UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE

Terminated (or cancelled) without certification. DMEA No. 1122

This is the official contract file containing all official records of the project. Duplicate material has been removed. The records contained in the files are checked and are arranged in this manner:

Left Side

Certificate of Audit (Final).

Interim Audit(s).

✓ Report of Review.

✓ Termination Notice or Agreement.

Recision Notice.

Assignment of Contract.

✓ Contract Amendments (latest on top).

✓ Contract with all exhibits and annexes.

Owner's Consent to Lien.

Subordination Agreement.

Leases and assignments of leases.

✓ Application and attachments.

Schedule of Collections.

Operator's monthly reports and all attachments (latest on top).

Right Side

Project summary.

Work completed analysis.

✓ All other material is filed in chronological order with correspondence including the following reports as checked:

Final Field Team Report. (Tab)

Operator's Final Report.

Interim Reports.

✓ On-site Exam Report(s). (Tab)

Settlement Sheets.

If additional folders are required because of volume of records, show folder numbers and contents below:

Maps in folder number_____

Operator's Monthly Reports in folder number _____

L.J. / M.
Reviewer's Initials

7973

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the records pertaining to Contract No. Idm-2179, Docket DMA-1122X, including Amendments Nos. 1, 2 and 3, with:

W. H. Hines

P. O. Box 7164

Asheville, North Carolina

covering a project for the exploration of mica; and, further have consulted with the Executive Officer of the Regional Field Team.

This review was made in lieu of a final audit of the Operator's accounts and records for the following reasons:

(a) the contract was terminated by the Government on December 12, 1952, on the grounds that the contractor had failed to prosecute operations pursuant to the terms of the contract;
(b) the only work performed by the contractor was a small amount of bulldozing on July 11, 1952; and
(c) no monthly reports have been submitted by the contractor.

The review disclosed the following facts in regard to the amount paid or to be paid the contractor:

Total cost as billed by contractor	$ - 0 -
Exceptions	- 0 -
Total Accepted Cost	$ - 0 -

The contract calls for a 90 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of no and no/100 Dollars,

- $ -0- -

is considered valid and proper.

E. D. Talbert, Auditor

April 14, 1953

NOTE: THIS IS A CANCELLATION AND NOT A TERMINATION:
ENTIRE AMOUNT OF MONEY HAS BEEN RELEASE:
BEING CARRIED ON APRIL REPORT AS CANCELLATION: PER MR. ADAMS

GOVERNMENT COPY

NOTICE OF TERMINATION OF EXPLORATION PROJECT CONTRACT, UNDER THE TERMS OF THE CONTRACT, BEFORE THE COMPLETION OF THE WORK

To: Mr. W. H. Hipps

P. O. Box 7164

Asheville, North Carolina

Operator under Exploration Project Contract I-dm-E-~~179~~, Docket No. DMEA-1122, dated Oct. 12, 1951.

The United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, under the terms of the above-mentioned contract, hereby terminates the contract on the following grounds: 1/

~~(a) You have failed to provide your share of the money [illegible] pursuant to the terms of the contract~~

(b) In the opinion of the Government, you have failed to prosecute operations pursuant to the terms of the contract.

~~(c) In the opinion of the Government, operations up to the time of this notice have not indicated the probability of making any worthwhile discovery and in the opinion of the Government further operations are not justified.~~

Upon the receipt of this notice, as provided in said contract, you are required to dispose of any remaining materials, supplies, facilities, buildings, fixtures, equipment, or other items, in which the Government has an interest, for the joint account of yourself and the Government; and to render to the Government a full and final accounting of your operations under the contract and of your expenditures of money on account thereof.

Any work prosecuted or costs incurred by you after the receipt of this notice shall be for your sole account, except for (a) such necessary and reasonable costs and expenses as may be incurred in preserving and disposing of any facilities, buildings, fixtures,

---

1/ Strike out any grounds not applicable.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 18 1952

equipment, or other items, to the cost of which the Government has contributed and in which the Government has an equity, and (b) the costs of any reports, accounts, and winding-up and settlement actions provided for in the contract.

Dated this 12th day of December, 1952.

UNITED STATES OF AMERICA

By Robert A. Lamoure

Executive Officer, DMEA
Region VII

~~(Operator)~~

By _____

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
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DEC 18 1952

Government Copy

CONTRACT AMENDMENT No. 3

DMA-1122X, Idm-E179, W. H. Hipps, Big Cove Mine (mica)

Contract Docket No. DMA-1122X, Idm-E179, dated October 12, 1951 between the UNITED STATES OF AMERICA and W. H. HIPPS, is hereby amended as follows:

Item 3 is amended to provide that the Operator may complete the project within a period of fourteen (14) months from date of contract, instead of eleven (11) months as set forth in Amendment No. 2.

This amendment was found necessary because the operator was unable to get experienced men to do the tunnel work after completion of Stage I of the contract.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be obligated to pay, or the percentage of the costs which the Government may be obligated to pay, under the provisions of Article 13 of the contract form.

Dated September 5, 1952

THE UNITED STATES OF AMERICA

By W. A. Beck
Acting Executive Officer, DMEA
Field Team, Region 7

W. H. HIPPS

By W. H. Hipps
Applicant

DOCKET COPY

DMA-1122X, Idm-EA79, W. H. Hipps (mica)

Contract Amendment Dated November 8, 1951 was made to begin work in 7 months instead of 30 days because adverse weather conditions during the winter months and poor access to the property would greatly increase the cost of immediate completion of the contract.

Amendment No. 2. dated May 19, 1952 was made to begin work in nine months instead of 30 days because of the illness of Mr. Hipps, the operator. This amendment was in the interest of the Government as well as the operator, because without the services of Mr. Hipps the project could not be carried out as efficiently.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
WASHINGTON
JUL 10 1952

Government Copy
Mica

CONTRACT AMENDMENT No.2

DMA-1122X, W. H. Hipps, BIG COVE MINE (mica)

Contract Docket No. DMA-1122X, Idm-E179, dated October 12, 1951, between the UNITED STATES OF AMERICA and W. H. HIPPS, is hereby amended as follows:

Item 3 is amended to provide that the Operator may begin work within nine (9) months from the date of contract, instead of seven (7) months as set out in Amendment No.1, and to complete the project with a period of 11 months from date of contract.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be obligated to pay, or the percentage of the costs which the Government may be obligated to pay, under the provisions of Article 13 of the contract form.

Dated May 19, 1952

THE UNITED STATES OF AMERICA

By Robert A. Laurence
Executive Officer, DMA, Region VII

W. H. HIPPS

By W. H. Hipps
Applicant

CONTRACT AMENDMENT

DMA-1122K, W. H. HIPPS, BIG COVE MINE

Idm-E 179

Contract Docket No. DMA-1122K, dated October 12, 1951, between the United States of America and W. H. Hipps is hereby amended as follows:

Item 3 is amended to provide that the Operator may begin work within seven (7) months from the date of contract, instead of 30 days, and to complete the project within a period of 10 months from the date of contract. (This amendment is made because adverse weather conditions and poor access would greatly increase the cost of immediate completion of the contract).

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be obligated to pay, or the percentage of the costs which the Government may be obligated to pay, under the provisions of Article 13 of the contract form.

Dated November 8, 1951.

UNITED STATES OF AMERICA

By Robert A. Lawrence
Executive Officer, DMA, Region VII

W. H. HIPPS

By W. H. Hipps
Applicant

DEFENSE MINERALS ADMINISTRATION WASHINGTON, D.C.
NOV 19 9 12 AM '51

MF-200
(June 1951)

Docket No. DMA 1122X
Commodity Mica
Idm-E 179

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

EXPLORATION PROJECT CONTRACT [1]

It is agreed this 12th day of October, 1951, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and [2]
W. H. Hipps
c/o Wachovia Bank and Trust Company
Ashville, North Carolina

hereinafter called the "Operator," as follows:

1. *Authority for contract.* This agreement is entered into under the authority of the Defense Production Act of 1950, pursuant to Mineral Order 5, entitled "Regulations Governing Government Aid in Defense Exploration Projects."

2. *Operator's property rights.* The exploration project shall be conducted on that certain property situated in the State of North Carolina, County of Buncombe described as follows: [3] The Big Cove Mine on a parcel of ground of approximately 360 acres, described as follows: Beginning at a stake, formerly a chestnut oak, on tabernacle ridge, the N. W. corner of the tract known as the J. L. Cathey old tract, now Robert Taylor's and also the N. E. corner of Harold Penland's W. G. Candler tract, and runs with said Penlands line two calls: N. 87° W. 77.6 poles to a stake, formerly a birch, on the North bank of the Big Cove with respect to which the Operator represents and undertakes: [4] (see attached sheet for balance of description)

(*a*) That he is the sole owner, in possession and entitled to possession, and that the property is subject only to the following claims, liens, or encumbrances as to each of which the subordination agreement of the holder is attached:

No encumbrances

(*b*) ~~That he is a lessee, in possession and entitled to possession, and the subordination agreement of the lessor is attached.~~

3. *Exploration project.* The Operator, within Thirty (30) days from the date of this contract shall commence work on a project of exploration for [5] Mica; shall prosecute the work efficiently, expertly, in a workmanlike manner, in accordance with good mining standards, with suitable and adequate equipment, materials, and labor, all properly designed to bring the project to completion within a period of [6] Three (3) months from the date of this contract. The exploration project and the work to be performed are more fully described on Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, is made a part of this contract.

4. *Performance of the work.* The work shall be performed by the Operator, under his sole direction and control: *Provided,* That with the consent of the Government and its written approval of the contract or contracts, all or any part of the work may be performed by the Operator through contract or contracts with independent contractors. The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

5. *Fixtures and improvements.* The Operator shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of the exploration project without any allowance for the use, rental value, depreciation, depletion, or other cost of acquiring, owning, or holding possession thereof. Any additional facilities, buildings, and fixtures, to be purchased, installed, or erected by the Operator, with the estimated cost of each, to which the Government will contribute currently its agreed pro rata share, are listed in Exhibit "A" attached hereto. The difference between the cost of such additional facilities, buildings, or fixtures, and the salvage value thereof at the conclusion of the work, shall be charged as a cost of the project to which the Government has contributed its pro rata share.

6. *Operating equipment.* Any operating equipment to be rented, purchased, or furnished by the Operator, with the allowable rental, purchase price, or depreciation, as the case may be, is listed under appropriate headings in Exhibit "A" attached hereto. As to equipment purchased for the project, the Government will contribute its agreed pro rata share of the cost thereof, and the difference between the cost and the salvage value at the conclusion of the work shall be charged as a cost of the project to which the Government has contributed its pro rata share.

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] State name, address, and nature of organization if any.
[3] Give legal description or enough to identify the property.
[4] Strike out the provision not applicable.
[5] Name of mineral.
[6] Not in excess of 2 years.

7. *Title to and disposition of property.* All facilities, buildings, fixtures, equipment, or other items costing more than $50 each, paid for or purchased with funds contributed jointly by the Operator and the Government, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the termination of the contract, if they have any salvage value, shall be disposed of for their joint account unless the Government, in writing, waives its interest in any such items. The Government may require the dismantling, severance from land, and removal of any such items in order to realize its interest in the salvage value thereof, and the cost of any such removal and of the disposal of the items shall be for the joint account of the parties in proportion to their respective interests.

8. *Labor and supervision.* An itemized schedule of labor, by numbers and classes (miners, muckers, millmen, etc.), and of supervisors, by numbers and positions, with the maximum wages or salaries that may be paid to each as an allowable cost of the project is set forth in Exhibit "A" attached hereto.

9. *Rehabilitation and repairs.* A statement of the cost of any necessary rehabilitation or repairs to put existing facilities, buildings, installations, and fixtures into useful and operable condition and which are to be allowed as costs of the project is included in Exhibit "A."

10. *Allowable costs of the project.* The costs of the project in which the Government will participate are limited to the necessary, reasonable, direct costs of performing the exploration work, including the costs of materials, supplies, engineering, power, water, analytical work, accounting, and utilities, including items of equipment costing less than $50 each; and the costs referred to in Articles 5, 6, 8, and 9, and the exhibits annexed to and referred to in this contract. Although the Government may pay part of the cost of new or additional facilities, structures, buildings, and equipment, only the depreciation on such items, computed as indicated in Articles 5 and 6, will be charged as a cost of the project. No items of general overhead, corporate management, interest, taxes, or any other indirect costs not expressly allowed by these provisions, or work performed or costs incurred before the date of this contract, shall be allowed as costs of the project in which the Government will participate.

