00	
Air line for blower @ $0.50/ft.	250.00	
Sales tax	53.00	
Social Security and Liability Ins.	350.00	
Estimated Total Cost of Drifting		$6,706.00
Estimated Total Cost of Project		$7,096.00

Examined: October 19, 1956

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

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

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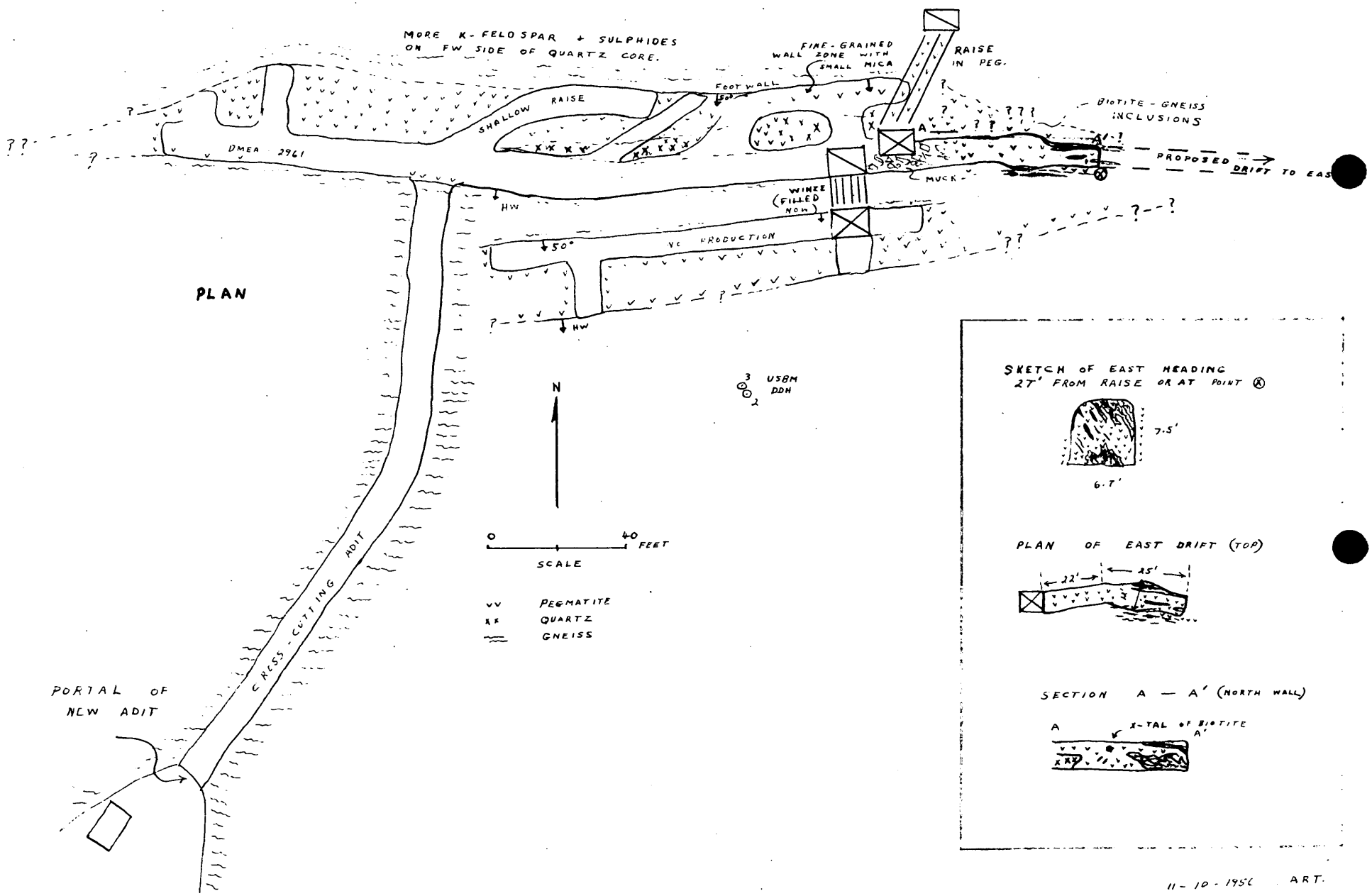
BEASLEY NO. 2 MINE
DMEA - 4293
MACON CO., N.C.
11-10-56



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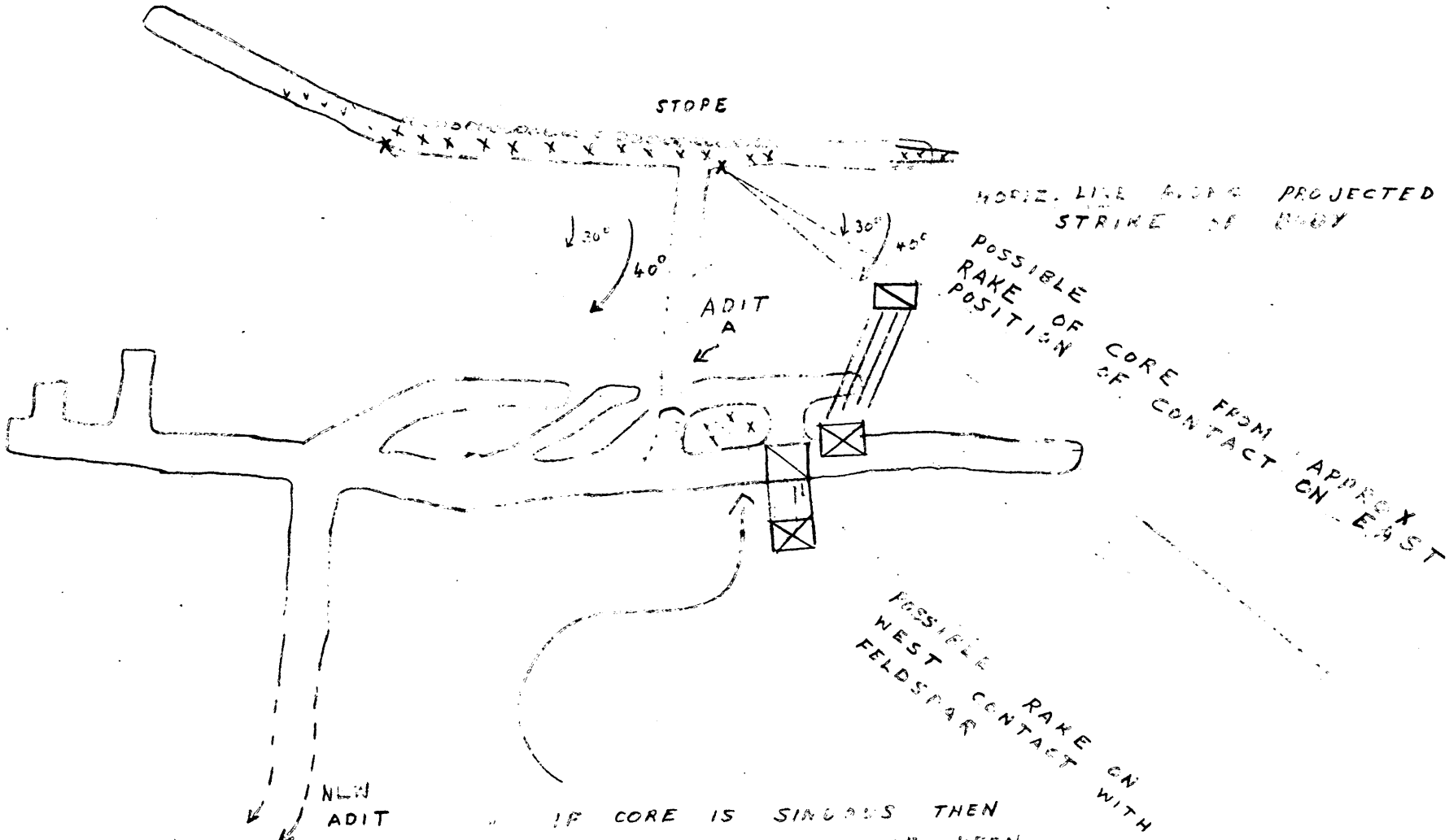
D.M.E.A.



