DMEA Form 9
Rev. 6/57

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE  Idm-E NO._____  DMEA NO. 4982

Application
- [x] Denied
- [ ] Withdrawn

Contract
- [ ] Terminated - Not Certified
- [ ] Terminated - Certified
- [ ] Cancelled
- [ ] Royalty Agreement

The records contained in this file are marked (x) and arranged in this order:

Folder No. 1:

Left Side

- [ ] Royalty Audits
- [ ] Certification of Discovery
- [ ] Closing Letter
- [ ] Cost Audits
- [ ] Termination Notice or Agreement
- [ ] Recision Notice
- [ ] Assignment of Contract
- [ ] Contract Amendments
- [ ] Contract with all exhibits and annexes
- [ ] Owner's Consent to Lien and Subordination Agreement
- [x] Application and attachments

Right Side

- [x] Project summary (final)
- [ ] Work Completed analysis (final)

All other material filed in chronological order including the following reports if checked:

- [ ] Field Team Semi-Annual Report for Certified Project
- [ ] Final Field Team Report (Tab)
- [ ] Operator's Final Report (Tab)
- [ ] Interim Field Team Reports
- [ ] Operator's monthly reports and all attachments
- [x] On-site Exam Report (Tab)
- [ ] Settlement Sheets
- [ ] Drill Logs

Additional Folders:

Left Side

Folders No._____: Reports
- [ ] Analysis of Semi-Annual Inspection Reports
- [ ] Project Summary (Interim) by DMEA Engineers

Right Side

- [ ] Field Team Semi-Annual Report for Certified Project
- [ ] Field Team Interim Reports
- [ ] Operator's Monthly Reports with transmittal, narrative and maps.

Folders No._____: Maps (Use pocket folder or envelope)

Folders No._____: Settlement Sheets

Folders No._____: Drill Logs

Folders No._____: Royalty material

17963

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

OFFICIAL FILE COPY
DMEA
RECEIVED APR 17 1958

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April 15, 1958

Memorandum

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

From: Field Team, Region V, Knoxville, Tennessee

Subject: Application from Andy S. Buchanan, et al., Spruce Pine, N.C.
Mud Hole Mine, Macon County, North Carolina
Mineral Lease No. BLMA 042653

Enclosed are the original and two copies of the subject application, with a copy of the Applicant's lease. We are keeping the fourth copy for our use.

No property map is provided, but it is probable that such maps are in the files of the Bureau of Land Management and of the Regional Mining Supervisor, Conservation Division, Geological Survey, in Washington.

Robert A. Laurence
Robert A. Laurence
Executive Officer

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

Enclosures 4

Form MF–103
Revised Oct. 1957

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42–R1035.3
Approval expires June 30, 1958

# APPLICATION FOR AID IN AN EXPLORATION PROJECT

PURSUANT TO DMEA ORDER I, UNDER THE DEFENSE PRODUCTION ACT OF 1950, AS AMENDED

RECEIVED APR 17 1958 D.M.E.A.

**NAME OF APPLICANT** (Full legal name and mailing address as it should appear on contract if one is executed)

Andy S. Buchanan, Lane Buchanan
and M. E. Burleson
Spruce Pine, North Carolina

**APPLICANT NOT TO USE THIS BLOCK**

| | |
|---|---|
| Docket Number | DMEA-4982 |
| Date Received | 4-17-58 |
| Government Participation % | |
| Region | V. |
| Division Code | 600 |

**BUSINESS ORGANIZATION** (Check one)

- Individual [ ]
- Corporation [ ]
- Partnership [X]
- Other (Specify) [ ]

State in which firm is organized: NC

**LIST CORPORATE OFFICERS OR PARTNERS HERE, IF APPLICABLE**

| Name | Address | Title |
|---|---|---|
| Andy S. Buchanan | ~~Newland~~ SPRUCE PINE, N. C. | Partner |
| Lane Buchanan | Newland, N. C. | Partner |
| M. E. Burleson | Spruce Pine, N. C. | Partner |

Mineral(s) for which you wish to explore: Ruby Mica

Estimated Cost of Project: $7500.00

**LOCATION OF PROPERTY**

| Name | County | State |
|---|---|---|
| MUDHOLE MINE Near Burningtown | Macon County | N. C. |

## GENERAL INSTRUCTIONS

Before filling out this application, please read DMEA Order–I, Revised, "Government Aid in Defense Exploration Projects." To assure prompt action, your application must provide all applicable material and information specified on the back of this application form. Avoid unnecessary correspondence and delays by submitting complete and accurate information. *Please submit four copies of this application and all accompanying papers* except as otherwise noted. Place your name and address on each sheet. Each item of information, maps, and reports required as a part of this application is described on the back of this form. Identify each attached statement by the item number to which it applies. If an item does not apply to your application, show the item number on your statement and after it write "not applicable." Maps or sketches should be used to supplement narrative descriptions of the property location and boundaries in item 1, existing mine workings and geology in item 2, and the proposed exploration project in item 4. When this information is not too complex, all of it may be shown on one map or sketch. All documents and other attachments submitted as a part of this application, except those in item 2(g) which you mark to be returned, become the property of the Government and will not be returned to the applicant. Send true copies, *not originals*, of leases, contracts, and other documents which are an essential part of your business records. *File this application with the Defense Minerals Exploration Administration, Department of the Interior, Washington 25, D. C., or with the nearest DMEA Field Office.*

## 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.

Andy S. Buchanan, Lane Buchanan &
M. E. Burleson

March 31st, 1958
*Dated*

*BY (Signature)*
M. E. Burleson
*Title*

RECEIVED APR 15 1958 U. S. Geological Survey Denver, Colorado

A wilfully false statement or certification to any Department or Agency of the United States Government is a criminal offense. U. S. Code, Title 18, Sec. 1001.

## INFORMATION REQUIRED WITH THIS APPLICATION

1. *Applicant's Property Rights:*

*(a)* State the legal description (section, township, and range; metes and bounds; patent number of claims) of the land upon which you wish to explore and all land adjacent to the proposed project area which you own or control. Describe any part of the project land or workings which should not be subject to Government lien for royalty payments. If the land consists of unpatented claims, state the book and page number for each recorded location notice, including amended locations, and the place where recorded (courthouse, recorder's office, county, and state).

*(b)* State all the names by which you know the property.

*(c)* State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise. If you are not the owner, submit with this application one exact copy of the lease, contract, or other document (with address of owner) under which you control the property.

*(d)* Describe all liens, mortgages, or other encumbrances on the property.

2. *Physical Description:*

*(a)* Describe in detail and illustrate with maps or sketches all mining or exploration operations which you know have been or are being conducted upon the lands, including existing mine workings. Describe all production facilities.

*(b)* State your interest, if any, in operations stated in 2*(a)*.

*(c)* State, as far as you know, the past and current production, supporting your statement with copies of settlement sheets, mine records, or published data if available.

*(d)* Describe known ore reserves on the property giving quantities and grades and sampling methods used, supporting your statement with copies of assay certificates and assay maps if available.

*(e)* Describe by narrative and maps or sketches the geologic features of the property, including ore minerals, geologic formations if known, and type of deposit (vein, bedded, etc.).

*(f)* State your reasons for expecting to find ore, and if you have sampled the area you propose to explore, show where the samples were taken, describe sampling methods used, and provide copies of assay certificates.

*(g)* Send with your application at least *two* copies of all geologic or engineering reports, assay maps, or technologic information which you may have, indicating on each whether you require its return to you.

3. *Accessibility of Project:*

*(a)* To aid DMEA representatives who may be required to examine the property, state the name and address of the person who will meet the DMEA representative; give directions for reaching the property; and describe accessibility of the property including the mine workings.

*(b)* Name the shipping and supply points and places where employees reside and state the distances between them and the property.

4. *The Exploration Project:*

*(a)* Describe fully the proposed exploration project giving individual footages and sizes of openings *for each item of work.* Use narrative, maps, plans, and longitudinal and cross sections as necessary. Show the location of the proposed work as related to geologic features such as veins, ore-bearing beds, contacts of rock formations, etc. Show also the relation of the proposed work to any existing mine workings and to *property boundaries* or to the closest identifiable corner.

*(b)* If an access road to the project must be built, show the location on the property map and state the length, type, and construction methods proposed.

*(c)* In the event that an exploration contract with DMEA is executed, how soon will the work start and how many months will be required to complete it? State your anticipated average daily or monthly rate of progress for each type of work.

5. *Experience:*

State your operating experience and background with relation to your ability to carry out this exploration project, and also that of the person or persons who will supervise the operations.

