DMEA Form 9
Rev. 6/57

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE | Idm-E NO. 77 | DMEA NO. 1388

Application
- [ ] Denied
- [ ] Withdrawn

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

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

Folder No. 1:

Left Side

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

Right Side

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

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

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

Additional Folders:

Left Side

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

Right Side

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

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

Folders No. _____ : Settlement Sheets

Folders No. _____ : Drill Logs

Folders No. _____ : Royalty material

17963

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

SECOND ROYALTY AUDIT CERTIFICATE

I have examined the records and sales documents pertaining to the sale of mica for the period July 23, 1951 to March 17, 1955, by:

Gaston Strategic Minerals Company

and successors

Ernest and Lewis Crouder
Spruce Pine, North Carolina

produced from the Hawkins Mine in Gaston County, North Carolina, under terms of Contract Idm-E77, Docket No. DMA-1355X.

My examination was made in accordance with generally accepted standards applicable in the circumstances.

The audit established the total sales of mica for this period to be $30,275.80. Royalty due the U. S. Government at the contract rate of 5 percent is $1,513.80. The royalty paid and balance due are as follows:

Total Royalties Due	$1,513.80
Total Royalties Paid	1,140.21
Balance of Royalties Due	$ 373.59

C. E. Fisher
C. E. Fisher, Auditor

March 21, 1955

SECOND ROYALTY AUDIT REPORT

I INTRODUCTION

On March 17, 1955, an audit was made of the sales and royalty accounts and records of:

Gaston Strategic Minerals Company

and successors

Ernest and Lewis Crowder
Spruce Pine, North Carolina

pertaining to the sale of mica during the period July 23, 1951 to March 17, 1955, from the Hawkins Mine located approximately five miles south of Cherryville, Gaston County, North Carolina, in accordance with Contract Ida-277, Docket No. DMA-138X.

Mr. William A. Beck, Engineer, Bureau of Mines, Knoxville, Tennessee, representing the DMEA Field Team, collaborated in making this audit.

II GENERAL INFORMATION

The exploration project was entered into on July 23, 1951. The exploration work was certified as a discovery by DMEA on May 22, 1952. The total accepted cost of the exploration project is $5,600.00. The approved Government participation in the cost of exploration is $5,040.00. A lien against the property for 10 years after date of contract is held by the Government as a guarantee of repayment of the amount of money advanced to the company. The amount of the Government lien is repayable at a rate of 5 percent on all sales of mica produced in the area covered by this contract.

A Royalty Audit Report dated July 27, 1954, prepared by B. J. Brekhus, related to royalties due under the terms of the contract for the period July 23, 1951 to April 30, 1954. This included the period of operation of the property by Gaston Strategic Minerals Company. The present audit relates to the period subsequent to April 30, 1954, during which the property was operated by Ernest and Lewis Crowder, and summarizes the status of royalties due to the Government under terms of the contract at March 17, 1955.

III SCOPE OF AUDIT AND FINDINGS

The audit consisted of a review of the records of Mr. J. B. Huskins, owner of the land on which the mine is located, at his farm home at the site of the mine, pertaining to royalties received by him from the present operators of the mine. Such records were compared with lists previously prepared from the records of the General Services Administration Mica Purchase Depot, Spruce Pine, North Carolina. Mr. Huskins records indicated that he had received land owner's royalties on three sales of mica in 1955 aggregating $2,171.62 but had not received land owner's royalties on six sales made during 1954 aggregating $5,300.20.

Mr. Lewis Crowder was then visited at the mine and was informed of the results of the investigation made. He was advised that the Operators must pay the Government royalties due at the rate of 5 percent on sales of mica, including, not only those sales made to the Mica Purchase Depot, but also any sales which may have been made of scrap or punch mica recovered from the property. Mr. Crowder did not produce any records for inspection and stated that he did not have any records with him at the mine. He did promise to settle for the royalties currently due, including those on any sales of punch or scrap mica revealed by his records, within a short time. He had a few bags of mica on hand which will be ready for sale shortly. In addition two sales of Program B, hand cobbed mica in January and March 1955, on which partial payments were made by the Depot, should produce additional income when that mica has been processed at the Depot and final settlement made for the value of strategic mica recovered.