IF CORE IS SINGLE THEN
IT MAY ALREADY HAVE BEEN
INTERSECTED ---- OR -- IT MAY BE PINCHING & BE TO
THE EAST

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

RECEIVED
OCT 18 1956

October 16, 1956

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: DMEA-4293 (mica) Knob Mining Co., Franklin, N.C.
Beasley No.2 Mine, Macon County, N.C.

Reference is made to your letter of September 28.

Before making a definite recommendation on Mr. Nelson's suggestion, we want to have the field men re-examine the east end of the accessible workings, and discuss this proposal with the Applicant.

Mr. Taylor and Mr. Shirley will be in Franklin in the very near future, and after their return, we will report on this suggestion.

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

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

RECEIVED
OCT 18 1956

October 16, 1956

Memorandum

To: Operating Committee, DMEA - Washington

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

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Mr. Taylor and Mr. Shirley will be in Franklin in the very near future, and after their return, we will report on this suggestion.

Robert A. Laurence
Executive Officer, DMEA-Region V

RAL/zm

V. J. Lynch, Member
Bureau of Mines

cc:
Lynch
Shirley
Files

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

DOCKET COPY
Surname:
Anderson
Selfridge
Mathendorf

SEP 28 1956

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

Re: Docket No. DMEA-4293-mica
Knob Mining Company
Beasley Mine No. 2
Mason County, North Carolina

Dear Mr. Laurence:

Reference is made to the Field Examination Report of September 5, 1956, recommending denial of the subject application.

Enclosed are copies of comments dated September 20, 1956, by Mr. W. F. Dietrich, USBM, and Mr. N. E. Nelson, USGS, relating to the report.

Please note that Mr. Nelson recommends a re-appraisal of the application. We will appreciate having your analysis and comments on his recommendation.

Sincerely yours,

Approved:

Frank D. Lamb (26)
Member, Bureau of Mines

George C. Selfridge
Chairman, Operating Committee (26)

Thor H. Kiilsgaard (26)
Member, Geological Survey

Enclosures: 4

WCAnderson:ms 9/27/56
Copy to: Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Admr. R. File

IN REPLY REFER TO:

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

September 20, 1956

RECEIVED
SEP 21 1956

Re: DMEA 4293
Knob Mining Co
Beasley No. 2 Mine
Macon Co., N. C.
$7,480.00 - Mica

Memorandum

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

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

Subject: Review of Field Team report

The applicant requested assistance in driving a 100-foot crosscut to and drifting 100 feet in a pegmatite, credited with strategic mica production before and during the World War II.

DMEA assisted work under DMEA 2961, Idm-E563, ($11,250) did not result in the discovery of strategic mica and the property was not certified. Referral to old maps and sections suggest the work was done too far to the west. Such a postulation is mentioned by the examiners but the mine map does not bring out the possibility as does a section.

The maps at hand do not indicate what is in the face of the east drift off the new adit, but by extending a section (D-D'), Strategic Minerals Investigation, Preliminary Map, and putting in the new raise I get the impression a short extension of the drift would put it into the "mica shoot". If so the driving of a crosscut adit and drifting to get to the block between the new adit and A level would not be necessary.

Logs of the drill holes suggest pegmatite was cut 220 feet vertically below the new adit level. If the "mica shoot" extends to such a level a goodly poundage of mica could be inferred.

At any rate, I recommend that the examiners be requested to consider anew the implications of the 'find' made in the raise. A short drift extension and a raise up the shoot may be warranted.

N. E. Nelson

N. E. Nelson

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

September 20, 1956

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

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

Subject: DMEA-4293 (mica)

Applicant: Knob Mining Co.

Name and Location of Property: Beasley No. 2, Macon County, N. C.

Date of Field Team Report: 9/5/56

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 9/13/56

Field Team Recommendation: Recommend denial of subject application.

Comments:

Reserves of strategic mica have been proven in this mine and further exploration is not warranted.

Recommendation:

I concur with the field team's recommendation for denial.

W. F. Dietrich

W. F. Dietrich

Field Report

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

RECEIVED
SEP 10 1956

September 6, 1956

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Field Examination Report, DMEA-4293 (mica) Knob Mining Co. Beasley No.2, Macon County, N. C.

Enclosed are four copies of the subject examination report.

The Beasley No.2 Mine has been an important producer of strategic muscovite, and it seems likely that some additional reserves remain, in spite of the unsuccessful nature of DMEA-2961 (Idm-E563). But the target proposed in this application seems to be too small to justify the large amount of work in country rock. We agree with the Examiners that this application should be denied.

It should be noted that this Knob Mining Company has no relationship to the Knob Mining Company of DMEA-4008, Idm-E922.

Robert A. Laurence

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

Reviewed by
DMEA OPERATING COMMITTEE
9-14-56
(date)

Wm. A. Beck

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

RECEIVED
SEP 10 1956

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FIELD EXAMINATION REPORT
REGION V

On

DMEA-4293 (mica) BEASLEY No. 2 MINE
Macon County, North Carolina

By

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

and

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

September 5, 1956

Reviewed by
DMEA-OPERATING COMMITTEE
9-14-56
(date)

FIELD EXAMINATION REPORT

DMEA-4293 (mica) BEASLEY No. 2 MINE

RECEIVED
SEP 10 1956

Applicant: Knob Mining Company, a partnership, Reid Womack, Jay Houston, Raleigh Houston, and E. B. Duvall, all of Franklin, N. C.

Summary

A block of strategic muscovite pegmatite exists between the new adit (DMEA-2961) and Adit "A". This ore block has been penetrated by a raise driven recently by the applicants.

Although the applicants recovered over $5,000 worth of muscovite from this raise and other recent work in Adit "A", any safe, new exploration would have to be conducted from an adit at some intermediate level.

The cost of driving a new adit through about 100 ft of country rock to intersect the pegmatite would probably be more than the anticipated value of the potential target. Any other approach would be unsafe; therefore, it is recommended that the application be denied.

Introduction

Location

The Beasley No. 2 Mine is on the southern slope of Bench Mountain 7.4 airline miles N. 20° E. of the town square of Franklin, North Carolina (Greens Creek, N. C., TVA Quadrangle 166-SE, 1/24,000).

It can be reached by road from Franklin, North Carolina. Directions by road: 6.8 miles north of Franklin to Wests Mill on North Carolina Highway 28; follow Cowee Creek to east (upstream) to junction with Caler Creek, thence with Caler Creek past the Gibson and Holbrook Ruby Mines to the end of the gravel road by a house, where a jeep access road continues to the mine 0.4 mile to the north.

History and Past Production

The mine is reported to have been first worked in 1890 by the Bowers brothers of Franklin, North Carolina, and has been worked intermittently by others since.

It was worked extensively during and after World War II. Since World War II operators have been A. W. Reid, American Mica Corp., c/o R. G. Lichtenstein, and most recently by Knob Mining Company, all of Franklin, North Carolina.

Production has been good in the past. It has amounted to several thousand dollars. In one six-month period, June 17 to December 11, 1943, sales of 12,188.75 pounds of block mica amounted to $21,446.73. Other sales data for the pre-war period are unavailable.

