DMA Form 1

DEFENSE MINERALS ADMINISTRATION
Control Slip

CONTROLLED DOCUMENT

DMA Docket No. DMEA-3221

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This document has been recorded as
Exploration Assistance

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

1cy to USBM, USGS, DOCKET, REGION

Routing Slip

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CONTROLLED DOCUMENT

File Copy
Surname:
Houk
Guild
Hedges
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Johnson

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

MAR 8 1954

Mr. Sam L. Phillips

Spruce Pine, North Carolina

Re: Docket No. DMEA-3221 - Mica
Sam L. Phillips, John Phillips,
Lin Carpenter and John Carroll
Elmyra Mine (Elmyra Gibbs)
Yancey County, North Carolina

Dear Mr. Phillips:

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

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

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

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

Sincerely yours,

C. O. Mittendorf (for)
Administrator

LGHouk:gad 3/5/54
Copy to: Admr. R. File
Docket File
Field Team, Reg. 7
Operating Committee
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

R.C.L. 3-8-54

File Copy
Surname: Houk
Lefandze

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

600

March 5, 1954

Memorandum

To: Mr. C. O. Mittendorf

From: Lawrence G. Houk

Subject: Denial - Docket No. DMEA-3221 - Mica
Sam L. Phillips, John Phillips,
Lin Carpenter and John Carroll
Elmyra Mine (Elmyra Gibbs)
Yancey County, North Carolina

The Field Team recommend a project at the subject mine for $9,225 for a 75' shaft and 150' of drifts and cross-cuts.

The Bureau of Mines commodity analyst recommends writing a contract, and the Survey concurs with field team stating it is a "long shot".

The Nonmetallic Minerals Division considers the exploration at subject mine not warranted, and recommends denial of the application for the following reasons:

1. The geologic target is obscure.
2. Exploration for blind shoots is not considered good practice.
3. Experience has shown no cases where a continuous mica shoot such as was mined in the Carroll Incline has a parallel counterpart nearby.
4. DMEA projects in attempting to explore areas immediately adjacent to old producers have in most cases proven disappointing.

LGHouk:gad 3/5/54
Copy to: Admr. R. File
Docket File
Mr. Houk

RCB 3-8-54

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

March 5, 1954

Memorandum

To: Mr. C. O. Mittendorf

From: Lawrence G. Houk

Subject: Denial - Docket No. DMEA-3221 - Mica
Sam L. Phillips, John Phillips,
Lin Carpenter and John Carroll
Elmyra Mine (Elmyra Gibbs)
Yancey County, North Carolina

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The Bureau of Mines commodity analyst recommends writing a contract, and the Survey concurs with field team stating it is a "long shot".

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2. Exploration for blind shoots is not considered good practice.
3. Experience has shown no cases where a continuous mica shoot such as was mined in the Carroll Incline has a parallel counterpart nearby.
4. DMEA projects in attempting to explore areas immediately adjacent to old producers have in most cases proven disappointing.

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

Department of the Interior
Defense Minerals Administration
RECEIVED
MAR 2 5 1954

March 1, 1954

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-3221

Applicant: Sam Phillips, John Phillips, Lin Carpenter and John Carroll

Name and Location of Property: Elmyra Gibbs Mine
Yancey County, North Carolina

Date of Field Team Report: February 17, 1954

Date Rec'd by Ceramic & Fertilizer Mats. Branch: February 25, 1954

Field Team Recommendation:

1. A contract for exploration in the amount of $9,225.

Comments:

1. Exploration is proposed by a 75-foot shaft and 150 feet of drift, in a block of ground not previously explored.

2. Proposed exploration is consistent with good engineering practices.

Recommendation:

I concur in the field team's recommendation for an exploration project in the amount of $9,225.

W. F. Dietrich

W. F. Dietrich

IN REPLY REFER TO:

G-MD-CNM

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

Defense Minerals
RECEIVED
MAR 1 - 1954

February 24, 1954

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-3221 (MICA)

To: L. G. Houk, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant: Sam L. Phillips, John Phillips, Lin Carpenter, and John Carroll.
Name of property: Elmyra Gibbs Mine.
Location of property: Yancey County, North Carolina.
Date of field team report: February 16, 1954.
Authorship of field team report: K. H. Teague, D. H. Amos, and L. E. Shirley.
Field team's recommendation: 75' shaft
150' drifts, etc.
Cost: $9,225
Comments: It's a long shot. The Field Examiners will doubtless determine the trends and amount of crosscutting from the shaft.
ACTION RECOMMENDED: Follow field team's recommendation.

D. M. Larrabee per DMB
D. M. Larrabee

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 19 1954

February 17, 1954

Memorandum

To: Operating Committee, DMEA- Washington

From: Field Team, D M E A - Region VII

Subject: Examination Report on DMEA-3221, Elmyra Gibbs Mine (mica)

Transmitted herewith are four copies of the report and six extra copies of the map. The Field Team is in agreement with the recommendations set forth in the report.

Wm. A. Beck, Acting
Executive Officer, DMEA
Region VII

Benjamin Gildersleeve, Geologist
U. S. Geological Survey

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
MAR 19 1954

GSL
3/5/54

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM, REGION VII

On

DMEA-3221, ELMYRA GIBBS MINE (mica)

Yancey County, N. C.

By

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

and

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

February 16, 1954

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 19 1954

FIELD EXAMINATION REPORT
On

DMEA-3221, ELMYRA GIBBS MINE (mica)

Applicants: Sam L. Phillips, John Phillips, and Lin Carpenter, Spruce Pine, and John Carroll, Celo, North Carolina. c/o Sam L. Phillips, Spruce Pine, N. C.

This mine was operated successfully during World War II. From the available reports, past production has been from a series of pipe-like bodies that rake to the southeast. A considerable block of ground above and northeast of the "Carroll Incline" has not been explored and it appears to offer possibilities for the production of strategic mica.

This deposit was examined on January 15 and 28, 1954. Messrs. Sam Phillips, John Phillips, Lin Carpenter, and Earnest Briggs accompanied the examiners on the inspection which required four hours.

The Elmyra Gibbs mine is 0.1 miles west of the South Toe River and 1.1 miles by improved county road east of Celo, Yancey County, North Carolina. Access is excellent at all times.

All of the applicants are competent to conduct the proposed project. John Carroll, who will be in charge, has spent most of his life mining mica and feldspar.

The applicants lease the property. Area covered by the lease is sufficient for the proposed project.

Much of the following report is taken from a manuscript report prepared by W. R. Griffits, U. S.G.S., July 1, 1944.

There are no surface facilities on the property, although an electric line (single phase, 220 volts) is nearby.

Numerous small depressions on the hillside south and east of the mine probably are caved shafts or adits, but nothing is known about them. Most of the early work was done from shafts, of which 8 are known. To simplify discussion, these have been given numbers on the maps and sections. Shaft 3 and 4 are now 23 feet deep; an unknown depth of debris lies in the bottom of each. Shaft 6 is 35 feet deep, and probably is also partially filled. Shaft 5 is shown at the surface by a broad, shallow depression. What is considered to be its lower, filled end is visible in an old drift below this depression. The other shafts will be mentioned later.