Inasmuch as Mr. Crowder agreed to pay the royalties due to Government, it was not considered necessary to contact Custom Strategic Minerals Company.

A list of sales on which it has been determined, by this audit, that royalties are due to the U. S. Government is shown on the attached Statement of Royalty Due. This statement is subject to amendment for amounts of any sales of scrap or punch mica which may have been made and for amounts of any additional payments which may be made in connection with the sales of Program B mica in January and March 1955.

The known sales of mica from Huskins Mine, royalties due, paid and unpaid at March 17, 1955, are as follows:

	Garten Strategic Minerals Co.	Ernest and Lewis Crowder	Total
Strategic Mica	$15,396.34	$7,471.82	$22,868.16
Non-strategic Mica	7,407.64	*	7,407.64
Total sales	$22,803.98	$7,471.82	$30,275.80
Royalties Due	$ 1,140.21	$ 373.59	$ 1,513.80
Royalties Paid	1,140.21	-0-	1,140.21
Royalties Unpaid (Schedule attached)	$ -0-	$ 373.59	$ 373.59

*Amount could not be determined.

C. E. Fisher

C. E. Fisher, Auditor

March 21, 1955

Gaston Strategic Minerals Company
and Successors

Ernest and Louis Crowder
Contract Idm-277, DMEA-1385X

STATEMENT OF ROYALTY DUE

Date of Sale	Lot No.	Pounds	Amount of Sale	
Mica Purchase Depot Spruce Pine, N. C.				
Program A				
1954				
June 23	1,467	22.88	$ 422.83	
July 8	66	24.75	423.14	
" 29	211	23.01	357.95	
Aug. 10	287	29.69	501.09	
" 30	408	16.87	293.69	
1955				
Feb. 9	1,466	37.37	633.22	$2,631.92
Program B				
1954				
Aug. 25	SPER-3	11,005	$3,301.50	
1955				
Jan. 27	" -5	7,752	* 1,162.80	
Mar. 7	" -6	1,878	* 375.60	4,839.90
Total sales subject to royalty				$7,471.82
Royalty due at 5%				$ 373.59

*Represent partial payments subject to adjustment when the mica has been processed by the Depot.

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

ROYALTY AUDIT CERTIFICATE

I have examined the records and sales documents pertaining to the sale of mica for the period July 23, 1951 to April 30, 1954 by:

Gaston Strategic Minerals Company

Spruce Pine, North Carolina

produced from the Ruskins Mine in Gaston County, North Carolina, under terms of Contract Idm-E77, Docket No. DMA-1388X.

My examination was made in accordance with generally accepted standards applicable in the circumstances.

The audit established the total sales of mica for this period to be $22,803.98. Royalty due the U. S. Government at the contract rate of 5 percent is $1,140.21. The royalty paid and balance due are as follows:

Total Royalties Due	$1,140.21
Total Royalties Paid	1,140.21
Balance of Royalties Due	$ -0-

B. J. BREKHUS
Auditor

July 27, 1954

ROYALTY AUDIT REPORT

I INTRODUCTION

On July 9, 1954 an audit was made of the sales and royalty accounts and records of:

Gaston Strategic Minerals Company

Spruce Pine, North Carolina

pertaining to the sale of mica during the period July 23, 1951 to April 30, 1954 from the Huskins Mine located approximately five miles south of Cherryville, Gaston County, North Carolina in accordance with Contract Idm-E77, Docket No. DMA-1388X.

The sales records are in the possession of Mr. Fletcher Phillips, in his office at his mica processing plant in Spruce Pine, North Carolina. Complete records were maintained for each sale, including a copy of the remittance advice forwarded with each royalty check.

Mr. William A. Beck, Engineer, Bureau of Mines, Knoxville, Tenn., representing the DMEA Field Team, collaborated in making this audit.