According to M. R. Klepper, U. S. Geological Survey (Klepper, M. R., 1943) a Mr. Bumgartner of the Asheville Mica Corp. stated that all the mica mined from the "Lower Adit" (now Adit "A") and stope averaged $1000 per ton and that one shipment was worth $1,300 per ton. Mr. Klepper's estimate, however, was that the average value was $600 or $700 per ton of mine-run mica.

This mine was the subject of DMA-1194X, the Porter Mica Corp. (A. W. Reid), and a contract with The American Mica Corp., c/o R. G. Lichtenstein, Franklin, North Carolina, DMEA-2961, Idm-E563. The work under DMEA-2961 in the new adit, 82.2 feet in elevation below Adit "A", did not result in a discovery of strategic muscovite reserves.

Geology and Present Workings

The geology and old workings have been adequately described by Klepper and others (see list of references).

The pegmatite strikes slightly north of west in the old workings and dips about 45° S., crosscutting the foliation. It is composed essentially of, from hanging wall to footwall, "a 6" - 1' rind of barren oligoclase pegmatite, a 1' - 18" sheet mica pegmatite zone, a 2' zone of coarse oligoclase pegmatite with a small amount of sheet mica (some books frozen to the quartz core), a 3' - 4' zone of quartz, and a 1' rind of barren oligolcase; locally containing small books of mica." (3) The average thickness is about 8 ft.

The pegmatite narrows to 2 feet in the present heading of the new eastern extension of the drift from adit "A", made by Knob Mining Company. The area has been stoped down-dip following the muscovite-rich zone which rakes at 30° - 40° SE. Knob Mining Company recently has driven a raise at a +45° angle for 67 ft N. 25° E. from the eastern end of the lowermost drift.

A block of unmined ore was proven to exist by the raise between the lower adit and "A". One postulation is that the lower works did not go far enough east to intersect the rich zone if it persists to that depth.

Sales reportedly on production from the raise amount to $5,407.32. According to the GSA buying depot in Spruce Pine, North Carolina, the sales were as follows:

	lb.	Value
	152.81	$3,046.68
	145.99	2,159.42
	22.61	201.22
Totals	321.41	$5,407.32

The average is $16.82 per pound, which is above the average Spruce Pine Depot value of $13.87 per pound.

Possible Exploration

The program outlined in the application is essentially the safest way to explore the block of ore between the lowermost adit and Adit "A". The work, however, seems to involve too much "dead" work through (across the foliation) relatively hard gneiss. That work would involve bulldozing away the dump in front of Adit "A" and on the west of the U. S. Bureau of Mines diamond drill holes 2 and 3. The cut would have to be lowered approximately 40 ft which is anticipated to be very difficult.

If the cut were lowered 40 ft then a crosscutting adit could be driven from somewhere near the drill holes 2 and 3 to the northeast, probably N. 20° - 45° E., but would cut through at least 100 ft of country rock and possibly as much at 120 ft. Driving an adit across the foliation would be harder than drifting along the strike of the pegmatite. After the pegmatite is intersected it would take an additional 100 ft of drift to adequately explore the body.

Any work in the old stoped area of Adit "A" would be hazardous because of the rottenness of the lagging holding up the muck from the large stoped area above. The raise from below has just about reached its limit economically, and is also an unsafe place to work.

Recommendations

It is recommended that the application be denied because of the anticipated cost of "dead" work to reach the pegmatite by driving another adit and the unsafe conditions in the old works.

September 5, 1956

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

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

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References

1. Dahners, L. A., and McIntosh, F. K., April, 1948, North Carolina Mica Spots, USBM, R. I. 4241

2. Heinrich, E. Wm., March 14, 1945, Core Drilling at the Beasley No. 2 Mica Mine, USGS

3. Klepper, M. R., Dec. 31, 1943, Beasley No. 2 Mica Mine, USGS open file report.

4. _____ and Heinrich, E. Wm., June, 1944, Beasley No. 2 Mica Mine, USGS

5. Sterrett, D. B., 1923, Mica Deposits of the U. S., USGS Bulletin 740, p. 232

6. Teague, K. H., DMA-1194X, Porter Mica Corp., Macon County, North Carolina

7. _____, and Shirley, L. E., May 14, 1953, Examination Report, DMEA-2961 Beasley No. 2 Mine (mica)

8. _____ et al., March 18, 1954; Final Report, DMEA-2961, Beasley No. 2 Mine (Mica)

DOCKET COPY
Surname:
Anderson
Houk
Yopp
Kiilsgaard
Selfridge
H Johnson

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

600

JUL 18 1956

Knob Mining Company

Franklin, North Carolina

Re: Docket No. DMEA-4293-mica
Knob Mining Company
Beasley Mine
Macon County, North Carolina

Gentlemen:

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

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

Sincerely yours,

G. O. Mittendorf (for)

Administrator

WCAnderson:ms 7/16/56
Copy to: Docket
Operating Committee
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Anderson
Admr. R. File

R.C.K.

DOCKET COPY
Surname:
Anderson
Houk
Selfridge
Fitzgerson

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

JUL 18 1956

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

Re: Docket No. DMEA-4293-mica
Knob Mining Company
Beasley Mine
Macon 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 May 17 and 25, 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

Approved:

P. F. Yopes
Member, Bureau of Mines

Thor H. Kiilsgaard
Member, Geological Survey

Enclosures: 4

WCAnderson:ms 7/16/56
Copy to: Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Admr. R. File

R.C.S.

Knob Mining Company
Franklin, N. C.
July 11, 1956

RECEIVED
JUL 12 1956

Lawrence G. Houk, Chief
Nonmetallic Minerals Division
U. S. Department of Interior, DMEA
Washington, D. C.

Dear Mr. Houk:

We have your letter of July 5, 1956, concerning docket number DMEA-4293-Mica, in the name of Joy Mining Company.

We wish to advise you that the name Joy Mining Company ~~is nothing~~ as included on our application is a secretarial error. There is no Joy Mining Company in existence, so far as we know. We did not note the error when we executed the application. The application should have been in the name of Knob Mining Company a partnership. The complete list of the partners:

E. B. Duvall, Rt. 3, Franklin, N. C.
J. Houstin, Franklin, N. C.
Raleigh Houstin, Franklin, N. C. and
Reid Womack, Franklin, N. C.

No other persons own any interest in Knob Minimg Company.

Also enclosed is the authorization of thetrustee's of Junaluskee Lodge to execute the lease. It will be appreciated if you will correct the application to its proper name, that is Knob Mining Company, and process the application.

Yours very truly,

KNOB MINING COMPANY

E. B. Duvall

E. B. Duvall
General Partner

JUNALUSKEE LODGE NO. 145

A. F. & A M.

FRANKLIN, N. C.

The following was taken from the minutes of a Stated Communication held on December 20, 1955:

"The following were elected Trustees for Junaluskee Lodge No. 145 A. F. & A. M.

H. H. Gnuse, Jr.,
J. B. Ray
G. Wayne Faulkner

The above named Trustees are to handle all business transactions for the Lodge, such as selling, leasing, etc., of property."

I, J. Ward Long, Secretary of Junaluskee Lodge No. 145 A. F. & A. M. state that the above is a true and correct statement taken from the Minutes on the above date. This 11th day of July 1956.