A few adits extend west-northwest into the hillside about 250 feet southeast of shaft 1. Only one of these is accessible at present. It extends N. 70° W. for 170 feet, ending at the pegmatite a few feet below an old drift.

Extending southwest from shaft 3 is an en-echelon series of low, narrow drifts, each about 60 feet long and trending about S 25° W. These apparently were worked from shafts 3 and 6. Shaft 5 is visible near the southeast end of the accessible drifts, but as the shaft was filled before the drift was opened it must be older than the drift. Perhaps it extends to a lower pegmatite rumored to have been mined by Gould and Watson. Shaft 2 crosses the old workings at a depth of 51 feet, affording the only means of access to them. This shaft is now being used as a manway. A short crosscut connects it with both the Gouge and Carroll inclines.

The Gouge incline extends 20 feet north and 35 feet south of the crosscut. It lies 12 feet west of the manway and trends N. 18° E. The Carroll incline was worked from shaft 1. At the shaft it is 68 feet below the surface. It is about 10 feet wide and 8 to 15 feet high. The bottom of the incline is reported to be 10 feet or more below the present muck floor in some places. Its trend is S 25° W., and its slope is about 25 degrees.

Shaft 7, 340 feet south of shaft 1, is reported to be 70 feet in total depth. Work was done on a thin pegmatite at the 65-foot level. As it was followed from the shaft, this pegmatite widened, then pinched out within a short distance. Shaft 8 is filled to within 10 feet of the surface. It is cut by a short east-west adit. This adit, like the one 60 feet farther south, is entirely in gneiss. The purpose of both is unknown.

The country rock is a fairly coarse-grained mica gneiss. It consists of lenses of feldspar and quartz 1 to 3 inches long separated by layers of mica. The parallel orientation of the lenses gives the rock a layered appearance. A few 2-foot layers of hornblende gneiss are present. This dark-colored rock is composed of hornblende and plagioclase with a small amount of epidote. The hornblende grains, about 1/10 inch long, are roughly parallel with one another, and in places the feldspar forms streaks parallel to these grains. In the west wall of the northwestern end of the Carroll incline there are several small dikes of feldspar and quartz in hornblende gneiss. These may be related to the nearby pegmatite. Separating the pegmatite from both the mica gneiss and hornblende gneiss is a thin layer of mica schist.

The strike of the country rock ranges from N. 45° E. to N. 28° W. In most places it lies between N. 30° E. and N. 28° W. The regional dip is to the west and ranges from 10 to 70 degrees. Many irregularities occur near the pegmatite. The strike varies more widely than elsewhere and the dip is locally reversed; dips of 10 to 55 degrees east have been recorded.

The principal minerals of the pegmatite are albite, microcline, quartz, muscovite, granet, and apatite. A few vugs, about 1/8 to 1/4 inch across, are lined with small clear quartz and epidote crystals.

The general strike of the pegmatite is north and the dip is about 25 to 40 degrees west. In the thicker parts, the dip is commonly vertical or even reversed. Local dips to the east have been observed. The thickness varies greatly in different parts of the pegmatite. In the crosscut between the Gouge and Carroll inclines, it is only a few inches, and in some of the old workings it is hardly more than an inch. In the northwest end of the Carroll incline the pegmatite is 5 feet thick. The pegmatite as a whole may be considered to be a series of long pencils or pipes connected by very thin sills. The pipes plunge about 15 to 25 degrees in a S. 20° W. direction, or oblique to both strike and dip of the pegmatite.

In the Elmyra Gibbs mine, the thick portions of the pegmatite dip more than 40 degrees and cross the foliation planes of the gneiss. Where the pegmatite is discordant and nearly flat lying it is generally thin. It seems also to be thin where it is steeply dipping and concordant. There also are places where the pegmatite is steeply dipping, discordant, and thin, which suggest that there are other factors that influence its thickness. The mine is unique among those in pipe-like pegmatites in that many of these pipes are exposed and all are connected. In most other mines only a few apparently unconnected pipes are exposed.

Gould and Watson are said to have worked in a large pegmatite that lies beneath the pegmatite on which all subsequent work was done. No direct evidence for the existance of a second pegmatite was found. Shaft 5 may extend to a lower level.

Most of the mica from the Carroll incline is rum or reddish-rum in color. The mica in the old workings was probably greenish rum. A considerable part, perhaps a third, of the mica from the Carroll incline is specked. Many books 4 to 6 inches across were seen in this incline, and one book found in the Gouge incline was more than a foot across and at least 3 inches thick. It appeared to be unstained.

The pegmatite exposed in the Carroll incline contains a small amount of mica scattered through the entire visible mass. That in the Gouge incline contained mica near the hanging wall, and perhaps in the body of the pegmatite as well.

Most of the early work was done by Gould and Watson, a Boston concern. Lewis McCarthy, as manager for that company, worked the Elmyra Gibbs and the bearby Dink Rock mine in about 1890. After Gould and Watson ceased operations, a large number of local men worked the mine. Among them were Charlie Gibbs, A. M. Patton, Rob Gibbs, and Ned Edge.

Joe Gouge drove the incline near the botton of shaft 2, probably in 1933. He then followed a thin streak of pegmatite for a few feet west from a point on the west wall of his incline. Later, in order to prospect the area west of his earlier workings, he sank shaft 1. Gouge's short drift or crosscut to the west is said to have been stopped less than a foot from good mica.

John Carroll of Celo, N. C. began work about 1940 from shaft 1. Mica was found after a few weeks of unproductive work. During the next 8 months the Carroll incline was lengthened 100 feet from a point near the shaft. This was the richest part of the pegmatite found by Carroll and nearly a ton of block mica was recovered daily. Work continued for 2 or 3 years in the Carroll incline, but early in 1944 the south heading was abandoned and a drift was run northward parallel to and 5 to 10 feet west of the north end of the main Carroll incline. After that the incline about 60 feet south of the shaft was deepened. The last work was unprofitable and on June 9, 1944, work was stopped in the Carroll incline and started in the north end of the Gouge incline.

The shaft (No. 7) 340 feet south of shaft 1 was sunk by Carroll about 1943. Although "a couple of thousand" dollars worth of mica was recovered, no persistent pegmatite was found and the shaft was abandoned. A short time ago a Mr. Thomason unwatered the shaft but did no further work.

There is no record of the production of mica during the early work in the Elmyra Gibbs mine, but the total production is said to have amount to more than $100,000. Gould and Watson obtained most of this.

In U. S. Geological Survey Bulletin 936A production for 1933 is given as 351 pounds of clear sheet and 483 pounds of punch mica. The size of the sheet was tabulated as follows:

1 1/2 x 2	2 x 2	2 x 3	3 x 3	3 x 4	3 x 5	4 x 6	6 x 8
32.8%	23.1%	17.7 %	7.1%	4.8%	6.0%	6.4%	2.1%

According to the microfilm records, Colonial Mica Corp., purchased slightly more than $55,000 worth of mica from this mine during World War II.

This deposit is difficult to appraise. None of the old workings are accessible, nor is there surface evidence available on which to base recommendations. The only available information is from U. S. G. S. manuscript reports and from local people. Griffits in his report makes the statement: "Promising places for exploration are both east and west of the Carroll incline." He also suggested that long holes be drilled from the Carroll incline. As the shafts are now caved and the workings flooded this approach is impracticable.