II GENERAL INFORMATION

The exploration project was entered into on July 23, 1951. The exploration work was certified as a discovery by DMEA on May 22, 1952. The total accepted cost of the exploration project is $5,600.00. The approved Government participation in the cost of exploration is $5,040.00. A lien against the property for 10 years after date of contract is held by the Government as a guarantee of repayment of the amount of money advanced to the company. The amount of the Government lien is repayable at a rate of 5 percent on all sales of mica produced in the area covered by this contract.

The Operator does not maintain production records. Mica as it comes from the mine requires considerable handling and hand processing by washing, splitting, cutting and grading. Only the best grades are sold to the Government as strategic mica. The poorer grades are sold as punch and washer mica, and the lowest grades are sold by the ton as scrap mica.

III SCOPE OF AUDIT AND FINDINGS

The audit consisted of a review of the sales of strategic mica made, by examination of the sales documents, and comparing them with the lists previously prepared from the records of the General Services Administration Mica Depot, in Spruce Pine, North Carolina. Miscellaneous non-strategic mica sales were scheduled from copies of sales invoices or other memoranda in Operator's files. It was found that royalties had been paid on each sale except one sale made near the beginning of operations, on October 10, 1952 to Carpenter & Phillips. The Operator did not attempt to explain the oversight. He handed the representatives a check for $42.25, which was payment in full for royalty due on this sale.

The sales of mica as summarized were found to consist of the following:

Strategic Mica sold to GSA	$15,396.34
Punch and scrap	7,407.64
Total sales	$22,803.98
Total Royalty due (@ 5%) 1/	$ 1,140.21

1/ Amount paid is one cent over calculated amount due to numerous royalty remittances.

IV CONCLUSION

The last mica sale by this Operator was made on February 12, 1953. The mine has now been leased by Ernest and Lewis Crowder. Work was resumed by the new Operators in May, 1954. One sale of strategic mica has been made by the present Operator to date. This sale is recorded at the General Services Administration Mica Depot at Spruce Pine, North Carolina, as made on June 23, 1954, by Ernest Crowder, Lot 1407, in the sum of $422.83. When the representatives of DMEA called at the mine on July 14, 1954, the son, Lewis Crowder, and another employee were working the mine. As the father, Ernest Crowder, was not available, no attempt was made to discuss the royalty payment due on this sale. However, in a memorandum dated July 12, 1954, the Executive Officer of the DMEA Field Team notified Mr. Ernest Crowder of the balance of $3,899.79 as outstanding against the property.

B. J. Brekhus

B. J. BREKHUS
Auditor

July 27, 1954

FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C. 600 MAY 22 1952

Hoffman
Lamm
Hedges
F. Johnson

CERTIFICATION BY THE UNITED STATES OF AMERICA
OF A DISCOVERY OR DEVELOPMENT UNDER
AN EXPLORATION PROJECT CONTRACT

To: Gaston Strategic Minerals Company

Spruce Pine, North Carolina

Pursuant to the provisions of Exploration Project Contract No. Idm-E77, dated July 23, 1951 (Docket No. 1388X), hereinafter called the "Contract", between you and the United States of America, hereinafter called the "Government"; to establish and fix the claim and lien of the Government under the terms of the Contract, the Government hereby certifies that a discovery or development has resulted from the work under the Contract from which commercial production of ore may be made, in or upon that certain property situated in the State of North Carolina, County of Gaston, described as follows:

"Beginning at state road at Walden Weaver's line running with his line to W. A. Lingerfeldt line at branch located in the Northwest portion of the farm I now reside and thence along Lingerfeldt line beside branch 500 feet to a stake thence back parallel to first line to state road and thence with state road to the beginning."

The Government's estimate of said discovery or development is particularly described and delimited as follows:

Mica in commercial quantities was encountered during the exploration period on the NW pegmatite which has a mica bearing pegmatite four to ten feet in thickness and extending along the strike for approximately 35 feet. The mica from this pegmatite is light ruby color, clear, and splits well, and contains some clay stains and some A structure. Sufficient underground work has been completed to indicate commercial quantities of mica.