11. *Accounts and audits.* The Operator shall keep suitable records and accounts of operations, which the Government may inspect and audit at any time. The Government may at any time require an audit of the Operator's records and accounts by a certified public accountant, the cost thereof to be treated as a cost of the project. The Operator shall keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract.

12. *Progress reports.* The Operator shall provide the Government with monthly reports of work performed under the contract upon forms to be provided by the Government. Each monthly progress report shall bear the certification of the Operator and shall constitute the Operator's invoice of costs incurred on the project during the period covered by the report.

13. *Payment to the Operator.* The monthly progress report (invoice), to the extent approved by the Government, shall be processed for payment by the Government. Payment shall be made in the amount of 90 percent of the approved costs incurred; *Provided,* That the aggregate total of all sums paid by the Government under this agreement shall not exceed $2,610.00, which is 90 percent of the agreed estimated total cost of this project, $2,900.00.

14. *Final reports by Operator.* Upon completion of the project or termination of this contract, the Operator shall provide the Government with a comprehensive geologic and engineering report, including an estimate of ore reserves, to the best of his ability. Four copies of all reports shall be furnished to the Government.

15. *Repayment by Operator.* If, upon the completion of the exploration project or termination of the contract, the Government considers that a discovery or development has resulted from the work from which commercial production of ore may be made, the Government, within 6 months thereafter, shall so certify to the Operator, particularly describing and delimiting its estimate of the discovery or the development. Thereafter, if and as ore is produced as a result of such discovery or development, the Operator and his successor in interest shall be and become obligated to pay to the Government a percentage royalty on the net smelter returns or other net proceeds realized from such ore, concentrates, or metal produced within ten (10) years from the date of this contract, until the total amount contributed by the Government, without interest, is fully repaid or said 10 years have elapsed, whichever occurs first, as follows:

Of net smelter returns or other net proceeds not in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent.

Of net smelter returns or other net proceeds in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent, plus one-half (½) percent for each additional full fifty cents ($0.50) in excess of eight dollars ($8.00) per ton of ore, but not in excess of a maximum of five (5) percent.

This obligation to repay from net returns or proceeds shall be and remain a claim and lien upon the mineral deposit which is the subject of the exploration project and upon any production resulting from such discovery or development, in favor of the Government, until fully paid, or until said 10-year period has elapsed; and this claim and lien and the Government's right to repayment shall survive any termination of the contract, whether by completion of the exploration project or otherwise. This article is not to be construed as imposing any obligation on the Operator or his successor in interest to produce ore from any such discovery or development.

16. *No assignment of contract.* Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder.

17. *Termination and completion.* The Government may, at any time, by written notice to the Operator, terminate this contract: (*a*) If the Operator fails to provide his share of the money necessary to prosecute operations pursuant to the terms of the contract; (*b*) if the Operator, in the opinion of the Government, fails to prosecute operations pursuant to the terms of the contract; or (*c*) if in the opinion of the Government, operations up to the time of the notice have not indicated the probability of making any worthwhile discovery and in the opinion of the Government further operations are not justified. Upon the completion of the project or any termination of the contract the Operator shall render to the Government a full and final accounting of his operations under the contract and his expenditures of money; shall dispose of any unused materials, supplies, and equipment for the joint account of the Operator and the Government in the proportion of their respective interests; and shall pay to the Government its pro-rata share of any money remaining.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By C. Mittenbury
Director, Production Expansion Division
Defense Minerals Administration

W. H. Hipps
(Operator)

By W. H. Hipps

U. S. GOVERNMENT PRINTING OFFICE 16—64066-2

(Property description continued)

big branch; then S. 30° W. 7.56 poles to a stake in Mrs. Emma Penland's line; then with her line thirteen calls as follows: S. 58° W. 18.72 poles to a rock; S. 83° W. 24.25 poles; S. 88° W. 14.75 poles; S. 59° W. 21.25 poles; S. 55° W. 8 poles; S. 63° W. 14.25 poles; S. 57° W. 10.5 poles; S. 59 W. 5.5 poles; S. 72° W. 15.25 poles; S. 63° W. 10 poles; S. 47° 30' W. 8 poles; S. 34° 30' W. 8 poles; S. 58° W. 5 poles to a chestnut, Charles Williams corner; then up the top of the ridge with Williams line S. 83° 30' W. 36 poles to a Spanish oak stump on top of the Daniel Williams knob at the junction of ridges; then up the top of the ridge between Georges branch and the Big Cove ten calls as follows: N. 81° W. 12.2 poles; N. 74° 40' W. 10.8 poles; N. 89° W. 8.75 poles; N. 64° 35 W. 20 poles; N. 79° W. 10.8 poles; N. 69° 55' W. 19.6 poles; N. 63° 10' W. 20.3 poles; N. 78° 30' W. 6 poles; N. 65° W. 11.5 poles; N. 55° W. 12 poles to a stake in the Mrs. H. M. Fletcher heirs line, and known as the Candler Old Grant line; then with said Fletcher heirs line, same being the Old Grant line, N. 4° E, 26 poles more or less, to a stake and pile of stones on top of the mountain between Newfound and the Big Cove; then with top of the said mountain on eastwardly course to the top of the pinnacle at or near the R. H. Hyatt heirs corner, then down the top of the Tabernacle ridge with said Hyatt heirs line to the place of the beginning (see attached map).

The mine is 4.0 miles northwest of Candler, N. C., and 16.0 miles west of Ashville, North Carolina.

Docket No. DMA - 1122X
The W. H. Hipps Property
Exploration Project Contract

EXHIBIT "A"

Exploration Project

Time Schedule Month	Stage I*
1st to 2nd	1. To clear away the slumped portal of the New Tunnel adit, by means of a bulldozer, and prepare a site for a portable compressor and equipment.

Stage II*

1. To drive a drift following a pegmatite for approximately 100 feet in a general S 23° W direction. The drift will start in the re-opened New Tunnel adit at the raise that connects to the First Tunnel adit. Short crosscuts of varying length and normal to the drift will be driven at the face. The length of the crosscuts shall be mutually agreeable to both the Operator and the Government, but their total length shall not exceed 30 feet (see attached map).
*As indicated in Section 4 of the contract, all sub-contracts are subject to approval by the Government.

The proposed work and the estimated cost thereof is as follows:

Stage I

1. To rehabilitate the portal of the New Tunnel adit and prepare a site for the compressor. Rental of bulldozer is to include all costs as wages of operator, fuel, oil, transportation, repair, tools, etc.,@ $100/day for 2 days	$ 200.00
Sub-total	$ 200.00

Stage II

1. Drive 130 feet of drift and crosscuts @ $12.30 a foot for labor and supervision. Additional costs are included elsewhere. The drift and crosscuts are not to exceed 5 x 7 feet in the clear.	$ 1,600.00
Sub-total	$ 1,600.00

Summary of Estimated Costs

Stage I	$ 200.00
Stage II	1,600.00
Fixtures and improvements	------
Operating equipment to be purchased	90.00
" " to be rented	500.00
Supplies to be purchased	250.00
Labor and supervision	100.00
Rehabilitation and repairs	------
Contingencies	160.00
Total	$2,900.00
Government participation 90% of the above	$2,610.00

Fixtures and Improvements:

None

Operating Equipment:

To be purchased:

1. Wheelbarrows, picks, shovels, etc. $ 90.00

To be rented:

1. Compressor, complete with jack-hammer, drill steel, etc., @ $250./month for 2 months $ 500.00

Supplies to be purchased:

1. Powder, fuse caps, gasoline, drill bits, 250 feet of 2-inch pipe, etc. $ 250.00

Sub-total $ 840.00

Labor and Supervision:

1. The following labor will be employed at the rates shown:

   1 - Miner - working foreman @ $2.00 per hour
   3 - Laborers @ $1.00 per hour

2. Payroll taxes, insurance, etc. $ 100.00

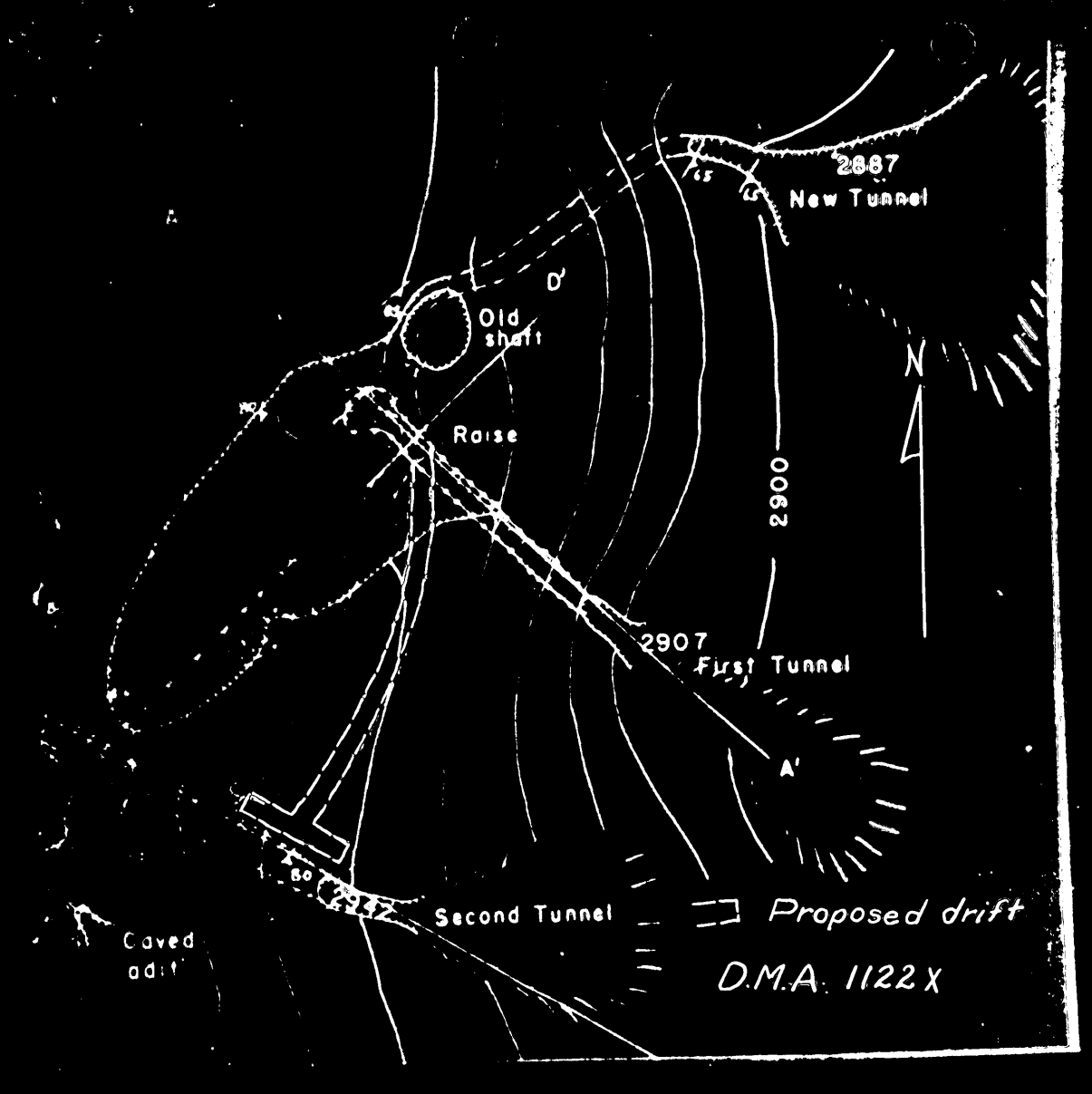
Sub-total $ 100.00

Rehabilitation and Repairs:

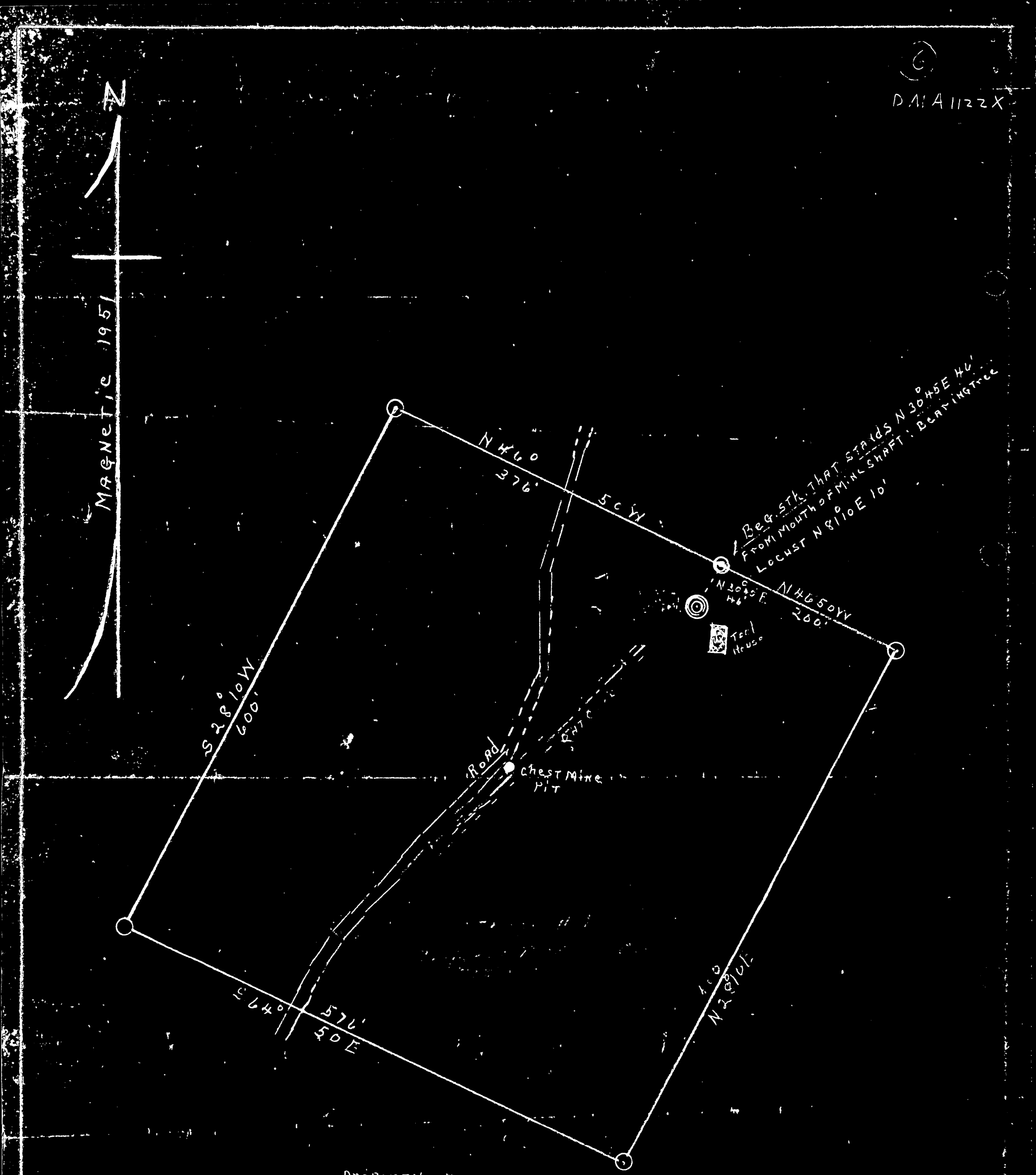
See Stage I

Contingencies:

1. Miscellaneous items		$ 160.00
	Sub-total	$ 160.00


2887
New Tunnel
D'
Old shaft
Raise
2900
N
2907
First Tunnel
A'
Second Tunnel
Caved adit
Proposed drift
D.M.A. 1122 X

D.A. A1122X



Property of

W.H. HIPPS

Upper Hominy Twp. Buncombe Co. N.C.

Scale 1" = 100' July 1951

Registered Land Surveyor

Form MF-103
(April 1951)

DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.
Approval expires 6-30-51.

APPLICATION FOR AID FOR AN EXPLORATION PROJECT PURSUANT TO MINERAL ORDER 5, UNDER DEFENSE PRODUCTION ACT OF 1950

DO NOT FILL IN THIS BLOCK

Docket No. DMA 1122X

Date received 8-6-51

Participation

In re: DMA-1122X
See questions 10 + 14

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 6 1951

Name and address of applicant

Date Aug 3, 1951

FILL IN THIS BLOCK

Date of application

Estimated cost

Mineral or metal

Percentage of Government participation

Location of mine

Date of filing MF-100

DMA Docket Number, if available 1122X

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four signed copies of the application to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive officer thereof, with your name and address on each sheet of the application and all accompanying papers. If any question is inapplicable, or if you cannot answer it, so state on the form. Where the space provided for answer is insufficient, answer on a separate sheet, annex it to the application form, and refer to it in space for answer. If the application is approved, you will be presented with an exploration project contract on Form MF-200, for your signature.

THE APPLICANT

*1. Is applicant an individual, partnership, or corporation?
*2. If a partnership, state names and addresses of partners.
*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders.
*4. Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who will manage the project.
*5. Are you the owner or the lessee of the property?
6. If owner, state what claims, liens, or encumbrances, if any, are against the property.
7. If lessee, attach a copy of the lease and state if it is in good standing.

NOTE.—It will be necessary to procure and attach to the exploration project contract agreements of claimants, lienors, encumbrances and lessors subordinating their interests in the property to the interest of the Government under the contract.

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement.
9. How much money is applicant prepared to invest in proposed project? Is it sufficient to pay your part of the cost of the project as detailed in question 23 of this application form, in accordance with the regulations on Government participation (Section 9 of Mineral Order 5)?

*If you have already answered these questions on MF-100, you are not required to answer the questions for this application.

16—64067-1

THE PROPERTY

10. (*a*) Give a description of the real property that will be in any way involved in the exploration project, including any existing mine or operating property. See attached description marked exhibit A.

(*b*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted. See attached map & attached detail plan of prospecting marked exhibit B.

NOTE.—If both areas are the same, so state. The only obligation to repay the Government is from the net earnings from any commercial discovery made in the area specified in (*b*) above in which the exploration is to be conducted, and the expenditure of funds which may be charged as costs of the project must be limited to that area or to work necessary to perform the exploration in that area.

*11. State the present and former names of the property, if any.

*12. State, in detail, the location of the property with reference to towns, railroads, roads, shipping points, including distances and directions and kinds and conditions of roads.

*13. State source and quantity of water available for operations and its sufficiency at all seasons.
State amount of power to be used, rate per hour or other cost, and source.

*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work. a tunneling used to store tools and supplies

15. State in detail how the ore could be shipped and how and where milled.

*16. History:

(*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for any past suspensions of operations.

(*b*) State briefly the known history and production of adjoining and neighboring properties.

(*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

*17. Production:

(*a*) If mine is in production, furnish the following information:

	Tons per day	*Grade or analysis*	*Cost per ton*	*Net value per ton*
(1) Mining				
(2) Milling				
(3) Shipped or sold				

*18. Ore or mineral reserves: (If property is or has been operating.)

(*a*) Describe the ore or mineral deposits briefly.

(*b*) Submit available maps and assay data.

(*c*) Give estimated tonnage and grade of each class of ore reserves.

19. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

THE EXPLORATION

20. For what mineral or minerals and for what types of deposits and ores will the exploration be conducted?

21. Describe briefly, but concisely, the proposed work and the estimated time required to complete it.

NOTE.—The Government will not participate in a project that will require more than 2 years to complete.

22. Furnish statement of the geological basis of the project with particular emphasis on factors leading the operator to expect the finding of commercial ore bodies. This statement should be accompanied by supporting maps such as geological maps, maps of the proposed openings and assay maps, sample lists, and other pertinent data.

THE REQUIREMENTS AND COSTS

23. Tabulate in the form of an itemized statement with a sum for each item the estimated requirements and costs of the project so that the total will give the estimated cost of the project in which the Government will participate, as follows:

(*a*) Labor, by numbers and classes (miners, muckers, millmen, etc.), with wages of each.

(*b*) Supervisors, by numbers and positions, with salaries of each.

(*c*) Cost of necessary repairs to existing facilities, structures, and buildings.

(*d*) Cost of necessary installation or construction of additional facilities, structures, and buildings.

(*e*) Cost of items of equipment, not now owned by the applicant which must be purchased for operations at a cost of $50 or more each.

(*f*) Cost of rental for equipment which the operator proposes to rent.

(*g*) Rental value of items of equipment which the operator now owns and which will be devoted to the work.

(*h*) Cost of materials and supplies, including items of equipment costing less than $50 each.

(*i*) Cost of power, water, utilities, and any other items not provided for above.

24. Furnish a time schedule of the project, stated in terms of months after project is approved, showing progress expected to be accomplished and the money expected to be spent.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this form and accompanying papers is correct and complete to the best of their knowledge and belief.

W. H. Fikes
(Name of company)

By W. H. Fikes
(Signature of authorized official)

Aug 3, 1951
(Date)

owner
(Title)

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 United States as to any matter within its jurisdiction.

e as footnote on page 1.

16—64067-1 U. S. GOVERNMENT PRINTING OFFICE

10. (a) Description of real property owned by W. H. Hipps

Beginning at a stake, formerly a chestnut oak, on tabernacle ridge, the N. W. corner of the tract known as the J. L. Cathey old tract, now Robert Taylor's and also the N. E. corner of Harold Penland's W. G. Candler tract, and runs with said Penlands line two calls: N. 87° W. 77.6 poles to a stake, formerly a birch, on the North bank of the Big Cove big branch; then S. 30° W. 7.56 poles to a stake in Mrs. Emma Penland's line; then with her line thirteen calls as follows: S. 58° W. 18.72 poles to a rock; S. 83° W. 24.25 poles; S. 88° W. 14.75 poles; S. 59° W. 21.25 poles; S. 55° W. 8 poles; S. 63° W. 14.25 poles; S. 57° W. 10.5 poles; S. 59 W. 5.5 poles; S. 72° W. 15.25 poles; S. 63° W. 10 poles; S. 47° 30' W. 8 poles; S. 34° 30' W. 8 poles; S. 58° W. 5 poles to a chestnut, Charles Williams corner; then up the top of the ridge with Williams line S. 83° 30' W. 36 poles to a Spanish oak stump on top of the Daniel Williams knob at the junction of ridges; then up the top of the ridge between Georges branch and the Big Cove ten calls as follows: N. 81° W. 12.2 poles; N. 74° 40' W. 10.8 poles; N. 89° W. 8.75 poles; N. 64° 35 W. 20 poles; N. 79° W. 10.8 poles; N. 69° 55' W. 19.6 poles; N. 63° 10' W. 20.3 poles; N. 78° 30' W. 6 poles; N. 65° W. 11.5 poles; N. 55° W. 12 poles to a stake in the Mrs. H. M. Fletcher heirs line, and known as the Candler Old Grant line; then with said Fletcher heirs line, same being the Old Grant line, N. 4° E. 26 poles more or less, to a stake and pile of stones on top of the mountain between Newfound and the Big Cove; then with top of the said mountain on eastwardly course to the top of the pinacle at or near the R. H. Hyatt heirs corner, then down the top of the Tabernacle ridge with said Hyatt heirs line to the place of the beginning, containing 360 acres more or less.

10. (b) Map showing legal description of mine and detail plan of prospecting Exhibit B.