The block of ground northeast of the Carroll incline, between it and the group of old workings represented by surface pits and shafts 5 and 6, seem to offer promise for successful exploration. The map shows no underground openings in this area. It would appear to the examiners that this area deserves additional exploration.

We recommend that a 75-foot shaft be sunk at the approximate location shown on the attached map and 150 feet of level work conducted from the shaft,

Estimated Cost:

Tool House....	$150.00	
Powder Magazine	50.00	
Exploder Magazine	25.00	
75-foot, 5' x 7', 2-compartment shaft @ $50/ft.	3,750.00	
150 ft. drift and/or crosscut @ $35/ft.	5,250.00	
Estimated Total Cost.....		$9,225.00

Estimated time required - 8 months

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

and

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

Z.

Spruce Pine, North Carolina
February 16, 1954

DMEA-323

Mr. Lawrence G. Houk, Chief
Nonmetallic Minerals Division
Department of the Interior DMEA
Washington 25, D. C.

Dear Mr. Houk:

The applicants of the Charlie Grindstaff Mine do hereby agreed to pay in money the 25% required by regulation. Instead of 10% as first stated.

Sincerely yours,

Hayden Keller
John Phillips
A. Ward

File Copy
Surname:
Anderson
Houk
Larrabee
Hedges
Schneider
Fitzhugh

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

FEB 12 1954

Mr. Sam L. Phillips

Spruce Pine, North Carolina

Re: Docket No. DMEA-3221 - Mica
Sam L. Phillips, John Phillips,
Lin Carpenter and John Carroll
Elmyra Mine (Elmyra Gibbs)
Yancey County, North Carolina

Dear Mr. Phillips:

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 VII, 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 that you may give the members of the field team during the examination will be appreciated.

Sincerely yours,
C. O. Mittendorf

Administrator

WCAnderson:gad 2/12/54
Copy to: Admr. R. File
Docket File
Operating Committee
Field Team, Region VII
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

R.C.S.
2-14-54

File Copy
Surname:

Anderson
Houk
Selfridge
Johnson

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

FEB 12 1954

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

Subject: Docket No. DMEA-3221 - ~~Mica~~
Sam L. Phillips, ~~John Phillips,~~
Lin Carpenter and ~~John Carroll~~
Elmyra Mine (Elmyra Gibbs)
Yancey 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 from the Geological Survey, dated December 11, 1953, and from the Bureau of Mines, dated December 16, 1953, are enclosed for your information.

Please obtain a written statement from the applicants that the new Government participation rate of 75 percent is acceptable to them.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (GCS)

Approved:

J. H. Hedges (JHB)
Member, Bureau of Mines

D. M. Larrabee (DMB)
Member, Geological Survey

Enclosures 4

WCAnderson:gad 2/12/54
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

R.C.J. 2-12-54

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 17 1953

December 16, 1953

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-3221, Mica

Applicant: Sam and John Phillips, Len Carpenter and John Carroll

Name and Location of Property: Elmyra Gibbs Mine, Yancey County North Carolina

Date of Application: December 7, 1953

Date Rec'd by Ceramic and Fertilizer Materials Branch: December 7, 1953

Estimated Project Cost: $9,750.00

Comments:

1. This mine was classified on November 6, 1944 by Colonial Mica to be a "non-ruby" mine. In U. S. Geological Survey Professional Paper 225, page 67, mica from this mine was classed a brownish olive color, generally accepted as a transition color from green to rum mica. A total of 662 pieces of mica were tested and found to be 100 percent E-1 capacitor quality.

2. The mine is located in the general area of mines that have been productive.

Recommendation: It is recommended that the field team visit this property when a member of the field team is in that vicinity to ascertain if an exploration program is justified.

W. F. Dietrich

W. F. Dietrich

IN REPLY REFER

G-MD-CNM

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

December 11, 1953

Memorandum

REVIEW OF APPLICATION DMEA-3221 (mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant's name and address:
Sam Phillips and others, Spruce Pine, North Carolina.
Name of property: Elmyra Mine (Elmyra Gibbs).
Location of property: Yancey County, North Carolina.
Summary of applicant's proposal:
1) Sink a shaft 5' x 7' x 125'.
2) Drift 100'.
Cost: $9750.00.
Sources of information on applicant's property:
1) _____, and Pray, L. C., June 6, 1944, Geologic, topographic, underground maps, and structure sections of Elmyra Gibbs mica mine, Yancey County, North Carolina: U. S. Geol. Survey Strat. Min. Inv. prelim. maps (2).
2) Griffitts, W. R., June 27, 1944, Elmyra Gibbs mica mine, Yancey County, North Carolina: U. S. Geol. Survey file report. Unpublished.
3) _____, July 1944, Elmyra Gibbs mica mine, Yancey County, North Carolina: U. S. Geol. Survey file report. Unpublished.
4) _____, January 1945, Elmyra Gibbs mica mine, Yancey County, North Carolina: U. S. Geol. Survey file report. Unpublished.

Comments:
1) Griffitts (Jan. 1945, p. 2) says that "probably 20,000 pounds or more mica remain in the pegmatite south of the present workings." "Long holes drilled from the McCartney and Carroll inclines would reveal nearby pipes with less expense than would crosscuts, raises, and winzes."
2) Applicant plans to pay only 10%, instead of required 25%.

RECOMMENDATION:
Obtain reply from applicant as to his willingness to pay 25% of costs before referring to Field Examiners.

D. M. Larrabee

D. M. Larrabee

FILE COPY
SURNAME:
MDS

Houk
Carne
Rutan

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

DEC 8 - 1953

Mr. Sam L. Phillips, et al.

Spruce Pine, North Carolina

Re: Docket No. DMEA-3221 - Mica
Elmyra Mine
Yancey County, North Carolina

Dear Mr. Phillips:

Reference is made to your application for exploration assistance for mica.

On November 3, 1953, Amendment No. 3 to DMEA Order-1 became effective and limited Government participation in the case of mica to 75 percent of the approved costs. Inasmuch as your application was received after November 3, 1953, please advise this office in writing if you desire to have your application processed under the new Government participation rate. The processing of your application will be deferred until receipt of your reply.

A copy of our release of November 3, 1953, is enclosed for your information.

Sincerely yours,

SIGNED

Lawrence G. Houk, Chief
Nonmetallic Minerals Division

Enclosure

LGHouk:gad 12/8/53
Copy to: Admr. R. File
Docket File
Field Team, Region VII
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

R.C.G.
12-8-53

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

Mr. Sam L. Phillips, et al.
Spruce Pine
North Carolina

December 7, 1953
Subject: DMEA-3221
Re: Exploration Assistance
Elmyra Mine

Dear Mr. Phillips:

The receipt of your application dated (undated) for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA-3221 and referred to the Nonmetallic Minerals Division.

Kindly refer to DMEA-3221 in any future correspondence relating to your application.

