DMEA 4094

DOCKET INDEX

ACTION DOCUMENTS

1. APPLICATION — DATE RECEIVED 12-12-55

2. CONTRACT — DATE 4-26-56

3. TERMINATION AGREEMENT: — DATE

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

4. CERTIFICATION — DATE

5. AUDIT REPORT — DATE

6. AMENDMENTS - NUMBERS — DATE

Docket Copy

RECEIVED
MAY 9 - 1956

MF-200A
(Revised June 1954)

Docket No. DMEA 4094

Commodity Mica

Contract No. Idm-E 948

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

It is agreed this APR 26 1956 day of ....., 195...., between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2] Brown Sparks and Cecil Phillips, partners, whose mailing address is Route 3 Bakersville, North Carolina, hereinafter called the "Operator," as follows:

ARTICLE 1. *This contract* is entered into under the authority of the Defense Production Act of 1950, as amended. It consists of this form (MF-200A), the attached Exhibit "A," Annex I, and 2 maps

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

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

(b) The Operator represents and undertakes that:

(1) The Operator is the [4] Lessee of [5] Mineral rights in the land, in possession and entitled to possession for all of the purposes of this contract, under and by virtue of a [6] Lease, [7] recorded in Book ....., page ....., official records of said County; and

(2) The Operator's right, title, or interest (whether as owner, lessee, or otherwise) is subject only to the following claims, liens, or encumbrances: Royalty as set forth in the lease.

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

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] Insert name, and if an organization, its nature (corporation and place of incorporation, partnership with names of partners, etc.).
[3] State on a separate sheet marked "Annex I" the legal description or enough to identify the property, particularly excluding any areas from which the production is not to be subject to the Government's percentage royalty.
[4] Insert "owner," "lessee," "contract purchaser," "locator," etc.
[5] Insert "the entire interest," "the mineral rights," "an undivided one-third," etc.
[6] Insert "deed," "lease," "contract," "location notice," "patent," etc.
[7] If not recorded, so indicate by inserting "un."

16—70618-1

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

ARTICLE 3. *The exploration project.*—The project is a search for indicated or undeveloped deposits of Strategic Mica The work to be performed is described in Exhibit "A." The Operator on or before ..... shall commence the work, and on or before September 30, 1956 (unless the Operator's obligation to complete the work is terminated—see Article 8) shall complete the work.

ARTICLE 4. *Performance of the work.*—(a) *Operator's responsibility.*—The work shall be performed with reasonable diligence, efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for liability insurance covering employment; and with suitable and adequate equipment, facilities, materials, supplies, and labor, to bring it to completion within the time fixed.

(b) *Government may inspect.*—The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract, and also after a certification of discovery or development to inspect production operations and underground workings. The operator shall provide the Government with all reasonable means of access for such inspections.

ARTICLE 5. *Contribution by the Government.*—A fixed cost for each unit of work to be performed (per foot of drifting, per foot of drilling, per hour of operations, etc.) is hereby agreed upon, and is set forth in Exhibit "A" in connection with the estimated total cost of the project in the sum of $5,192.00 The Government will contribute 75 percent of the fixed unit costs as work is performed, in a total sum not in excess of $3,894.00: *Provided,* That until the Operator has rendered to the Government his final report, and any final auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of 10 percent of the estimated total cost of the work. The Government will make its contribution on the basis of the monthly vouchers referred to in Article 6(b), but all payments by the Government are provisional only, subject to audit, until the account between the Operator and the Government is finally audited and settled. To the extent that excesses over fixed unit costs or any excess over the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such excesses for his own account without contribution by the Government. The Government may make payments directly to independent contractors and suppliers for the account of the Operator rather than to the Operator.

ARTICLE 6. *Reports, accounts, audits.*—(a) *Operator's records.*—The Operator shall keep suitable records and accounts of the units of work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine any pertinent books, documents, papers, and records of the Operator. All of the Operator's vouchers and records and accounts relating thereto and the Government's payments thereof remain subject to adjustment until final audit by the Government.

(b) *Progress reports and vouchers.*—The Operator shall provide the Government with five copies of monthly progress reports in three sections as follows: (1) Operator's Monthly Report and Voucher showing a detailed statement of units of work performed during the reporting period; (2) Operator's Unit Cost and Progress Report showing the various types of work performed during the reporting period and the fixed unit costs incurred for each type of work; and (3) a Narrative Report of the work

performed during the reporting period including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground. (Forms for reporting under (1) and (2) above will be provided by the Government.)

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

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

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

ARTICLE 7. *Repayment by Operator.*—(a) *Certification.*—If the Government considers that a discovery or development from which production may be made has resulted from the work, the Government, at any time not later than six months after a sufficient final report and final account (see Article 6) has been rendered, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

(b) *Royalty on production.*—The Operator, as principal if the Operator is the producer, or as surety if the Operator is not the producer, shall pay to the Government a royalty on all minerals mined or produced from the land, as follows: (1) regardless of any certification of discovery or development, from the date of the contract until the lapse of the time within which the Government may make such certification, or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first; or (2) if the Government makes a certification of discovery or development, within a period of ten years from the date of the contract, or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first.

(c) *Basis for computation.*—The Government's royalty shall be a percentage of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrates, metal, or equivalent), at the point of delivery (the f. o. b. point); *except,* that charges of *the buyer* arising in the regular course of business, and shown as deductions on the buyer's settlement sheets, on account of the cost of treatment processes performed by *the buyer,* sampling and assaying to determine the value of the production sold, and freight paid by *the buyer* to a carrier (not the Operator), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. Any costs of treatment processes, sampling or assaying, or transportation, performed or paid by the Operator or by anyone other than the buyer, are not deductible in arriving at the "gross proceeds" as that term is here used. The term "treatment processes," as here used, means those processes (such as milling, concentrating, smelting, refining, or equivalent) applied to the crude ore or other production after it is extracted from the ground, to put it into a commercially marketable form; excluding fabricating or manufacturing.

(d) *Unsold production.*—If any production (ore, concentrates, metal, or equivalent), after the lapse of six months from the date the ore was extracted from the ground, remains neither sold nor used by the Operator in integrated manufacturing or fabricating operations (for instance, if it is stockpiled), the Government, at its option, as long as it so remains, may require the computation and payment of its royalty on the value of such production in the form (ore, concentrates, metal, or equivalent) it is in when the Government elects to require computation and payment. If any production is used by the Operator in integrated manufacturing or fabricating operations before the Government makes its election, the Government's royalty on such production shall be computed on the value thereof in the form in which and at the time when it is so used. "Value" as here used means what is or would be gross income from mining operations for percentage depletion purposes in Federal income tax determination, or the market value, whichever is greater.

(e) *Percentages of royalty.*—The percentages of the Government's royalty shall be as follows:

One and one-half (1½) percent of amounts ("gross proceeds" or "value") not in excess of eight dollars ($8.00) per ton of production in the form in which sold, held, or used, plus one-half (½) percent for each additional full fifty cents ($0.50) by which such amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such amounts.

(For instance: the royalty on an amount of five dollars ($5.00) per ton would be one and one-half (1½) percent; on an amount of ten dollars ($10.00) per ton, three and one-half (3½) percent.)

(f) *Time for computation and payment.*—The Government's royalty shall be computed and paid currently upon each lot sold, held, or used in integrated operations, as the case may be, as above provided in this article.

(g) *Lien for payment.*—To secure the payment of its percentage royalty, there is hereby granted to the Government a lien upon the land or the Operator's interest in the land and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

(h) *Notice to purchasers.*—The Operator shall give notice of the Government's claim for royalty to any purchaser of the production, and shall authorize and direct such purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets. If the records of any production and sales or other disposition of production, whether the production is by the Operator or by others, are not made available to the Government, the amount of the royalty may be estimated by the Administrator, Defense Minerals Exploration Administration, or his successor, and his estimate thereof shall be final and binding upon the Operator.

(i) *No obligation to produce.*—Nothing in this contract is to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

(j) *Government not obligated to buy.*—Nothing in this contract shall be construed as imposing any obligation on the Government to purchase any minerals mined or produced from the land.

ARTICLE 8. *Termination of the Government's obligations.*—(a) If in the opinion of the Government operations at any time have failed to achieve anticipated results that indicate the probability of making a worthwhile discovery, and in the opinion of the Government further operations are not justified, the Government may give the Operator written notice thereof, and thereupon the Government shall be free of all obligation to pay on account of units of work not then performed, and the Operator shall be free of all further obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting.

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

(c) The giving of any notice by the Government under the provisions of this Article 8 shall not affect the Government's rights as provided for in the contract with respect to a percentage royalty, and such rights shall be fully preserved.

ARTICLE 9. *Notices to be given by the Government* may be delivered to the Operator, or may be sent by registered mail addressed to the Operator at his mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 10. *Officials not to benefit.*—No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 11. *Changes and added provisions.*—

Executed in sextuplicate the day and year first above written.

Indritz 4/20/56
"Appd Sol. Off."

THE UNITED STATES OF AMERICA

By C. Mitchell Chambers
Administrator, Defense Minerals
Exploration Administration

(Operator)

By Brown Sparks
Brown Sparks (Partner)

Cecil Phillips
Cecil Phillips (Partner)

I, ..., certify that I am the ..... secretary of the corporation named as Operator herein; that ..... who signed this contract on behalf of the Operator, was then ..... of said corporation; that said contract was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

[CORPORATE SEAL]

Selfridge
F. Johnson

U. S. GOVERNMENT PRINTING OFFICE 16—70618-1

RECEIVED
MAY 9 - 1956

EXPLORATION PROJECT CONTRACT
BROWN SPARKS AND CECIL PHILLIPS
DOCKET NO. DMEA-4094

ANNEX I

The land referred to in Article 2 of the Contract was leased by P. G. Burleson and Mrs. P. G. (Maude) Burleson to Brown Sparks and Cecil Phillips, by an instrument dated December 1, 1955, is situated in Mitchell County, North Carolina, approximately 1.7 airline miles S 7° E of Bakersville, North Carolina, and is particularly described as follows:

> Beginning on a stake at the center of what is known as the Burleson and Gouge Prospect which is located approximately 180' N. from another stake, and running 250' North; thence 250' West; thence 500' South; thence 500' East; thence 500' North; thence 250' West to a point of closing.

The location of the land is shown on the map entitled "Location Map, Burleson & Gouge Prospect, DMEA-4094" attached hereto and made a part hereof.