J. Ward Long - Secretary

RECEIVED
JUL 12 1956

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

JUL 5 - 1956

Joy Mining Company

Franklin, North Carolina

Re: Docket No. DMEA-4293-mica
Joy Mining Company
Beasley Mine
Macon County, North Carolina

Gentlemen:

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

We are returning the lease and the copies of the Consent to Lien that you recently submitted because they have not been satisfactorily executed. The applicant, in this case, is the Joy Mining Company, a partnership, whereas, the lessee is the Knob Mining Company. Please have the Knob Mining Company assign the lease to the Joy Mining Company, or have the name of the applicant changed to the Knob Mining Company. We must also have evidence that the parties signing for the Junaluskee Lodge have been authorized by the Lodge to execute the lease. Please list the officers of the Knob Mining Company and have the Secretary attest the lease and affix the Corporate seal. The Consent to Lien should also be corrected.

Processing of your application will be held in abeyance pending receipt of these documents with the requested corrections and additions made thereto.

Sincerely yours,

Lawrence G. Houk

Lawrence G. Houk, Chief
Nonmetallic Minerals Division

Enclosures: 7

RECEIVED
JUL 12 1956

RECEIVED
JUN 14 1956

NORTH CAROLINA
MACON COUNTY

THIS LEASE, Made and entered into, this the 29th day of May, 1956, by and between JUNALUSKEE LODGE NO. 145, A. F. & A. M., located in the Town of Franklin, North Carolina, party of the first part, and KNOB MINING COMPANY, a North Carolina Corporation, party of the second part,

WITNESSETH:

That for and in consideration of the covenants and agreements hereinafter set forth, to be done and performed by the party of the second part, their successors or assigns, the party of the first part has leased, and by these presents does lease unto the party of the second part, its successors or assigns, the exclusive right to prospect, mine, raise and remove any and all minerals, ores and mineral products in and upon the following described property:

The mineral interest and mining privileges on a tract of land consisting of 500 acres on the waters of Cowee Creek in Macon County, North Carolina, being a part of the property conveyed to Junaluskee Lodge No. 145 by Mary L. Bowers by deed, dated September 6, 1900, and recorded in Book JJ, at page 136, Public Registry of Macon County, and being the land on which the mines known as Beasley #1 and #2 are located, together with the right of ingress, egress and regress to and from said land and also the right to cut and use such timber as may be necessary for the conduct of said mining operations and also the right to use any water necessary for mining purposes.

THE TERMS AND CONDITIONS OF THIS LEASE ARE AS FOLLOWS:

1. The term of this lease shall be for a period of Five (5) Years, beginning on the 29th day of May, 1956, and ending on the 29th day of May, 1961. It is mutually agreed, however, that this lease may be extended thereafter, from year to year, at a royalty then being paid for like minerals in the area, which royalty shall in no case be less than twelve and one-half per cent (12½) of the sale price thereof.

2. The party of the second part agrees to pay unto the party of the first part a royalty of twelve and one-half per cent (12½) of the receipts derived from the sale of block or sheet mica mined from said premises and the sum of ONE AND 50/100 ($1.50) DOLLARS per ton for all scrap mica mined thereon. The party of the second part agrees that if any mineral other than mica shall be mined on said premises, that the party of the second part shall pay as royalty for such mineral the usual royalty being paid therefor in this area, or in other areas of Western North Carolina.

3. All royalty accruing under this Lease shall be due and payable on or before the 20th day of the calendar month next following that during which such royalty accrued.

4. It is mutually understood and agreed that the principal consideration moving the party of the first part to enter into this lease is the agreement by the party of the second part, its successors and assigns, to conduct mining operations on said property with diligence and in good faith. It is therefore specifically agreed that the party of the second part shall, in good faith and with due diligence, begin mining operations not later than September 29, 1956.

Upon failure to begin operations as aforesaid and within the time stated, or upon failure to conduct operations upon said property for period of sixty (60) days without the agreement of party of first part, beginning

RECEIVED
JUL 12 1956

September 29, 1956, this lease shall become null and void. Mining operations shall be conducted at each of the #1 and #2 Beasley mines. Failure to conduct mining operations at either mine shall void lease on the unworked mine.

5. The party of the second part agrees to keep and maintain complete and accurate records of all sales of minerals removed from said property and to permit the party of the first part, through its designated representatives, to inspect and audit said records at any time.

6. Upon the termination of this Lease, or any extension thereof, the party of the second part shall be the right to remove from the leased premises all buildings, tools, machinery and equipment belonging to the party of the second part. This right shall, however, only accrue if all royalties then or theretofore due, shall have been paid. If, at said termination, there shall remain unpaid royalties for minerals removed from said premises, then and in such event, no buildings, equipment or other property belonging to the party of the second part shall be removed from said premises until said indebtedness has been satisfied, or except by express permission of the party of the first part.

7. This Lease shall not be assigned without the express permission of the party of the first part.

8. In the event that the party of the second part shall fail to pay any royalty when due, the party of the first part shall have the right, upon ten (10) days notice to the party of the second part, to terminate this Lease. However, if the party of the second part shall, within ten (10) day period of notice, pay all royalties due the notice of termination of said Lease shall deemed to be cancelled and the Lease continued in full force and effect.

IN WITNESS WHEREOF, the party of the first part has caused this lease to be executed in its name by its three principal officers, and its common seal thereto affixed, all by the order of the Lodge in stated communication, and the party of the second part has caused this lease to be executed in its name by its President and attested by its Secretary and the Corporate seal affixed thereto, all by order of its Board of Directors duly given, all on the day and year first above written.

JUNALUSKEE LODGE #145
A. F. & A. M.

H. W. Grusel Jr.

J. B. Bray

[illegible]

KNOB MINING COMPANY

E B Duvall

Ray Houston

Ralph Houston

Reif Womack

Witness my hand and notorial seal:
This 31 day of May, 1956.

Irene N. Calloway
Notary Public

My Commission Expires Apr. [illegible] 6

CLERK'S PROBATE

North Carolina, Macon County.

The foregoing certificate of Frank H. Calloway Notary Public Macon County, State of North Carolina attested by his/~~her~~ notarial seal, is adjudged to be correct. Let the instrument, with the certificates, be registered.

Witness my hand and official seal, this 4 day of June, 19 56

Byne Neel Perry
Deputy CLERK SUPERIOR COURT.

DOCKET COPY
Surname:
Anderson

Lawrence G. Houk
Mitchendorf

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

JUL 5 - 1956

Joy Mining Company

Franklin, North Carolina

Re: Docket No. DMEA-4293-mica
~~Joy Mining Company~~
Beasley Mine
Macon County, North Carolina

Gentlemen:

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

We are returning the lease and the copies of the Consent to Lien that you recently submitted because they have not been satisfactorily executed. The applicant, in this case, is the Joy Mining Company, a partnership, whereas, the lessee is the Knob Mining Company. Please have the Knob Mining Company assign the lease to the Joy Mining Company, or have the name of the applicant changed to the Knob Mining Company. We must also have evidence that the parties signing for the Junaluskee Lodge have been authorized by the Lodge to execute the lease. Please list the officers of the Knob Mining Company and have the Secretary attest the lease and affix the Corporate seal. The Consent to Lien should also be corrected.

Processing of your application will be held in abeyance pending receipt of these documents with the requested corrections and additions made thereto.