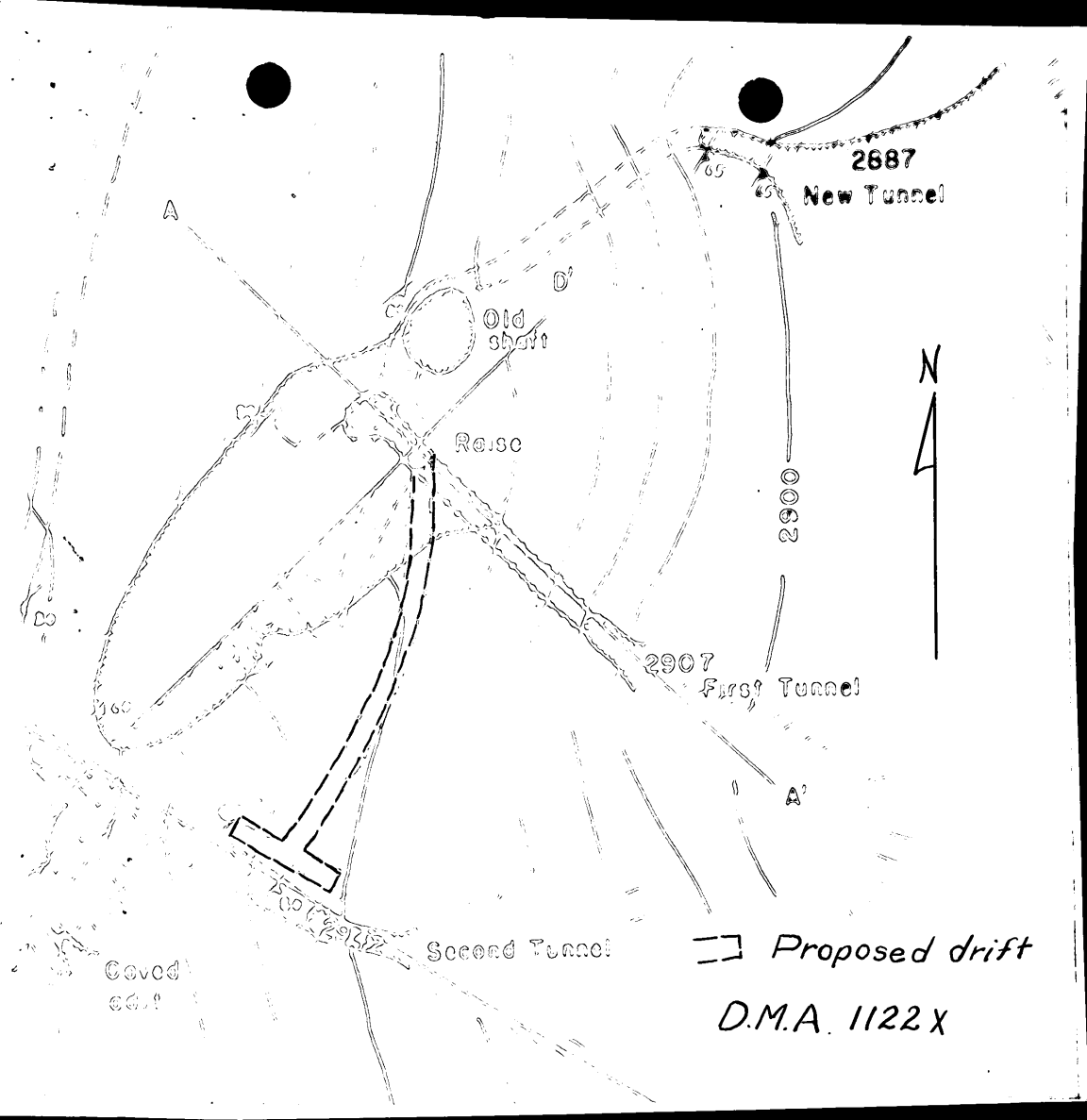
Stage # I

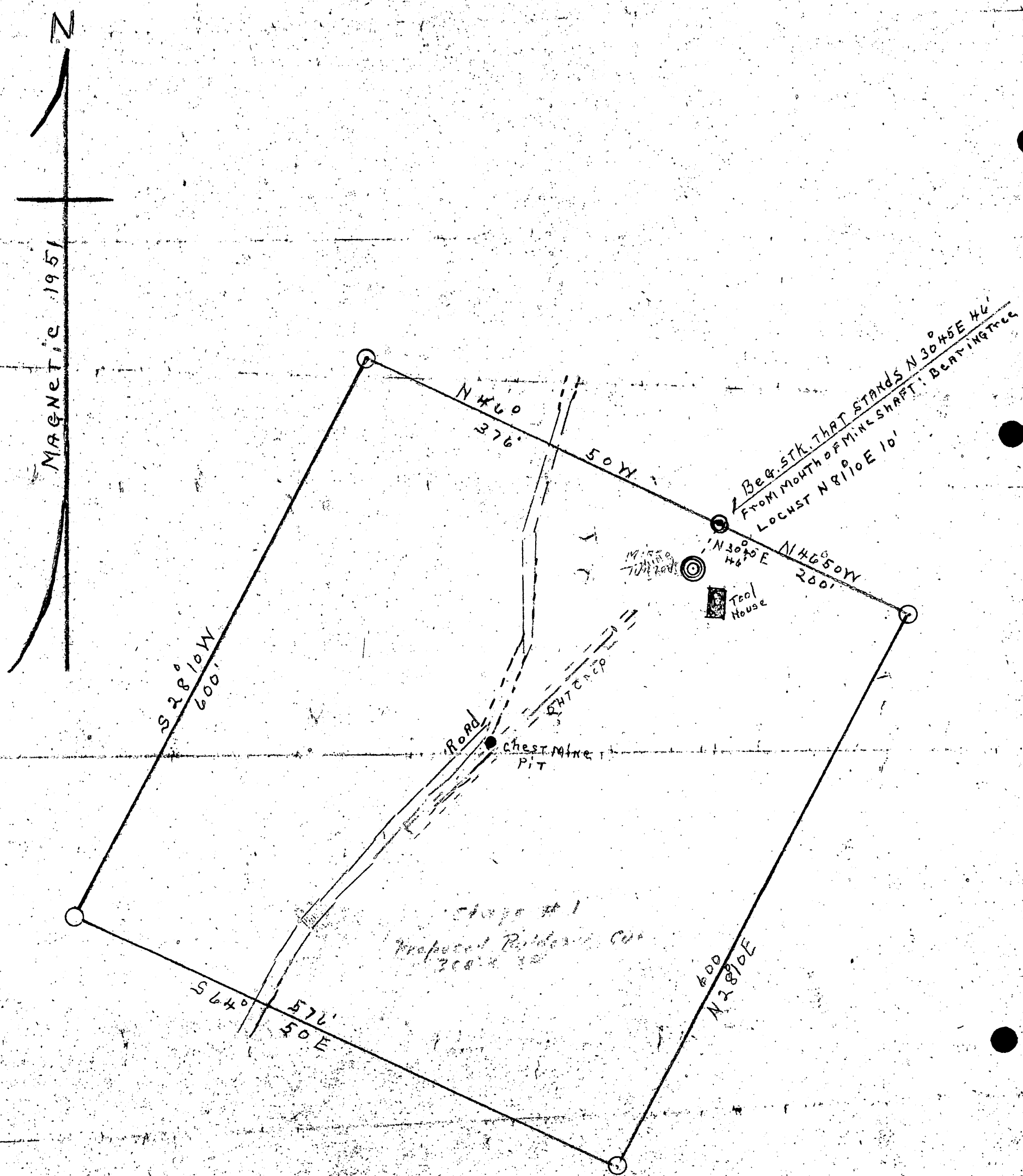
I propose to use a buldozer in making a cut 300' X 30'. This cut will be made on the Mica vein. The buldozer will push the stone and dirt down the side of the mountain. The stone, which is principally flint, if possible will be removed by buldozer. This can be done at a cost not to exceed $2,000 and if we do not encounter too much stone $1,000 will probably make this cut. This exploratory work I am calling stage one. It is desirable for this money to be made available at once.

Stage # II

If we uncover sufficient Mica to justify the removing of flint and other stone left in the 30 feet depth we shall ask for you to set up another small appropriation to do this. I am expecting to find some flint a buldozer cannot remove. Stage two will call for use of compressor and other mining machinery.

This is a large upheaval showing scrap Mica in the soil and stone.


2687
New Tunnel
A
D'
C'
Old shaft
Raise
N
2900
2907
First Tunnel
A'
Second Tunnel
Caved
Proposed drift
D.M.A. 1122 X



PROPERTY OF

W.H.HIPPS

UPPER HOMINY TWP. BUNCOMBE CO. N.C.

Scale 1" = 100' July 1951

Registered Land Surveyor

U[redacted] DEPARTMENT OF THE INTER[redacted]
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.
Approval expires 6-30-51.

APPLICATION FOR AID FOR AN EXPLORATION PROJECT PURSUANT TO MINERAL ORDER 5, UNDER DEFENSE PRODUCTION ACT OF 1950

DO NOT FILL IN THIS BLOCK

Docket No. Dma-1122X

Date received 5/7/51

Participation

Name and address of applicant

Date May 1, 1951

FILL IN THIS BLOCK

Date of application May 1, 1951

Estimated cost $10,000.

Mineral or metal Mica

Percentage of Government participation 90%.

Location of mine 16 miles of Asheville, N.C. near Candler N.C.

Date of filing MF-100 same as this

DMA Docket Number, if available Dma-1122X

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four signed copies of the application to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive officer thereof, with your name and address on each sheet of the application and all accompanying papers. If any question is inapplicable, or if you cannot answer it, so state on the form. Where the space provided for answer is insufficient, answer on a separate sheet, annex it to the application form, and refer to it in space for answer. If the application is approved, you will be presented with an exploration project contract on Form MF-200, for your signature.

THE APPLICANT

*1. Is applicant an individual, partnership, or corporation?
*2. If a partnership, state names and addresses of partners.
*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders.
*4. Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who will manage the project.
*5. Are you the owner or the lessee of the property?
6. If owner, state what claims, liens, or encumbrances, if any, are against the property.
7. If lessee, attach a copy of the lease and state if it is in good standing.

NOTE.—It will be necessary to procure and attach to the exploration project contract agreements of claimants, lienors, encumbrances and lessors subordinating their interests in the property to the interest of the Government under the contract.

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement.
9. How much money is applicant prepared to invest in proposed project? Is it sufficient to pay your part of the cost of the project as detailed in question 23 of this application form, in accordance with the regulations on Government participation (Section 9 of Mineral Order 5)?

*If you have already answered these questions on MF-100, you are not required to answer the questions for this application.

16—64067-1

THE PROPERTY

10. (*a*) Give a description of the real property that will be in any way involved in the exploration project, including a [illegible] mine or operating property.

(*b*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

NOTE.—If both areas are the same, so state. The only obligation to repay the Government is from the net earnings from any commercial discovery made in the area specified in (*b*) above in which the exploration is to be conducted, and the expenditure of funds which may be charged as costs of the project must be limited to that area or to work necessary to perform the exploration in that area.

*11. State the present and former names of the property, if any.

*12. State, in detail, the location of the property with reference to towns, railroads, roads, shipping points, including distances and directions and kinds and conditions of roads.

*13. State source and quantity of water available for operations and its sufficiency at all seasons.
State amount of power to be used, rate per hour or other cost, and source.

*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work.

15. State in detail how the ore could be shipped and how and where milled.

*16. History:

(*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for any past suspensions of operations.

(*b*) State briefly the known history and production of adjoining and neighboring properties.

(*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

*17. Production:

(*a*) If mine is in production, furnish the following information:

	Tons per day	*Grade or analysis*	*Cost per ton*	*Net value per ton*
(1) Mining				
(2) Milling				
(3) Shipped or sold				

*18. Ore or mineral reserves: (If property is or has been operating.)

(*a*) Describe the ore or mineral deposits briefly.

(*b*) Submit available maps and assay data.

(*c*) Give estimated tonnage and grade of each class of ore reserves.

19. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

THE EXPLORATION

20. For what mineral or minerals and for what types of deposits and ores will the exploration be conducted?

21. Describe briefly, but concisely, the proposed work and the estimated time required to complete it.

NOTE.—The Government will not participate in a project that will require more than 2 years to complete.

22. Furnish statement of the geological basis of the project with particular emphasis on factors leading the operator to expect the finding of commercial ore bodies. This statement should be accompanied by supporting maps such as geological maps, maps of the proposed openings and assay maps, sample lists, and other pertinent data.

THE REQUIREMENTS AND COSTS

23. Tabulate in the form of an itemized statement with a sum for each item the estimated requirements and costs of the project so that the total will give the estimated cost of the project in which the Government will participate, as follows:

(*a*) Labor, by numbers and classes (miners, muckers, millmen, etc.), with wages of each.

(*b*) Supervisors, by numbers and positions, with salaries of each.

(*c*) Cost of necessary repairs to existing facilities, structures, and buildings.

(*d*) Cost of necessary installation or construction of additional facilities, structures, and buildings.

(*e*) Cost of items of equipment, not now owned by the applicant which must be purchased for operations at a cost of $50 or more each.

(*f*) Cost of rental for equipment which the operator proposes to rent.

(*g*) Rental value of items of equipment which the operator now owns and which will be devoted to the work.

(*h*) Cost of materials and supplies, including items of equipment costing less than $50 each.

(*i*) Cost of power, water, utilities, and any other items not provided for above.

24. Furnish a time schedule of the project, stated in terms of months after project is approved, showing progress expected to be accomplished and the money expected to be spent.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this form and accompanying papers is correct and complete to the best of their knowledge and belief.

W. H. Hicks
(Name of company)

By W. H. Hicks
(Signature of authorized official)

May 1, 1951
(Date)

Owner
(Title)

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.

*Same as footnote on page 1.

16—64067-1 U. S. GOVERNMENT PRINTING OFFICE

The Applicant

6. None-- free and clear of all encumbrances

7. Inapplicable

8. Letter from bank ought to answer this question.

9. $2000--Yes according to section 9.

10. There are approximately 300 acres in tract, but probably two acres covering mining operations. Desire to prospect entire 300 acres, consentrating on present known mica upheaval or vein.