Sincerely yours,

Robert E. Adams
Chief, Operations Control
and Statistics Division

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

RECEIVED

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-3221
Metal or Mineral
Date Received 12-2-53
Estimated Cost
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: Sam L. Phillips, John Phillips, Lin Carpenter and John Carroll all of Spruce Pine, N. C.

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

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

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

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

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

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

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

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

(*e*) If you own the land, describe any liens or encumbrances on it Not owner

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

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

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

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

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

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

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

.....

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

(*c*) The work will start within ..... 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.

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

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

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

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

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

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

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

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

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

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

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

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

☐ Money ☐ Use of equipment owned by you ☐ Other

Explain in detail on acompanying paper.

CERTIFICATION

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

Dated ....., 195...

Sam L. Phillips
(Applicant)

By.....

.....

.....

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

MF 103

1. (a) Sam L. Phillips, John Phillips, Lin Carpenter and John Carroll all of Spruce Pine, N. C.

2. No Answer.

3. (a) This is lease property (Lease is attached in 3 (d) below.)

(b) Elmyra Gibbs Mine.

(c) Lessee

(d) Lease is attached as Exhibit A.

(e) Not owner.

(f) Land is held by Landlord. No land patents involved.

4. (a) Physical works set forth on map attached as Exhibit B.

(b) This mine has a long history of producing a large quantity of good mica of strategic grade , which would be suitable for a stockpile.

(c) The last operator was John Carroll. He stopped shortly before Colonial stopped buying mica.

(d) This mine is located 1½ miles from Celo, North Carolina.

(e) There is ample experience manpower available. Electricty is within a quarter of a mile. No difficulty is contemplated in obtaining equipment and supplies.

5. (a) It is anticipated that the pegmatite contains additional quantities of non-ruby mica of stockpile grade.

(b) It is proposed to sink a 5 x 7 shaft 125 feet. Then it is proposed to drift 100 feet.

(c) The work will be started as soon as the contract is approved by the Government and the work should be concluded within 6 months.

(d) Attached as Exhibit C.

6. Estimate of Costs.

(a) Independent Contracts-None.

(b) through h)

(1)	Sink a shaft 5 x 7 125 feet	@ $50.00	$6250.00
(2(	Drift 100 feet	@ 35.00	3500.00
			$9750.00

7. (a) Applicants will pay in money 10% required by regulation.

MINING LEASE

State of North Carolina Yancey County:

This indenture made this 23 day of November, 1953,

between E. L. Briggs and wife Eloise Briggs

of Yancey County and State of North Carolina as party of the first part, and known as lessor s, and Sam L. Phillips, John Phillips, Lin Carpenter and John Carroll

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

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

Beginning at the center of the Elmyra Mine located in Yancey County, thence 400' North; thence 400' East; thence 800' South; thence 800' West; thence 800' North; thence 400' East.

This lease cannot be sold, sub-let or assigned without the written consent of the Lessors, their heirs or assigns.

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 parties of the first part, or his or their heirs or assigns, a rental royalty of 1/8 on Mica, usual and customary royalty on other minerals.

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 ~~XXXXX~~ 30 days 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 ~~XXXXX~~ 30 days at any one time, unavoidable accidents excepted.

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

Sworn to before me this the 23rd. day Nov. 1953

Witness:

/s/ E. L. Briggs (Seal)

G. M. Angel
Notary Republic
My com. expires 4/5/55

/s/ Eloise Briggs (Seal)

_____ (Seal)

P. S. The mica will be trimmed and wored in Yancey County. All mica shall be weigh as it comes from mine and a record kept on same.

MF-203
(Revised July 1, 1953)

OWNER'S CONSENT TO LIEN

RECEIVED DEC 1953

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of North Carolina, County of Yancey, described as follows:1/

Beginning at the center of the Elmyra Mine located in Yancey County, thence 400' North; thence 400' East; thence 800' South; thence 800' West; thence 800' North; thence 400' East.

which is the subject of a proposed exploration project contract, hereinafter called the "contract", between the United States of America, hereinafter called the "Government", and

2/ Sam L. Phillips, John Phillips, Lin Carptner and John Carroll doing business as ~~The Elmyra Mining Co.~~ ~~The Carroll Mining Co.~~ The Elmyra Mining Co.

hereinafter called the "Operator"; and

WHEREAS, under the provisions of said contract the Government is entitled to a percentage royalty on production (as set forth on the reverse side hereof) and to other rights and equities which do or may conflict with or be adverse to the rights of the undersigned:

NOW THEREFORE, the undersigned, in consideration of said contract and as an inducement to the Government to enter into same, undertakes and agrees as follows:

1. The Government's equity in and right to dismantle, sever, take possession of, and remove and dispose of facilities, buildings, fixtures, equipment, or other items as provided in the contract, or any amendment thereof, shall prevail over and be prior and superior to any conflicting or adverse rights of the undersigned, and the Government is authorized to enter upon the land for such purposes.

2. To secure the payment to the Government of the percentage royalty on production3/ provided for under the terms of said exploration project contract, or any amendment thereof, there is hereby granted to the Government a lien upon the land above referred to and upon any production of minerals therefrom, until said royalty is fully paid or ten years have elapsed from the date of the contract, whichever occurs first.

3. The undersigned shall commit no act nor assert any claim that may contravene or conflict with the lien, claim, or rights of the Government under the provisions of said contract. This agreement shall be binding upon the heirs, executors, administrators, successors, and assigns of the undersigned.

4. Changes and added provisions _____

Dated this 23rd day of Jan, 1953.

E. L. Briggs [Seal]

Eloise Briggs [Seal]

_____ [Seal]

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/ Insert the name of the Operator as it will appear in the exploration project contract.

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

Repayment by Operator.--a. Certification.--If at any time the Government considers that a discovery or development from which production may be made has resulted from the exploration work, the Government, at any time not later than six months after the Operator has rendered the final report and final account, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

b. Percentage royalty.--The Operator, or his successor in interest, shall pay to the Government a royalty on all minerals mined or produced from the land described in Article 2,--(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 of discovery or development, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first, unless the Government waives its right to a royalty; or (2) if the Government makes a certification of discovery or development, for a period of ten years (or other period fixed by the contract) from the date of the contract, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first. Said royalty shall be a percentage of the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, as follows:

(a) One and one-half (1½) percent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(b) One and one-half (1½) percent of any such net amounts, plus one-half (½) percent of such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such net amounts.