Sincerely yours,

SIGNED

Lawrence G. Houk, Chief
Nonmetallic Minerals Division

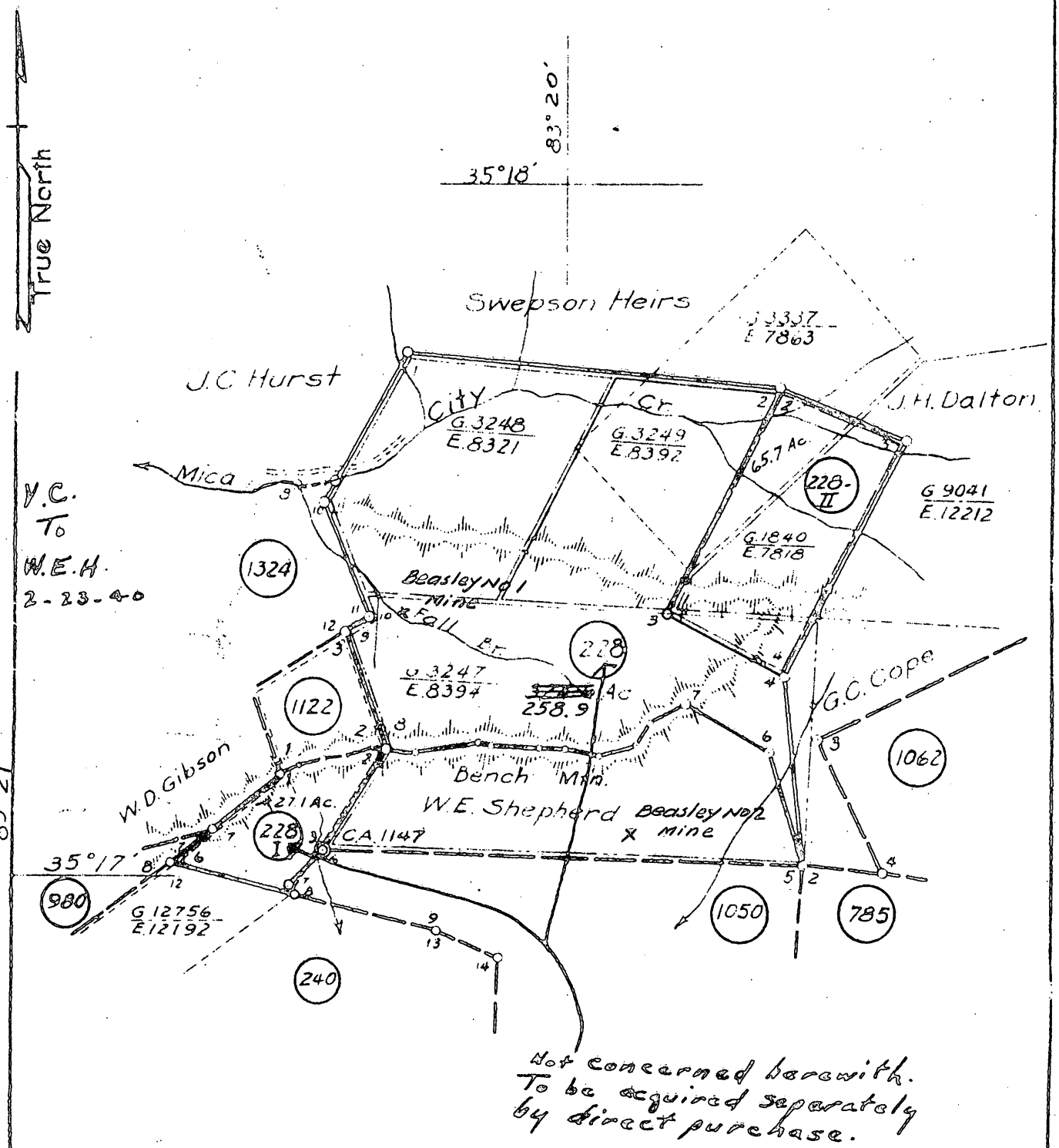
Enclosures: 7
WCAnderson:ms 7/3/56
Copy to: Docket
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Anderson
Admr. R. File

R.C.L.