6. *Estimate of Costs:*

Furnish detailed estimates of the costs *for each item of the work proposed in 4(a)* under the headings listed below with a total for each heading and the estimated total cost of the project. Costs for any work to be performed by an independent contractor should be shown separately under category *(a)* below. Costs for any work that is not to be performed by an independent contractor should be given in detail under categories *(b)* through *(g)*.

*(a)* Independent contracts. State the cost of any proposed independent contract for the performance of all or any part of the work, expressed in units of work, such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved. Cost estimates should be supported by bids from three contractors if possible. *(Note* – If none of the work is to be contracted, write "none" after this item.)

*(b)* Personal services. For necessary supervision, engineering and geological services, and labor, include an itemized schedule of numbers, classes, rates of wages, salaries or fees, and periods of employment. State whether these technicians and employees are available.

*(c)* Operating materials and supplies. List items of material and supplies with their cost. Include under this heading power, water, and fuel, and units of equipment and tools costing less than $50 each.

*(d)* Operating equipment. List items of operating equipment to be used giving specifications and indicating how each item is to be acquired – i.e., rented, purchased, or provided by the applicant. If it is rented or purchased, state the estimated rental or purchase price. If it is to be furnished by the applicant, give its present fair market value.

*(e)* Initial rehabilitation and repairs. Describe the type and the cost of necessary *initial* rehabilitation or repair of existing buildings, fixtures, installations (exclusive of mine workings), and movable operating equipment now owned by the applicant, which will be used on the exploration project.

*(f)* New buildings, fixtures, installations. Describe each building, fixed improvement, and installation to be purchased, constructed, or installed for the exploration project stating specifications and cost including labor, materials and supervision.

*(g)* Miscellaneous. For the operating equipment listed in 6*(d)*, describe the type and estimate the cost of repairs and maintenance expected during project operations. Do not repeat initial repairs listed in 6*(e)*. Show also the costs of analytical work, accounting, workmen's compensation and employees' liability insurance, payroll taxes, and other required costs that do not fall within the previous categories.

*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)* State whether you are prepared to furnish your share of the cost of the proposed project in accordance with the regulations on Government participation stated in Sec. 7 of DMEA Order–I, Revised.

*(b)* Explain to what extent you propose to furnish your share of the costs by providing money, by use of equipment owned by you, or otherwise.

* * * * *

INT.-DUP. SEC., WASH., D.C. 25960

1(a) In Macon County, N. C. and beginning at corner 4 of the Nantahala National Service Macon County Supply Company Tract No. 1031A, and running thence south 3 degrees 20 minutes east 1 ch. to corner no. 5 of said tract; thence south 41 degrees 50 minutes east 8.00 ch. to corner No. 6 of said tract; thence with the eastern boubdary line of said tract north 1 degree 28 minutes east 17.00 ch. to a point in the eastern boundary line of said tract; thence west 9.60 ch. to a point in the western boundary line of said tract; thence with the western boundary line of said tract south 24 degrees 44 minutes east 11.05 ch. to corner No. 4, the place of BEGINNING, and containing 9.5 acres, more or less.
(b) Mud Hole Mine.
(c) Lessees-lease attached hereto.
(d) None.

2(a) Has been mined to some extent. 2 or 3 shafts have been sunk and there has been some small production.
(b) None
(c) Some minor production but seems to be an excellent prospect.
(d) Applicants do not have adequate information to answer.
(e) Vein
(f) From all appearances this seems to be an excellent prosepct for exploration.
(g) Attached to lease.

3(a) Please contact M. E. Burleson, Spruce Pine, N. C. Mine is located in Macon County, N. C. about 11 miles from Franklin, near Burningtown.
(b) Franklin, N. C.

4(a) Propose to do 60 feet of shafting. Must be a timbered shaft. Then propose to do 100 feet of drifting.
(b) No roads required except minor amount of bulldozing.
(c) Work will start within 30 days and be completed within 6 to 9 months.

5. Been mining mica for past 6 years.

6. Cost Estimates:

| | |
|---|---|
| 60 feet of timbered shafting @ $50 per foot | $3000.00 |
| 100 feet of drifting @ $40 per foot | 4000.00 |
| Power line work | 300.00 |
| Road Work | 100.00 |
| Shed, tool house, etc. | 100.00 |
| TOTAL COSTS | $7500.00 |

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7(a) Yes.
(b) Equipment.

Knoxville, Tenn.

Form 4-1100
(Aug. 1955)

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| DATE | INITIALS | CODE |
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UNITED STATES
DEPARTMENT OF THE INTERIOR
Bureau of Land Management

Office Eastern States Land Office

Serial No. BLMA 042653

North Carolina
(State)

MINERAL LEASE - ACQUIRED LANDS

This lease entered into on MAR 1 1958 between the United States of America, as lessor, through the Bureau of Land Management, and Andy S. Buchanan, ~~Inne Buchanan and M. E. Burleson~~ of ~~Spruce Pine, North Carolina~~, as lessee, pursuant to the authority set out in, and subject to, the regulations 43 CFR 200.31-200.50, and to a regulations of the Secretary of the Interior now or hereafter in force when not inconsistent with any of the provisions herein.

WITNESSETH:

SECTION 1. (a) Rights of Lessee. In consideration of the rents and royalties to be paid and conditions and covenants to be observed as herein set forth the lessor grants to the lessee, subject to all privileges and uses heretofore duly authorized and prior valid claims, the exclusive right to mine, remove, and dispose of all the mica and associated minerals in, upon, or under the following described acquired lands of the United States, in the State of North Carolina;

(See attached sheet)

containing 9.5 acres, more or less, together with the right to construct and maintain thereon such structures and other facilities as may be necessary for the mining, preparation and removal of said minerals for a period of five years with a right in the lessee to renew the same for successive periods of like duration in accordance with the regulation 43 CFR 200.37(b).

(b) Authorized Agency Representative. The United States agency having administrative control over the surface use of the land is U. S. Forest Service and its authorized agency representative to whom inquiries should be addressed is Forest Supervisor, N. C. National Forest at Asheville, North Carolina

SECTION 2. In consideration of the foregoing, the lessee agrees:

(a) Operation and Production. To carry on operations under this lease with reasonable diligence and to begin operations within 12 months and to continue production thereafter unless operations are interrupted by strikes, the elements, or casualties not attributable to the lessee. The lessor may grant reasonable extensions of time for the commencement of production, and may authorize suspensions of operations and production in accordance with the regulation 43 CFR 200.38 for reasonable periods of time in the interest of conservation or when the lease cannot be successfully operated at a profit, or for other reasons when such action does not adversely affect the interest of the United States.

(b) Rental. To pay to the lessor annually in advance, beginning with the date of this lease, rental of $2.00 for each acre or fraction thereof for each lease year until production commences, the rental payment for the year in which production commences to be credited on royalties that accrue during that lease year.

(c) Royalty. To pay the lessor within 30 days after the end of each period prescribed in subsection (f) of this section a royalty of eight percent of the gross value of the minerals mined hereunder at the point of shipment to market, such point of shipment to be the mine or preparation plant, as the case may be. The lessee agrees that the Secretary of the Interior, for the purpose of determining the royalties due hereunder, may establish reasonable minimum values for the minerals mined, due consideration being given to the highest price paid for a part or a majority of the production of minerals of like quality produced from the same general area, the price received by the lessee, posted prices, and other relevant matters.

(d) Minimum Royalty. If there is no production or if royalties under subsection (c) of this section total less than $ 20.00 in any lease year, to pay the lessor a sum equal to the difference between such royalties and $ 20.00 , such minimum royalty obligation to become effective the first lease year commencing after production begins, and to be payable within 30 days following the end of the lease year for which due. Lessor may, in its discretion, suspend the minimum royalty requirement when production is interrupted or suspended as provided in subsection (a) in accordance with the regulations 43 CFR 200.38.

(e) Bond. To furnish and maintain a bond in the sum of $ 500.00 conditioned upon compliance with the terms and conditions of this lease, and to increase the amount thereof or furnish such other bond as may be required.

(f) Statement. To furnish for each month or such other period as may be designated by the Regional Mining Supervisor of the Geological Survey, statements in detail, in such form as may be prescribed by him, of the amount and value of output from the leasehold during such period for use in determining royalties, such statements to be furnished within 30 days from the close of the month or period so designated. Falsification of such statements shall be grounds for cancellation of the lease.

(g) Inspection. To permit at all reasonable times; (1) inspection by any authorized agency representative of the leased premises and all surface and underground improvements, works, machinery, equipment, and all books and records pertaining to operations and surveys or investigations under this lease; and (2) the lessor to make copies of and extracts from any or all books and records pertaining to operations under this lease.