LGHouk:gad 5/19/52
Copy to: Mr. Jess Larson, Adm., DMPA
Operating Committee
Mr. F. Johnson
Admin. Reading File
Mr. Hedges, 4604
Mr. Thayer, 5216, GSA Bldg.
Field Team, Region VII
Docket File
Finance Officer Mr. Houk
Dated: MAY 22 1952

THE UNITED STATES OF AMERICA

By C. Mullendore
Acting Administrator
Defense Minerals Exploration
Administration

Mr. Murkland Mr. Chambers

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Gaston Strategic Minerals Co.

Spruce Pine, North Carolina

pertaining to Exploration Project Contract No. Idm-577, Docket No. DMA-1388, including Amendments Nos. 1 and 2 for the months of August to December, 1951, inclusive.

My review included an examination of the Monthly Reports (Forms MF-104) and supporting documents attached thereto, comparison of the costs claimed with the contract and pertinent schedules, consultation with the Government representative who visited and examined the project, and a determination of the reasonableness and propriety of the costs.

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

(a) the administrative cost to the Government of an audit would be excessive in relation to the estimated amount of possible disallowances thereunder;
(b) the Monthly Reports were supported by documentary proof of the costs incurred under the contract (partially);
(c) a large portion ($2,629) of the costs was for bulldozing work and rental of equipment at standard rates.

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

Total cost as billed by Contractor		$ 5,794.48
Exceptions:		
By DMEA Finance Officer	$ 194.48	
Herewith	-0-	194.48
Total Accepted Cost		$ 5,600.00

The contract calls for a 90 per cent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Five thousand forty Dollars and 00/100

- $ 5,040.00 -

is considered valid and proper.

Date: July 2, 1952

E. D. Talbert
E. D. Talbert

Contract [illegible] Docket [illegible]

DEFENSE MINERALS ADMINISTRATION WASHINGTON, D. C.
NOV 30 8 50 AM '51

Contract Amendment No. 2

Contract Docket No. DMA-1388X - Idm-E77, dated July 23, 1951, between the United States of America and Gaston Strategic Minerals Company, Inc., is hereby amended as follows:

1. The list in Exhibit "A" attached to the contract form under the title "Performance of work" is amended to provide for sinking a new shaft at a site mutually agreeable to the operator and the field team engineers. The shaft shall be sunk to an approximate depth of 70 feet.

This amendment is being made because, due to bad ground conditions it was not possible to sink the existing shaft, mentioned in the Amendment dated August 30, 1951, to the additional 35 feet of depth.

The cost of this work will be included in the amount allotted in item 2 under title "Total Cost of Project."

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 20, 1951.

UNITED STATES OF AMERICA

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

GASTON STRATEGIC MINERALS COMPANY, Inc.

By Tom Carpenter
President

Reason for Amendment No. 2, is given in th hird paragraph of the amendment. To carry out the aims of th ontract, it was necessary to change the location of the shaft.

Cont. Serv. Sec.
Change

CONTRACT AMENDMENT

Contract Docket No. DMA-1388X - Idm-E77, dated July 23, 1951, between the United States of America and Gaston Strategic Minerals Company, Inc., is hereby amended as follows:

1. The list in Exhibit "A" attached to the contract form under the title "Performance of work" is amended to provide for deepening of an existing shaft for an additional 35 feet of depth, the cost to be included in the amount allotted in item 2 under title "Total Cost of Project," at an approximate cost of $70.00 per foot and not to exceed $2500 of the total amount allotted under this item.

2. The list in Exhibit "A" under the title "Operating Equipment" is amended to provide for the rental of an electric pump for six weeks at $12.00 per week, and to extend the rental period of one dump truck and one power hoist to a maximum total of ten weeks.

Cont. Serv. Sec.
Change Order
Noted D.S.
Reviewed 10/11/51

3. The schedule in Exhibit "A" under the title "Labor and Supervision" is amended to provide for a hoist operator for six weeks at $50.00 per week, and to extend the total time for two miners, one timberman, and the superintendent to a maximum of ten weeks.

4. Exhibit "A" is amended to provide for the purchase of 1500 feet of timber at a maximum cost of $80.00 per thousand feet.

SEP 15 1951
RECEIVED

This amendment [~~or approval as the case may be~~] 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 August 30, 1951.