RECEIVED
JUN 14 1956

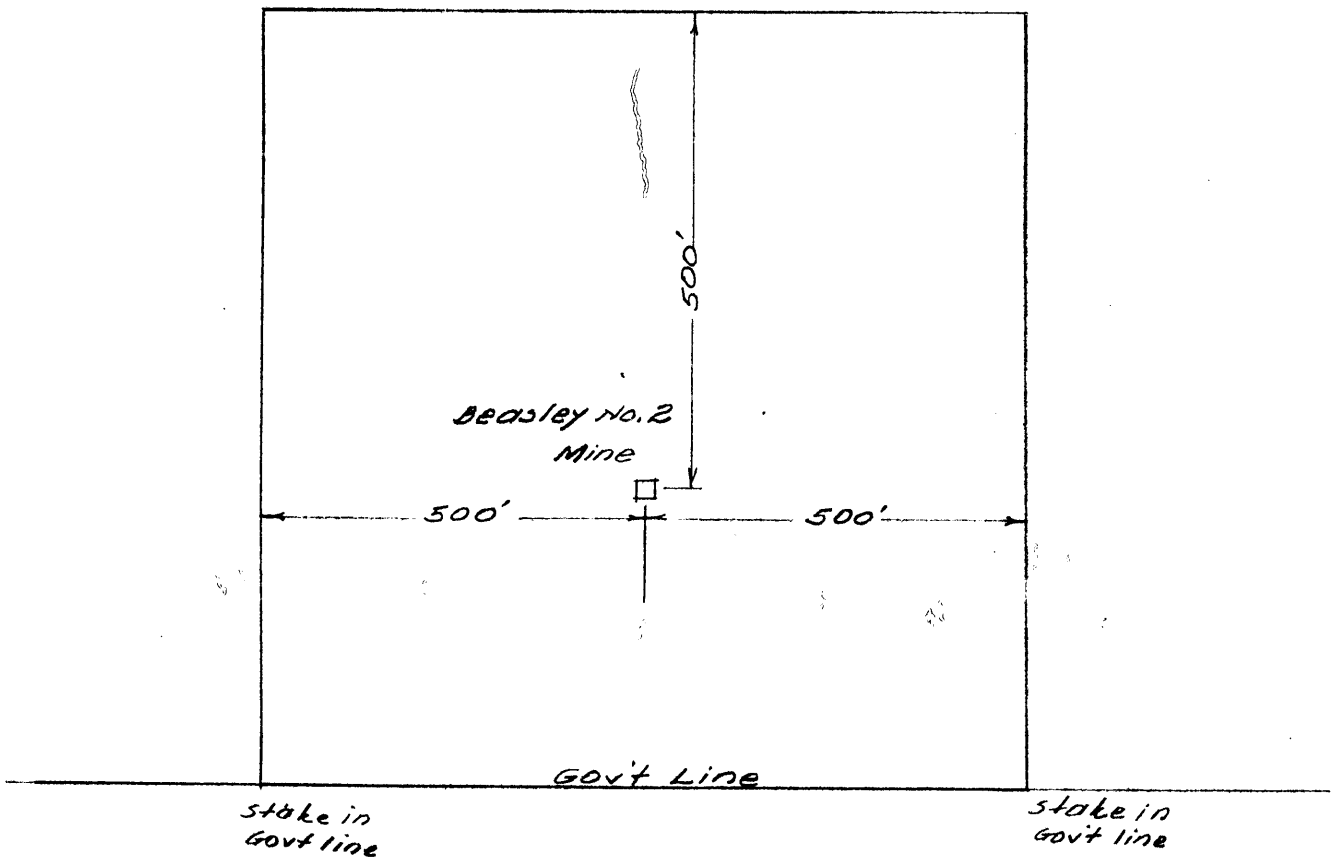
ACQUISITION SURVEY PLAT

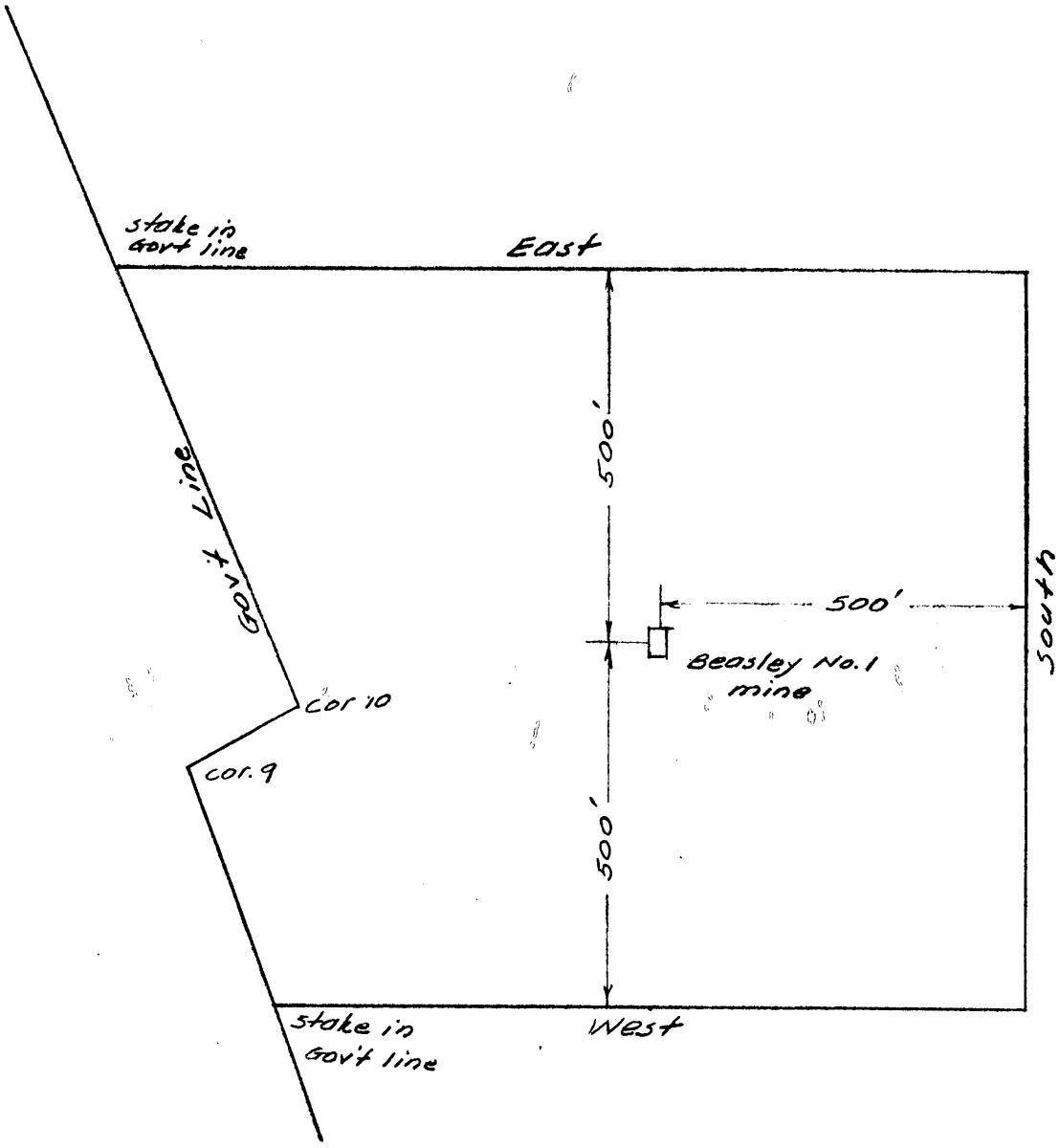
NOTE: For bearings and distances, see description to which this map is attached and of which it is a part.



NANTAHALA NATIONAL FOREST
Rev. Joseph Andrew Gallagher (Nos. 228, I, II)
Macon County, N.C. State
Scale: 4 inches = 1 mile

U.S.F.S. SURVEYS
Surveyed by: J.R.B.
Note Book: 289 & 343
Drawn by: J.W.H.
Checked by: J.R.B.
Date: Jan. 4, 1940


500'
Beasley No. 2
Mine
500'
500'
Gov't Line
Stake in
Govt line
Stake in
Gov't line


stake in
Govt line
East
500'
Govt Line
500'
South
Beasley No. 1
mine
Cor 10
cor. 9
500'
stake in
Gov't line
West

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

RECEIVED
MAY 28 1956

May 25, 1956

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

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

Subject: DMEA-4293 (mica)

Applicant: Joy Mining Co. (R. Womack)

Name and Location of Property: Beasley #1 & #2, Macon Co., N. C.

Date Application Rec'd. by Br. of Ceramic & Fertilizer Materials: 5/16/56

Comments:

1. The Colonial Mica purchases in 1945 included 282 pounds of full-trimmed valued at $2,256.00 and 749 pounds of punch valued at $224.70.

2. The Bureau of Mines conducted a drilling campaign on this property in 1945 or 1946.

3. 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.

May 17, 1956

Re: DMEA 4293
Joy Mining Company
Junaluskee property
Macon County, North Carolina
$7,480.00 - Mica

Memorandum

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

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

Subject: Review of application

The applicant requests assistance in exploring by crosscutting and drifting a pegmatite reported as having been worked and having produced high-grade mica during World War II.

The work proposed consists of 100 feet of crosscut and 100 feet of drifting and the estimated cost is $7,480.00

Referral to the Field Team for appropriate action is recommended.

N. E. Nelson

N. E. Nelson

RECEIVED
MAY 17 1956

DOCKET COPY
Surname:
Anderson
Houk
Mottendorf

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

Joy Mining Company MAY 1 8 1956

Franklin, North Carolina

Re: Docket No. DMEA-4293-mica
~~Joy Mining Company~~
Property (name not given)
Macon County, North Carolina

Gentlemen:

Reference is made to your application of May 10, 1956 for exploration assistance under the subject docket number.

Please be advised that the copy of the lease submitted with your application is not acceptable because the expiration date of January 21, 1956 has passed. We require a new lease for a period of at least 5 years, preferably 10 years. The lease must contain an acceptable legal description of the land, the name of the property or prospect, and be specific as to the acreage covered by the application. The land must be described by lengths and bearings of the lines which bound the property, and the proposed workings must be tied into the nearest property line.

You did not submit a Consent to Lien of the Owner, which is necessary in the case of a lessee, to protect the Government's interest. There are enclosed seven forms of a Consent to Lien which please have executed as indicated. The same land description as contained in the lease should be filled in. Return six of these executed copies to this office and one is to be retained by the lessor.

Processing of your application will be held in abeyance pending the receipt of the requested documents.

Sincerely yours,

SIGNED

Lawrence G. Houk, Chief
Nonmetallic Minerals Division

Enclosures: 7
WCAnderson:ms 5/18/56
Copy to: Docket
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Anderson
Admr. R. File

N.C.

May 16, 1956

Joy Mining Company
Franklin,
North Carolina

Subject: DMEA - 4293
Re: Exploration Assistance
Joy Mining Company

Gentlemen

The receipt of your application dated May 10, 1956 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA - 4293 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

00932

May 16, 1956

Memorandum

To: Executive Officer, DMEA Field Team, Region V

From: Chief, Operation's Control and Statistics Division

Subject: Assignment of Docket Number

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

DMEA
- 4293 The Joy Mining Company

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

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

RECEIVED
MAY 16 1956

May 15, 1956

Memorandum

To: Operating Committee, DMEA- Washington

From: Acting Executive Officer, DMEA - Region V

Subject: Application: Joy Mining Company, Franklin, N. C. (mica)

Transmitted are three copies of the subject application for exploration for mica received in this office today.