(h) Maps--Reports. To furnish in duplicate to the Regional Mining Supervisor, at such times as he may require, a plat in the manner and form prescribed by him showing prospecting and development work and improvements on the lease land and other related information, with a report as to all buildings, structures, and other works or equipment, situated elsewhere and owned or operated in conjunction with, or as a part of the operations conducted hereunder.

(i) To comply with all regulations of the Secretary of the Interior and the Secretary of Agriculture as to the lands herein described which are under his jurisdiction; and to conduct operations in an orderly manner and in accordance with the regulations (30 CFR, Part 231) and the applicable Federal and State laws; and to exercise reasonable diligence, skill, and care in the operation of the property; and to carry on all operations in accordance with approved methods and practices, having due regard for the prevention of damage to mineral deposits, water horizons and property, injury to life and health, and economic waste.

(j) Taxes. To pay when due all taxes lawfully assessed and levied under the laws of the State or the United States upon improvements, output of mines, and other rights, property, and assets of the lessee.

(k) Deliver Premises. To deliver up to the lessor in good order and condition and subject to the provisions of Section 9 hereof on the termination of this lease as a result of forfeiture thereof the lands covered thereby, including all underground timbering and such other supports and structures as are necessary for the preservation of the mine.

(l) Assignment. Not to assign this lease, or any interest therein, whether by direct assignment, operating agreement, working or royalty interest, or otherwise, nor sublet any portion of the leased premises, except with the approval in writing of the lessor. All such assignments or subleases must be submitted in triplicate within 90 days from the date of execution and must contain all of the terms and conditions agreed upon by the parties thereto. Not to create overriding royalties in excess of those authorized by the regulations 43 CFR 200.49.

An assignment of all or part of the record title to a portion of the acreage in the lease shall separate the lease into separate leaseholds and the terms hereof shall apply separately to the segregated portions. Advance annual rental payments, if previously terminated, shall be resumed as to an undeveloped segregated portion on the next anniversary date of the lease; the minimum royalty payment herein specified shall apply separately to the segregated portions and the time allowed within which to commence operations on an undeveloped segregated portion shall be such reasonable period as shall be prescribed by the lessor at the time the assignment is approved.

(m) Nondiscrimination. In connection with the performance of work under this lease the lessee agrees not to discriminate against any employee or applicant for employment because of race, religion, color, or national origin. The aforesaid provision shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The lessee agrees to post hereafter in conspicuous places, available for employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of the nondiscrimination clause.

The lessee further agrees to insert the foregoing provision in all subcontracts hereunder, except subcontracts for standard commercial supplies or raw materials.

(n) Payments. Rental payments under this lease shall be made to the Manager of the proper Land Office by remittance made payable to the Bureau of Land Management, except that rentals and royalties on productive mining leases shall be by remittance made payable to the United States Geological Survey and transmitted to the Regional Mining Supervisor.

SECTION 3. (a) Protection of Property. To conduct all operations hereunder with due regard for good land management, not to cut or destroy timber without previous permission from the authorized agency representative and to pay for such timber at rates prescribed by him; to avoid damage to improvements, timber, crops, or other cover; unless otherwise authorized by the agency representative, not to drill any well, carry on operations, make excavations, construct tunnels, drill, or otherwise disturb the surface of the lands within 200 feet of any building thereon and whenever required in writing by the authorized agency representative, and upon any partial or total relinquishment, cancellation or termination of this lease as to that portion of the land to which his rights have terminated, to fence or fill all sump holes, ditches and other excavations, remove or cover all debris, and so far as reasonably possible, reseed or otherwise restore the surface of the lands to their former condition, or to a productive or other condition satisfactory to the authorized agency representative, including the removal of structures as and if required, and when required by such representative to bury all pipelines below plow depth.

(b) Fire Precautions. To do all in ~~his~~ their power to prevent and suppress fires on the land and vicinity, and to require his employees, contractors, and subcontractors to do likewise. Unless prevented by circumstances over which ~~he has~~ they have no control, to place ~~his~~ their employees, contractors and subcontractors at the disposal of the authorized agency representative for the purpose of fighting fires on or originating on the land or on adjacent areas or caused by the negligence of the lessee or ~~his~~ their employees, contractors, and subcontractors, with the understanding that payment for such services shall be made at rates to be determined by such authorized agency representative but not less than the current rates of pay prevailing in the vicinity for services of a similar character: Provided, that if the lessee, ~~his~~ their employees, contractors, or subcontractors, or employees of contractors or subcontractors, caused or could have prevented the origin or spread of said fire or fires, no payment shall be made for services so rendered. During periods of serious fire danger, as may be specified by the authorized agency representative, the lessee shall prohibit smoking and the building of camp and lunch fires by ~~his~~ their employees, contractors, and subcontractors, within the leased area except at established camps, and shall enforce this prohibition by all means within ~~his~~ their power: Provided, that the authorized agency representative may designate safe places where, after all inflammable material has been cleared away, campfires may be built for the purpose of heating lunches and where,

at the option of the lessees, smoking may be permitted; Provided further, That when in the judgment of the authorized agency representative the fire danger is of such serious nature that fires may result from the operation, the lessees will close down operations upon request of such representative for the period of such emergency. The lessee shall not burn rubbish, trash or other inflammable materials except with the consent of the authorized agency representative and shall not use explosives during the fire season except as authorized to do so or on areas approved by such representative. The lessees shall build or construct such fire lines or do such clearing on the land as the authorized agency representative decides is essential for forest, brush, and grass fire prevention which is or may be necessitated by the exercise of the privileges authorized by this lease, and shall maintain such fire tools at his headquarters or at the appropriate location on the land as are deemed necessary by such representative.

(c) Approval of Construction. Not to clear or use the land for development or for construction purposes of any kind until a plan of construction and development therefor has been approved by the authorized agency representative and that in the location, design, construction and maintenance of all authorized works, camps, buildings, plants, waterways, roads, telegraph or telephone lines, pipelines, reservoirs, tanks, pumping stations, or other structures or clearance, lessees shall do all things reasonably necessary to prevent or reduce scarring and erosion of the land, pollution of the water resources and any damage to the watershed.

(d) Damage to Property. To pay the lessor or its tenant, as the case may be, for any and all damage to or destruction of property caused by the lessees's operations hereunder; to save and hold the lessor or the surface owner or their tenants harmless from all damage or claims for damage to persons or property resulting from the lessees's operations under this lease; and where the surface of the leased land is owned by other than the lessor, to pay such owner, or his tenant, as the case may be, for damage or injury to livestock, crops, trees, pipelines, buildings, and other improvements on the leased land. That where construction, operation, or maintenance of any of the facilities on or connected with this lease causes damage to the watershed or pollution of the water resources, to repair such damage and to take such corrective measures as are required by the authorized agency representative, including the reseeding or other restoration of the vegetative cover.

(e) Protection of Livestock; Access to Leased Lands. To install and maintain cattle guards to prevent the passage of livestock in any openings made in fences by the lessees or their contractors to provide access to the lands covered by this lease for automotive and other equipment.

(f) Special Stipulations.

(See attached sheets)

(g) Authorized Agency Representative. All inquiries relating to this section should be addressed to the authorized agency representative mentioned in section 1(b) of this lease.

SECTION 4. Lessee-Agent. Prior to the beginning of operations the lessees shall appoint and maintain at all times during the term of this lease a local agent upon whom may be served written orders or notices respecting matters contained in this lease, and shall inform the appropriate agency official and the Regional Mining Supervisor of the Geological Survey, in writing, of the name and address of such agent. If a substitute agent is appointed, the lessees shall immediately so inform the said representatives.

SECTION 5. The lessor expressly reserves:

(a) Rights Reserved. The right to permit for joint or several use easements or right-of-way, including easements in tunnels upon, through, or in the land leased, occupied, or used as may be necessary or appropriate to the working of the same or other lands, and the preparation and shipment of the products thereof by or under authority of the Government, its lessees or permittees, and for other public purposes.

(b) Monopoly and Fair Prices. Full power and authority to promulgate and enforce all orders necessary to insure the sale of the production of the leased lands to the United States and to the public at reasonable prices, to protect the interest of the United States, to prevent monopoly, and to safeguard the public welfare.

(c) Readjustment of Terms. The right to reasonably readjust and fix royalties payable hereunder and other terms and conditions at the end of 20 years from the date hereof and thereafter at the end of each succeeding 20-year period during the continuance of this lease unless otherwise provided by law at the time of the expiration of any such period. Unless the lessees file objections to the proposed terms or a relinquishment of the lease within 30 days after receipt of the notice of proposed terms for a 20-year period, he will be deemed to have agreed to such terms.

(d) Waiver of Conditions. The right to waive any breach of the covenants and conditions contained herein, but any such waiver shall extend only to the particular breach so waived and shall not limit the rights of the lessor with respect to any future breach; nor shall the waiver of a particular cause of forfeiture prevent cancellation of this lease for any other cause, or for the same cause occurring at another time.