UNITED STATES OF AMERICA

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

GASTON STRATEGIC MINERALS COMPANY

By Lin Carpenter
President

C O P Y

DMA-1388X, Contract Idm-E77, Gaston Strategic Minerals Co. (mica)

Amendment No. 1, was made to deepen an existing shaft for an additional 35 feet. This was in the interest of the Government in that it would further explore the deposit and could be done without allotting any more money than was set up in the contract. In this amendment it was not the intent of the Field Team to set maximum times in item 2 and 3. The word estimated should have been used instead of maximum.

MF-200
(June 1951)

Docket No. DMA 1388-X
Commodity Mica
Idm-E 77

Reviewed Form
Reviewed NC
8/22/51

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

EXPLORATION PROJECT CONTRACT[1]

JUL 27 1951

RECEIVED
CONTRACT SERV. SEC.
G.A.O.

It is agreed this 23d day of July, 1951, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and[2] Gaston Strategic Minerals Company
c/o Lin Carpenter, President
Spruce Pine, 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 Gaston described as follows:[3]

See Annex I attached.

with respect to which the Operator represents and undertakes:[4]

(*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:~~

(*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 15 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] 200 days 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. Supplement No. Annexed A, dated 8-30-51 Attached 9-21-51
[4] Strike out the provision not applicable.
[5] Name of mineral.
[6] Not in excess of 2 years.

16—64066-2

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 $5,040.00, which is 90 percent of the agreed estimated total cost of this project, $5,600.00.

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.

Gaston Strategic Minerals Co., Inc.
(Operator)

By Lin Carpenter
President

THE UNITED STATES OF AMERICA

By C D Mitteusorf
Director, Production Expansion Division
Defense Minerals Administration

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

DMA Docket 1388X
Gaston Strategic Minerals Co., Inc.

ANNEX I

"Huskins" Mine
J. B. Huskins Farm
Gaston County, North Carolina

"Beginning at state road at Walden Weaver's line running with his line to W. A. Lingerfeldt line at branch located in the Northwest portion of the farm I now reside and thence along Lingerfeldt line beside branch 500 feet to a stake thence back parallel to first line to state road and thence with state road to the beginning."

DMA Docket 1388-X
Gaston Strategic Minerals Co., Inc.

ANNEX I

"Huskins" Mine
J. B. Huskins Farm,
Gaston County, North Carolina

"Beginning at state road at Walden Weaver's line running with his line to W. A. Lingerfeldt line at branch located in the Northwest portion of the farm I now reside and thence along Lingerfeldt line beside branch 500 feet to a stake thence back parallel to first line to state road and thence with state road to the beginning."

RECEIVED
JUL 27 1983
D.M.G.

EXHIBIT "A"

Performance of Work

Work will consist of: Seven tractor-dozer trenches about 100 feet long by approximately seven (7) feet deep, together with six 6-foot diameter test pits to a depth of 20 feet.

Trenches will be made to expose pegmatite laterly in which the mica mineralization is found and the test pits are to be sunk on the pegmatite to determine the subsurface location, and sample the mineral content.

The location of the trenches is shown on the attached map, and the location of the test pits will be mutually decided by the Government field team engineers and the company.

The trench location and extent may be modified with the approval of the Government field team engineers provided, however, the cost of the work does not exceed the amount approved in this contract.

Total Cost of Project

1.	Seven 100-foot long by 7 feet deep tractor dozer trenches - 200 hrs. tractor operation @ $10.00/hr.	$ 2,000.00
2.	120' of 6' diam. test pits @ $30.00/ft	3,600.00
	Total Cost of Project	$ 5,600.00

Fixtures and Improvements

Does not apply to this contract.

Operating Equipment

Equipment to be Rented from Company

2/	1 - dump truck 8 weeks @ $50.00/week (6 days - 8 hrs./day)	$ 400.00
2/	1 - Hoist (power) 8 weeks @ $10.00/week (6 days 24 hrs./day)	80.00
1/	1 - Tractor w/dozer blade 200 hrs. @ $10.00/hr.	2,000.00

1/ Total cost including supplies, operators' wages and repair cost. Rental rate to be charged will be for actual operating time.