MF-203
Revised March 24, 1955

For Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator
Docket No. DMEA-
Contract No. Idm-E 948
Contract Date APR 20 1956

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DEC 12 1955

CONSENT TO LIEN

To the United States of America:

Referring to that certain land in the County of Mitchell, State of North Carolina, described as follows:1/ Beginning on a stake at the center of what is known as the Burleson and Bouge Prospect which is located approximately 180' North from another stake; and running 250' North; thence 250' West; thence 500' South; thence 500' East; thence 500' North; thence 250' West to a point of closing. This property located approximately three miles East of Bakersville, N. C.,

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

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

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

None

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

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

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

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

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

5. Added provision: _____

Dated this 1st day of December, 1955.

P. G. Burleson [Seal] Bakersville, Rt. 3, N. C.

Mrs Myrtle P. G. Burleson [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]

EXPLORATION PROJECT CONTRACT
BROWN SPARKS AND CECIL PHILLIPS
DOCKET NO. DMEA-4094

RECEIVED
MAY 9 - 1956

EXHIBIT "A"

Description of the Work

The approximate location of the work is shown on the map entitled "Burleson and Gouge Prospect, Mitchell County, N. C. DMEA-4094 (Mica)" attached hereto and made a part hereof. The work consists of the following:

1. Construct:

   (a) A toolhouse, minimum dimensions 7 feet by 8 feet by 10 feet.
   (b) A powder storage magazine, minimum dimensions 4 feet by 3 feet by 2½ feet.
   (c) An exploder storage magazine, minimum dimensions 2 feet by 1½ feet by 1 foot.

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

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

2. Rehabilitate and enlarge existing inclined shaft to 5 feet by 7 feet in the clear of timber. The shaft shall have a manway and hoisting compartment.

3. Sink shaft an additional 35 feet.

4. From the shaft drive 80 feet of drift as near as practicable on the pegmatite.

All work shall be timbered as necessary.

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

Fixed Unit Costs

1. Construct:

Toolhouse 1/	$ 75.00	
Exploder Magazine 1/	25.00	
Powder Magazine 1/	15.00	
2. Rehabilitate and enlarge shaft 27 feet @ $26.00/ft.	702.00	
3. Sink 35 feet inclined shaft @ $45.00/ft.	1,575.00	
4. Drive 80 feet of drift @ $35.00/ft.	2,800.00	
Estimated Total Cost of Project		$5,192.00
Government Participation @ 75%		$3,894.00

1/ The completed work constitutes the unit.

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
3/13	Anderson	600
3/14	Hook	600
3-14	Chambers	800
3/15	Sellsing	220
"	Johnson	110
"	Hutchesoy	100
3/18	C	220
		225

600

MAR 15 1957

Messrs. Brown Sparks and
Cecil Phillips
Route 3
Kingsville, North Carolina

Re: Docket No. DMEA-1396-mica
Brown Sparks and Cecil Phillips
Burleson and Gouge Prospect
Mitchell County, North Carolina
Contract No. 1[illegible]

Gentlemen:

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

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

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

Sincerely yours,

G. O. Hittendorf
(esf)
Administrator

WCAnderson:ms 3/13/57
Copy to: Docket
Admr. R. File
Mr. Chambers
Mr. Killagaard, 5222
Mr. Dietrich, 3061
Field Team, Region V
Mr. and Mrs. P. G. Burleson (landowners)

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
3/13	Anderson	600
3/14	Fowler	600
3-4	Chamberlin	800
3/15	Selbridge	120
"	Johnson	110
"	Wittendorf	100
3/18	C	220
		225

600

MAR 15 1957

Mr. and Mrs. P. G. Burleson
Route 3
Bakersville, North Carolina

Re: Docket No. DMEA-4094-mica
Brown Sparks and Cecil Phillips
Burleson and Gouge Prospect
Mitchell County, North Carolina
Contract No. Idm-E948

Dear Mr. and Mrs. Burleson:

Reference is made to the ~~Owner's~~ Consent to Lien which you executed on December 1, 1955, in connection with the DMEA contract for an exploration project on your property located in Mitchell County, North Carolina.

For your information, there is enclosed a copy of our letter of this date to Messrs. Brown Sparks and Cecil Phillips advising that the Government retains no claim or lien against the property described in the contract or on any future production therefrom.

Sincerely yours,

L. D. Wittendorf
Administrator

Enclosure

WCAnderson:ms 3/13/57
Copy to: Docket
Admr. R. File
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Field Team, Region V

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
3/13	Anderson	600
3/14	Hook	600
		800
		120
		110
		100
		220
		225

600

Project Summary Report

March 13, 1957

By: Walter C. Anderson

1. Docket No. DMEA-4094-mica
Contract No. Idm-E948
Burleson and Gouge Prospect
Mitchell County, North Carolina

Application: Form MF-103 (April, 1952) received December 12, 1955.

Work proposed by applicant:

Bulldozing	$ 50.00
60 feet of shaft @ $50/ft.	3,000.00
80 feet of drifts @ $35/ft.	2,800.00
Amount requested	$5,850.00

Operators: Brown Sparks and Cecil Phillips
Route 3
Bakersville, North Carolina

Operators' Property Rights:
Five year mineral lease on the P. G. Burleson property, comprising 5 ± acres, dated December 1, 1955.
Consent to Lien of Owner, dated December 1, 1955

2. Contract: Form MF-200A (June, 1954) dated April 26, 1956

Work Authorized:

Construction - toolhouse, powder and exploder magazines	$ 115.00
Rehabilitation - 27 feet of shaft @ $26/ft.	702.00
Sinking - 35 feet of shaft @ $45/ft.	1,575.00
Driving - 80 feet of drift @ $35/ft.	2,800.00
Estimated total cost	$5,192.00
Government participation @ 75%	$3,894.00

8623

Amendments:

None

Work Completed:

Construction - toolhouse, powder and exploder magazines	$ 115.00
Rehabilitation - shaft - 27 feet @ $26/ft.	702.00
35 feet of shat @ $45/ft.	1,575.00
78 feet of drift @ $35/ft.	2,730.00
Total accepted cost	$5,122.00
Government participation	$3,841.50

The project started on May 7, 1956 and completed on August 17, 1956.

Field Team Final Report received September 9, 1956
Operator's Final Report dated August 22, 1956
No equipment purchased under contract
The 100 pounds of block mica produced during operation was stolen, therefore, no mica available for sale.
No mica reserves were outlined.

3. Audit:
Report of Review issued September 10, 1956

Total Accepted Cost	$5,122.00
Government participation	$3,841.50

4. Certification of Discovery:

None issued

5. Comments:

How conducted:
All of the work in which the Government participated was acceptable.

Operation:
Operator was negligent in the matter of safety regulations

Engineering:
Reporting by Operator was acceptable

Geological premise:

The premise that a host rock which was mineralogically, texturally and structurally ideal for mica occurrence was not substantiated by the exploration work, as very little mica was found.

Geological criteria upon which work was based:

1. Pegmatite - undulating and irregular along strike, from 2½ to 5 feet thick. Conformably enclosed in soft weathered, well banded feldspathic biotite gneiss. Composed of soda and potash feldspars, some perthite, considerable quartz, minor biotite, sericite and black tourmaline.

2. Mica - Flat to flat "A", mostly clear ruby, with minor mineral staining and edge cracking.

Criteria developed during project:

1. Pegmatite - Varies from 1½ to 5 feet thick. Concordant, undulating, dike-like body in a feldspathic, biotite-hornblende gneiss wall rock. Medium to coarse grained, composed of oligoclase, quartz, sericite, rare biotite muscovite, and tourmaline.

2. Mica - Small amount, flat to flat "A", ruby colored with minor reeves, edge cracking and mineral stain.

Future possibilities:

none

Recommendations:

The Nonmetallic Minerals Division and the Commodity Members of the Bureau of Mines and the Geological Survey concur in the Field Team's recommendation that the project should not be certified.

Walter C. Anderson

WCAnderson:ms 3/13/57
Copy to: Docket
Admr. R. File
Mr. Anderson

IN REPLY REFER TO:

RECEIVED
SEP 27 1956

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

September 26, 1956

Re: DMEA 4094, Idm-E948
Brown Sparks and Cecil Phillips
Burleson and Gouge prospect
Mitchell Co., N. C.
Approved: $5,192.00 - Mica
Expended: $5,122.00

Memorandum

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

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

Subject: Review of Field Team Final report

The contract approved the expenditure of $5,192 on a work program consisting of the rehabilitation of a 27-foot shaft, sinking and drifting. A small amount of mica had been recovered from a trench, but little or none from three openings in the pegmatite including the 27-foot shaft and a 34-foot incline.

The shaft was rehabilitated, deepened 35 feet and 38 feet of drifting done. About 100 pounds of block mica is reported to have been recovered but it was stolen and no sales were made.

The findings bore out the inferred unfavorable results of the previous exploration.

The examiners and the Field Team recommend that no certificate of discovery be made.

I concur with the recommendation.

N. E. Nelson

N. E. Nelson

cw

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

RECEIVED
SEP 21 1956

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-4094 (mica)

Applicant: B. Sparks & C. Phillips

Name and Location of Property: Burleson & Gouge Prospect, Mitchell Co. N. C.

Contract Number: Idm-E 948

Date of Field Team Report: 9/4/56

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 9/10/56

Field Team Recommendation: Recommend no certification of discovery.

Comments:

1. No reserves were outlined during the exploration project.
2. Sufficient work has been done to indicate the pegmatite is not suitable for producing large quantities of strategic mica.
3. Expenditures -

Total approved	$5,192.00
Total cost	5,122.00
Gov't. share of the cost	3,841.50
Value of production during operation	Unknown

Recommendation:

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

W. F. Dietrich

W. F. Dietrich

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

RECEIVED
SEP - 6 1956

September 4, 1956

Memorandum

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

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

Subject: DMEA-4094, Idm-E948 (mica)
Brown Sparks and Cecil Phillips
Burleson & Gouge Prospect, Mitchell County, North Carolina

Reference is made to Mr. Talbert's letter of August 31, and to the Field Team Final Report, four copies of which are enclosed herewith.

Work actually completed under this contract was 27 feet of shaft rehabilitation, 35 feet of new shaft, 78 feet of drifting, and construction of the toolhouse and magazines. Thus, all the authorized work except 2 feet of drifting was completed.

The Operator's final report states that 60 feet (total depth) of shaft was sunk. However, the drifting was done at the 60-foot level, leaving a 2-foot sump. It will be noted that the May 22 interim report states that 25 feet of rehabilitation has been completed, and the June 5 report, though not giving a figure, states that rehabilitation is complete (the remaining 2 feet having been completed after the May 22 visit).