SECTION 6. It is mutually agreed:

(a) Mining Methods. That this lease does not authorize the mining or removal of the mineral deposits by stripping, rim cutting or open pit methods, without the prior written approval of the authorized agency representative and on such conditions as he may prescribe.

(b) Reduction or Smelting of Ores. That the reduction or smelting of ores on the leased land is expressly prohibited in the absence of an agreement between the lessees and the authorized agency representative authorizing such use of the surface of the land and providing for the necessary protection of life and property. Such agreement shall contain all of the terms and conditions under which the reduction or smelting of ores may be carried on and any violation of that agreement shall be considered a violation of the terms of this lease for the purpose of Section 9.

(c) Uses and Disposition of Surface. That the leased land shall be subject at all times to any other lawful uses or sale by the United States, its lessees, permittees, licensees, and assigns; provided that such uses or sale shall not prevent, obstruct, or unduly interfere with any privilege granted under this lease: Provided, that the lessees shall recognize existing uses and commitments in the form of grazing, timber cutting, and special use permits, water developments, ditch, road, trail, pipeline, telephone line, and fence rights-of-way, and other similar improvements, and to conduct his operations so as to interfere as little as possible with the rights and privileges granted by these permits or with other existing uses.

(d) Granting Leases for Other Minerals. That the granting of this lease will not preclude the issuance of other leases of the same land for the mining of other minerals with suitable stipulations as to joint operations, in order that full development of the mineral resources may be obtained.

SECTION 7. Relinquishment of Lease. Upon payment of all rentals, royalties and other debts due and payable to the lessor and upon payment of all wages or moneys due and payable to the workmen employed by the lessees, the lessees may, upon a satisfactory showing that the public interest will not be impaired, surrender all or any subdivision or subdivisions of the area included in the lease. In no case will the lease be terminated in whole or in part until and unless the lessees shall have made provision for the preservation of any mines and mineral deposits or productive works or permanent improvements on the lands covered thereby and complied with Section 3 hereof. A surrender must be by a relinquishment filed, in triplicate, in the appropriate land office. Upon its acceptance it shall be effective as of the date of filing.

SECTION 8. Removal of Equipment, etc., on Termination of Lease. On termination of this lease, by surrender, forfeiture, or otherwise, the lessee shall have the privilege at any time within a period of 90 days thereafter of removing from the premises all machinery, equipment, tools, and materials, other than underground timbering placed by the lessee in or on the leased lands, which are not necessary for the preservation of the mine. Any materials, tools, appliances, machinery, structures, and equipment, subject to removal as above provided, which are allowed to remain on the leased land shall become the property of the lessor on expiration of the 90-day period or such extension thereof as may be granted by the lessor, but the lessee shall remove any or all of such property when so directed by the lessor.

SECTION 9. Proceedings in Case of Default. If the lessee does not comply with the applicable regulations made a part hereof or the terms of this lease and such default continues for a period of 30 days after service of written notice thereof by the lessor, the lease may be canceled by the Bureau of Land Management. Furthermore, if the lessee fail~~s~~ to take prompt and necessary steps to prevent loss or damage to the mine, property, or premises, or danger to the employees, the lessor may enter on the premises and take such measures as may be deemed necessary to prevent such loss or damage, or to correct the dangerous or unsafe condition of the mine or works thereof, which shall be at the expense of the lessee, but the lessee shall not be held responsible for delays or casualties occasioned by causes beyond the lessee~~'s~~ control.

SECTION 10. Heirs and Successors-in-Interest. Each obligation hereunder shall extend to and be binding upon, and every benefit hereof shall inure to, the heirs, executors, administrators, successors, or assigns of the respective parties hereto.

SECTION 11. Unlawful Interest. It is also further agreed that no Member of, or Delegate to, Congress, or Resident Commissioner, after his election or appointment, or either before or after he has qualified and during his continuance in office, and that no officer, agent, or employee of the Department of the Interior, except as provided in 43 CFR 7.4(a)(1), shall be admitted to any share or part in this lease or derive any benefit that may arise therefrom; and the provisions of Section 3741 of the Revised Statutes of the United States, as amended (41 U.S.C., sec. 22), and sections 431, 432, and 433, Title 18, U. S. Code, relating to contracts, entered into and form a part of this lease so far as the same may be applicable.

THE UNITED STATES OF AMERICA

By Joseph P. Hagan
Signing Officer

Chief, Minerals Adjudication Section — FEB 5 1958
(Title) (Date)

Witnesses to Signature of Lessee(s)

Grace Boone — Andy L. Buckman
Lessee's Signature

Grace Boone — Lane Buckman
Lessee's Signature

Mary E. Brown — M. E. Burleson
Lessee's Signature

(If this lease is executed by a corporation, it must bear the corporate seal)



INT.-D[illegible], WASH., D.C. 85336

Beginning at corner 4 of the Nantahala National Forest Service Macon County Supply Company Tract No. 1031A, and running thence South 3° 20' East 1 ch. to corner No. 5 of said tract; thence South 41° 50' East [illegible].00 ch. to corner No. 6 of said tract; thence with the Eastern boundary line of said tract, North 1° 28' East 17.00 ch. to a point in the Eastern boundary line of said tract; thence West 9.50 ch. to a point in the Eastern boundary line of said tract; thence with the western boundary line of said tract, South 24° 44' East 11.05 ch. to corner No. 4, the place of beginning.


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Form 961-R7
10/15-56

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## SPECIAL TERMS AND CONDITIONS

Special Terms and conditions under which surface or stripmining may be authorized as provided in clause 12 of Prospecting Permit, BLM Form 4-1099 (Aug. 1955), and sec. 6(a) of Mineral Lease--Acquired Lands, BLM Form 4-1100 (Aug. 1955).

A. Notwithstanding the provisions of clause 12 of Prospecting Permit or Section 6(a) of Mineral Lease with respect to stripmining the permittee (lessee) is authorized to engage in surface operations upon compliance with stipulations B to J below.

B. All plans for prospecting by other than hand tools or core drilling shall provide for the orderly and systematic prospecting of the area and shall be confined to one or a number of comparatively small and definitely established areas at any one time and on which a bond has been posted in accordance with the provisions of paragraph H.

Before actual mining operations begin, the lessee will survey the ore deposits and select the areas to be mined in blocks of approximately ten (10) acres each and submit to the forest officer in charge a plat of such areas, the boundaries of which must be approved in writing by said officer in advance of operation. The lessee will mark the boundaries of each area with white paint and will confine all operations, including the dumping of spoil, within the areas. Areas in which hazards are created will be posted with appropriate safety notices. Additional areas for operation must be similarly approved and marked. This provision does not preclude the simultaneous operation of two or more approved areas under this lease and on which a bond has been posted in accordance with the provisions of paragraph H.

C. The permittee (lessee) shall fully and currently repair all damage, other than ordinary wear and tear, to national forest roads and trails caused by the exercise of the privileges granted by this permit. No transportation of ore shall be permitted on roads until drainage acceptable to the forest officer in charge is installed.

D. Prospecting may be done by core drilling, hand dug test pits, or use of mechanical earth moving equipment. Such prospecting shall be limited to that essential to determine the presence, extent, and workability of ore deposits.

Prospecting or mining by mechanical earth moving equipment will be permitted within three hundred (300) feet of live streams or in the bed of any dry stream only after the forest officer in charge is satisfied that the operation can be conducted in such a manner that mine acids, silt, rock, debris, dirt, clay or other deleterious matter shall not be washed, conveyed or otherwise

deposited in any stream and that the requirements of clause 5 of Prospecting Permit and sec. 3(c) and 3(d) of Mineral Lease with respect to scarring and erosion of land, pollution of the water resources and damage to the watershed can be fully complied with, and only after such officer has given his approval in writing.

E. Operations resulting in open pits adjacent to the exterior boundary of the permit (lease) area must be limited in depth of excavation to not more than one-half the horizontal distance from the pit or excavation to the nearest point on the exterior boundary of the permit (lease) area except where satisfactory written evidence is furnished the forest officer in charge that permission has been obtained from the owner of the adjacent minerals and surface.

F. Within a reasonable time after operations on any portion of the area have been completed, as determined by the forest officer in charge, the permittee (lessee) shall backfill, grade, or treat spoil banks or pits, according to the following specifications:

1. Spoil banks: The top of spoil banks shall be flattened to a slightly crowned cross section. The width of the top after being flattened shall be not less than six-tenths of the height of the spoil banks above original ground level at the toe of slope of the base. The slopes of the spoil banks shall not be steeper than one and one-half (1-1/2) horizontal to one (1) vertical. The toe of the slopes adjacent to the rim of the high wall shall be a distance from the rim equal to fifty (50) per cent of the depth of the pit at the rim. In moving material to conform to these specifications the slope and dimensions of the remaining spoil bank shall be in conformity with the attached design of a typical spoil bank entitled "Spoil Bank Treatment."