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

c. Definitions.--As here used, "net smelter returns", "net concentrator returns", and "other net amounts realized from the sale or other disposition", mean gross revenue from sales; or if not sold, the market value of the material after it is mined in the form in which and the place where it is held. In the case of integrated operations in which the material is not disposed of as such, these terms mean what is or would be gross income from mining operations for percentage depletion purposes in income tax determination.

d. Lien for Payment.--To secure the payment of its percentage royalty, the Government shall have and is hereby granted a lien upon the land described in Article 2 and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

e. Notice to Purchasers.--The Operator shall notify any purchaser of the production of the Government's royalty interest, and shall authorize and direct the purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets; but failure or refusal by the purchaser to comply shall not relieve the Operator of liability to pay any royalty falling due.

f. No Obligation to Produce.--This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

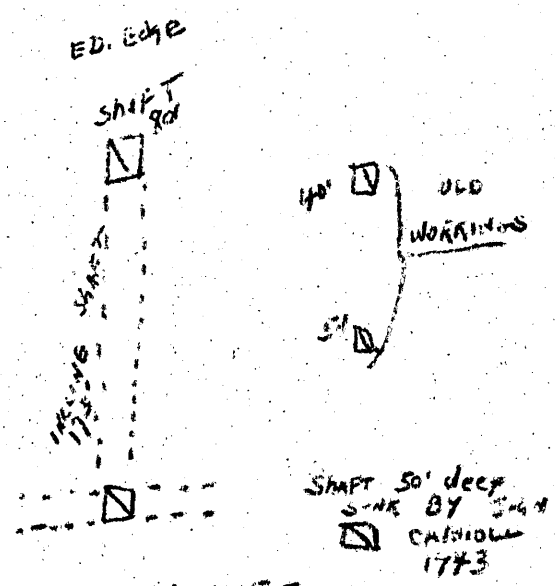
Interior--Duplicating Section, Washington, D. C. 47318

ELMYRA GIBBS MINE

N

W

E



PROPOSED 125' SHAFT
WITH 100' OF DRIFT
TO SEARCH FOR ADDITIONAL
MICA BEARING PEGMATITES

S

JOHN CARROLL

John Carroll was borned in Yancey County, North Carolina 60 years ago. He attended school in Yancey County. He has mined mica and feldspar all of his life. Some of the mines he has worked are as follows:

Poll Hill Mine
Elmyra Gibbs
Fanney Gouge Mine

He is a man that is well thought of in Yancey and Mitchell Counties. He has a fine reputation for honesty and trustworthyness.

For references write:

Ernest Briggs
Attorney-At- Law
Burnsville, N. C.

John McBee
Attorney-at-Law
Spruce Pine, N. C.

Mr. R. S. Ballew
Celo
N. C.

MINING LEASE

State of North Carolina Yancey County:

This indenture made this 23 day of November, 1953,

between E. L. Briggs and wife Eloise Briggs

of Yancey County and State of North Carolina as party of the first part, and known as lessor s, and Sam L. Phillips, John Phillips, Lin Carpenter and John Carroll

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

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

Beginning at the center of the Elmyra Mine located in Yancey County, thence 400' North; thence 400' East; thence 800' South; thence 800' West; thence 800' North; thence 400' East.

This lease cannot be sold, sub-let or assigned without the written consent of the Lessors, their heirs or assigns.

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 on mica, usual and customary royalty on other minerals.

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~~ 30 days from the date of this instrument, the lease may be terminated by the lessee at any time thereafter on thirty days notice to the lessor s. The lessee agrees that during the period of this lease or the continuance of this lease work in said mines or exploration for new mines within the area leased shall not cease longer than ~~ninety~~ 30 days at any one time, unavoidable accidents excepted.

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

Sworn to before me this the 23rd. day Nov. 1953

Witness:

/s/ E. L. Briggs (Seal)

G. M. Angel

Notary Republic

My comm. expires 4/5/55

/s/ Eloise Briggs (Seal)

(Seal)

P. S. The mica will be trimmed and worked in Yancey County. All mica shall be weigh as it comes from mine and a record kept as same.

Defense Minerals Administration
RECEIVED
DEC 1953

GENERAL SERVICES ADMINISTRATION

Spruce Pine, North Carolina

November 25, 1953

Mr. Lawrence G. Houk, Chief
Nonmetallic Minerals Division
Department of the Interior
Defense Minerals Exploration Administration
Washington 25, D. C.

Dear Mr. Houk:

I am in receipt of samples of mica submitted by Mr. S. L. Phillips of this city, and represented as coming from the Elmira Gibbs Mine in Yancey County, N.C.

I am pleased to advise that this mica is of good quality and is non-ruby. It would be acceptable, if properly prepared, on our present mica purchasing program.

Very truly yours,

W. S. Flynt, Superintendent
Spruce Pine Mica Depot

cc: Mr. S. L. Phillips

MF-203
(Revised July 1, 1953)

OWNER'S CONSENT TO LIEN

Bureau Lands Mgt.
RECEIVED
Dec 1953

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of North Carolina, County of Yancey, described as follows:1/

Beginning at the center of the Elmyra Mine located in Yancey County; thence 400' North; thence 400' East; thence 800' South; thence 800' West; thence 800' North; thence 400' East.

which is the subject of a proposed exploration project contract, hereinafter called the "contract", between the United States of America, hereinafter called the "Government", and

2/ Sam L. Phillips, John Phillips, Lin Carpenter and John Carroll doing business as ~~The Elmyra Mining Co. The Carroll Mining Co.~~ The Elmyra Mining Co.

hereinafter called the "Operator"; and

WHEREAS, under the provisions of said contract the Government is entitled to a percentage royalty on production (as set forth on the reverse side hereof) and to other rights and equities which do or may conflict with or be adverse to the rights of the undersigned:

NOW THEREFORE, the undersigned, in consideration of said contract and as an inducement to the Government to enter into same, undertakes and agrees as follows:

1. The Government's equity in and right to dismantle, sever, take possession of, and remove and dispose of facilities, buildings, fixtures, equipment, or other items as provided in the contract, or any amendment thereof, shall prevail over and be prior and superior to any conflicting or adverse rights of the undersigned, and the Government is authorized to enter upon the land for such purposes.

2. To secure the payment to the Government of the percentage royalty on production3/ provided for under the terms of said exploration project contract, or any amendment thereof, there is hereby granted to the Government a lien upon the land above referred to and upon any production of minerals therefrom, until said royalty is fully paid or ten years have elapsed from the date of the contract, whichever occurs first.

3. The undersigned shall commit no act nor assert any claim that may contravene or conflict with the lien, claim, or rights of the Government under the provisions of said contract. This agreement shall be binding upon the heirs, executors, administrators, successors, and assigns of the undersigned.

4. Changes and added provisions

Dated this 23rd day of Nov, 1953.

E. G. Briggs [Seal]

Elsie P. Briggs [Seal]

[Seal]

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/ Insert the name of the Operator as it will appear in the exploration project contract.

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

Repayment by Operator.--a. Certification.--If at any time the Government considers that a discovery or development from which production may be made has resulted from the exploration work, the Government, at any time not later than six months after the Operator has rendered the final report and final account, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

b. Percentage royalty.--The Operator, or his successor in interest, shall pay to the Government a royalty on all minerals mined or produced from the land described in Article 2,--(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 of discovery or development, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first, unless the Government waives its right to a royalty; or (2) if the Government makes a certification of discovery or development, for a period of ten years (or other period fixed by the contract) from the date of the contract, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first. Said royalty shall be a percentage of the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, as follows:

(a) One and one-half (1½) percent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(b) One and one-half (1½) percent of any such net amounts, plus one-half (½) percent of such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such net amounts.