Payment of the July voucher was delayed for eleven days, pending verification of all figures claimed to that date, to avoid any possible overpayment.

Certification is not recommended.

Reviewed by
DMEA OPERATING COMMITTEE
9-10-56
(date)

Robert A. Laurence
Robert A. Laurence
Executive Officer

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

Enclosures 4

UNITED STATES
DEPARTMENT OF THE INTERIOR

RECEIVED
SEP - 6 1956

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT

On

DMEA-4094, Idm-E948 (mica) BURLESON AND GOUGE PROSPECT
Mitchell County, N. C.

By

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

and

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

September 4, 1956

Reviewed by
DMEA OPERATING COMMITTEE
9-10-56
(date)

EXPLORATION PROJECT

FIELD TEAM FINAL REPORT, REGION V

RECEIVED
SEP - 6 1956

On

DMEA-4094, Idm-E948 (mica) BURLESON AND GOUGE PROSPECT

Operators: Mr. Brown Sparks and Mr. Cecil Phillips, Route 3, Bakersville, N.C.

Location:

The prospect is located 130 ft NE of State Highway 26, 1.7 airline miles S. 7° E. of Bakersville, Mitchell County, North Carolina (Micaville, N. C. Quad. TVA Ed. 1934, 1:24,000).

Summary:

Under the contract, 27 feet of existing inclined shaft was rehabilitated and 35 feet of additional shaft was sunk on the pegmatite. From the 60-foot level of the shaft, pegmatite was followed 38 feet northeast and 40 feet southwest. About 100 pounds of average quality mustovite was recovered under the contract most of which was stolen from the tool house. No reserves were outlined and no certification is recommended.

Introduction:

Contract work commenced on or about May 9, 1956. The 27 feet of existing shaft was cleaned out, enlarged to 5 x 7 foot cross section and retimbered. Thirty-five feet of additional shaft was sunk, inclined roughly 75° southeast. From the 60-foot level in the shaft the pegmatite was followed 38 feet N. 50° E. and 40 feet S. 40° W. The contract was completed on or about August 17, 1956. Mr. Brown Sparks, the Operator, on this and other contracts, has had a tendency to narrow down openings below minimum specifications, to do as little timbering as possible, and to make the very mimimum and poorest ladder ways possible. He is fully capable of doing good work,

but has to be constantly prodded to observe minimum contract and safety requirements.

A combination hoist-tool house and powder and exploder magazines were built under the contract. The government retains no interest in any buildings, equipment or supplies built or bought under the contract. Although 2 feet short of the total authorized drifting, the contract is considered complete as far as exploration of the subject pegmatite. No mica is available for sale since the estimated 100 pounds of block were stolen from the tool house by persons unknown at this time.

Geology:

The pegmatite is exposed in a 20-foot high road cut and 34 foot long -26° incline, adjacent to State Highway 26. At this point it is 2 to 3 feet thick, trends N. 45° E. and dips 75° SE to 80° NW. It is exposed about 130 feet uphill in a 20-foot deep cut and in the contract shaft. On the surface the pegmatite strikes N. 35-40° E. and dips 75° SE. In the contract drift the pegmatite is 1½ feet thick in the northeast heading and has an attitude of N. 50° E. 69° SE. In the southwest heading the pegmatite is 3½ feet thick and has an attitude of N. 40° E. 65° SE. The structure is a concordant, undulating dike-like body in a feldspathic-biotite-hornblende gneiss wall rock. Locally the pegmatite may be 5 to 6 feet thick. The pegmatite is medium to coarse grained, composed predominantly of oligoclase, disseminated quartz with minor perthite, and rare biotite muscovite, sericite, and tourmaline. The small amount of mica recovered was flat to flat A, mostly clear ruby colored muscovite with minor reeves, edge cracking and mineral stain.

Conclusions:

The exploration found very little muscovite in a host rock which mineralogically, texturally and structurally was theoretically ideal for the occurrence of muscovite. The project was satisfactorily concluded, but only after constant prodding of the Operator to abide by the contract requirements. No reserves were outlined and no certification as a discovery is recommended.

Expenditures:

(a)	Total approved	$5,192.00
(b)	Total cost of project	5,122.00
(c)	Government's share of cost	3,841.50
(d)	Government's share unexpended	52.50
(e)	Estimated value of production	Unknown
(f)	Royalty paid to date	None

September 4, 1956

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

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

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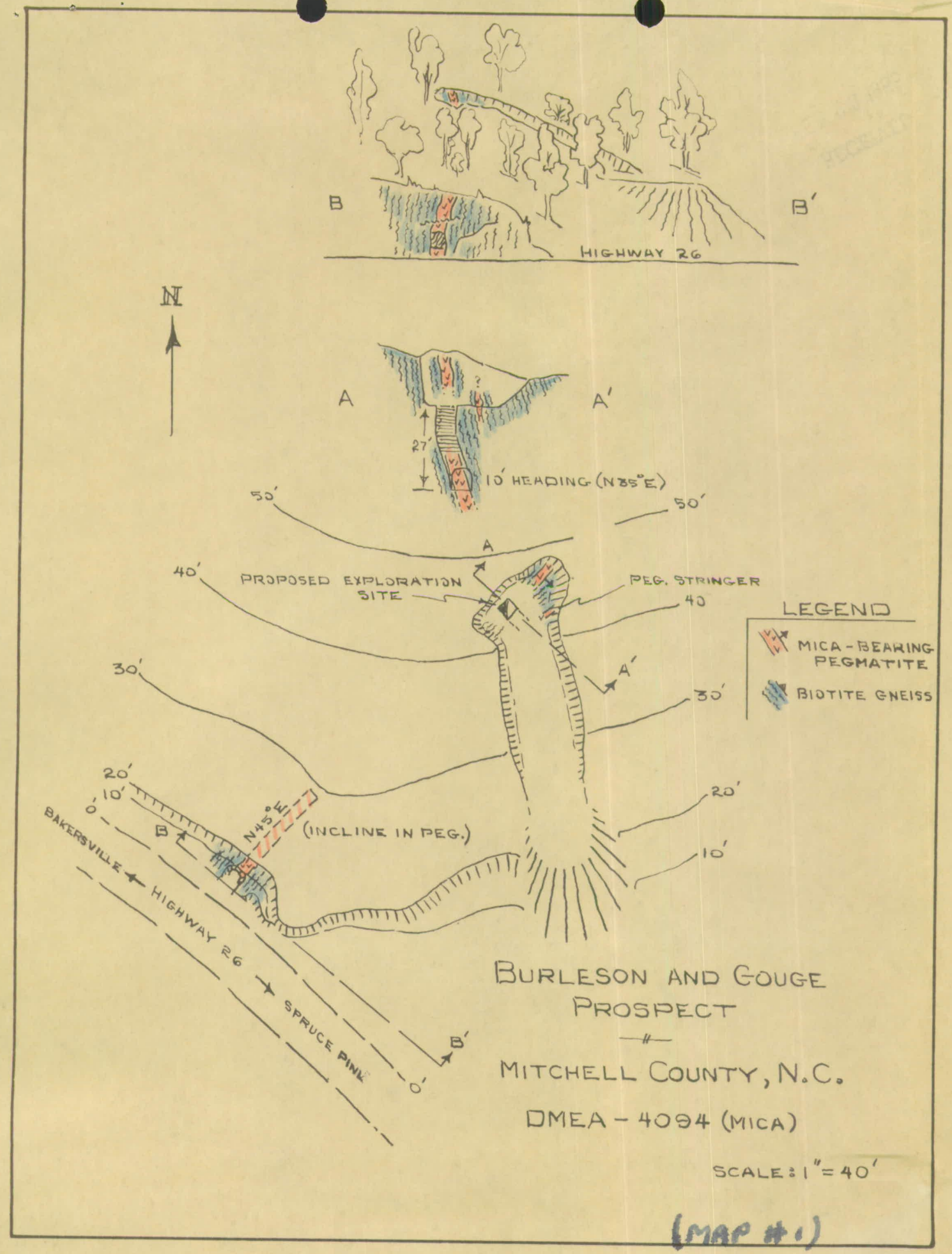
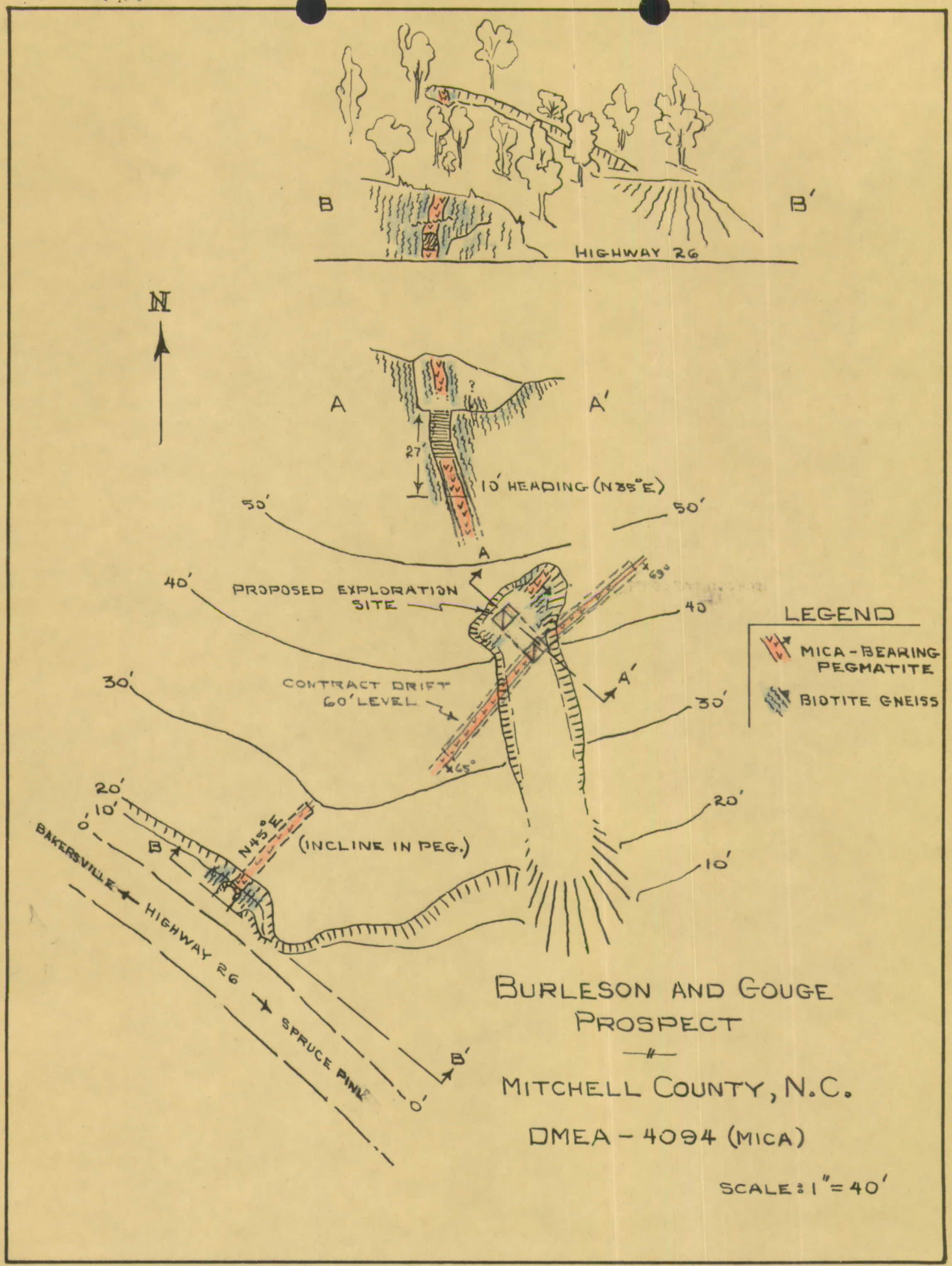