V. J. Lynch

V. J. Lynch

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
MAY 16 1956

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

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

~~Not to be filled in by applicant~~

Docket No. DMEA-4293
Metal or Mineral Mica
Date Received 5/16/56
Estimated Cost $7,480
Participation (Government %)

note letter 7-11-56

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: ~~Joy Mining Company~~ Knob Mining Company, a partnership, Reid Womack, Franklin, N. C; Jay Houston, Franklin, N. C; Raleigh Houston, Franklin, N. C. and E. B. Duvall, Franklin, 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 All of that portion of land described in a deed from Mary L. Bowers to Junaluskee Lodge #145, dated Sept. 6, 1900 and recorded in Book JJ, at page 136, Public Registry of Macon Co., N. C., which lies S of the crest of the ridge traversing said property.

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

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

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

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

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

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

(*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.

RECEIVED
MAY 14 1956
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

16—66551-1

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

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

(*c*) The work will start within 30 days and be completed within 3 months from the date of an exploration project contract.

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

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

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

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

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

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

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

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

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

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

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

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

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

☐ Money ☑ Use of equipment owned by you ☐ Other

Explain in detail on acompanying paper.

CERTIFICATION

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

Dated 5-10-56, 195__

JOY MINING COMPANY
(Applicant)

By E. B. Duvall, Partner

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

RECEIVED
MAY 16 1956

4. (a) This property was mined extensively during World War II by Asheville Mica Company and a considerable quantity of high grade sheet mica removed. In 1945 or 1946 extensive core drilling was made on the property by the Bureau of Mines, a report of which was published has been inspected by the applicants, but they do not have a copy available. A copy is probably available in your records.

A few years ago an organization, known as American Mica Company, drove a tunnel on the property, but the operation did not work out. We are informed that there may have been an application, or possibly and exploration loan on this project. Your file will disclose this. This applicant was not connected with this project.

(b) As above stated this property was a large producer of large size, top quality mica during World War II and earlier. The core drilling project disclosed the presence of block mica in well established pegmatite.

(d) Access road exists to site of proposed project located ten miles north of Franklin, North Carolina.

(e) All items available at site.

5. The applicant desires to drive a standard 5 x 7 tunnel for a distance of approximately 100 feet, beginning approximately 100 feet west of and above the American Mica operation, so as to intersect vein previously worked successfully by Asheville Mica Company and thereafter to drift at least 100 feet with vein in order to fully explore project.

(d) E. B. Duvall and Raleigh Houston have been experienced in mica mining operations for more than thirty years. They will supervise operation. Other partners now operate successful scrap mining operation and have had experience in mining for sheet mica.

6. Estimate of Cost:

Labor:	
Supervision	$ 600.00
Drillers 400 Hrs. @ $1.50	600.00
Helpers 400 Hrs. @ 1.25	600.00
Muckers 800 Hrs. @ 1.25	1000.00
Payroll Taxes and Ins.	250.00
Labor	$ 3050.00
Materials and Supplies:	
Explosives	$ 900.00
Power, Fuel, Oil, Etc	500.00
Steel and Mining Supplies	700.00
Miscl. Supplies	300.00
	$ 2400.00
Equipment:	
Compressor and Hammers	$ 550.00
Dozer	300.00
Track-Mine Cars-Small Tools	500.00
	$ 1350.00
Contingent Expense	$ 680.00
Total	$ 7480.00

NORTH CAROLINA
MACON COUNTY

THIS LEASE, made and entered into, this the 21st day of January, 1955, by and between JUNALUSKEE LODGE NO. 145, A. F. & A. M, located in the Town of Franklin, North Carolina, party of the first part, and KNOB MINING COMPANY, a North Carolina Corporation, party of the second part.

WITNESSETH:

That for and in consideration of the covenants and agreements hereinafter set forth, to be done and performed by the party of the second part, their successors or assigns, the party of the first part has leased, and by these presents does lease unto the party of the second part, its successors or assigns, the exclusive right to prospect, mine, raise and remove any and all minerls, ores and mineral products in and upon the following described property:

> The mineral interest and mining privileges on a tract of land consisting of 500 acres on the waters of Cowee Creek in Macon County, North Carolina, being a part of the property conveyed to Junaluskee Lodge No. 145 by Mary L. Bowers by deed, dated September 6, 1900, and recorded in Book JJ, at page 136, Public Registry of Macon County, and being the land on which the mines known as Beasley # 1 and # 2 are located, together with the right of ingress, egress and regress to and from said land and also the right to cut and use such timber as may be necessary for the conduct of said mining operations and also the right to use any water necessary for mining purposes.
>
> Excepting, however, from said 500 acre tract that portion thereof consisting of approximately 250 acres known as Beasley # 1 and Beasley # 2 Mines.

THE TERMS AND CONDITIONS OF THIS LEASE ARE AS FOLLOWS:

1. The term of the lease shall be for a period of One (1) Year, beginning on the 21st day of January, 1955, and ending on the 21st day of January, 1956. It is mutually agreed, however, that this lease may be extended thereafter, from year to year, at a royalty then being paid for like mineral in the area, which royalty shall in no case be less than twelve and one-half per cent (12½) of the sale price thereof.

2. The party of the secone part agrees to pay unto the party of the first part a royalty of twelve and one-half (12½) per cent of the receipts derived from the sale of block or sheet mica mined from said premises and the sum of ONE AND 50/100 ($1.50) DOLLARS per ton for all scrap mica mined thereon. The party of the second part agrees that if any mineral other than mica shall be mined on said premises, that the party of the second part shall pay as royalty for such mineral the usual royalty paid therefor in this area, or in other areas in Western North Carolina.

3. All royalty accruing under this Lease shall be due and payable on or before the 20th day of the calendar month next following that during which such royalty accrued.

4. It is mutually understood and agreed that the principal consideration moving the party of the first part to enter into this Lease is the agreement by the party of the second part, its successors and assigns, to conduct mining operations on said land with diligence and in good faith. It is, therefore, specifically agreed that the party of the second part shall, in good faith and with due diligence, begin mining operations not later than February 15, 1955.

Upon failure to begin operations as aforesaid and within the time stated, or upon failure to conduct operations upon said property for a period of thirty (30) days without the agreement of party of first part, beginning February 15, 1955, this lease shall become null and void.

5. The party of the second part agrees to keep and maintain complete and accurate records of all sales of minerals removed from said property and to permit the party of the first part, through its designated representatives, to inspect and audit said records at any time.

6. Upon the termination of this lease, or any extension thereof, the party of the second part shall have the right to remove from the leased premises all buildings, tools, machinery and equipment belonging to the party of the second part. This right shall, however, only accrue if all royalties then or theretofore due, shall have been paid. If, at said termination, there shall remain unpaid royalty for mineral removed from said premises, then, and in such event, no buildings, or other property belonging to the party of the second part shall be removed from said premises until said indebtedness has been satisfied, or except by express permission of the party of the first part.

7. This Lease shall not be assigned without the express permission of the party of the first part.

8. In the event that the party of the second part shall fail to pay any royalty when due, the party of the first part shall have the right, upon ten (10) days notice to the party of the second part, to terminate this Lease. However, if the party of the second part shall, within ten (10) day period of notice, pay all royalties due the notice of termination of said Lease shall deemed to be cancelled and the Lease continued in full force and effect.

IN WITNESS WHEREOF, the party of the first part has caused this Lease to executed in its name by its three principal officers, and its common seal thereto affixed, all by the order of the Lodge in stated communication, and the party of the second part has caused this lease to be executed in its name by its President and attested by its Secretary and the Corporate seal affixed thereto, all by order of its Board of Directors duly given, all on the day and year first above written.