2/ Rate does not include gasoline or oil cost, but includes cost of any repairs to the equipment.

Labor and Supervision

By quantity classification and rate of compensation

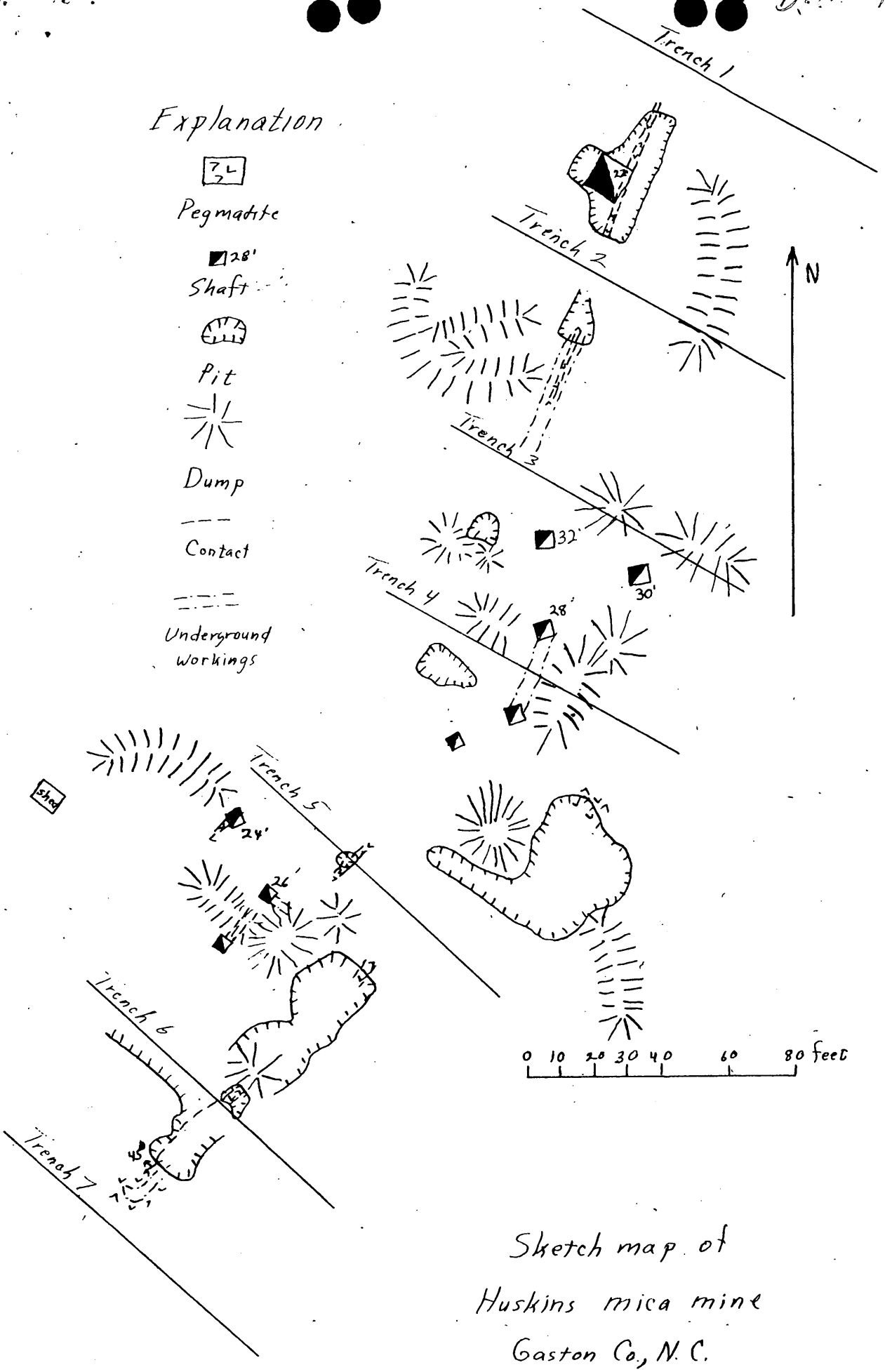
2 - miners @ $50.00/week (6 day - 8 hrs./day) 8 weeks	$ 800.00
1 - Timberman @ $60.00/week (6-day - 8 hrs./day) 8 weeks	480.00
1/ 1 - Superintendent @ $100/week ½-time - 8 weeks	400.00

1/ Superintendent will devote ½ his time to this project.