B
B'
HIGHWAY 26
N
A
A'
27'
10' HEADING (N85°E)
50'
50'
A
40'
PROPOSED EXPLORATION SITE
PEG. STRINGER
40
LEGEND
MICA-BEARING PEGMATITE
BIOTITE GNEISS
30'
A'
30'
20'
10'
0'
20'
10'
N45°E
(INCLINE IN PEG.)
B
BAKERSVILLE
HIGHWAY 26
SPRUCE PINE
B'
0'
BURLESON AND GOUGE PROSPECT
MITCHELL COUNTY, N.C.
DMEA - 4094 (MICA)
SCALE: 1" = 40'

(MAP #1)

RECEIVED
FEB 23 1956


B
B'
HIGHWAY 26
N
A
A'
27'
10' HEADING (N35°E)
50'
50'
A
40'
PROPOSED EXPLORATION SITE
40'
65°
LEGEND
MICA-BEARING PEGMATITE
BIOTITE GNEISS
30'
CONTRACT DRIFT 60' LEVEL
A'
30'
65°
20'
10'
0'
N45°E
(INCLINE IN PEG.)
20'
10'
B
BAKERSVILLE
HIGHWAY 26
SPRUCE PINE
B'
0'
BURLESON AND GOUGE PROSPECT
MITCHELL COUNTY, N.C.
DMEA - 4094 (MICA)
SCALE: 1" = 40'

RECEIVED
SEP - 6 1956

Talbert

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

AUG 31 1956

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

Re: Docket No. DMEA-4094 (Mica)
Sparks and Phillips
Burleson & Gouge Prospect
Mitchell County, North Carolina
Contract No. I4m-R948

Dear Mr. Laurence:

In reviewing the files on the referenced project preparatory to the issuance of a Report of Review in lieu of a final audit it has been noted that the Operator has claimed and been paid for 27 feet of shaft rehabilitation and 35 feet of shaft sinking.

This indicates that the Operator has been paid for a total of 62 feet of shaft work, whereas an interim report prepared by Messrs. Bergman and Taylor on August 21, 1956, states, in part, "The work completed consists of a 60-ft. 2-compartment inclined shaft and 78 ft. of drift from the shaft bottom". Previous interim reports indicate a total of 60 feet of shaft work (25 ft. of rehabilitation and 35 ft. of new work). Your specific verification, for audit purposes, of the actual number of feet rehabilitated and sunk will be appreciated.

None of the interim reports mention the construction of the toolhouse, exploder magazine, or powder magazine. Therefore, your verification of the construction of these items likewise will be appreciated.

Sincerely yours,

SIGNED

E. D. Talbert, Acting Chief
Contract Administration
and Audit Division

EDTalbert/ama
August 31, 1956

Copy to: Docket
Admr. Reading File
Mr. Houk
Mr. Chambers
Mr. Talbert

R.C.L.

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

August 27, 1956

Memorandum

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

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

Subject: Operator's final report - DMEA-4094, Idm-E 948 (Mica)
Brown Sparks and Cecil Phillips, Route 3, Bakersville, N.C.
Burleson and Gouge Mine, Mitchell County, North Carolina

Enclosed are four copies of the Operator's final report on the subject project.

Robert A. Laurence
Robert A. Laurence
Executive Officer

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

Enclosures

RECEIVED
AUG 29 1956

Spruce Pine, North Carolina
August 22, 1956

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

Re: DMEA-4094, Idm-E 948 (Mica)
Burleson and Gouge Mine, Mitchell Co.,N.C.
Final Report

Dear Mr. Laurence:

We began work on the above project on May 7, 1956, and completed work on August 17, 1956.

We completed the man way, sank a shaft 60 foot (the total depth) then drifted in direction as specified by Field Team, all the time in vein. Vein varying 2 to 2½ feet consisting of quarts and feldspar, no strategic mica.

We recovered one dynamite box full of very poor grade mica, stained, spotted and ect. The contract was terminated at 78 feet of drift by mutual agreement of parties.

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

Very truly yours,

BURLESON AND GOUGE MINING COMPANY

Cecil Phillips

Cecil Phillips

P/g

RECEIVED
AUG 29 1956

RECEIVED
AUG 27 1956
U. S. Geological Survey
Geology Division
Knoxville, Tenn.

cw

Extra Cys

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

August 27, 1956

Memorandum

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

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

Subject: Operator's final report - DMEA-409h, Idn-E 948 (Mica)
Brown Sparks and Cecil Phillips, Route 3, Bakersville, N.C.
Burleson and Gouge Mine, Mitchell County, North Carolina

Enclosed are four copies of the Operator's final report on the subject project.

Robert A. Laurence
Executive Officer

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

RAL/mg
Enclosures
Operating Committee (3)
Lynch
Shirley
files

RECEIVED
AUG 27 1956

Spruce Pine, North Carolina
August 22, 1956

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

Re: DMEA-4094, Idm-E 948 (Mica)
Burleson and Gouge Mine, Mitchell Co.,N.C.
Final Report

Dear Mr. Laurence:

We began work on the above project on May 7, 1956, and completed work on August 17, 1956.

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

Very truly yours,

BURLESON AND GOUGE MINING COMPANY

Cecil Phillips

Cecil Phillips

P/g

RECEIVED
AUG 27 1956
Geological Survey
Knoxville, Tenn.

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

August 27, 1956

Memorandum

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

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

Subject: Operator's final report - DMEA-4094, Idn-E 948 (Mica)
Brown Sparks and Cecil Phillips, Route 3, Bakersville, N.C.
Burleson and Gouge Mine, Mitchell County, North Carolina

Enclosed are four copies of the Operator's final report on the subject project.

Robert A. Laurence
Executive Officer

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

RAL/mg
Enclosures
Operating Committee (3)
Lynch
Shirley
files

RECEIVED
AUG 30 1956

Spruce Pine, North Carolina
August 22, 1956

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

Re: DMEA-4094, Idm-E 948 (Mica)
Burleson and Gouge Mine, Mitchell Co.,N.C.
Final Report

Dear Mr. Laurence:

We began work on the above project on May 7, 1956, and completed work on August 17, 1956.

We completed the man way, sank a shaft 60 foot (the total depth) then drifted in direction as specified by Field Team, all the time in vein. Vein varying 2 to 2½ feet consisting of quarts and feldspar, no strategic mica.

We recovered one dynamite box full of very poor grade mica, stained, spotted and ect. The contract was terminated at 78 feet of drift by mutual agreement of parties.

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

Very truly yours,

BURLESON AND GOUGE MINING COMPANY

Cecil Phillips

Cecil Phillips

RECEIVED
AUG 27 1956
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

P/g

INTERIM REPORT

DMEA-4094, Idm-E948 (mica) BURLESON AND GOUGE PROSPECT

Operator: Brown Sparks and Cecil Phillips, Route 3, Bakersville, N. C.

Location: 1.7 airline miles S. 7° E. of Bakersville, Mitchell County, N. C.

The work completed consists of a 60-ft 2-compartment inclined shaft, and 78 ft of drift from the shaft bottom. One drift extends 38 ft N. 50° E. from the shaft bottom and the other extends 40 ft S. 50° W. from the shaft.

The field examiners recommend that the contract be terminated with the 78 ft of drift. The Operator agrees with the examiners that the pegmatite is barren of strategic muscovite and would be a needless expenditure of more money to drive the 2 remaining feet under the contract.

Inspected: August 21, 1956

S.C. Bergman A.R. Taylor

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

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RECEIVED
AUG 13 1956

INTERIM REPORT

DMEA-4094, Idm-E948 (mica) BURLESON & GOUGE PROSPECT

Operator: Brown Sparks and Cecil Phillips, R#3, Bakersville, N.C.

Location: 1.7 airline miles S 7° E of Bakersville, Mitchell County, N.C.

Drifting continues on this contract and now totals 59 feet; 29 feet has been driven N 50° E and 30 feet S 40° W. The pegmatite is about 5 to 6 feet thick except at and near the head of the southwest drift where it is only 1.5 to 3.5 feet thick. It consists of feldspar, quartz, thin books of biotite and widely scattered muscovite.

The Operator was advised to expend the remaining drift footage in extending the northeast drift.

Progress on this contract is satisfactory.

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

INSPECTED: August 7, 1956

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

z

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

July 27, 1956

RECEIVED
JUL 30 1956

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: DMEA-~~[illegible]~~ DMEA-4094, Idm-E948 (mica) Brown Sparks and Cecil Phillips. Burleson & Gouge Prospect, Mitchell Co., N. C.

Reference is made to your letter of July 25.

Mr. Bergman says the total amount of mica stolen was 1 or 1 1/2 powder boxes of mine-run mica. When prepared, it may sell for as much as $150.00. The Government's royalty interest, therefore, is not more than $7.50.

The theft has not been reported to the sheriff's office and probably will not be. This sort of thievery, like high-grading, is fairly common in the mica mines and is considered a normal operational hazard by the Operators, unless it involves large amounts. They, of course, attempt to prevent it but can do little to recover small lots like this one which can easily be mixed with mica obtained legally or illegally from other mines. It would be especially difficult to identify the stolen mica after sheeting and trimming.