2. Pits: During active operations and the life of the permit (lease) sedimentation retaining dams shall be constructed and maintained below each area operated in order to prevent the flow of disturbed material out of the area operated. When operations are completed in a given pit or area sufficient dams shall be constructed, as approved by the forest officer in charge, to confine sediment to the area operated. The number of dams required will vary with the size of each pit or area. The height of each dam will vary with the depth, grade and width of pit. The minimum requirements and dimensions of sediment retaining and settling pond dams are:

Width of crest in relation to height shall be the square root of the height in feet plus three (3) feet.

The slopes shall be two (2) feet horizontal to one (1) foot vertical on the back side of the dam and three (3) feet

horizontal to one (1) foot vertical on the front or water side of the dam.

Spillways for dams eight (8) feet in height or less shall be provided with a minimum of two-foot freeboard between the elevation of the crest of the dam and the flow line of the spillway. Side slopes in the spillway channel shall be not greater than one (1) foot horizontal to one (1) foot vertical. The gradient of the spillway channel shall not be greater than two-tenths of one per cent. The area of the spillway shall be large enough to accommodate the estimated run-off from the drainage area above the dam as computed by Talbot's formula. Spillways shall be constructed in such fashion that there remains no possibility of the flow through the spillway eroding the slopes or any part of the embankment section of the dam.

Dams over eight (8) feet high including spillways shall be designed to fit the individual location of the proposed dam. The design of each such dam shall receive the prior written approval of the forest officer in charge.

3. Restoration: Insofar as practicable surface restoration specified in paragraphs 1 and 2 shall be carried on progressively during the active life of the operations.

After operations have been completed, additional restoration and retaining dams as specified in paragraph 2 shall be constructed. All surface restoration shall be completed within one (1) year from the time operations authorized in this permit (lease) are completed.

G. Within a reasonable time after operations on any portion of the area have been completed, as determined by the forest officer in charge, the permittee (lessee) shall, in cooperation with the Forest Service, United States Department of Agriculture, and as required by the forest officer in charge restore a vegetative cover by planting trees, shrubs, or other plants and seeds, the species, methods and frequencies of planting to be determined by the forest officer in charge. The permittee (lessee) shall furnish materials, equipment and labor, including foremanship, and the Forest Service shall furnish general supervision. Compacted areas shall be scarified prior to revegetation.

H. As a guarantee of faithful performance of the conditions of this permit (lease) with respect to the restoration of the surface and revegetation and reforestation of the land, as set forth in paragraphs F and G above, the permittee (lessee) shall deliver to the Regional Fiscal Agent, U. S. Forest Service,* ~~6816 Market Street, Upper Darby, Pennsylvania,~~ a surety bond executed by an approved corporate surety in the sum of $500.00 for each acre or fraction thereof included in approved prospecting or mining plans as

* 50 7th St., N. E., Atlanta 5, Georgia,

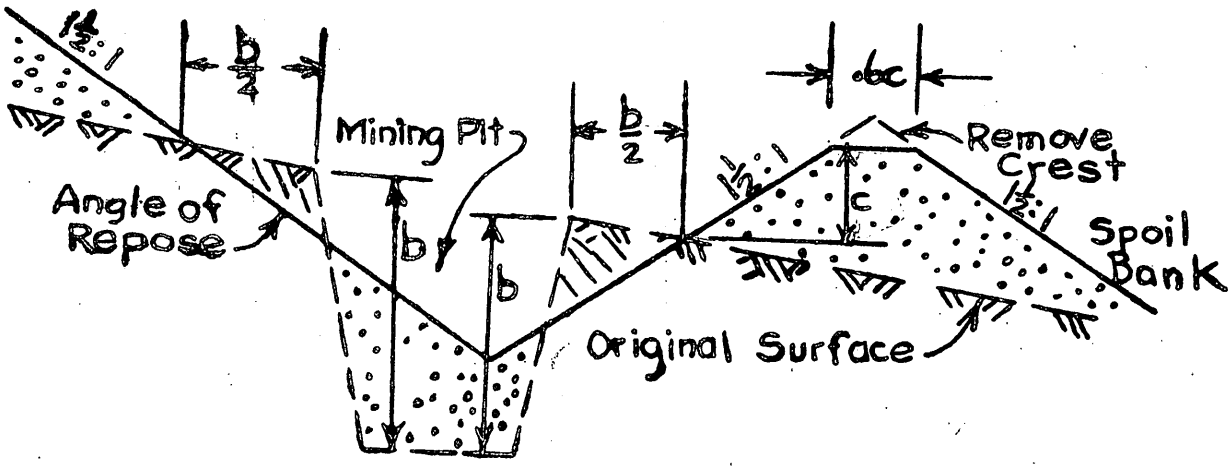
provided for in Clause 5 of Prospecting Permit or Section 3(c) of Mineral Lease. The minimum bond shall be $1,000.00. Should the surety on the bond delivered or any bond delivered thereafter for the same purposes become unsatisfactory to the Forest Service, the permittee (lessee) will within 30 days of receipt of demand from the Forest Service, furnish a new bond with satisfactory surety. The bond of any surety company approved by the Secretary of the Treasury will be acceptable. In lieu of surety bond, the permittee (lessee) may deposit into a Federal depository, through the Regional Fiscal Agent specified above, cash in the sum of $500.00 per acre for each acre or fraction thereof selected to be prospected or mined in accordance with Clause 5 of Prospecting Permit or Section 3(c) of Mineral Lease, provided that the minimum deposit shall be $1,000.00. Or he may deposit through the Regional Fiscal Agent with the Treasurer of the United States, a Federal Reserve Bank or branch thereof, certain types of United States bonds or Treasury notes in a sum equal at their par value to the amount of the surety bond or cash deposit otherwise required. As soon as security for the performance of the conditions of this permit (lease) with respect to the restoration of the surface and revegetation and reforestation of the land is no longer necessary deposits in lieu of surety bond will be returned to the permittee (lessee).

I. In lieu of the performance of the obligation under paragraph H as hereinbefore provided, the permittee (lessee) at his option and if satisfactory to the Forest Service, may enter into a cooperative agreement with the Forest Service to accomplish the revegetation and reforestation for which the permittee (lessee) is liable. Such cooperative agreement shall provide that the permittee (lessee) will deposit into the Forest Service cooperative work fund an amount estimated to be sufficient to cover the cost of the work as stated in paragraph G including a reasonable charge for overhead; the amount (or amounts) to be deposited shall be computed at the rate of $120.00 per acre for each acre or fraction thereof to be operated, provided that the minimum initial payment shall be $240.00. Funds so deposited shall be used to the extent necessary by the Forest Service for paying the permittee (lessee's) share of the expense as defined under paragraph G, it being understood that any amount remaining after all such revegetation and reforestation are accomplished to the satisfaction of the forest officer in charge, shall be refunded to the permittee (lessee) within a reasonable period after termination of the permit (lease).

J. Operations under this permit (lease) except prospecting by hand tools or core drilling shall not begin until satisfactory bond has been delivered to the Forest Service as hereinbefore provided.