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

c. Definitions.--As here used, "net smelter returns", "net concentrator returns", and "other net amounts realized from the sale or other disposition", mean gross revenue from sales; or if not sold, the market value of the material after it is mined in the form in which and the place where it is held. In the case of integrated operations in which the material is not disposed of as such, these terms mean what is or would be gross income from mining operations for percentage depletion purposes in income tax determination.

d. Lien for Payment.--To secure the payment of its percentage royalty, the Government shall have and is hereby granted a lien upon the land described in Article 2 and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

e. Notice to Purchasers.--The Operator shall notify any purchaser of the production of the Government's royalty interest, and shall authorize and direct the purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets; but failure or refusal by the purchaser to comply shall not relieve the Operator of liability to pay any royalty falling due.

f. No Obligation to Produce.--This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

Interior—Duplicating Section, Washington, D. C. 47318

MINING LEASE

State of North Carolina Yancey County:

This indenture made this 23 day of November, 1953,

between E. L. Briggs and wife Eloise Briggs

of Yancey County and State of North Carolina as party of the first part, and known as lessor s, and Sam L. Phillips, John Phillips, Lin Carpenter and John Carroll

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

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

Beginning at the center of the Elmyra Mine located in Yancey County, thence 400' North; thence 400' East, thence 800' South; thence 800' West; thence 800' North; thence 400' East.

This lease cannot be sold, sub-let or assigned without the written consent of the Lessors, their heirs or assigns.

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 ies of the first part, or his or their heirs or assigns, a rental royalty of 1/8 on Mica, usual and customary royalty on other minerals

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

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

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

BUT IT IS EXPRESSLY AGREED That unless mineral or fossil material of practical value for mining purposes shall be found within a period of ~~two years~~ 30 days from the date of this instrument, the lease may be terminated by the lessee at any time thereafter on thirty days notice to the lessor S. The lessee agrees that during the period of this lease or the continuance of this lease work in said mines or exploration for new mines within the area leased shall not cease longer than ~~ninety~~ 30 days at any one time, unavoidable accidents excepted.

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

Witness: Sworn to before me this the 23 day Nov 1953.

Sam Wright
Notary Public
My Com. Exp. 4/5/55

E L Briggs (Seal)

Eloise Briggs (Seal)

(Seal)

P. S. The mica will be trimmed and worked in Yancey County. All mica shall be weighed as it comes from mine and a record kept on same.

MF-203
(Revised July 1, 1953)

OWNER'S CONSENT TO LIEN

T OF THE INTE...
...Minerals Administration
RECEIVED
DEC 1953

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of North Carolina, County of Yancey, described as follows:1/

Beginning at the center of the Elmyra Mine located in Yancey County; thence 400' North; thence 400' East; thence 800' South; thence 800' West; thence 800' North; thence 400' East.

which is the subject of a proposed exploration project contract, hereinafter called the "contract", between the United States of America, hereinafter called the "Government", and

2/ Sam L. Phillips, John Phillips, Lin Carpenter and John Carroll doing business as ~~The Elmyra Mining Co.~~ ~~The Carroll Mining Co.~~ The Elmyra Mining Co.

hereinafter called the "Operator"; and

WHEREAS, under the provisions of said contract the Government is entitled to a percentage royalty on production (as set forth on the reverse side hereof) and to other rights and equities which do or may conflict with or be adverse to the rights of the undersigned:

NOW THEREFORE, the undersigned, in consideration of said contract and as an inducement to the Government to enter into same, undertakes and agrees as follows:

1. The Government's equity in and right to dismantle, sever, take possession of, and remove and dispose of facilities, buildings, fixtures, equipment, or other items as provided in the contract, or any amendment thereof, shall prevail over and be prior and superior to any conflicting or adverse rights of the undersigned, and the Government is authorized to enter upon the land for such purposes.

2. To secure the payment to the Government of the percentage royalty on production3/ provided for under the terms of said exploration project contract, or any amendment thereof, there is hereby granted to the Government a lien upon the land above referred to and upon any production of minerals therefrom, until said royalty is fully paid or ten years have elapsed from the date of the contract, whichever occurs first.

3. The undersigned shall commit no act nor assert any claim that may contravene or conflict with the lien, claim, or rights of the Government under the provisions of said contract. This agreement shall be binding upon the heirs, executors, administrators, successors, and assigns of the undersigned.

4. Changes and added provisions_____

Dated this 23rd day of Nov, 1953.

E. L. Phillips [Seal]

Eloise P. Phillips [Seal]

_____ [Seal]

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/ Insert the name of the Operator as it will appear in the exploration project contract.

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

Repayment by Operator.--a. Certification.--If at any time the Government considers that a discovery or development from which production may be made has resulted from the exploration work, the Government, at any time not later than six months after the Operator has rendered the final report and final account, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

b. Percentage royalty.--The Operator, or his successor in interest, shall pay to the Government a royalty on all minerals mined or produced from the land described in Article 2,--(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 of discovery or development, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first, unless the Government waives its right to a royalty; or (2) if the Government makes a certification of discovery or development, for a period of ten years (or other period fixed by the contract) from the date of the contract, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first. Said royalty shall be a percentage of the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, as follows:

(a) One and one-half (1½) percent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(b) One and one-half (1½) percent of any such net amounts, plus one-half (½) percent of such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such net amounts.

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

c. Definitions.--As here used, "net smelter returns", "net concentrator returns", and "other net amounts realized from the sale or other disposition", mean gross revenue from sales; or if not sold, the market value of the material after it is mined in the form in which and the place where it is held. In the case of integrated operations in which the material is not disposed of as such, these terms mean what is or would be gross income from mining operations for percentage depletion purposes in income tax determination.

d. Lien for Payment.--To secure the payment of its percentage royalty, the Government shall have and is hereby granted a lien upon the land described in Article 2 and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

e. Notice to Purchasers.--The Operator shall notify any purchaser of the production of the Government's royalty interest, and shall authorize and direct the purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets; but failure or refusal by the purchaser to comply shall not relieve the Operator of liability to pay any royalty falling due.

f. No Obligation to Produce.--This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

Interior--Duplicating Section, Washington, D. C. 47318

MINING LEASE

State of North Carolina Yancey County:

This indenture made this 23 day of November, 1953,

between E. L. Briggs and wife Eloise Briggs

of Yancey County and State of North Carolina as party of the first part, and known as lessor s, and Sam L. Phillips, John Phillips, Lin Carpenter and John Carroll

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

WITNESSETH, That the parties of the first part in consideration of One Dollar in hand received and hereby acknowledged by the 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 at the center of the Elmyra Mine located in Yancey County, thence 400' North, thence 400' East; thence 800' Sout; thence 800' West; thence 800' North; thence 400' East.

This lease cannot be sold, sub-let or assigned without the written consent of the Lessors, their heirs or assigns.

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 parties of the first part, or his or their heirs or assigns, a rental royalty of 1/8 on Mica, usual and customary royalty on other minerals.

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 lessors 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~~ 30 days 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~~ 30 days at any one time, unavoidable accidents excepted.

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

Sworn to before me this the 23rd. day Nov. 1953

Witness:

/s/ E. L. Briggs (Seal)

G. M. Angel

Notary Republic

My com. expires 4/5/55

/s/ Eloise Briggs (Seal)

(Seal)

P. S. The mica will be trimmed and worked in Yancey County. All mica shall be weigh as it comes from mine and a record kept on same.