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

V. J. Lynch
V. J. Lynch, Member
DMEA Field Team
Bureau of Mines

RECEIVED
AUG - 1 1956

INTERIM REPORT

DMEA-4094, Idm-E948 (Mica) BURLESON AND GOUGE PROSPECT

Operator: Brown Sparks and Cecil Phillips, Route No. 3, Bakersville, North Carolina

Location: 1.7 airline miles S7°E of Bakersville, Mitchell County, North Carolina

Drifting continues on this contract and now totals 39 feet; 20 feet has been driven N50°E and 19 feet has been driven S50°W. The pegmatite is about 5 feet thick in both drifts and is composed of considerable disseminated quartz in feldspar, thin biotite and occasional small blocks of muscovite mica. The operator was advised to continue driving both drifts simultaneously until another visit can be made.

The operator was advised to complete necessary timber work in the shaft and to provide a separated partition containing permanent ladders and landings. Compliance in the near future was indicated. Drift progress on this contract is satisfactory.

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

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

July 25, 1956

cw

Docket Copy
Surname:

Hopkins
Houk
Selfridge
Johnson
Mitchell

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

JUL 25 1956

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

Re: Docket No. DMEA-4094 - Mica
Brown Sparks and Cecil Phillips
Burleson and Gouge Prospect
Mitchell County, North Carolina
Contract No. Idm-E948

Dear Mr. Laurence:

Reference is made to the Interim Report, dated July 11, 1956, on the subject property in which it is stated that, "Operator reports total mica recovery stolen from tool house".

We will greatly appreciate being advised if the examiners checked with the law enforcement officers to ascertain if the theft had been reported to them and if any efforts are being made to recover the missing mica.

Sincerely yours,

George C. Selfridge
(Signed)

Chairman, Operating Committee

Approved:
P. F. Yopes (Signed)
Member, Bureau of Mines
N. E. Nelson (Signed)
Member, Geological Survey

JHopkins:gad 7/23/56
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

R.C.S.

4094

ACTION ON INTE[redacted]

[illegible]

Date JUL 19 1956

Referred to:

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

Note comments in report regarding:

1. How about the reported Thefts?
2. Wonder if F.T. accepts
3. Stmt or checks with law enforcement officers
4. To ascertain if Thefts reported

and take appropriate action.

- - - - - -

Action taken by Division:

Should inquire of F.T.

Letter to Field Team

Initials

JUL 1 3 1956

INTERIM REPORT

DMEA-4094, Idm-E948 (mica) BURLESON & COUGE PROSPECT

Operators: Brown Sparks and Cecil Phillips, R#3, Bakersville, N. C.

Location: 1.7 airline miles S 7° E of Bakersville, Mitchell County, N.C.

T he Operator has drifted in both directions from the shaft. Drift footage totals 32 feet. Mica recovery is very poor. Operator reports total mica recovery stolen from tool house. Operator was instructed to continue drifting with pegmatite. Progress is satisfactory.

Inspected: July 11, 1956

A. L. Peyton, Mining Engineer
Bureau of Mines

S. C. Bergman

S. C. Bergman, Geologist
Geological Survey

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RECEIVED
JUL 2 - 1956

INTERIM REPORT

DMEA-4094, Idm-E948 (mica) BURLESON AND GOUGE PROSPECT

Operators: Brown Sparks and Cecil Phillips, R#3, Bakersville, N. C.

Location : 1.7 airline miles S 7° E of Bakersville, Mitchell County, N.C.

Shaft sinking is complete at 60 feet. The shaft exposes a 4 to 5 foot pegmatite striking N 45° E and dipping 75° to the southeast.

The amount of mica recovered from shaft sinking was rather small, the quality about average.

T he Operators were instructed to start drifting toward the north.

Progress is satisfactory.

Inspected: June 20, 1956

A. L. Peyton

A. L. Peyton, Mining Engineer
Bureau of Mines

S. C. Bergman, Geologist
Geological Survey

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INTERIM REPORT

DMEA-4094, Idm-E948 (mica) BURLESON & GOUGE PROSPECT

Operator: Brown Sparks and Cecil Phillips, R#3, Bakersville, N. C.

Location: 1.7 airline miles S 7° E of Bakersville, Mitchell County, N. C.

Rehabilitation of old shaft is complete. New shaft totals 12 feet. Width of pegmatite exposed is five feet. The muscovite observed, about 25 to 30 pounds, is of fair quality. The shaft will be extended to 35 feet below the rehabilitation. From this point 80-feet of drift will be cut.

Progress is satisfactory.

Inspected: June 5, 1956

A. L. Peyton, Mining Engineer
Bureau of Mines

S. C. Bergman, Geologist
Geological Survey

z

RECEIVED
JUN - 1 1956

INTERIM REPORT

DMEA-4094, Idm-E948 (mica) BURLESON - GOUGE PROSPECT

Operator: Brown Sparks and Cecil Phillips, R#3, Bakersville, N. C.

Location: 1.7 airline miles S 7° E of Bakersville, Mitchell County, N. C.

This project began work May 9, and to date the Operator has completed 25 feet of rehabilitated shaft, that is enlarged to 5' x 7' and timbered with separate manway.

The Operator was instructed to continue shaft work.

Progress is satisfactory.

Inspected: May 22, 1956

A. L. Peyton

A. L. Peyton, Mining Engineer
Bureau of Mines

S. C. Bergman

S. C. Bergman, Geologist
Geological Survey

z

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

RECEIVED
MAY 9 - 1956

May 7, 1956

Memorandum

To: Operating Committee, DMEA - Washington

From: Acting Executive Officer, DMEA - Knoxville

Subject: Signed Contract: DMEA-4094, Idm-E948 (mica)
Brown Sparks and Cecil Phillips, partners, Bakersville, N. C.

Transmitted are three signed copies of the subject contract.

Copies of the contract have been distributed in the usual manner.

V. J. Lynch
V. J. Lynch

DOCKET COPY
Surname:

Hopkins
Houk
Chambers
Selfridge
Johnson

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

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

APR 26 1956

Re: Docket No. DMEA-4094-Mica
Brown Sparks and Cecil Phillips
Burleson and Gouge Prospect
Mitchell County, North Carolina

Dear Mr. Laurence:

Enclosed are the original and five copies of a proposed contract which have been signed by the Administrator for the Government with effective date as shown. Attachments to the contract are Annex I, Consent to Lien, Exhibit "A"(2 pages) and two maps of the Burleson and Gouge Prospect. Two extra copies of Annex I, Exhibit "A" and the maps are enclosed for the use of the Field Team.

If the proposed contract meets with your approval, present it to the applicants for execution. Please explain to the applicants that the contract is a firm commitment to complete the work outlined at the agreed cost. Copies of the executed contract are to be distributed in the usual manner.

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

Copies of memoranda dated February 28 and March 2, 1956, by Mr. W. F. Dietrich, USBM, and Mr. N. E. Nelson, USGS, respectively, relating to the project are enclosed.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (HB)

Approved:

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

Thor H. Kiilsgaard (HB)
Member, Geological Survey

Enclosures: 12

JHopkins:ms 4/24/56
Copy to: Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Hopkins
Admr. R. File

PS: Please check the prospect location on Map #2 prepared in this office.

R.C.S.

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

March 28, 1956

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: DMEA-4094 (mica) Brown Sparks and Cecil Phillips.
Burleson & Gouge Prospect, Mitchell County, N. C.

Reference is made to your letter of March 15, 1956. Replies to the various numbered questions follow:

1. A new shaft was not given serious consideration. A shaft at the 30 foot contour would be within 30 feet of the right-of-way of State Highway 26. The bottom of the existing shaft is vertically more than 40 feet below the hill at the 45-foot contour, and therefore only 5 feet above the road level. The cost of rehabilitation of this shaft would probably be less than the cost of 25 additional feet of shaft at the 30-foot contour plus cost of protection of the highway.

The portal of the inclined adit is on state right-of-way, within 12 feet of the road. It was not considered a desirable site for further work.

2. A strike trench, or crosscutting trenches, would of course aid in establishing strike continuity of the pegmatite. However, the examiners thought, and we agreed, that evidence of strike continuity was sufficiently strong that this extra expense was not needed. This inference is based on the irregular but generally tabular, vein-like form of the pegmatite plus drag folding and fracture fillings along the margins of the structure which suggested a fault-zone emplacement.

3. Dimensions of the shaft are 4 x 4 feet in cross section, with about 18 feet of solid lagging. Rehabilitation would consist of removing timber, slabbing to a 5 x 7 cross-section and retimbering. Labor is the largest item to be considered in the rehabilitation work and we believe it will require all of 10 shifts to complete the job. However, we think the job can be accomplished with one laborer rather than two, thus reducing the labor cost to $300.00 and insurance to $40.40. The total

cost of rehabilitating the shaft would then be $720.40 or $26.68 per foot.

4. All workings are accessible.

5. We fail to see the discrepancy. The transmittal letter stated it was not practical to make a crystal count as all the salable mica found had been removed; the examiners' report referred to mica seen as well as that said to have been recovered during earlier operations. Both the letter and the report mention the presence of strategic-quality mica. Seen where?

6. In all examinations, but especially in pegmatites, much depends on the geologist's inference - in some cases even his "hunches." If the pegmatite appears to be emplaced in and controlled by structures of probable continuity such as fault zones, fold crests, etc., structural environment favorable to continuity may be present. Favorable mineralogic environments include such features as a well zoned pegmatite; a pegmatite in which more than 50% of the total feldspar is coarsely crystalline; a pegmatite with more than 40% of its volume as medium crystalline quartz, especially with a well-defined quartz core; little or no graphic texture; little biotite, and so on.

We agree that continuity and characteristics of the pegmatite along the 85-foot stretch can only be assumed; that is why we are recommending exploration. If they were known, the work would be development.

The pegmatite is reported to be present on the southwest side of the upper cut, but that face is concealed by slumped material.

Robert A. Laurence

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

V. J. Lynch

V. J. Lynch, Member
Bureau of Mines

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

March 28, 1956

dum

Operating Committee, DMEA - Washington

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

Subject: DMEA-409A (mica) Brown Sparks and Cecil Phillips.
Burleson & Gouge Prospect, Mitchell County, N. C.

Reference is made to your letter of March 15, 1956. Replies to the various numbered questions follow:

1. A new shaft was not given serious consideration. A shaft at the 30 foot contour would be within 30 feet of the right-of-way of State Highway 26. The bottom of the existing shaft is vertically more than 40 feet below the hill at the 45-foot contour, and therefore only 5 feet above the road level. The cost of rehabilitation of this shaft would probably be less than the cost of 25 additional feet of shaft at the 30-foot contour plus cost of protection of the highway.