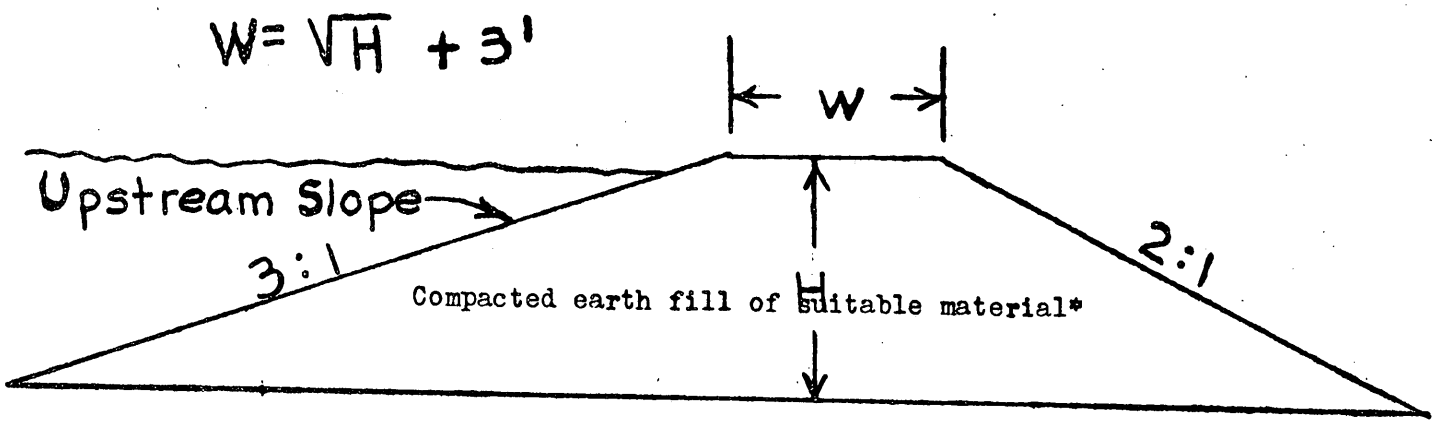
Form 961-R7
10/19/54

# Spoil Bank Treatment



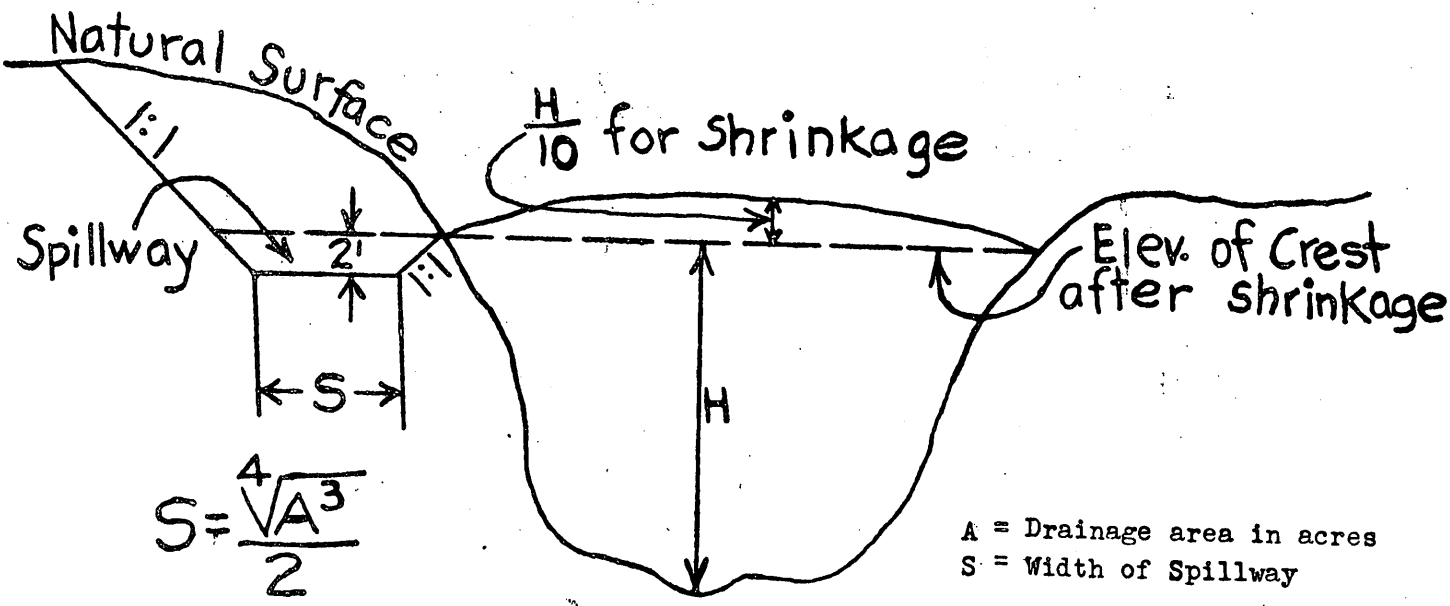
Form 961-R7
10/19/54

Typical Sections
Sediment Retaining & Settlement Basin Dams
Acceptable Minimum Dimensions




CROSS SECTION

*To be built up in continuous horizontal layers generally not more than 6 inches thick after compaction by tractor or other heavy contraction equipment.




A = Drainage area in acres
S = Width of Spillway

RAVINE SECTION

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June 9, 1958

Memorandum

To: Mr. C. O. Mittendorf, Administrator

From: Lawrence G. Houk, Director, Division of Nonmetallic Minerals

Subject: Evaluation of application and field examination report
Docket No. DMEA-4982-Mica
Andy S. Buchanan, et al.
Mud Hole Mine
Macon County, North Carolina

Denial of application is recommended.

Mica: Muscovite seen is small, ruled and bent, 3" x 4".

Pegmatite: No exposures of pegmatite are present. Dump material consists of weathered feldspar, quartz, muscovite and biotite. Four to nine feet thick in 25 foot shaft reported in 1943.

Workings: Apparently the northeastern workings of DMEA-2409, Angel-Wildes. At least five old shafts, and all are flooded. Caved workings on the ridge to the southwest.

Past production: Several bags of mica were recovered from a 25 foot shaft in 1943. The amount and quality of mica recovered from the shaft at the north end of the area is unknown.

Applicants' proposal:

| | |
|---|---|
| Shaft, 60 ft. timbered @ $50/ft. | $3,000.00 |
| Drift, 100 ft. @ $40/ft. | 4,000.00 |
| Power line work | 300.00 |
| Road work | 100.00 |
| Shed, toolhouse, etc. | 100.00 |
| Total estimated cost | $7,500.00 |

Recommendations: Due to the lack of a definite geologic target, the Field Team recommends denial. The Division of Nonmetallic Minerals and the Commodity Members of the Bureau of Mines and the Geological Survey concur in the Field Team's recommendation.

LGHouk:gad 6/9/58
Copy to: Admr. R. File
Mr. Houk

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| 6/11 | Lamb | 130 |
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| 6/11 | Johnson | 110 |
| | Mittendorf | 100 |
| | | 220 |
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| 6/11 | Kilsgaard | 130 |

JUN 11 1958 600

Messrs. Andy S. Buchanan, Lane Buchanan,
and M. E. Burleson
Spruce Pine, North Carolina

Re: Docket No. DMEA-4932-Mica
Andy S. Buchanan, et al.
Mud Hole Mine
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 that, under these circumstances, 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

LGHouk:gad 6/9/58
Copy to: Admr. R. File
Operating Committee
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

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

June 4, 1958

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Acting Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-4982 (mica)

Applicant: Andy S. Buchanan et al.

Name and Location of Property: Mud Hole Mine, Macon County, N. C.

Date of Field Team Report: 5/29/58

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 6/3/58

Field Team Recommendation: Recommend denial of the application

Comments:

1. On this property there are at least five old shallow shafts all of which are flooded.

2. It is reported that some mica has been recovered from this property but the amount and quality are unknown.

3. No pegmatite is visible at present and no definite geologic target is available.

Recommendation:

I concur with the field team in recommending denial of this application.

Donald R. Irving

Donald R. Irving

IN REPLY REFER TO:

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

June 4, 1958
Re: DMEA 49$2
Andy S. Buchanan, et al
Mud Hole Mine
Macon County, North Carolina
$7,500 - 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 applicants requested assistance in doing further work in a northerly extension of the Mud Hold mine zone which is credited with some production.

The examiners found no less than 5 shallow shafts have been sunk in and around a swamp. All of the shafts are flooded. In one, sunk by one of the applicants, in 1943, a pegmatite 4 to 9 feet thick was encountered. Buchanan reports several bags of mica was recovered. Otherwise no information is available concerning the results of past work and as no specific target has been set up by the applicants, the examiners recommend that the application be denied.

I concur with the recommendation.

N. E. Nelson

N. E. Nelson

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

May 29, 1958

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Memorandum

To: Operating Committee, DMEA, Washington

From: DMEA Field Team, Region V, Knoxville

Subject: DMEA-4982 (Mica)
Andy S. Buchanan, et al., Spruce Pine, N. C.
Mud Hole Mine, Macon County, N. C.

Enclosed are the original and two copies of the examination report on the Mud Hole Mine.

We agree with the recommendation for denial of the application.

Robert A. Laurence
Robert A. Laurence
Executive Officer

Wm. A. Beck
Wm. A. Beck, for
V. J. Lynch, Member

Enclosures

Reviewed by
DMEA OPERATING COMMITTEE
6-4-58
(date)

On-Site Exam Rpt

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UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

# FIELD EXAMINATION REPORT
REGION V

## DMEA-4982(mica) MUD HOLE MINE
Macon County, North Carolina

F. G. Lesure, Geologist
Geological Survey

S. A. Feitler, Mining Engineer
Bureau of Mines

Reviewed by
DMEA OPERATING COMMITTEE
6-4-58
(date)

May 8, 1958

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# DMEA FIELD EXAMINATION REPORT

## DMEA-4982(mica) MUD HOLE MINE

Applicants: Andy S. Buchanan, et al., Spruce Pine, N. C.