(b) Areas same

11. Big Cove Mine.

12. The mine is 16 miles west of Asheville, N. C. and seven miles from Hominy Station on Southern R. R. shipping point. All year round dependable road within one mile of mine.

13. Power within one mile of present mine. Can have it made available at reasonable rate.

15. Ore can be hauled by truck or shipped by R. R. to Spruce Pine and there milled.

16. Previously given on M F.--100

17. Not in production.

19. The grade of the mica is excellent, and am confident tonnage will be immense.

20. Mica

21. A bulldozer ought to be used taking off top of old mine. Difficult to estimate time but I think the bulldozer ought to be used from 10 to 20 days.

23. I have not been in the mining business since 1943. Therefore, I cannot conscientiously answer questions (a) to (i) inclusive, except that labor will cost from $1.00 to $2.50 per hour. Might have to pay operating Superintendent four or five hundred per month.

24. Believe I can do it in twelve months.

Respectfully submitted,

(*b*) If deposit is other than placer:

(1) Submit assay plans and/or sections showing location and size of proved (measured) and probable (indicated) ore or mineral reserve.

(2) State the tonnage (indicate type of ton) and grade of each class of ore reserve, as above, and show how computed. Tabulated total ore reserve as follows:

TOTAL ORE OR MINERAL RESERVES

Ore or Mineral Reserve	Estimated Tons (a)	Metal or Mineral Content Per Ton (Grade) (b)	Gross Value Per Ton (c)	Recoverable Unit Value Per Ton (d)	Estimated Cost of Production Per Ton (e)
Measured (proved)					
Indicated (probable)					

(*c*) If placer:

(1) Give estimated total yardage and average marketable mineral content of each deposit.

(2) Submit map showing location of placer deposit and surrounding area, with all test holes or pits. Submit logs of each hole and test pit with depth and average value of each.

(3) Describe gravel, stating whether fine, medium or coarse; loose, tight, cemented, or frozen, and whether it contains stumps or boulders more than 1 foot in diameter; if so, how large, and in what proportion.

(4) Describe bedrock, giving type (granite, sandstone, shale, etc.) and state whether it is hard or soft, smooth, uneven or rough.

(5) Describe overburden, stating whether loose, tight, or cemented; fine or coarse textured; furnish estimate of average thickness and total amount.

(6) Tabulate the reserves using the form outlined above for ore or mineral reserves.

13. Access Roads:

Give road distances to shipping, supply and residence points, stating kind and condition of roads.

14. Water Supply:

State source and quantity of water available for operations and whether sufficient for all seasons of year.

15. Power:

State amount of power used, rate per hour, and source thereof.

16. Labor:

State number and classes (miners, muckers, millmen, etc.) of men employed during a recent representative payroll period.

17. Equipment and Facilities:

Describe present equipment on the property, including buildings. (State condition.) List major pieces of equipment now owned or controlled and in serviceable condition available for this operation.

18. Are there any particular conditions or circumstances affecting your operations that are not described above? If so, explain.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this form and accompanying papers is correct and complete to the best of their knowledge and belief.

W H Hipps
(Name of company)

By W H Hipps
(Signature of authorized official)

May 1, 1951
(Date)

owner
(Title)

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—63792-1

8. Names and addresses of Officers, Directors, or Partners, and in addition thereto, the five largest stockholders if applicant is a corporation.

Name and Address	Official Title (If officer is also director indicate by "D")	Total of Annual Salary, Commissions, Bonuses, Etc., Received From Applicant and Affiliates During Last Fiscal Year	Estimated Net Worth Outside of Interest in Applicant	Number of Shares Held in Applicant Corporation		Life Insurance Carried for Benefit of Applicant	
				Common	Preferred	Amount	Net Cash Surrender Value After Loans
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
	Total		x x x x x			x x x x x	x x x x x

If more lines are needed continue on separate sheet.

9. Capital Stock Issues:

For Corporate Applicants

Item	Authorized (a)	Outstanding (b)	Par Value (c)	Number of Shares Outstanding (d)	Dividend Rate Last Paid* (e)
Common stock	$	$	$		
Preferred stock	$	$	$		

*Indicate period covered.

10. Production:

Item	Kind of Product (a)	1948 Total (b)	1949 Total (c)	1950 Total (d)	Present Average Monthly (e)
1. Quantity of product mined or quarried (Short, long, metric tons; barrels; pounds; etc.)					
2. Quantity of product processed (specify unit of measure and type of process)					
3. Quantity and grade of product sold or shipped (specify units of measure)					

11. Do you contemplate a change in the present average monthly rate of production? If so, state estimated maximum monthly production and basis of change.

12. Ore or Mineral Reserves:

(a) Describe the ore or mineral deposit briefly. Accompany the application by any available report on the geology and ore reserves.

Form MF-100
(March 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Form approved.
Budget Bureau No. 42-R1026.

GENERAL TECHNICAL DATA
FOR USE UNDER THE
DEFENSE PRODUCTION ACT OF 1950

NOT TO BE FILLED IN BY APPLICANT

Docket No. dma-1122X

Date received 5/7/51

H. H. Hafra
Asheville, N.C.

Name and address of applicant

Date May 1, 1951

INSTRUCTIONS

This form is to be filed with Defense Minerals Administration, Department of the Interior, Washington 25, D. C. It should be accompanied by appropriate application form when a specific type of Government assistance is requested, in the form of (1) loan, (2) purchase contract, (3) Government guarantee of a private loan, (4) Necessity Certificate pursuant to the provisions of Sec. 124–A (Amortization Deduction) of Internal Revenue Code, 1950, (5) priorities or allocation of mining equipment, and maintenance, repair and operating supplies, and (6) other forms of Government assistance that might arise under the Act. Submit four (4) signed copies of the form and accompanying papers. Name and address should be stamped or typed on each sheet of this form and all accompanying papers. *When a question is inapplicable it should be so stated on the form.* Additional sheets may be attached in answering any questions or in supplying additional information. (IF YOU CANNOT ANSWER A QUESTION, SO STATE.) If a question is answered elsewhere indicate where answered. It is not necessary to answer it again.

GENERAL TECHNICAL DATA

Supply the following information on separate sheets, arranged, numbered, and lettered as indicated:

1. Materials produced:
   (*a*) What are the chief mine, mill, or smelter products?
   (*b*) What are the byproducts, if any?
2. Name(s) and type(s) of mine(s), mill(s), smelter(s), refinery(ies), pit(s), quarry (ies), drilling operation(s). Include old names of property, if any. Show extent of workings, including the following:
   (*a*) Linear feet of shafts.
   (*b*) Linear feet of drifts and crosscuts.
   (*c*) Linear feet of tunnels or adits.
   (*d*) Linear feet of other mine openings (explain briefly).

   Indicate whether mine is flooded or not. Describe any pumping problems. Give size or productive capacity.
3. For each operation listed above supply the following:
   (*a*) Distance and direction from nearest town and shipping point.
   (*b*) Mining district.
   (*c*) Township, Section, Range.
   (*d*) County, State.
4. (*a*) State whether or not property is now in operation, and if in operation, by whom operated.
   (*b*) Are you operating this property as:
   - [x] Owner.
   - [ ] Lessee.
   - [ ] Contractor.
5. Number of years in production Unknown but I understand 2 or 3 yrs.
   If not in production or operation, estimated date when production will begin After this application passed upon
6. Experience of operators:
   Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who manage the project.
7. History:
   (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for suspension of operation.
   (*b*) State briefly the known history and production of adjoining and neighboring properties.
   (*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

Answer to Question Form M F 100

General Technical Data.

1. Materials
   (a) Mica
   (b) Hallyosite

2. Name
   (a) Shaft 50
   (b) 100 ft.
   (c) 200 ft.
   (d) Open cut about 200 ft. This was done about 30 years ago and water stopped production. In 1938 & 1943 I cut tunnel under old cut in mountain and drained water out of mine. No dumping problem. Large upheaval of mica, but in 1939 & 1943 unable to locate mica column.

3. (a) 7 miles N. E. Hominy Station Southern R. R.
   (b) Big Cove
   (c) Upper Hominy near Pisgah Mt.
   (d) Buncombe County State of North Carolina

4. (a) Property not in operation
   (b) Owner

5. I was informed 2 or 3 years I prospected in 1938 & 1943. Operations will begin immediately if this application is acted upon favorably.

6. (a) The applicant has had about 10 yrs. of active mining experience. I was on N. R. A. board in 1933 and inspected all mining operations in Western N. C. Am a firm believer that we have only scratched surface or our mineral wealth in N. C.

   I own around 1600 acres of land and in addition thereto I reserved mining rights on 412 acres which I sold to Federal Government. My business experience includes livestock farming, lumber (the operation of saw mill on my property for two years) and the practice of law. I have had considerable experience in building public brick buildings and own two brick business buildings in City of Asheville, N. C.

   (b) W. H. Hipps

7. (a) Some time between 1915 and 1921 this mine was opened with pick and shovel. An open cut was made going down around 30 ft. Water was struck and lessees had no pumps adequate to remove water. During this period a quantity of very high grade mica was removed from this mine. I bought this mine in 1936 including 300 acres of land, all of which is highly mineralized.

In 1938 I ran a tunnel under open cut & drained the mine and found a quantity of scrap mica. It looked very promising. In 1943 I returned and continued to run tunnels under old open ~~xxx~~ cut. I cut between two and three hundred feet of tunnel under and adjacent to old open cut. I never did find mica column. I found a large upheaval of scrap mica. The reason I quit operations was that I got out of money and on account of sending four children through college have been unable financially to resume operations. I have great faith in this property and never expect to sell. In 1943 I refused an offer of $25,000 in cash for this property. This property will be handed down to my children with the injunction never to sell it.

(b) Some distance away was the Big Ridge Mica mine in Haywood County, believed to be the best and biggest mica mine in North Carolina.

(c) In 1943 a Mr. Wood a mining engineer of Hendersonville N. C. had one of his clients offer me a very attractive proposition to lease this property; but I refused to lease it because my mining experience justifies my operating it. He reported the mica from stand point of quality was excellent.

8. Inapplicable

9. Inapplicable

10. Answered above. Information not available

11. Inapplicable

12. (a) The deposit has been explored from two to three hundred feet across side of the mountain. The known mica vein is from 50 to 100 ft. wide. Just how far it goes back in mountain is unknown.

(b) This can only be answered by geologist or mining engineer. My experience as miner and from observing other mines I am convinced the ore reserve is large.

(c) (1) Do not know.
(2) Trying now to get mining engineer to see mine.
(3) Medium gravel, plenty granite including some flint.
(4) Chiefly granite (hard) some flint
(5) Overburden reasonably tight, medium texture ten to twenty feet under old cut in mountain.
(6) Unknown

13. 7 mi. to shipping point, roads good except 1 mile up mountain to mine.

14. Ample water close by, unless flotation process used.

15. Power within one mile of mine. Have been using gasoline air compressor.

16. Abundant labor supply

17. Only one small building used to store tools & in fair condition. One old sullivan compressor on property, but I plan to either rent or buy mining equipment.

18. I have the credit rating to either rent or purchase mining machinery. I formerly owned two complete outfits.

C O P Y

March 4, 1955

Memorandum

To: Mr. Jay L. Chambers

From: Lawrence G. Houk (initialed) L. G. H.

Subject: Closing dockets

The Nonmetallic Minerals Division have reviewed the following contracts and do not intend to make certifications of discovery or development:

Idm-152	DMEA-1212	Idm-E	DMEA-
40	1213	217	1969
13	1679	244	1955
73	519	253	2134
74	1390	257	2077
78	1664	272	2360
93	812B	288	2344
97	1224	324	2255
121	1517	344	2156
124	1318	373	2439
125	1720	411	2528
129	1665	430	2524
134	1732	433	2620
140	1813	444	2646
179	1122	450	2681
180	1250	460	2725
191	1914	497	2778
195	1812	507	2840
198	1929	518	2785
211	1721	524	2909
216	2104	543	2950
		565	3030

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

January 9, 1953

Memorandum

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 12 1953

To: Operating Committee, D M E A - Washington

From: Executive Officer, D M E A - Region 7

Subject: DMEA-1122K, Idm-E179, W. H. Hipps, Big Cove Mine (mica)
Final Report

This project was terminated on December 16, after expiration of time under the third amendment to the contract. This memorandum will serve as a final report.

Operator did a little bulldozer work on his access road on July 11,1952. No voucher or report has ever been submitted. Operator showed little interest in the project, and wanted to change from underground to surface work, which would be impractical. This was explained to him in letters and verbally by our field men. As it became obvious that the Operator was unable to carry out the provisions of the contract, we terminated it by use of form 18262-2.