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We agree that continuity and characteristics of the pegmatite along the 85-foot stretch can only be assumed; that is why we are recommending exploration. If they were known, the work would be development.

The pegmatite is reported to be present on the southwest side of the upper cut, but that face is concealed by s umped material.

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

V. J. Lynch, Member
Bureau of Mines

RAL/sm
cc.
Lynch
Shirley
Files
Opr. Com.2

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

March 28, 1956

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: DMEA-4094 (mica) Brown Sparks and Cecil Phillips.
Burleson & Gouge Prospect, Mitchell County, N. C.

Reference is made to your letter of March 15, 1956. Replies to the various numbered questions follow:

1. A new shaft was not given serious consideration. A shaft at the 30 foot contour would be within 30 feet of the right-of-way of State Highway 26. The bottom of the existing shaft is vertically more than 40 feet below the hill at the 45-foot contour, and therefore only 5 feet above the road level. The cost of rehabilitation of this shaft would probably be less than the cost of 25 additional feet of shaft at the 30-foot contour plus cost of protection of the highway.

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We agree that continuity and characteristics of the pegmatite along the 85-foot stretch can only be assumed; that is why we are recommending exploration. If they were known ,the work would be development.

The pegmatite is reported to be present on the southwest side of the upper cut, but that face is concealed by s umped material.

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

V. J. Lynch, Member
Bureau of Mines

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

DOCKET COPY
Surname:

Hopkins
Hoyle
Selfridge
Robinson
Wattendorf

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

600

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

MAR 15 1956

Re: Docket No. DMEA-4094-Mica
Brown Sparks and Cecil Phillips
Burleson and Gouge Prospect
Mitchell County, North Carolina

Dear Mr. Laurence:

Reference is made to the Field Team Report on the subject property, dated January 9, 1956, and the transmittal letter dated February 21, 1956.

In order that we may properly evaluate the application for exploration assistance and the Field Team Report, we will greatly appreciate additional information on the following:

1. Was the location of a new shaft at/or about the 30 foot contour given consideration? Was deepening the incline considered?
2. Would a trench along the strike of the pegmatite to determine its continuity be feasible before undertaking to rehabilitate and deepen the existing 27' shaft?
3. What are the dimensions of the present shaft? Your cost of $30.00 per foot to rehabilitate appears too high. See Contract Idm-#918, where cost for similar work was $24.40 per foot.
4. Are all workings accessible?
5. Please explain discrepancy between transmittal letter and examination report regarding the presence of strategic mica in the pegmatite.
6. Explain what is meant by favorable continuity and mineralogic enviroment as being the basis for recommending an exploration project. A section along a N 45° E line shows that there is approximately 85 feet from bottom of

N.C.

incline to projected depth of proposed shaft. Nothing is known of the pegmatite along this 85 feet nor are there any exposures shown between road and cut on the map. Under these circumstances, continuity and characteristics can only be assumed. Is our assumption correct that the pegmatite does not outcrop on the SW side of the upper cut?

Upon receipt of this additional information, we will continue to process the application.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (GHB)

Approved:

/s/ Robert W. Geehan (GHB)

Member, Bureau of Mines

Thor H. Kiilsgaard (GHB)

Member, Geological Survey

JHopkins:ms 3/12/56

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

IN REPLY REFER TO:

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

RECEIVED
MAR - 5 1956

March 2, 1956

Memorandum

To: L. G. Houk

From: N. E. Nelson

Subject: Review of Field Team report

Re: DMEA 4094, Brown Sparks and Cecil Phillips-Burleson & Gouge Prospect, Mitchell Co., N. C. $5,375.00 - Mica

The applicants requested assistance in exploring a 2½ to 5-foot conformable pegmatite from which a small amount of mica (7.65 pounds worth $79.80) has been recovered. 39.95% of the mica was classified as good-stained or better. Apparently the mica was recovered from the 20-foot deep N10°W trending cut and none from the 27-foot shaft with 10-foot drift and 34-foot incline, though the 3 headings are in pegmatite. If the mica recovered and sold is considered a sample the results are not at all encouraging.

The proposed work consists of:-

Rehabilitation of 27-foot shaft	$810.00
Sinking 35 feet	1,640.00
Drifting 80 "	2,810.00
Buildings	115.00
Total	5,375.00

Unless it is reasonably certain that much more mica was recovered than the information available suggests, further work on the pegmatite is not justified.

I recommend denial of the application.

N. E. Nelson

Ned E. Nelson

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

RECEIVED FEB 29 1956

February 28, 1956

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-4094 (mica)

Applicant: B. Sparks & C. Phillips, Burleson & Gouge Prospect, Mitchell Co., N. C.

Name and Location of Property: Burleson & Gouge Prospect, Mitchell Co.,N.C.

Date of Field Team Report: 2/21/56

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 2/28/56

Field Team Recommendation: Recommend an exploration contract.

Comments:

1. A $2\frac{1}{2}$ foot to 5 foot pegmatite was observed at several points along its strike.
2. Flat to flat "A" muscovite was observed, mostly clear ruby, with minor mineral staining and edge cracking.
3. Seven and one-half pounds of mica from this prospect was sold for $79.80 with 40 percent classified as good stained or better.

Recommendation: I concur with the field team's recommendation for an exploration contract on a unit-cost basis, at an estimated cost of $5,375.00.

W. F. Dietrich

W. F. Dietrich

GM

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D.C.
ROOM 1 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

RECEIVED
FEB 23 1956

February 21, 1956

Memorandum

T o: Operating Committee, DMEA - Washington

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

Subject: Field Examination Report, DMEA-4094(mica) Brown Sparks and Cecil Phillips, Bakersville, N. C. Burleson & Gouge Prospect, Mitchell County, N. C.

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

The examiners report that, due to the condition of the workings and the fact that the applicants have removed all accessible mica, it is not practical to make a crystal count or to make a reasonable estimate of the percentage of strategic mica in the pegmatite. However, we believe based on geologic evidence available, that exploration for strategic mica is justified and we recommend approval of a contract as outlined in the report.

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

V. J. Lynch by: JM
V. J. Lynch, Member
Bureau of Mines

Reviewed by
DMEA OPERATING COMMITTEE
2-27-56
(date)

RECEIVED
FEB 23 1956

FIELD EXAMINATION REPORT

On

DMEA-4094 (mica) BURLESON AND GOUGE PROSPECT

Applicants: Brown Sparks and Cecil Phillips, R#3, Bakersville, N. C.

Location : On the Micaville Quadrangle (1927 Ed) 1:24,000. 130' NE of State Highway 26 (formerly highway 19) 1.7 airline miles S. 7° E of Bakersville, Mitchell County, N. C.

The Burleson and Gouge Prospect exhibits a strong, conformable, 2 1/2 to 5 foot, pegmatite with possible strike length continuity of over 130 feet (see map). This continuity, along with the presence of some strategic muscovite, is strong recommendation for DMEA assistance.

An examination was made Monday, January 9, 1956. The field examiners were accompanied by Mr. Cecil Phillips and Mr. Ed Huskins, who have been associated with mica mining operations and DMEA projects for a number of years. They are both capable and responsible individuals. Mr. Huskins will probably be the foreman at this project.

The pegmatite is exposed at the roadside, in a 20-foot high road embankment and in a 34 foot long -26° incline. Its attitude at this point is N. 45° E 80° NW to 75° SE. It is exposed uphill in a 20-foot deep N 10° W trending cut and a 27-foot deep shaft inclined to the SE, which followed the pegmatite for a distance of 10 feet. The pegmatite strikes N 35° - 40° E and dips 75° SE in the shaft. The pegmatite is undulating and irregular along strike varying from 2 1/2 to 5 feet in thickness and is conformably enclosed in a soft weathered and well banded, feldspathic biotite gneiss. It is composed of a mixture of soda

Reviewed by
DMEA OPERATING COMMITTEE
2-27-56
(date)

and potash feldspars with some perthite. There is considerable quartz and minor biotite, sericite, with rare black tourmaline. Muscovite observed, was flat to flat A, mostly clear ruby, with minor mineral staining and edge cracking.

There has been one small sale from material gathered at the shaft cut and dated March 7, 1955. 7.56 pounds of mica were sold for $79.80 on an average of $10.55 per pound. 39.95% of the mica was classified as good stained or better.

It is recommended on the basis of favorable continuity and mineralogic enviroment to rehabilitate the existing 27 feet of shaft. It is proposed to sink an additional 35 feet of new shaft and drive 80 feet of exploratory drift along strike.

Estimated Costs:

Toolhouse	$75.00	
Powder Magazine	25.00	
Exploder Magazine	15.00	$ 115.00

Rehabilitate and enlarge 5' x 7' cross section, the existing 27 feet of inclined shaft (10 shifts)

Labor:

1 - Miner @ $1.50/hr.	$120.00
1 - Hoistman @ $1.25/hr.	100.00
2 - Laborers @ $1.00/hr.	160.00
	380.00

Equipment (rental)

Compressor and Drill @ $230/Mo	115.00
Hoist @ $50/Mo.	25.00
	140.00

Supplies:

Explosives	$45.00	
Drill steel	25.00	
Small tools and pipe	50.00	
Gasoline and Oil	30.00	
Timber - 800 b. f. @ $65/M	50.00	
Miscellaneous	40.00	
	$240.00	
Insurance	38.00	
Social Security	7.60	
Sales Tax	4.40	
	50.00	
Estimated cost of Rehabilitation.....		$810.00

Sink an additional 35 feet of inclined shaft in pegmatite (20 shifts - 18 sinking and 2 timbering)

Labor:

1 - Miner @ $1.50/hr.	$240.00	
1 - Hoistman @ $1.25/hr.	200.00	
2 - Laborers @ $1.00/hr.	320.00	
	$760.00	

Equipment (rental)

Compressor and Drill @ $230/Mo.	230.00
Hoist @ $50/Mo.	50.00
Pump @ $20/Mo.	20.00
	300.00

Supplies:

Drill steel	65.00	
Explosives	120.00	
Small tools and pipe	70.00	
Gasoline and Oil	75.00	
Timber, 1000 b.f. @ $65/M	65.00	
Miscellaneous	80.00	
	475.00	
Insurance		
Insurance	76.00	
Social Security	15.20	
Sales Tax	13.80	
	105.00	
Total estimated cost of shaft sinking		$1640.00

Drive 80 feet of exploratory drift along the strike of the pegmatite (35 shifts) 2.3

Labor:

1 - Miner @ $1.50/hr.	$420.00
1 - Hoistman @ $1.25/hr.	350.00
2 - Laborers @ $1.00/hr.	560.00
	$1330.00