## SUMMARY

At least five shallow shafts have explored one or more pegmatite bodies at the Mud Hole mine. No pegmatite is exposed to day and all shafts are flooded. We recommend that exploration assistance be denied because of the lack of definite a geologic target.


## INTRODUCTION

Location: The Mud Hole mine is in a swampy flat near Wildes Creek 0.65 mile N25°W of BM 2201 at Oakdale school, Macon County, North Carolina (Burningtown, N.C., Quad. TVA 1;24,000). The mine can be reached by car on gravel roads 3.5 miles from Burningtown.

Examination: The examination of the Mud Hole mine was made May 8, 1958 and lasted one hour. Messrs. M. E. Burleson, Lee Buchanan and Andy Buchanan accompanied the Examiners.

Past Operations: The Mud Hole mine in the Application is apparently the northeastern workings described in the U. S. Geological Survey commodity records and was formerly called the Angel-Wildes (Mudhole) mine DMEA-2409. At least five old shafts are present in a small swamp northeast of a low ridge on which the "central" Mudhole workings are located. All of the shafts are flooded. Two shafts were sunk before 1943 and were plumbed to depths of 20 and 28 feet. At the southern end of the workings a drainage ditch is reported to have been dug "long ago" by a man named Bowers. In 1943 A. Buchanan sank a 25-foot shaft. He reports that pegmatite ranging in thickness from 4 to 9 feet

was encountered. Work was stopped because of the failure of a gas pump but Mr. Buchanan reports that several bags of mica were recovered. Norman Mashburn sank a shaft probably in 1952 or 1953 at the north end of the area. This shaft was plumbed to 30 feet. The amount of mica recovered is unknown. Caved workings on the ridge to the southwest, said by the Applicants to be off the property, are described by Teague and Peyton (Report of Examination DMEA-2409 - Angel-Wilds (Mudhole) mine, 1952).

## GEOLOGY

No exposures of pegmatite are present today in the northeastern workings of the Mudhole mine. Dump material at the Mashburn shaft consists of weathered feldspar, quartz, muscovite and biotite. The muscovite seen is small, ruled and bent. Muscovite in old dump material near the central shaft is 3" x 4" and of good quality.

## RECOMMENDATIONS

We recommend that exploration assistance be denied because no definite geologic target is available.

Examined: May 8, 1958

F. G. Lesure, Geologist
Geological Survey (DMEA)

S. A. Feitler, Mining Engineer
Bureau of Mines (DMEA)

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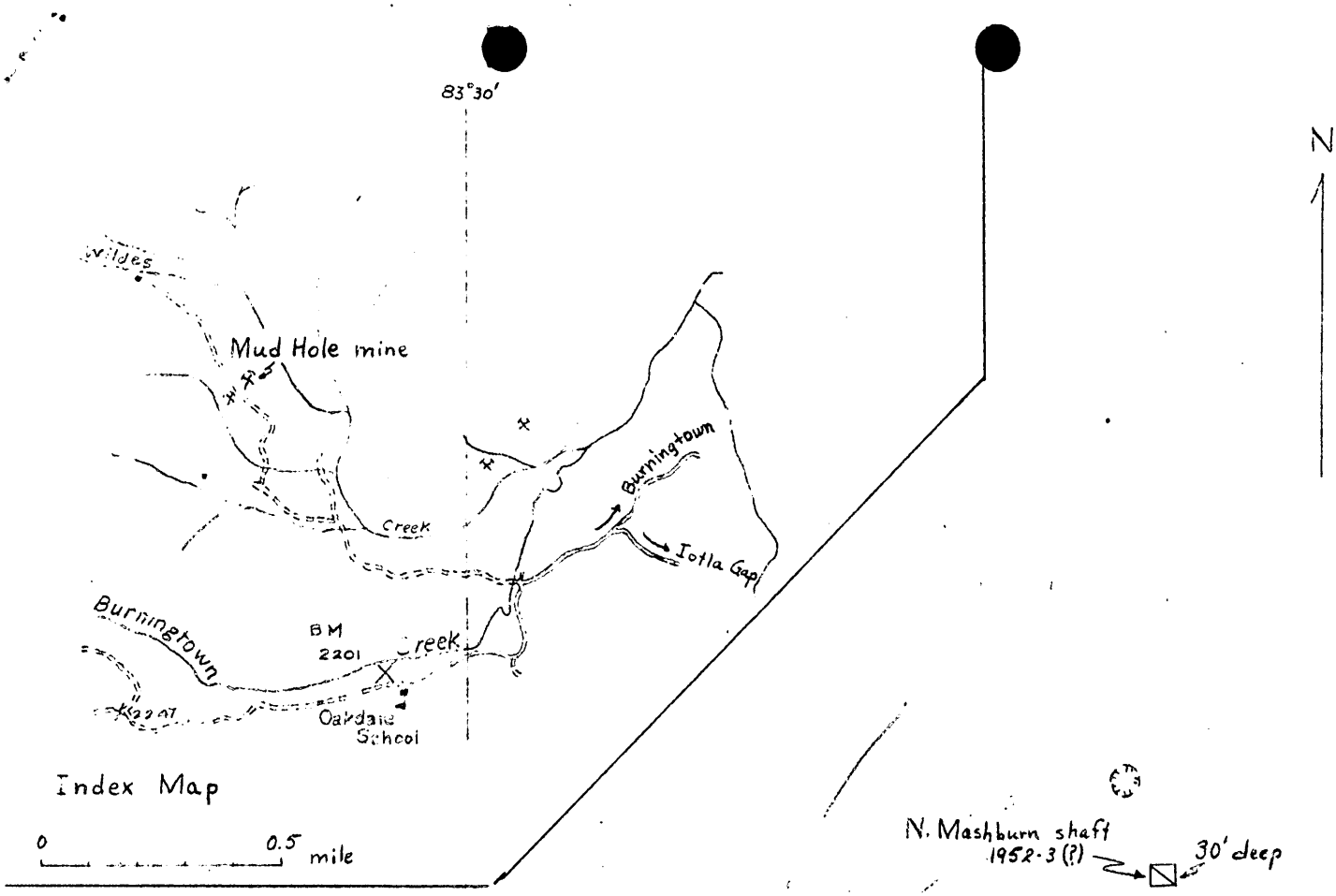


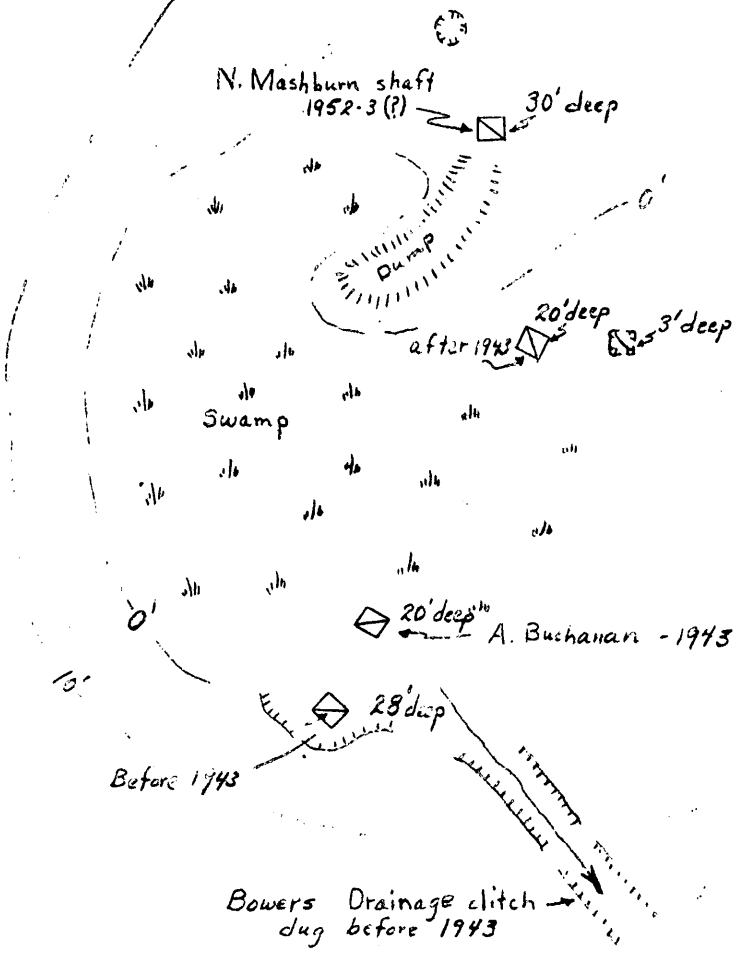


# Mud Hole Mine

Macon County, North Carolina

DMEA-4982 mica

0 20 40 Feet

Note: This is apparently part of the Angel-Wildes Mine, DMEA-2409.