No money was spent on the project, therefore the entire amount of the Government's share, $2,610.00 remains unexpended, and there is no basis for recommendation of certification.

Robert A. Laurence
Robert A. Laurence

Reviewed by
DMEA OPERATING COMMITTEE
1-16-53
(date)

cae
1-12-53

COPY

FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~

Room 13, Post Office Building
Knoxville 2, Tennessee

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 18 1952

December 16, 1952

Registered Mail
Return Receipt Requested

Mr. W. H. Hipps
P. O. Box 7164
Asheville, North Carolina

Re: DMEA-1122, Idm-E-179
Big Cove Mine (Mica)

Dear Mr. Hipps:

On December 12, the time limit on the subject exploration contract as amended for the third time on September 5, 1952, has expired. This contract, which originally was to have been completed in 3 months, has now run for 14 months and no work has been done on it yet, except for a small amount of work on the access road.

Therefore, we are terminating this contract, as provided in Article 17b of the contract, effective December 12, 1952. Termination notice is enclosed.

Very truly yours,

Robert A. Laurence
Executive Officer
Field Team, Region VII

RAL/mg
Enclosure
cc - Beck
Files
Lynch
D Files
Operating Committee
Wardell

RECEIVED
DEC 29 1952
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

cac
12/19

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~

Room 13, Post Office Building
Knoxville, Tennessee

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
(DMEA)
SEP 15 1952

September 12, 1952

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region 7

Subject: Contract Amendment No. 3. DMA-1122X, Idn-#179. W. H. Hipps. (mica)

Attached are the original and two copies of the above subject amendment. One copy has been retained by this office, one by theOperator and one sent to the Regional Finance Officer at Norris, Tennessee.

Robert A. Laurence
Robert A. Laurence

zm

RECEIVED
SEP 19 1952
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

SES
9/14/52

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

Room 13, Post Office Building
Knoxville, Tennessee

May 29, 1952

Memorandum

To: Operating Committee, DMEA

From: Field Team, Region VII -DMEA

Subject: DMA-1122X, Idn-E179 (mica) W. H. Hipps, (Amendment 2).

Transmitted herewith is the original and three carbons of the above subject amendment. One signed copy was retained by this office and one by Mr. Hipps.

This amendment was necessary due to the illness of Mr. Hipps.

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

DEPARTMENT OF THE INTERIOR
Bureau of Mines Information
JUN 2 1952

sds

DEFENSE MINERALS ADMINISTRATION
WASHINGTON, D. C.
NOV 19 1951

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.
Room 13, Post Office Building
Knoxville 2, Tennessee

DEPARTMENT OF THE INTERIOR
RECEIVED
NOV 20 1951
Defense Minerals Administration,
Production Expansion Division.

November 16, 1951

Mr. C. O. Mittendorf, Director
Production Expansion Division
Defense Minerals Administration
Washington 25, D. C.

Re: Docket No. DMA-1122X
Big Cove Mine
Exploration Project Contract Idm-E179

Dear Mr. Mittendorf:

Enclosed herewith are the original and three copies of the contract for above-designated docket which have been signed by Mr. W. H. Hipps. Attached to each copy of the contract is a copy of an amendment to provide that the operator may begin work within seven months from the date of contract instead of 30 days, and to complete the project within a period of 10 months from the date of contract. One copy of contract with amendment attached was given to Mr. Hipps and one retained in this office.

Sincerely,

Kefton H. Teague

Kefton H. Teague
Acting for Robert A. Laurence
Executive Officer, DMA Field Team
Region VII

Enclosures

DEFENSE MINERALS ADMINISTRATION
WASHINGTON, D. C.
OCT 26 8 50 AM '51

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

Room 13, Post Office Building
Knoxville 2, Tennessee

DEPARTMENT OF THE INTERIOR
RECEIVED
OCT 26 1951
Defense Minerals Administration,
Production Expansion Division.

October 24, 1951

Mr. C. O. Mittendorf
Production Expansion Division
Defense Minerals Administration
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMA-1122X
Big Cove Mine
Exploration Project Contract Idm-E179

Dear Mr. Mittendorf:

Your letter of October 23 enclosing original and five copies of the subject Exploration Contract, together with Exhibit "A" (3 pages), and two maps has been received.

I note these have been signed by you for the Government, and they are to be presented to the Operator for his signature without any changes to its contents. Also, that the working force has been reduced from five men to four which reduces the total estimated cost of the project from $3,530.00 to $2,900.00. Signature of the operator will be obtained at an early date.

Sincerely,

Benjamin Gildersleeve

Benjamin Gildersleeve for R. A. Laurence
Executive Officer, DMA Field Team
Region VII

FILE COPY
SURNAME:

410

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

Mittendorf

a.E.C.

OCT 23 1951

Mr. Robert A. Laurence
Executive Officer
Region VII
Room 13, Post Office Building
Knoxville 01, Tennessee

Re: Docket No. DMA 1122X
Big Cove Mine
Exploration Project Contract Idm-E179

Dear Mr. Laurence:

Enclosed herewith are the original and five copies of the subject Exploration Contract, which I have signed for the Government, together with Exhibit "A" (3 pages), and two maps.

These are to be presented to the Operator for his signature. If the terms and conditions of this contract meet with the approval of the Operator, one copy is to be given to him and one copy retained for your files. Please return the original and three copies to this office for distribution.

If any part of this contract does not have the approval of the Operator, the original and all copies of the contract are to be returned to this office together with the proposed changes for consideration.

Please note that the following change has been made in the contract as originally outlined:

The working force has been reduced from five men to four since only a single, relatively short drift is to be driven using wheelbarrows instead of a track and car.

The above change reduces the total estimated cost of the project from $3,530.00 to $2,900.00.

Sincerely yours,

C. O. Mittendorf (JH) 10-23

C. O. Mittendorf, Director
Production Expansion Division

Enclosures
APPROVED:

Chairman, Coordinating Committee

Member, Geological Survey

Member, Bureau of Mines

10/12/51 JSelfridge/meb
cc to: Admr's Reading Files Selfridge
Reports & Records
Messrs. Mittendorf, Olund
Barr Arundale Norton Moon Docket

FILE COPY
SURNAME:
140
DMA-1122X
Guthrie

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

October 11, 1951

Memorandum

To: Director, Production Expansion Division

From: General Counsel

Subject: W. H. Hipps exploration project contract -- Docket No. DMA-1122X

The proposed exploration contract in this case, resubmitted to us on October 10, 1951, is approved as to legal form and sufficiency for signature on behalf of the Government subject to:

1. Government approval of any subcontracts under which work upon the project is to be performed.

2. Proper signature by the applicant.

3. Proper dating prior to delivery.

Your file is returned herewith.

J. L. Hofflund
General Counsel

N.S
R.&R.

Attachment

RRGuthrie/ema

Copy to: Reports & Records
J. L. Hofflund
R. R. Guthrie
Chron.

O.K.

FILE COPY
SURNAME:
140
Guthrie

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

October 8, 1951

Memorandum

To: Director, Production Expansion Division

From: General Counsel

Subject: W. H. Hipps exploration contract -- Docket No. DMA-1122X

We are unable to approve the proposed exploration contract in this case, submitted to us on October 5, 1951, because the description of the property in Article 2 is insufficient.

Your file on the case is returned herewith.

J. L. Hofflund

J. L. Hofflund
General Counsel

Attachment
RRGuthrie/ema

Copy to: Reports & Records
J. L. Hofflund
R. R. Guthrie
Chron.

not stapled
R + R

a.e.c.

September 24, 1951

DEPARTMENT OF THE INTERIOR
RECEIVED
SEP 24 1951
Defense Minerals Administration,
Production Expansion Division.

Memorandum:

To: Director, Production Expansion Division
Defense Minerals Administration

From: Director, Supply Division
Defense Minerals Administration

Subject: Recommendation for Contract Approval

Name of Applicant: W. H. Hipps, c/o ~~Waconia~~ Wachovia Bank & Trust Co.
Ashville, N. C.
Big Cove Mine, Buncombe Co., N.C.

DMA No. DMA-1122X

Commodity: Mica

Amount Requested: $ 10,000

Amount Approved: $ 3,530

Government Participation: 90% $ 3,177

Tom Lyon

Tom Lyon

FILE COPY
SURNAME:

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

370

Barr

September 19, 1951

Memorandum

To: Chief, Industrial Minerals Branch, DMA

From: Chief, Programming and Planning, DMA

Subject: DMA-1122X W. M. Hypes
Asheville, No. Carolina
Commodity: Mica
Amount approved: 90% of $3,530 - $3,177.00

The prospective available supply of mica is far short of meeting defense requirements. Consequently, it is highly desirable that exploration for new domestic deposits be stimulated by any reasonable Government assistance to private interests. Any exploration project that holds promise of finding significant new reserves, merits consideration by Defense Minerals Administration.

A. D. Parsons

RWASKEY:mp
9-19-51
cc: Field Team, Region VII (2)
Mr. Barr
Mr. Mittendorf
Mr. Norton
Mr. Parsons
DMA Docket File

Not typed
R + R

a.g.c.

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

Room 13, Post Office Building
Knoxville, Tennessee

September 13, 1951

Memorandum

To: Mr. Tom Lyon, Chairman
Coordinating Committee, DMA

From: DMA Field Team, Region VII

Subject: DMA-1122X, Big Cove Mine and DMA-1880X, Jupiter Mine

Enclosed herewith are 4 copies each of the field examination reports on the above designated applications

The files on these applications are being returned herewith.

Robert A. Laurence
Robert A. Laurence
U. S. Geological Survey

Wm A Beck
Wm. A. Beck for V. J. Lynch
U. S. Bureau of Mines

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 17 1951

UNITED STATES
DEPARTMENT OF THE INTERIOR
OSCAR L. CHAPMAN, SECRETARY

DEFENSE MINERALS ADMINISTRATION
REPORT OF EXAMINATION BY FIELD TEAM, REGION VII

DMA-1122X, Big Cove Mine

Buncombe County, N.C.

By

Kefton H. Teague, Geologist
U. S. Geological Survey

A. L. Peyton
U. S. Bureau of Mines

September 4, 1951

REport

Report of Field Team examination on
Big Cove Mine (W.H. Hipps)
Buncombe County, N. C.

DMA-1122X,-Big Cove Mine

The Big Cove Mine, located 16 miles west of Asheville, Buncombe County, North Carolina (183-SE), was examined by the Field Team on September 4, 1951. The mine was mapped by J. C. Olson and J. M. Parker, III on October 6-7, 1943, (copy attached) and no work has been conducted at the mine since that date.

There is no new data that the Field Team can add to the 1943 report. The Field Team does believe, however, that a more likely area in which sheet mica of strategic grade occurs may be located down dip from the large open cut, below the First Tunnel and the Second Tunnel. Southeast of the Second Tunnel there appears to be little opportunity for the discovery of commercial sheet mica.

Perhaps comments should be made regarding the applicants proposal to "bulldoze off the surface to expose the mica column." It was the applicants idea to make a cut 20-40 feet deep in the vicinity of the old open cut along the strike of the pegmatite. This work would have been entirely in dump material and caved ground, thus adding no new data regarding the distribution of mica in the pegmatite.