Equipment (rental):

Compressor, Drill and Jackleg @ $250/Mo.	440.00
Hoist @ $50/Mo.	90.00
Pump @ $20/Mo.	35.00
	$565.00

440 Total

Supplies:

Explosives	250.00
Drill steel	125.00
Small tools and pipe	90.00
Gasoline and Oil	150.00
Miscellaneous	120.00
	735.00

Insurance	133.00
Social Security	26.60
Sales tax	20.40
	180.00

Estimated cost of drifting..... $2,810.00

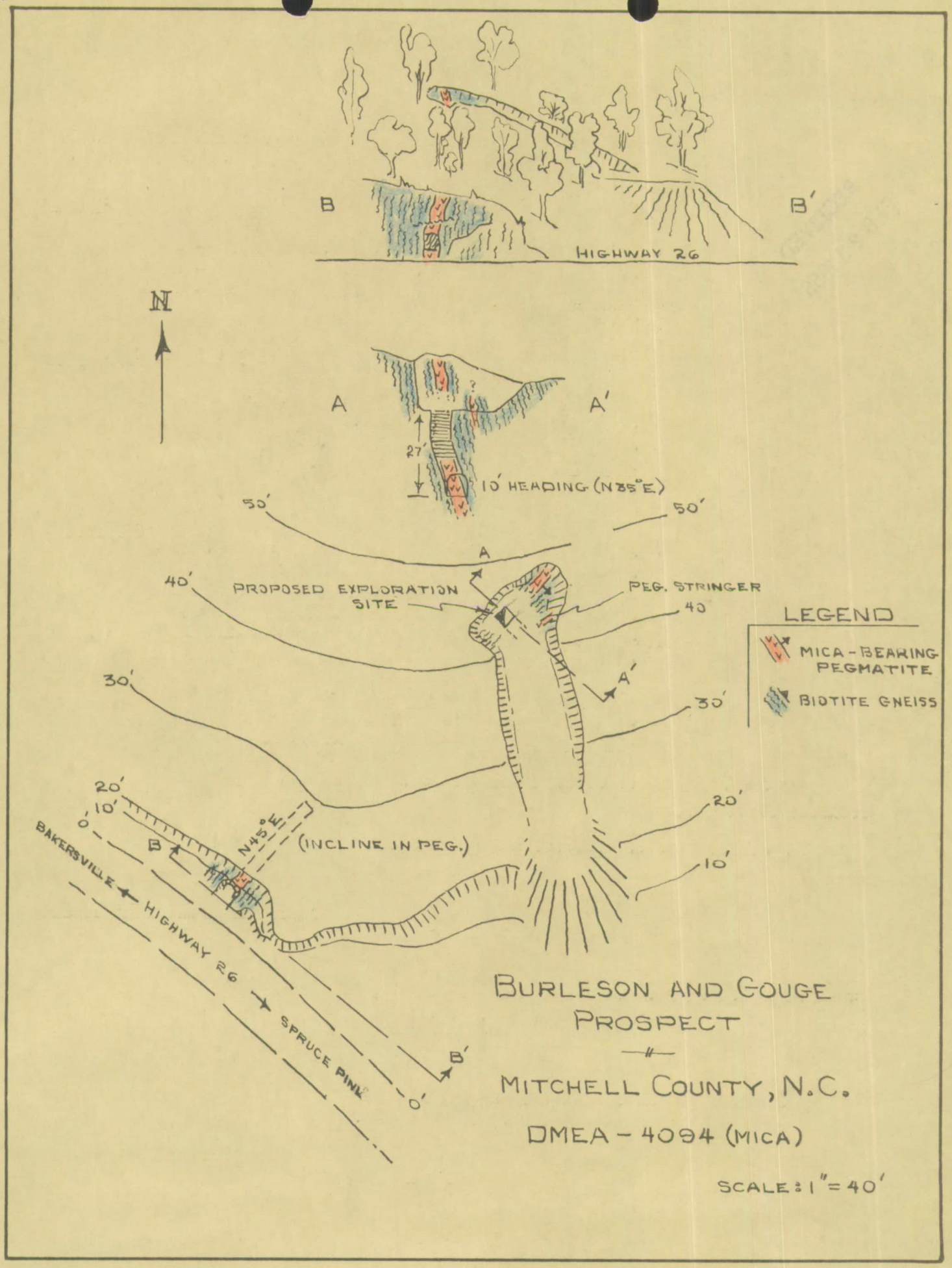
Testimated cost of project..... $5,375.00

Examined: January 9, 1956

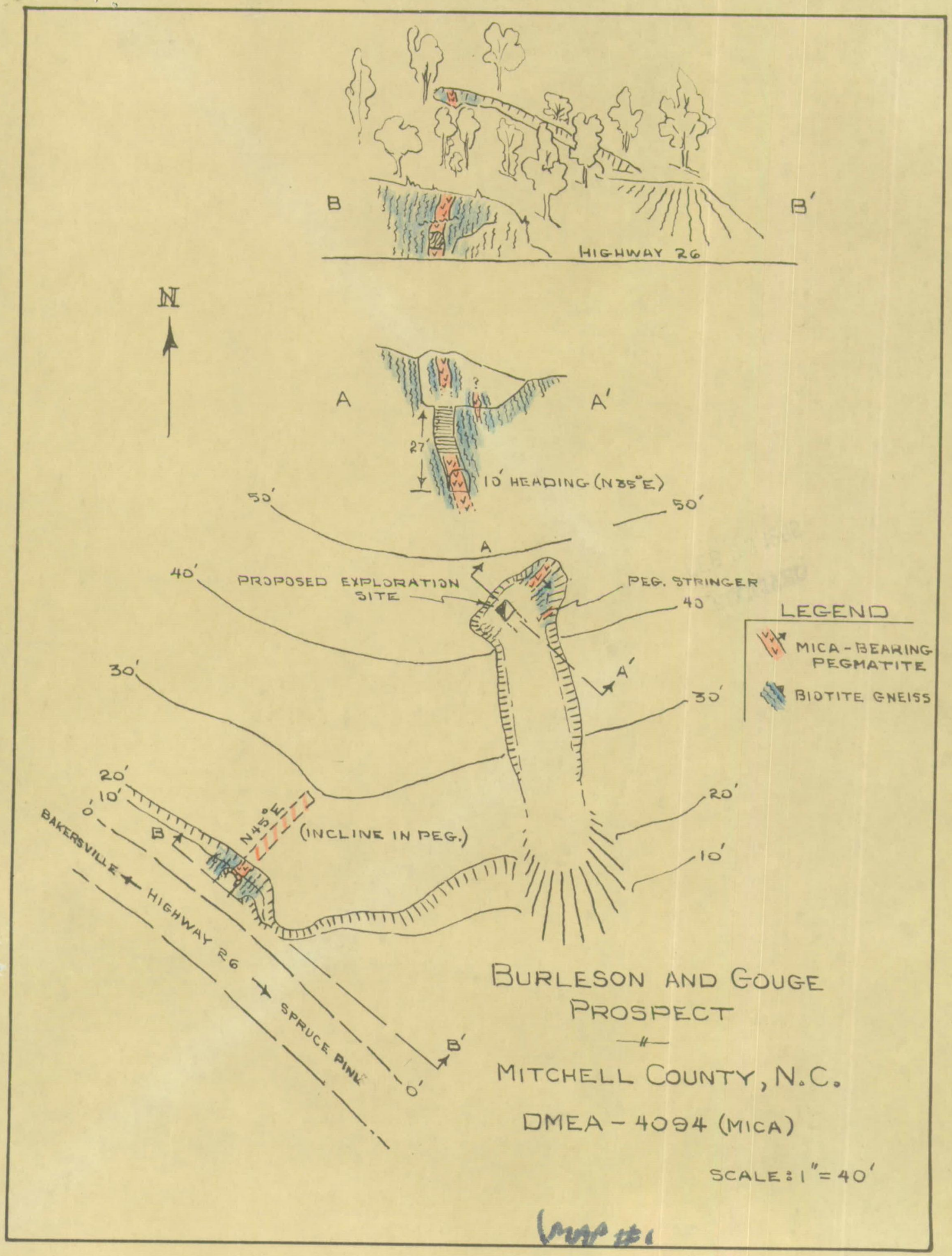
S. C. Bergman and A. R. Taylor, Geologists
U. S. Geological Survey

and

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


B
B'
HIGHWAY 26
N
A
A'
27'
10' HEADING (N85°E)
50'
50'
A
40'
PROPOSED EXPLORATION SITE
PEG. STRINGER
40
LEGEND
MICA-BEARING PEGMATITE
BIOTITE GNEISS
A'
30'
30'
20'
20'
10'
10'
0'
N45°E
(INCLINE IN PEG.)
B
BAKERSVILLE
HIGHWAY 26
SPRUCE PINE
B'
0'
BURLESON AND GOUGE PROSPECT
MITCHELL COUNTY, N.C.
DMEA - 4094 (MICA)
SCALE: 1" = 40'

RECEIVED
FEB 23 1956


B
B'
HIGHWAY 26
N
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A'
27'
10' HEADING (N35°E)
50'
50'
A
40'
PROPOSED EXPLORATION SITE
PEG. STRINGER
40
LEGEND
MICA-BEARING PEGMATITE
BIOTITE GNEISS
30'
A'
30'
20'
10'
0'
20'
10'
N45°E
(INCLINE IN PEG.)
B
BAKERSVILLE
HIGHWAY 26
SPRUCE PINE
B'
0'
BURLESON AND GOUGE PROSPECT
MITCHELL COUNTY, N.C.
DMEA - 4094 (MICA)
SCALE: 1" = 40'

Map #1

RECEIVED
FEB 23 1956

DOCKET FILE
Surname:

Hopkins
Houk
Selfridge
Hyman

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

DEC 23 1955

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

Subject: Docket No. DMEA-4094 - Miss Brown Sparks and Cecil Phillips Burleson and Gouge Prospect Mitchell County, North Carolina

Dear Mr. Laurence:

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

Copies of memoranda dated December 13 and December 15, 1955, by N. E. Nelson, USGS, and W. F. Dietrich, USBM, respectively, relating to the project are enclosed.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee

Approved:

/s/ Robert W. Geehan
Member, Bureau of Mines

Thor H. Kiilsgaard
Member, Geological Survey

Enclosures 4

JHopkins:ad 12/20/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Hopkins

DOCKET FILE
Surname:

Hopkins
Houk
Kiilsgaard
Guhan
Selfridge
Johnson

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

DEC 23 1955

Messrs. Brown Sparks and
Cecil Phillips
Route 3
Bakersville, North Carolina

Re: Docket No. DMEA-4094 - Mica
Brown Sparks and Cecil Phillips
Burleson and Gouge Prospect
Mitchell County, North Carolina

Gentlemen:

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

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

Sincerely yours,

C. O. Mitchell

Administrator

JHopkins:ad 12/21/55
Copy to: Admr. R. File
Docket
Operating Committee
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Hopkins

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

RECEIVED
DEC 16 1955

December 15, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-4094 (mica)

Applicant: B. Sparks, C. Phillips

Name and Location of Property: Burleson & Gouge Prospect, Mitchell Co., N. C.