MF-203
(Revised July 1, 1953)

OWNER'S CONSENT TO LIEN

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of North Carolina, County of Yancey, described as follows:1/

Beginning at the center of the Elmyra Mine located in Yancey County; thence 400' North; thence 400' East; thence 800' South; thence 800' West; thence 800' North; thence 400' East.

which is the subject of a proposed exploration project contract, hereinafter called the "contract", between the United States of America, hereinafter called the "Government", and

2/ Sam L. Phillips, John Phillips, Lin Carpenter and John Carroll doing business as ~~The Carroll Mining Co.~~ The Elmyra Mining Co.

hereinafter called the "Operator"; and

WHEREAS, under the provisions of said contract the Government is entitled to a percentage royalty on production (as set forth on the reverse side hereof) and to other rights and equities which do or may conflict with or be adverse to the rights of the undersigned:

NOW THEREFORE, the undersigned, in consideration of said contract and as an inducement to the Government to enter into same, undertakes and agrees as follows:

1. The Government's equity in and right to dismantle, sever, take possession of, and remove and dispose of facilities, buildings, fixtures, equipment, or other items as provided in the contract, or any amendment thereof, shall prevail over and be prior and superior to any conflicting or adverse rights of the undersigned, and the Government is authorized to enter upon the land for such purposes.

2. To secure the payment to the Government of the percentage royalty on production3/ provided for under the terms of said exploration project contract, or any amendment thereof, there is hereby granted to the Government a lien upon the land above referred to and upon any production of minerals therefrom, until said royalty is fully paid or ten years have elapsed from the date of the contract, whichever occurs first.

3. The undersigned shall commit no act nor assert any claim that may contravene or conflict with the lien, claim, or rights of the Government under the provisions of said contract. This agreement shall be binding upon the heirs, executors, administrators, successors, and assigns of the undersigned.

4. Changes and added provisions _____

Dated this 23rd day of Dec, 1953.

E. L. Briggs [Seal]

Elsie Briggs [Seal]

_____ [Seal]

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.

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Repayment by Operator.--a. Certification.--If at any time the Government considers that a discovery or development from which production may be made has resulted from the exploration work, the Government, at any time not later than six months after the Operator has rendered the final report and final account, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

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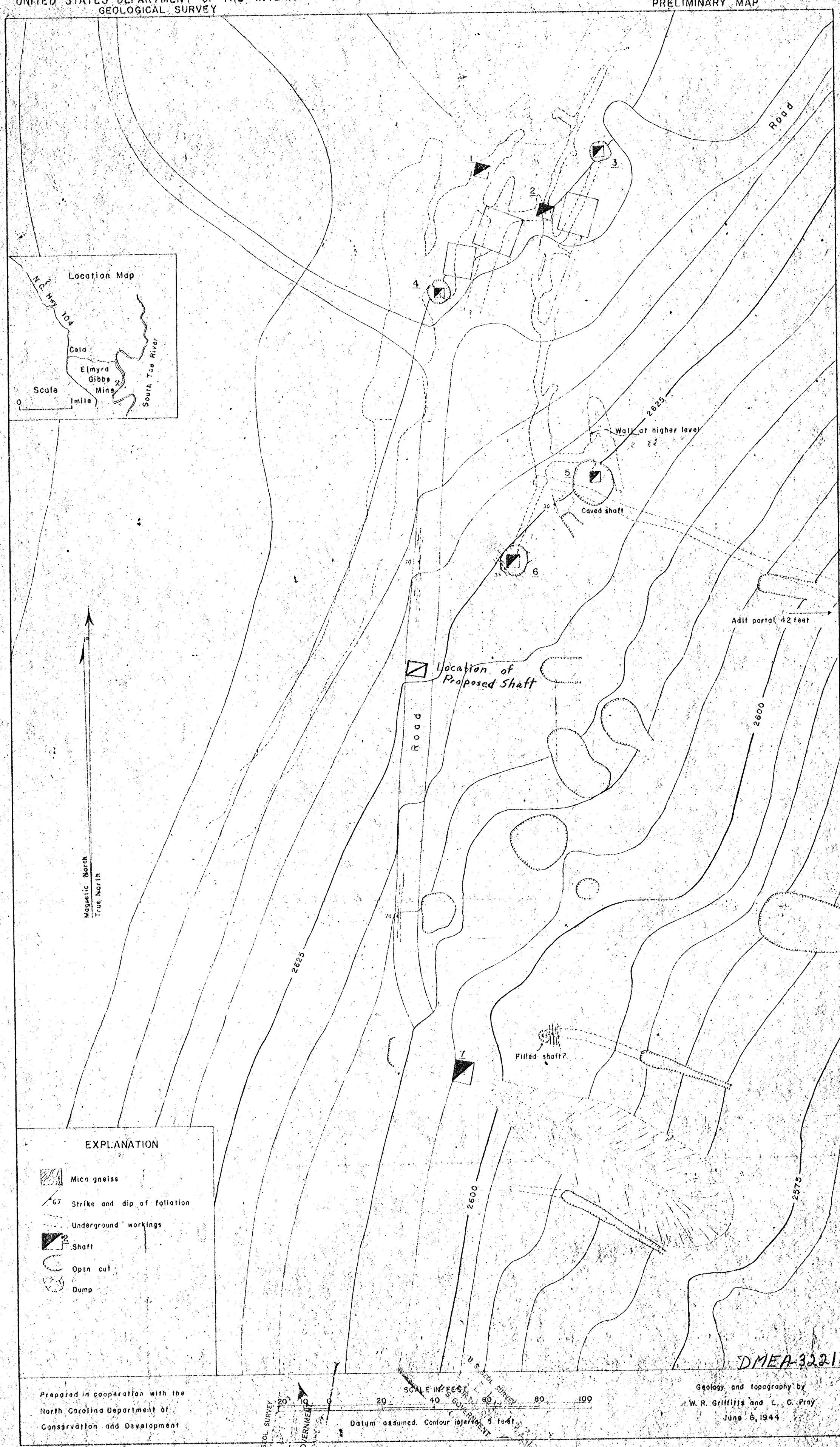
Interior--Duplicating Section, Washington, D. C. 47318