"Central" workings of Mudhole mine on ridge crest to SW

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APR 28 1958

Andy S. Buchanan, Lane Buchanan,
and M. E. Burleson
Spruce Pine, North Carolina

Re: Docket No. [illegible]-4982-[illegible]ica
Andy S. Buchanan, et al.
Ind Pole Pine
Macon County, North Carolina

Gentlemen:

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

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

Sincerely yours,

C. O. Mittendorf (for)

Administrator

LGHouk:rsi 4/28/58
Copy to: Admr. R. File
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Field Team, Region V

8623

DMEA Form 7
(12-56)

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| 4/28 | Houk | 600 |
| 4/28 | [illegible] | 130 |
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APR 28 1958

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

Re: Docket No. DMEA-4982-Mica
Andy S. Buchanan, et al.
Mud Hole 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 April 21 and 22, 1958, by Mr. W. P. Dietrich, USBM, and Mr. T. P. Kiilsgaard, USGS, respectively, relating to the project are enclosed. There is also enclosed a copy of the application for the use of the Field Team.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (GHB)

Approved:

JAMES PAONE (GHB)
Member, Bureau of Mines

Thor H. Kiilsgaard (GHB)
Member, Geological Survey

Enclosures 5

LGHouk:rsi 4/28/58
Copy to: Admr. R. File
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

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IN REPLY REFER TO:

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

Memorandum

April 22, 1958

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

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

Subject: Review of application, Andy S. Buchanan, et al., DMEA Docket 4982, Mud Hole Mine, Macon County, North Carolina.

The applicant proposes to explore the Mud Hole mine by 60 feet of shaft and 100 feet of drifting from the shaft. Cost of this program is estimated at $7,500.

Our commodity records indicate that the Mud Hole mine is 7.7 miles northwest of Franklin, on the ridge between the north and middle forks of Wiles Creek. As of 1942, the workings consisted of a series of shafts, pits, and adits 550 feet long, the trend of which was N. 25° E. The principal openings were two shafts 40 to 45 feet deep. The southernmost of these shafts was reopened in the summer of 1942 by Charles Bradley of Franklin but abandoned after two months of unprofitable operation. The southernmost workings also are reported to have been mined on a small scale in 1941. The property also is reported to have been active in 1943, when it was worked by H. S. Roper, who abandoned it because of heavy ground.

The workings are reported to explore discordant pegmatite bodies that strike N. 30° E. They are in three groups. The southwestern ones are small and expose a $1\frac{1}{2}$-foot pegmatite that strikes N. 30° E., and dips 60° SE. The central workings consist of a 100-foot adit and several pits. The north trending pegmatite body intersected in the adit is only 3 feet thick but outcrops of massive quartz 6 feet wide indicate that the pegmatite may have been as much as 10 to 12 feet thick at the surface. Most of the mining was done just beneath the quartz masses. The largest or northeast workings explore a pegmatite body which strikes N. 20 to 30° E., and dips 60° SE. The pegmatite, which is probably 6 to 10 feet thick, is exposed at only one place. All underground workings were flooded or otherwise inaccessible in 1942.

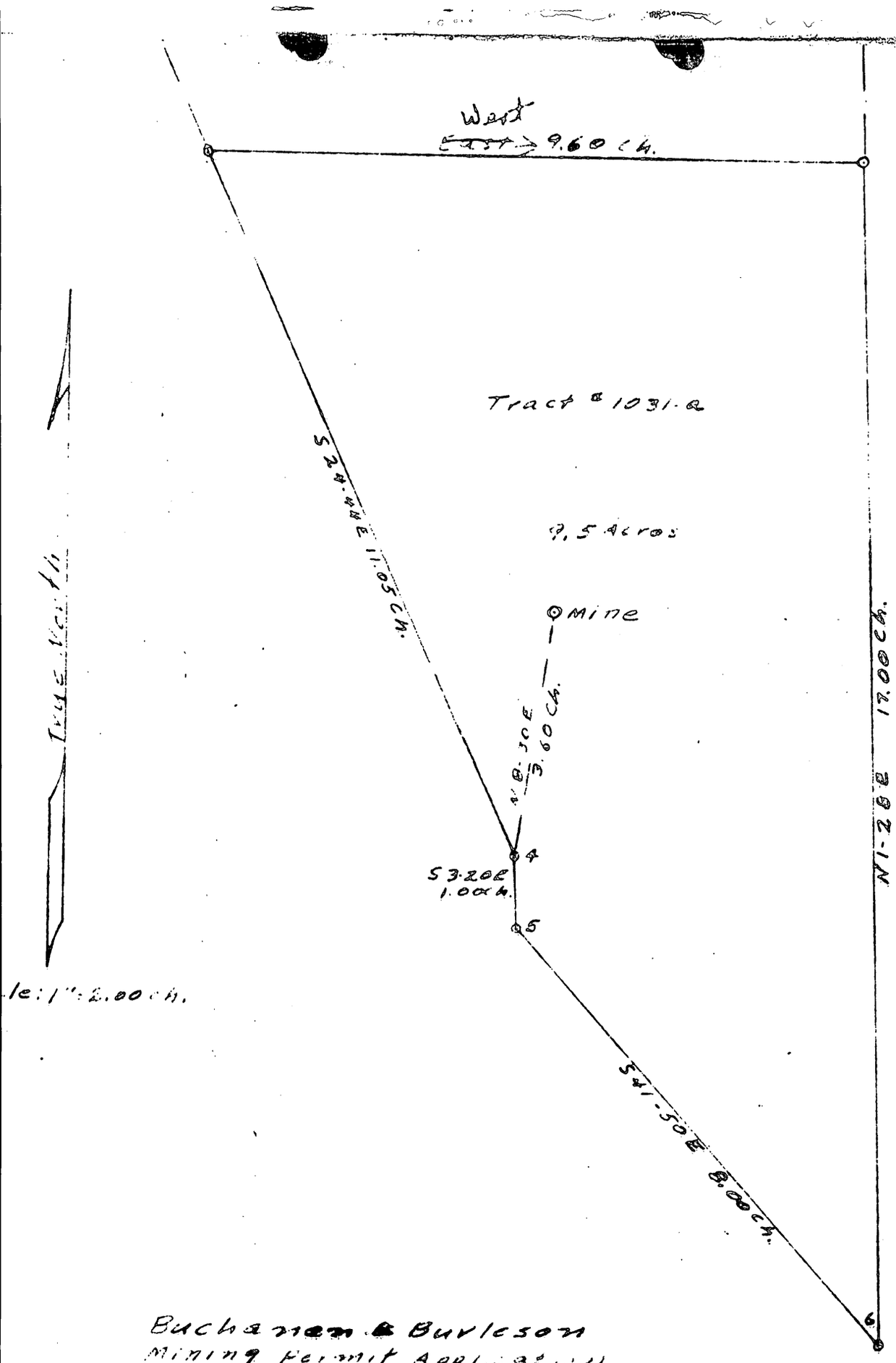
The mica is reported to be of clear, light brown color and of good quality.

I have contacted Mr. Emmett Finley of the Conservation Division, U. S. Geological Survey, and obtained from him a map of the applicants' ~~copy~~ property, thermofax copies of which are enclosed for DMEA and Field Team use.

I recommend that this application be referred to the Field Team for a field examination.

T. H. Kiilsgaard

T. H. Kiilsgaard




Buchanan & Burleson
Mining Permit Application
Macon County Sullivan Co. Tract # 1031-a

DMEA
APR 21 1958
INITIALS CODE
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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
WASHINGTON 25, D. C.

April 21, 1958

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-4982 (mica)

Applicant: M. E. Burleson, et al.

Name and Location of Property: Mud Hole Mine, Macon County, N. C.

Date Application Rec'd. by Br. of Ceramic & Fertilizer Mtls: 4/18/58

Comments:

1. There has been some limited work at this prospect and a little production reported.

2. More information is required as to the geologic target and quality of mica.

3. Estimate of exploration cost is a little higher than for equivalent DMEA projects.

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

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

April 17, 1958

Mr. Andy S. Buchanan
Spruce Pine, North Carolina

Subject: DMEA-4982

Dear Mr. Buchanan:

Your application for exploration assistance, dated March 31, 1958 submitted to our office at Knoxville, Tennessee has been assigned Docket Number DMEA-4982 and referred to the Nonmetallic Minerals Division in the Washington office. Kindly identify all future correspondence relating to your application by this Docket Number.

Sincerely yours,

Allen S. Dakan, Director
Operations Control and
Statistics Division

Copy to: V.