Date Application Rec'd. by Br. of Ceramic & Fertilizer Materials: 12/13/55

Comments:

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

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

Recommendation:

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

W. F. Dietrich

W. F. Dietrich

Hopkins
IN REPLY REFER TO:

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

RECEIVED
DEC 14 1955

December 13, 1955

Re: DMEA 4094
Brown Sparks and Cecil Phillips
Burleson & Gouge prospect
Mitchell Co., N. C.
$5,850.00 - Mica

Memorandum

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

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

Subject: Review of application.

The work proposed consists of bulldozing, shaft sinking and drifting.

No information other than surmises is given in support of the application.

Referral to the Field Team is recommended.

N. E. Nelson

N. E. Nelson

December 13, 1955
Subject: DMEA-4094
Re: Exploration Assistance
Burleson & Gouge Prospect

Mr. Brown Sparks
Route 3, Bakersville, North Carolina

My dear Mr. Sparks:

The receipt of your application dated December 8, 1955, for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA-4094 and referred to the Nonmetallic Minerals Division.

Kindly identify all future correspondence relating to your application by this docket number.

Sincerely yours,

Robert E. Adams, Chief
Operations Control and
Statistics Division

60932

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

RECEIVED
DEC 12 1955

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

Not to be filled in by applicant

Docket No. DMEA-4094
Metal or Mineral Mica
Date Received 12-12-55
Estimated Cost $5,850.00
Participation (Government %)

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address: Brown Sparks and Cecil Phillips
Route 3, Bakersville, N. C.

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

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

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

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

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

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

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

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

(*e*) If you own the land, describe any liens or encumbrances on it None

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Explain in detail on acompanying paper.

CERTIFICATION

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

Dated December 8, 1955

Brown Sparks and Cecil Phillips
(Applicant)

By Partner Cecil Phillips

Title 18, U. S. Code (Crimes), Section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

U. S. GOVERNMENT PRINTING OFFICE 16—66551-1

RECEIVED
DEC 12 1955

MF-103 Conintuation Sheet

4. (a) Some small test pits and prospecting work has been done previously. Applicants had no interest in previous work.

(b) We believe strategic quality ruby mica may be recovered by exploration. Small amount of good quality ruby mica has been found here.

(c) From appearance of previous prospecting work, there seems to be good chance of finding ruby mica.

(d) Project is accessible to roads and shipping.

(e) Manpower, supplies and equipment available. Power is within 100 yards.

5. (b) We propose to do about 5 hours bulldozing to uncover pegmatite, lower a 5'x7' shaft 60' deep, then drift with vein 80'.

6. Estimate of Costs:

5 Hours Bulldozing @ $10.00 per hour	$ 50.00
60' Shaft @ $50.00 per foot	3000.00
80' Drift @ $35.00 per foot	2800.00
Total estimated cost	$ 5850.00

MINING LEASE

RECEIVED
DEC 12 1955

State of North Carolina Mitchell County:

This indenture made this 1st day of December, 1955, 195~~3~~,

between P. G. Burleson and wife Maude Burleson

of Mitchell County and State of North Carolina as party of the first part, and known as lessor~~s~~, and Brown Sparks and Cecil Phillips

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

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

Beginning on a stake at the center of what is known as the Burleson and Gouge Prospect which is located approximately 180' N. from another stake, and running 250' North; thence 250' West; thence 500' South; thence 500' East; thence 500' North; thence 250' West to a point of closing. This property located approximately three miles East of Bakersville, N. C.

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

AND IT IS FURTHER AGREED That the party of the second part, the lessee hereby agrees to pay to the said part___ of the first part, or his or their heirs or assigns, a rental royalty of 1/8 (Eighth)

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

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

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

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

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

Witness:

P G Burleson (Seal)

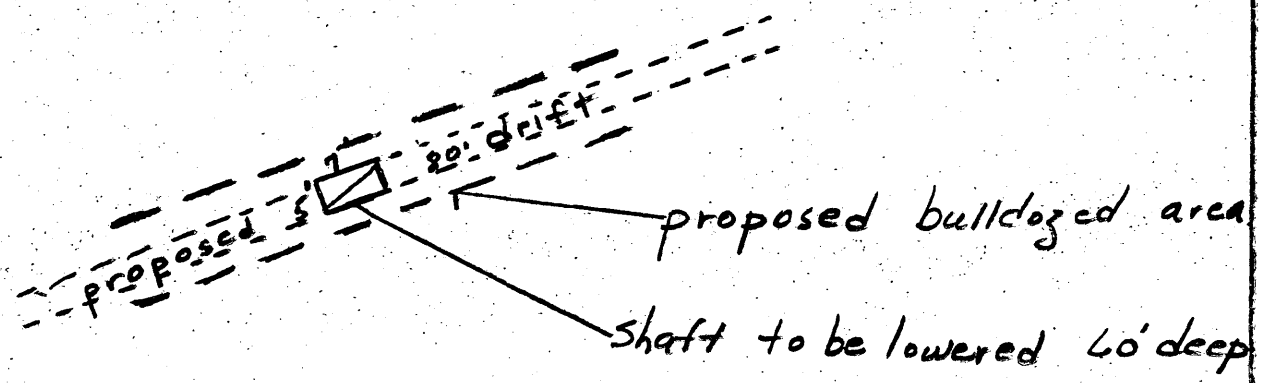
Mrs Maude P. G. Burleson (Seal)

(Seal)

Kenneth R. McKinney
Notary Public
My Comm. Expires 8/17/57

Burleson and Gouge Prospect

Mitchell County, N.C.

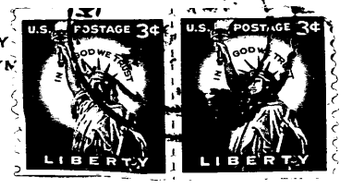


UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS
EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

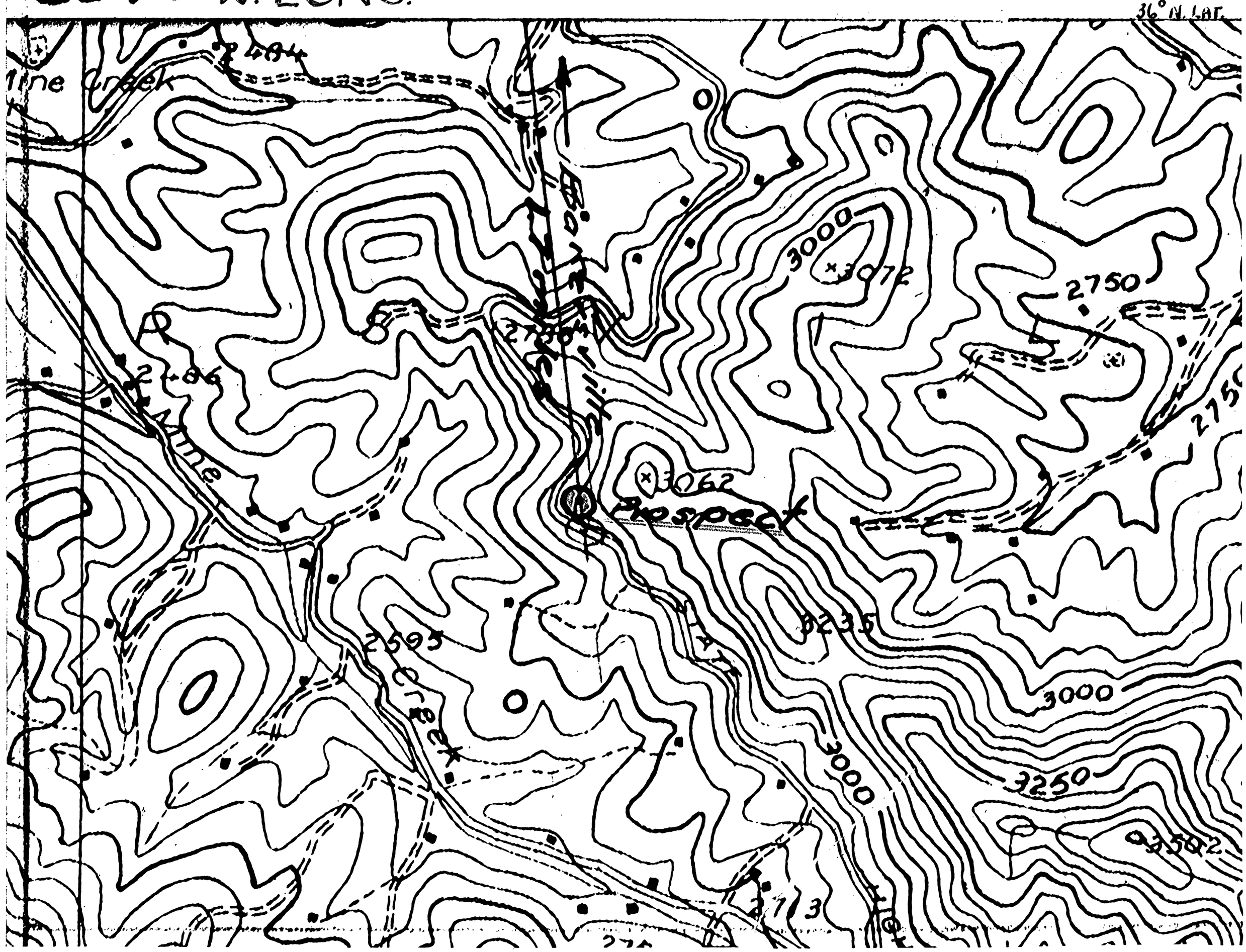
OFFICIAL BUSINESS

U. S. GEOLOGICAL SURVEY
SOUTH 157 HOWARD ST.
SPOKANE 4, WASHINGTON

PENALTY
PAYM



Mr. George C. Selfridge
Chairman, Operating Committee
Defense Minerals Explor. Admin.
Department of the Interior
Washington 25, D. C.

Location Map
Burleson & Gouge Prospect
DMEA-4094

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