The field Team recommends that the ground beneath the old open cut between tunnels 1 and 2 be explored by a drift on the pegmatite. The drift should be made from the new tunnel beginning at a point beneath the raise into Tunnel #1 and following the pegmatite in an approximate S 23° W for 100 feet or to a point approximately 55-feet vertically beneath Tunnel # 2.

contd. DMA 1122X

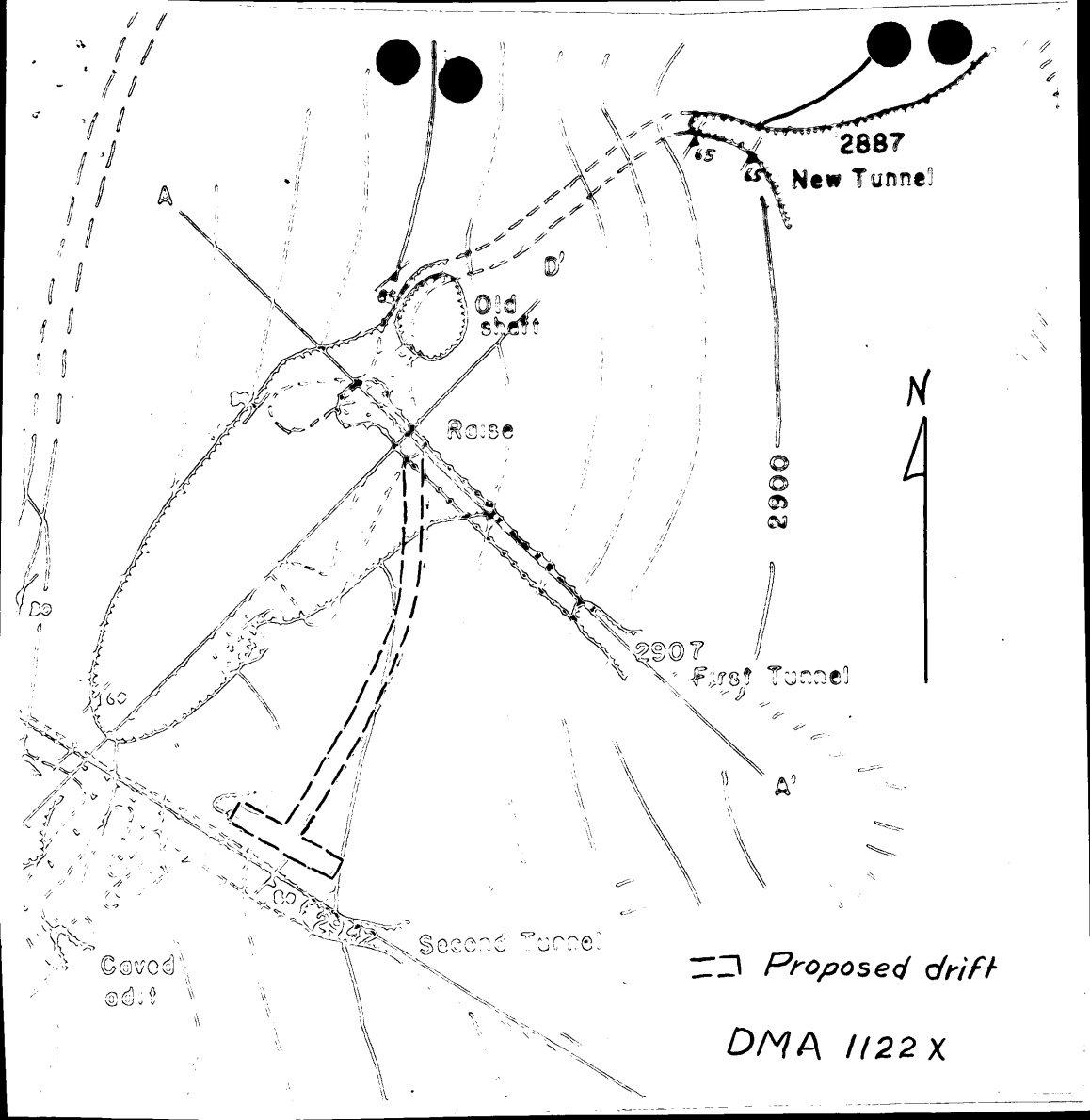
(see attached portion of Big Cove Mica Mine map). The drift should be 5 x 7 feet in cross section. In addition to the drift one or two cross-cuts not to exceed 25 feet in length should be made from the drift across the pegmatite.

Estimated costs for the exploration are as follows:

Labor	
1 Working foreman @ $2/hr. for 40 shifts	$640.00
1 Miner @ $2/hr. for 40 shifts	640.00
3 Laborers @ $1/hr. for 40 shifts	960.00
Total	$2240.00
Rental	
1 Bulldozer for 2 days @ $100/ day (Dozer to be used to clear slumped portal of New Tunnel & prepare site for compressor).	$200.00
1 Compressor, 1 jackhammer, drill steel, @ $250/mo for two months	500.00
Total	$ 700.00
Purchase	
2 Wheelbarrows @ $25.00 each	50.00
Picks, shovels, etc.	40.00
250 ft. air-line, drill bits, powder, caps and gasoline	250.00
Insurance, payroll taxes, etc.	100.00
Miscellaneous	150.00
Total	$590.00

Total estimated cost for project $3530.00

Total estimated time required - 40 shifts.


2887
New Tunnel
65
65
A
D'
65
Old shaft
Raise
N
2900
2907
First Tunnel
60
A'
60
Second Tunnel
Caved adit
Proposed drift
DMA 1122 X

FOR OFFICIAL ONLY
Not for public inspection

UNITED STATES

DEPARTMENT OF THE INTERIOR

GEOLOGICAL SURVEY
November 27, 1943

The Big Cove Mica Mine, Buncombe County, North Carolina

by J. C. Olson

The Big Cove mine is located 4 miles N50°W of Candler, in Buncombe County, N. C. It is reached by 4 miles of gravel and dirt road from U.S. Highways 19 and 23 west of Candler. The mine is owned and operated by W. H. Hipps of Asheville, N. C. At the request of Colonial Mica Corporation and Mr. Hipps, the mine was mapped and studied on October 6 - 7 by J. C. Olson with the assistance of J. M. Parker III.

The mine was operated principally during the period 1915-23 by a Mr. Jackson, but was probably discovered many years before this. Mr. Jackson now resides near Candler. The property was bought by Mr. Hipps in 1932 , and has been operated by him since intermittently. The 1915-23 work evidently was done largely in the open cuts and the caved shafts from them. The work done since 1932 has been mostly in the tunnels, principally in driving the lowest "New" tunnel. These workings are shown on the accompanying maps and sections.

Geology

The country rock at the mine is mica gneiss, many layers of which are kyanitic. The gneiss has a uniform strike of N40°E; The dip ranges from 70 degrees southeast to vertical. The pegmatite is conformable with foliation of the gneiss at most places, but its average dip may be a little more nearly vertical than that of the gneiss.

The pegmatite ranges in thickness from thin pods a fraction of an inch thick to as much as 35 feet. It consists of quartz, muscovite, a little biotite, and kaolin masses altered from feldspar. The thickness of 35 feet is found in the second tunnel, and here the pegmatite is mostly kaolin, containing several irregular lenticular bodies of massive white quartz as much as 2 feet thick. The quartz masses are near the hanging wall of the pegmatite. A few small blocks of mica lie in the kaolin near massive quartz, but the quantity of mica exposed is small. Inclusions are common in this thick pegmatite. The foliation and orientation of the inclusions are parallel with the walls of the pegmatite. The mica zones exposed lie in kaolin adjacent to the hanging wall and to the quartz bodies, but they are thin and appear too lean to be mined profitably.

The pegmatite exposed in workings up the hill southwest of the second tunnel is of the same type as that described above, but is somewhat thinner (see accompanying cross-section). Most of the pegmatite body is kaolin, containing small irregularly-distributed lenses of white quartz. No concentration of mica rich enough to be mined profitably is exposed.

The wall rocks of the pegmatite described above contain a large amount of pegmatitic material, occuring as pods and small lenses in the foliation planes of the gneiss. The gneiss is permeated with pegmatite material in a zone 10-15 feet thick along each wall of the pegmatite body. In this zone, mica occurs that is much coarser than that of the original wall rocks. The abundance of the pegmatite in wall rocks decreases away from the pegmatite-wall rock contact.

The pegmatite zone in the New tunnel was encountered a distance of 90 feet from the portal. Very little true pegmatite was found, but in its place a wide zone of wall rock thoroughly impregnated with small pegmatite lenses. Pegmatite about 3 feet thick, containing some black mica is exposed in the roof. This is the only exposure in the mine that appears rich enough to warrant mining, and it cannot be mined because the old workings above were encountered in the roof at this point in the tunnel. At the tunnel level, all that was found was gneiss saturated with pegmatite. Evidently the true pegmatite is surrounded by a shell of gneiss containing much injected pegmatite. The quantity of pegmatite material in the geniss decreases away from the main pegmatite, both across the strike and parallel with it.

The pegmatite zone in the New tunnel is cut by many faults. Soft fault gouge was encountered at many places in the last 60 feet of this tunnel, as well as considerable water. Evidences of faulting are numerous, but the displacement probably was not great, as shown by the fact that all the rock throughout the inner part of the New tunnel is gneiss containing many pegmatite lenses. No strikingly different rock types are found. In all probability the change from the old workingstto the New tunnel, from thick pegmatite to gneiss permeated by small pegmatite lenses, is due to the thinning of the pegmatite along the strike rather than faulting.

Future Possibilities

The mica produced since 1932 has been very small, and the amount prior to that time is unknown but probably not great. Because of the uncertain past production and the fact that no mica worth mining is now in sight, it would probably be best to cease operations in the interest of manpower and equipment conservation.

If operations are not suspended, it would probably be best to develop a different part of the mine. A possible working-place is the end of the third tunnel. This might be worked from a shaft down the nearly vertical dip of the pegmatite from the surface. Further trenching could be done southeast of this tunnel, but the pegmatite here seems to be mostly kaolin and not very promising for mica.

FOR OFFICIAL USE ONLY
Not for public inspection

RECOMMENDATIONS

1. That an Exploration Aid Contract be granted in the amount of $3,530, Government participation 90%, in accordance with Exhibit "A", attached.

2. That operators be allowed 30 days in which to begin work under contract.

EXHIBIT "A"

Description of Work

As shown on the attached map, an approximately 5' X 7' drift will be driven a maximum of 100' in a general S 23° W direction to a point about 55' vertically beneath Tunnel No. 2. Starting point of the drift will be in the New Tunnel at a point beneath the raise, from the New Tunnel to Tunnel No. 1. At the heading of the 100' drift the pegmatite will be crosscut by 5' X 7' tunnels approximately normal to the drift and totaling not over 30' in length. The individual crosscuts will vary in length depending on conditions found at the drift heading and will be mutually agreeable to Field Team and operator. It will be necessary to clear away the slumped portal of the New Tunnel and prepare a site for compressor, tools, etc. A bulldozer will be used for this.

Allowable cost of project - $3,530, time limit - 3 months.

Recapitulation of Costs

Labor	130' @	$12.30 ft	$1,600.00
Supervision (working foreman)	130' @	4.92	640.00
Preparatory work (bulldozing)	130' @	1.54	200.00
Equipment rental	130' @	3.85	500.00
Supplies & Misc.	130' @	3.77	490.00
Payroll, taxes, insurance	130' @	0.77	100.00
Total 130' tunnel	@	27.15	3,530.00

Fixtures and Improvements

Not applicable

Operating Equipment and supplies

1 - bulldozer,(rental) complete with operator, fuel, repairs, etc	2 days @ $100.00	$200.00
1 - Portable compressor (rental) complete with jackhammer, drill steel, etc.	2 months @ $250.00	500.00
Purchase Wheelbarrows,picks, shovels, etc.		90.00
Purchase 250' pipe for airline, drill bits, powder, fuse, caps, gasoline, etc		250.00
Misc. purchase items, transportation and contigencies		150.00

Labor and Supervision

1 - working foreman	@ $2.00 per hour
1 - miner	@ $2.00 per hour
3 - laborers	@ $1.00 per hour

The above rates do not include overtime, payroll taxes, etc.

Payroll taxes and insurance 100.00

Rehabilitation and repairs

Not applicable

IN REPLY REFER TO:

G-MD-JJN

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

Memorandum

To: Robert Waskey, Defense Minerals Administration

From: J. J. Norton, Mineral Deposits Branch

Subject: Application DMA-1122X from W. H. Hipps for a $10,000 grant to explore for mica, Buncombe County, North Carolina

Application DMA-1122X is for a grant to explore Big Cove mica deposit, Buncombe County, North Carolina. The application mentions "hallyosite" as a by-product, but he probably means kaolin.

A copy of J. C. Olson's report and map of this property is attached. Olson's exploration recommendations in the last paragraph of the report are probably still good. Possibly a bulldozer could be used effectively.

I suggest that this application be referred to the field team to work out a suitable exploration porgram in conference with the applicant. It seems apparent that the property warrants the expenditure of only a small amount of money.

J. J. Norton

DMA Files

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.
Room 13, Post Office Building
Knoxville 2, Tennessee

August 27, 1951

Mr. Tom Lyon, Chairman, Coordinating Committee
Defense Minerals Administration
Department of the Interior
Washington 25, D. C.

Re: Application DMA-1122X
W. H. Hipps

Dear Mr. Lyon:

This will acknowledge receipt of application DMA-1122X from W. H. Hipps for a grant to explore Big Cove mica deposit, Buncombe County, North Carolina.

Very truly yours,

Robert A. Laurence

Robert A. Laurence by
Executive Officer
Field Team, Region VII

DEFENSE MINERALS ADMINISTRATION WASHINGTON, D.C.
AUG 29 8 39 AM '51

FILE COPY
SURNAME:

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

370

Barr
Webster
Merrill
Lyon

AUG 24 1951

A.E.E.