JUNALUSKEE LODGE #145
A. F. & A. M.

/s/ H. H.Genuse, Jr.
/s/ J. B. Ray

KNOB MINING COMPANY

/s/ E. B. Duvall
/s/ Raleigh Houston
/s/ Reid Womack
/s/ Jay Houston

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

STRATEGIC MINERALS INVESTIGATIONS
PRELIMINARY MAP

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

U. S. GEOL. SURVEY
FOR USE OF U. S. GOVERNMENT ONLY

EXPLANATION

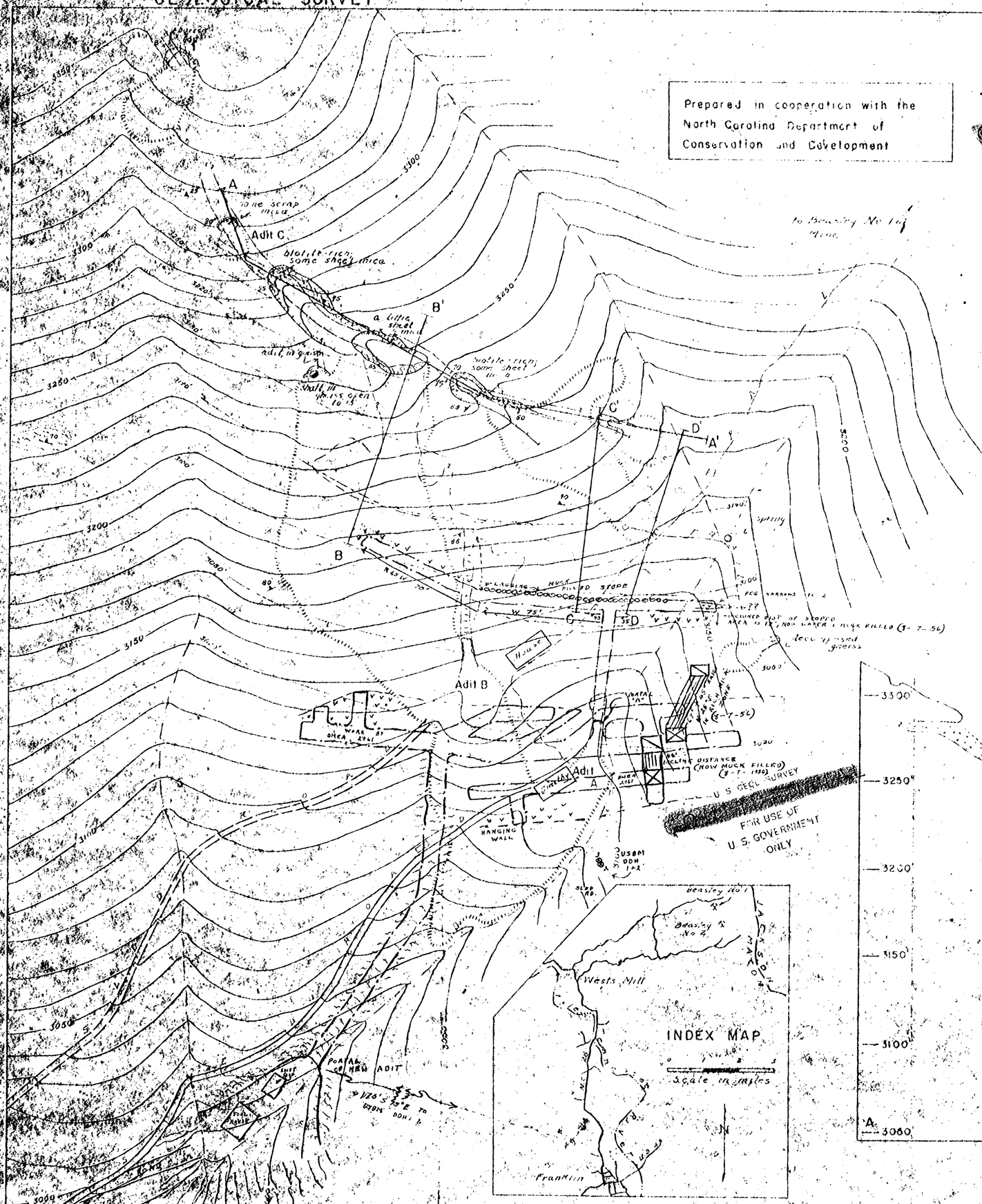
- Muck
- Pegmatite, undifferentiated
- Biotite gneiss
- Contact, showing dip
- Contact, approximate
- Attitude of foliation
- Structural contour on hanging wall of pegmatite
- Approximate limits of mica shoot, projected
- Limit of outcrop
- Projected limit of underground workings
- Edge of open cut
- Outer edge of dump
- TOP OF RAISE
- BOTTOM OF RAISE

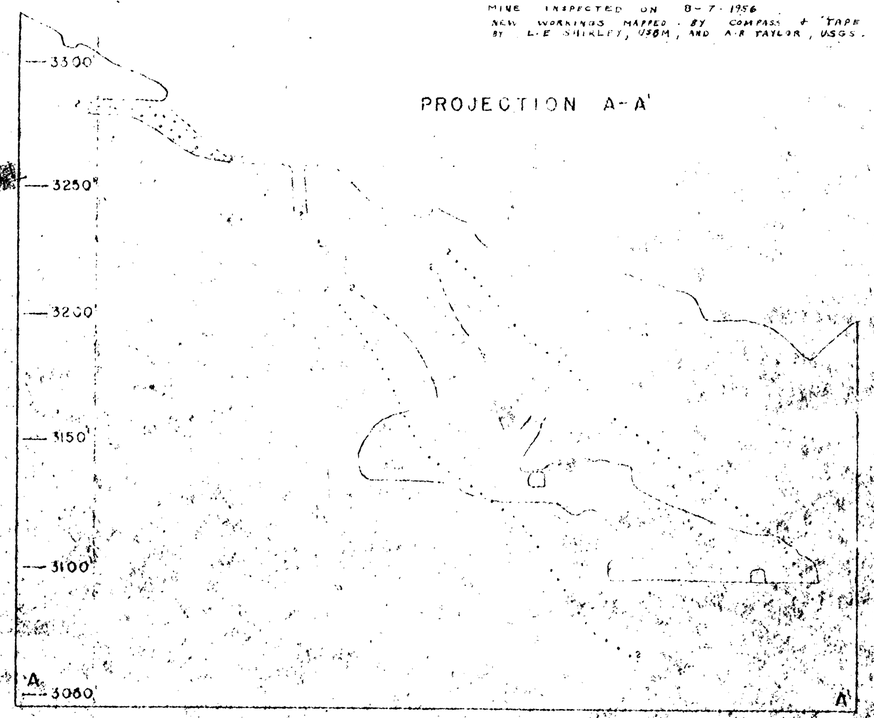
Plane table survey
Contour interval 10 feet
Datum from U S G S Cowee Quadrangle

Geology & topography by M. J. Klepper, D. M. Larrabee, and W. B. Allen 12-28-43

Underground remapped by F. C. Olson and E. Wm. Heinrich 5-26-44

MINE INSPECTED ON 8-7-1956
NEW WORKINGS MAPPED BY COMPASS & TAPE
BY L. E. SHIRLEY, USBM, AND A. R. TAYLOR, USGS.





DMEA-4293

BEASLEY NO. 2 MICA MINE, MACON COUNTY, N. C.

40 20 0 40 80 120
Scale in feet