Rehabilitation and Repairs

Does not apply to this contract

DMR-1588X



Sketch map of
Huskins mica mine
Gaston Co., N.C.

DICA 13FE-X

Exhibit "F"

MF-202

LANDLORD'S SUBORDINATION AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the undersigned is the owner in fee simple of that certain parcel of ground in the county of Gaston, State of North Carolina, described in a certain Exploration Project Contract dated July 23, 1951, between Gaston Strategic Minerals Company, the Lessee of said property, and the United States of America;

NOW, THEREFORE, the undersigned, as Lessor of said property under lease dated 21st day May 1951, does by these presents subordinate all of his right, title, and interest under the provisions of said lease to the right, title, and interest of the United States of America under the provisions of said Exploration Project Contract, and agrees that the lien and claim of the United States of America under the provisions of said contract shall be prior to the undersigned's rights to rentals or royalties under the terms of said lease; and

The undersigned further agrees that if said leasehold interest should be surrendered or if said lease should terminate at any time prior to the expiration of the rights of the United States of America under said Exploration Project Contract, the undersigned shall assume and does hereby assume all of the obligations of the Lessee under said Exploration Project Contract to make repayment to the United States of America according to the terms of said contract; and

The undersigned agrees to commit no act, nor assert any claim under judicial process or otherwise that may contravene or conflict with the prior lien and claim of the United States of America under the provisions of said Exploration Project Contract.

This undertaking and covenant shall be binding upon the heirs, successors, and assigns of the undersigned.

Dated this 26th day of May, 1951

J B Huskins

U. S. GOVERNMENT PRINTING OFFICE 940768

x Mrs. Elizabeth Huskins

RECEIVED
JUL 28 1971
G.A.O.

C. BRASWELL COLLINS
ATTORNEY AT LAW
THE ARLINGTON BUILDING
1025 VERMONT AVENUE, N. W.
WASHINGTON 5, D. C.

NATIONAL 7808

13887

June 14, 1951

Mr. James A. Barr, Sr.
Chief, Industrial Minerals
Branch, DMA
Department of Interior
Washington 25, D. C.

Re: Gaston Strategic Minerals
Co., Inc.

Attention Mr. Wasky:

Please remove the answer called for in Form MF 103 from all four copies of the Gaston Strategic Minerals Co., Inc. and insert the enclosed pages as amendments therefor.

It is respectfully requested that all communications concerning this application be addressed to this office.

Sincerely yours,

C. Braswell Collins

C. Braswell Collins

CBC:EBN

Enclosure

Form MF-103 Defense Minerals Administration

Gaston Strategic Minerals Co., Inc. Huskins Farm, Gaston Co., N. C.

1. Corporation - Certified copy of Certificate of Incorporation attached as Exhibit A.

2. Not a partnership

3. See page 3 of Exhibit A

4. See Exhibits B, C, and D

5. Lessee

6. Not owner

7. Lease is attached as Exhibit B. It is in good standing.

   Note: Subordination Form attached as Exhibit F, and is attached to original file.

8. New corporation

9. Corporation is renting at $12 per day its Ingersoll Rand Air Compressor Serial #535881, Model 130 G. S., Size 33 4 x 5, Spec. 130 - G. S.-3 W, 105 cu. ft. capacity. Corporation owns this compressor free and clear. Assignment is attached as Exhibit G.

10. Legal description of portion of Huskins Farm leased is set forth in lease attached as Exhibit E. Exploration will be conducted over entire area leased.

11. Huskins, Gaston County, North Carolina. (U. S. Bureau of Mines has history)

12. Mine is five miles from Cherryville, North Carolina. Truck routes and railroads serve Cherryville. Roads are hard surface or good solid gravel top.