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

STRATEGIC MINERALS INVESTIGATIONS
PRELIMINARY MAP



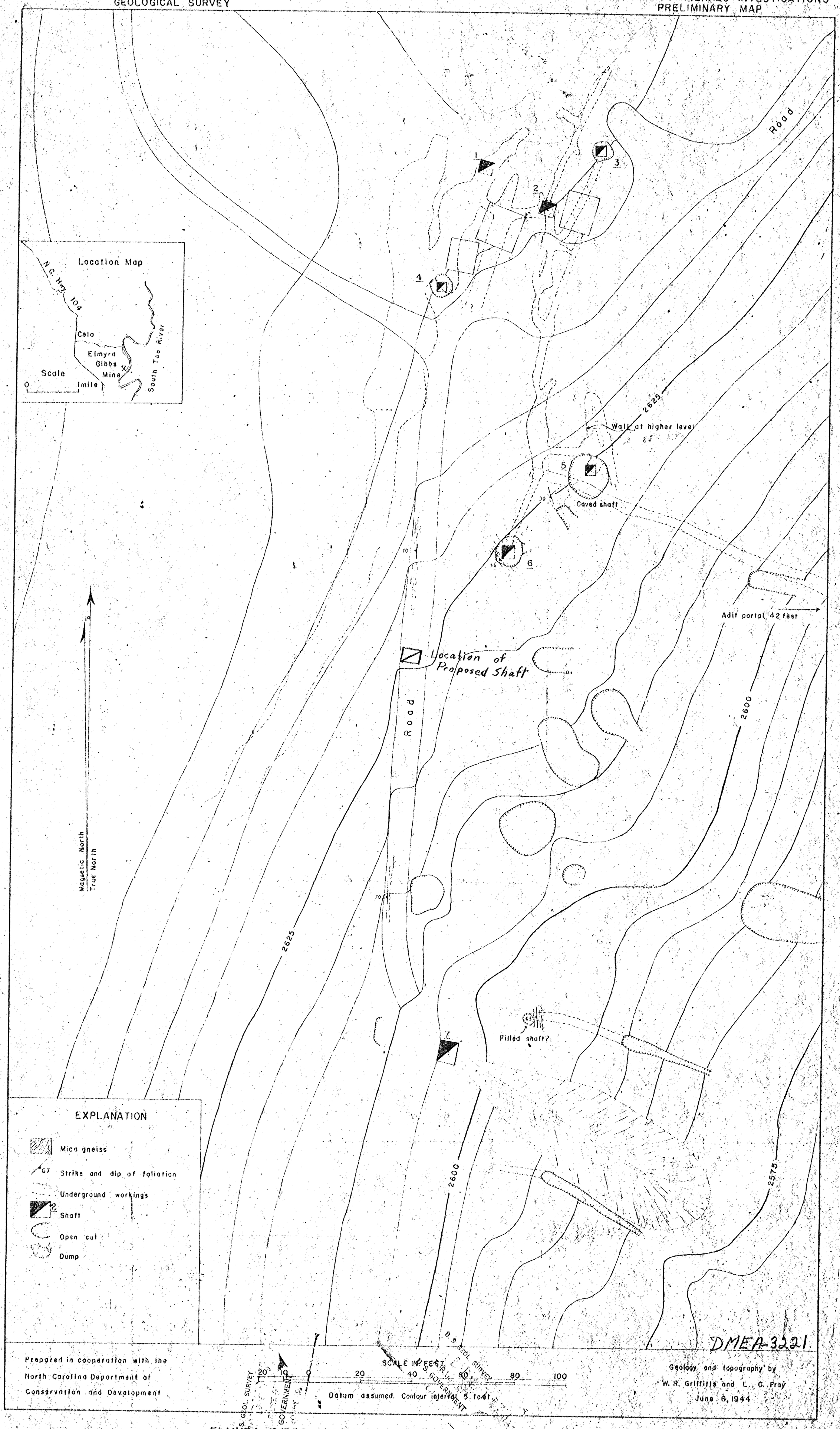
Prepared in cooperation with the North Carolina Department of Conservation and Development

Geology and topography by W. R. Griffitts and L. C. Pray
June 6, 1944

ELMYRA GIBBS MICA MINE, YANCEY COUNTY, NORTH CAROLINA

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

STRATEGIC MINERALS INVESTIGATIONS
PRELIMINARY MAP



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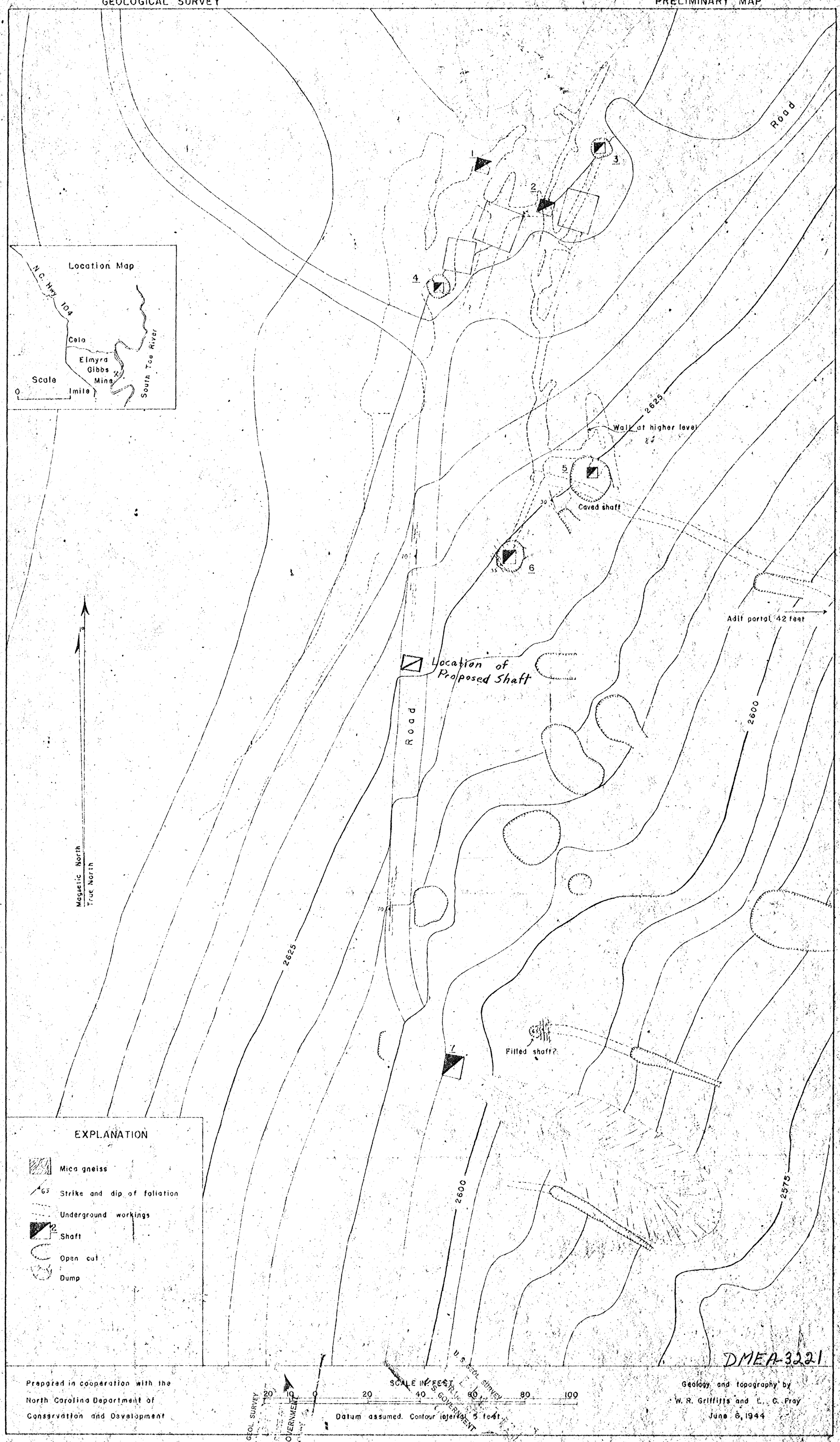

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