Mr. W. H. Hipps
c/o Wachovia Bank and Trust Company
Asheville, North Carolina

RE: DMA-1122X-Mica

Dear Mr. Hipps:

Your application is being referred to Mr. Robert A. Laurence, Executive Officer, DMA Field Team, Region VII, Room 13, Post Office Building, Knoxville, Tennessee, for further information.

Sincerely yours,

BJ 8/24

SIGNED
Tom Lyon, Director
Supply Division

RWASKEY:ms
8/18/51
cc: Field Team, Region VII (2)
210
Mr. Lyon
Mr. Barr
DMA Files

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

370

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

Dear Bob:

We attach "Review of Application for Exploration Assistance" on:

Applicant: W. H. Hipps

Docket No. 1122-X

Commodity: Mica

Amount $ 10,000

Please expedite the consideration of this application with particular reference to the points raised in the attached "Review".

Very truly yours,

Ken Lynn, Chairman
Coordinating Committee

8/18/51

Cc: Bureau of Mines

Cc: Geological Survey

6/5/51

Defense Minerals Administration

Review of Application for Exploration Assistance

Docket No. 1122X

Commodity Mica

Total Amount 10,000

Govt. Participation 90%

1. Name and Address of Applicant W.H. Hipps c/o Western Bank & Trust Co, Asheville, N.C.

2. Location of Property Big Cove Mine, 16 miles No of Asheville & 1 miles from Ivanhoe Station

3. Mineral or metal Mica Is it listed in Section 9 of MO-5?

If not, application will be rejected.

4. Geologic probability of discovery—based on data in application (question #16, 17, 18, 20 and 22)*

Mines or Survey reports, etc., do you rate chances:

a) Good X Need field examination

b) Poor

c) None

d) Don't know—needs field examination

e) Is there an alternative and favorable project?
(If so, attach an explanation)

5. Is the applicant's right to the property clearly stated? Yes, owner
(question 5, 6, 7)*

6. If applicant is a lessee, is a copy of the lease attached? —

Does the lease have sufficient time to run to cover a future

productive period? —

*question numbers are those of MF-103

7. Are subordination agreements necessary? NO

a) MF-201? _____

b) MF-202 _____

8. From the data presented, does the proposed project appear feasible from the point of view of:

a) Available manpower Yes

b) Equipment and supplies Yes
(Question 14 plus general knowledge of availability)*

c) Accessibility (question 12)* Yes

d) Water (question 13)* Yes

e) Power (question 13)* Yes

Is a field check needed on any of these points? Yes

9. Does the experience of the applicant appear to be adequate to assure that he can properly conduct the proposed project? (question 4)* Yes

Is a field check needed on this point? Yes

10. Exhibit A. (questions 21 and 22)*

a) Is the project adequately described? NO

If not, are there sufficient data given so that you can describe the project? NO If so, attach a draft.

b) Is there an adequate map or sketch of the proposed work? NO

c) Is the proposed work "exploration" under the definition of Section 8, MO-5? Yes

If not, what part of it is? Field Team can no doubt assist Applicant in laying out a more definite program which will qualify

Is this part a worthwhile exploration project?_____

d) Are the cost estimates detailed? NO

Can they be summarized, as on page 2 of Procedural Instruction 5-A, from the available data? NO If so, attach a draft.

e) Are the cost estimates reasonable? Insufficient data

f) Should more information be requested from applicant? By Field Team

g) Is a field examination necessary to complete Exhibit A? Yes

11. Exhibit B (question 23-d)*

a) Is it applicable? Not Applicable, Probably

b) If so, are sufficient data furnished?_____ If so, attach a draft.

c) Is a field check needed? Yes

12. Exhibit C (question 23-e, f and g)*

a) Is it applicable? Yes

b) Sufficient data? NO If so, attach a draft.

c) Are rents and charges reasonable? Insufficient data

d) Is a field check needed? Yes

13. Exhibit D (question 23-a, b)*

a) Are there sufficient data? NO

b) Is the schedule adequate for the work proposed? Insufficient data

c) Is the schedule excessive for the work proposed? "

d) Are the proposed wages and salaries reasonable? "

e) Is a field check needed? Yes

14. Exhibit E (question 23-c)*

a) Is it applicable? Probably Not Applicable

b) Sufficient data? NO

c) Reasonable? Insufficient data

d) Field check needed? Yes

15. In your judgment, can the proposed work be done in the proposed time? Yes

(All exploration must be completed within two years)

16. If field examination is not needed, attach your recommendation.

17. If field examination is needed, do you have any special instructions for the field team not indicated by your answers to the foregoing question? **Probably the field team will find that a small exploration project is worthwhile. Refer to Olson's report.** If Field Team approves Exploration then work out a concrete proposal with Applicant and submit all necessary contract data

Reviewed by: J. J. Norton

J. J. Norton
Chief

Date **August 15, 1951**

97692

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 6 1951

U. S. Department of Interior
Defense Minerals Administration
Washington 25, D. C.

In re: DMA-1122X

Gentlemen:

In reply to your communication of May 23, 1951 you requested I answer questions 10 and 14 and in addition thereto I submit a detailed plan of prospecting.

I herewith enclose four copies of Form M. F. 103. In answering question 10. (a) attaching description of entire tract (b) surveyors map of mine and area to be prospected. Please note I am attaching to map four copies of detailed plan of prospecting. I suggest in stage # 1 that we spend a sum not to exceed $2,000. I am answering question 14 on Form 103.

Very truly yours,

W. H. Hipps

FILE COPY
SURNAME:

Barr

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

May 23, 1951

Mr. W. M. Hipps,
c/o Wachovia Bank & Trust Company
Asheville, North Carolina

Dear Mr. Hipps:

In reference to your application for exploration assistance docketed DMA-1122X, it is necessary to furnish more detailed information as follows:

Give legal description of property on which exploration is to be applied, and indicate by map the area to be prospected or give legal description of same as detailed in question 10, Form 103.

It is desirable to answer question 14.

It is necessary to present a detailed plan of prospecting, i.e., exploration with a detailed estimate of cost to justify a total expenditure of $20,000, i.e., Government $18,000, applicant $20,000.

Please note that the subject loan is for exploration only and may not be used to put the mine in production, i.e., development work.

If you wish to apply for a loan to equip, develop and operate, you should make a separate application.

Sincerely yours,

James Barr

James A. Barr, Sr., Chief
Industrial Minerals Branch

JAB:dak

cc: Mr. Strobel
Mr. Barr
Files

FILE COPY
SURNAME:

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

May 9, 1951

Mr. W. H. Hipps
Box 7164
Asheville, North Carolina

Subject: DMA-1122 X
Re: Exploration Loan
Big Cove Mine

My dear Mr. Hipps:

Receipt is acknowledged of your application and attachments of May 1, 1951 for a Government loan under the Defense Production Act of 1950.

The application was assigned Docket Number 1122 X and referred to Mr. James A. Barr, Chief, Industrial Minerals Branch, on May 8, 1951.

In any future correspondence relating to your application, kindly refer to DMA-1122 X.

Sincerely yours,

LANDON F. STROBEL

Landon F. Strobel
Executive Secretary

a.e.c.

LFSTROBEL:aec
copies to Strobel-2
Files
Mr. Barr
Mr. Lyon

Dma-1102 X

WACHOVIA BANK AND TRUST COMPANY

WINSTON-SALEM, N.C. CHARLOTTE, N.C. RALEIGH, N.C.
ASHEVILLE, N.C. HIGH POINT, N.C. SALISBURY, N.C.

ASHEVILLE, N.C.

May 1, 1951

1102 X

The Defense Minerals Administration
Department of the Interior
Washington 25, D. C.

Gentlemen:

We are informed by W. H. Hipps, Asheville, North Carolina, that application is being filed with your Department requesting cooperation in certain exploratory projects upon some of the mineral lands he now owns.

It gives us pleasure to say that we have known Mr. Hipps for approximately twenty five years. He is sincere, honest and trustworthy. He has made a success of his own affairs and we are confident that he will carry out any undertaking he may enter into to your entire satisfaction. He is financially able to meet any obligation to which he commits himself.

Very truly yours,

Frank H. Keener

Frank H. Keener
Cashier

FHK:msc

~~Ans. Sent~~
~~LANDON E. STROBEL~~
Lma - 1122X
Ans. May 23, 1951
JAB

Mica Holloway

Asheville, N. C.
May 1, 1951

Gentlemen:

I herewith enclose answers to questions covering Forms M. F.--100 and M. F.--103.

Please give me an answer as soon as possible.

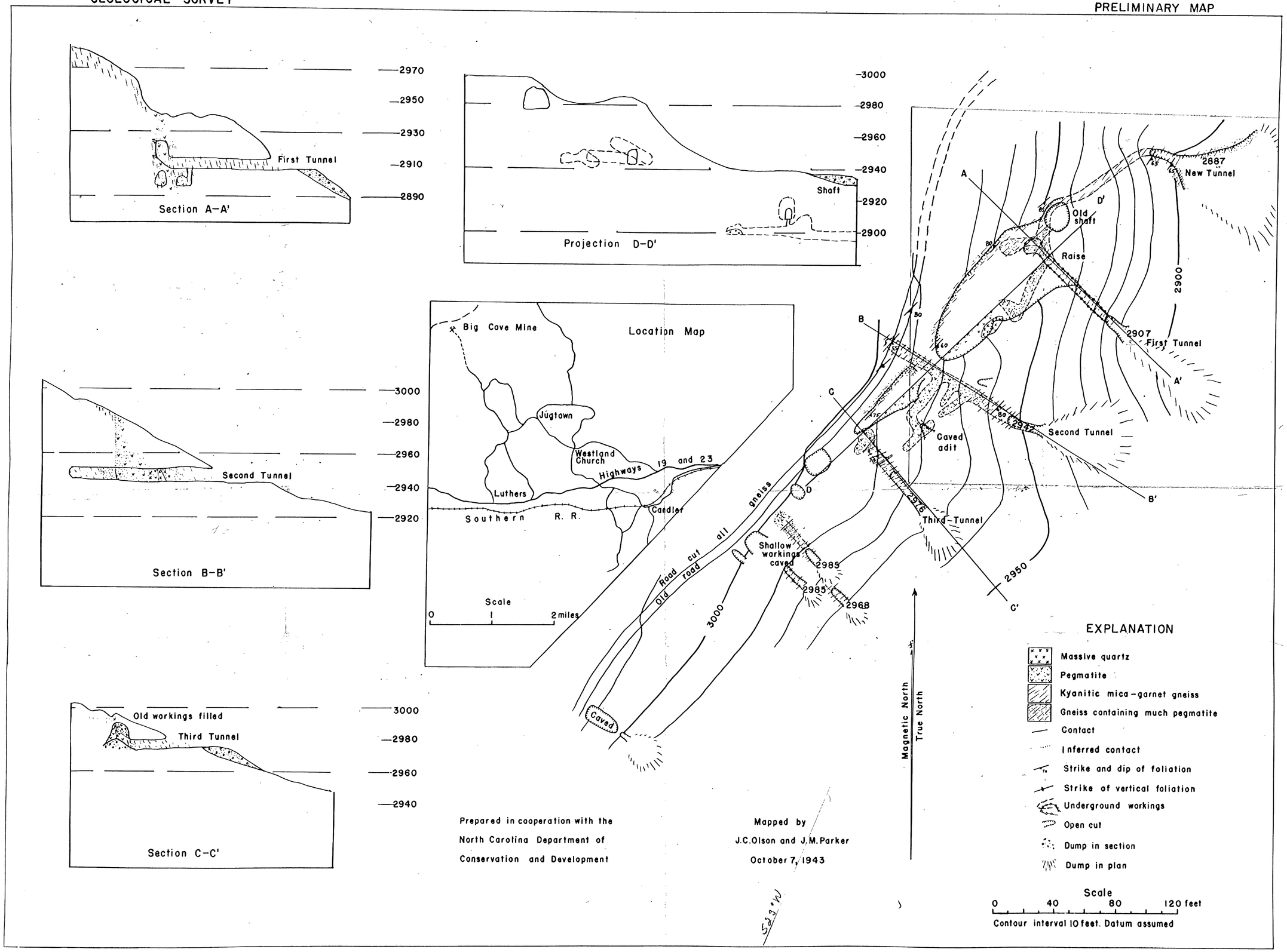
Very truly yours,

W. H. Hipps
Box 7164
Asheville, N. C.

WHH:vmh

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

STRATEGIC MINERALS INVESTIGATIONS
PRELIMINARY MAP



BIG COVE MICA MINE, BUNCOMBE COUNTY, N.C.