13. Branch with ample supply of water is within leased area.

14. None

15. Ore can be placed on box cars at Cherryville, or trucked to Spruce Pine, N. C. which is 70 miles. Spruce Pine is the area which practically all of the fabricating and milling factories in the United States are located. People in that area have the ability and know-how to utilize all of the strategic and punch grades of mica.

16. Sheet mica of strategic grade from this mine was sold to Colonial Mica Corporation during World War II. These records are now in the files of RFC. (Call Mr. Tully Executive 3111 Extension 550)

17. See answer 16.

18. Sheet mica deposits be assayed as to their sheet or strategic content. This mine produced strategic grade mica during World War II, as can be ascertained from the records of Colonial Mica Corporation. It is estimated that mica of like amounts and quality is still in this immediate vicinity. Mining operations ceased only when the price of sheet mica fell after the last war.

19. None

20. Mica

21. Drill holes will be made at fifty feet spaces over entire leased area which is 500 x 2000 feet. This will be 400 holes to a depth of at least 50 feet. If mica is still being brought up, the holes will be lowered until mica is not present in "drawings" from bottom of hole. If mica is found at one drilling, others will be made 25 feet in all directions. It is expected to take from 400 to 1000 drill holes.

In addition, the dragline will pull through at each 300 feet, commencing at the front of the leased area to its end 2000 away. The dragline will be carried to a depth of at least 60 to 75 feet, and when books of mica are found, the depth will be lowered through the vein. This project is expected to take one year to complete.

22. Production possibilities are of record in the U. S. Bureau of Mines, U. S. Geological Survey and RFC files. All of these records will show mica of strategic quality in this vicinity. Also see Exhibit B.

23.

		Month	Year	Total
(a)	2 muckers at $60 per week	$520.00	$ 6,240.00	
	1 drag line or power drill operator at $75 per week	325.00	3,900.00	
			$10,140.00	$10,140.00
(b)	1 supervisor at $100 per week	433.33	5,200.00	$ 5,200.00
(c)	None			
(d)	1 bunk house		1,000.00	
	1 tool shed		200.00	
			1,200.00	$ 1,200.00
(e)	1 electric single phase $7\frac{1}{2}$ horsepower pump 220V		750.00	
	1 dragline assembly complete including double drum hoist, cable, blocks, etc.		6,500.00	
	1 JA50 jackhammer		350.00	
			7,600.00	$7,600.00
(f)	None			

	Month	Year	Total
(g) Ingersoll Rand Air Compressor $12 per day 264 working days per year*	$264.00	$3,168.00	$ 3,168.00
(h) 1 power drill rig		175.00	
Misc hand tools		200.00	
		375.00	375.00
(i) Electric power $40 per month	40.00		
Supplies, dynamite, repairs, gasoline, etc.	200.00		
	240.00	2,880.00	$ 2,880.00
			$30,563.00

*Invested by applicant

24. Project is expected to be completed within a twelve month period after awardation of the exploration contract. It is expected that from 35 to 70 holes per month will be drilled. The number of holes drilled per month, of course, will be determined by the type of subsoil encountered. About one dragline lane 300 feet long and from 50 to 90 feet deep will be dug per month. Laborers will be assigned to various jobs from time to time so that the project will proceed according to the above schedule.

The first month's expenditures will include the total cost of the equipment that must be purchased, excluding the air compressor invested by the applicant. Each month thereafter will include salaries, supplies, and power.

First Month's Operation

2 muckers	$ 520.00
1 dragline and drill man	325.00
1 supervisor	433.33 1/3
1 bunk house and shed	1,200.00
1 pump with electric motor	750.00
1 dragline complete	6,500.00
1 jackhammer	350.00
hand tools	200.00
drill rig	175.00
supplies and power	240.00
rental air compressor	264.00
	$10,957.33 1/3

Each Month Thereafter

2 muckers	$ 520.00
1 dragline and drill man	325.00
1 supervisor	433.33 1/3
electric power and supplies	240.00
rental air compressor	264.00
	$ 1,782.33 1/3

Form MF-103
(April 1951)

U. S. 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 1388X

Date received 5-31-51

Participation

Gaston Strategic Minerals Co., Inc.
c/o Lin Carpenter, President
Spruce Pine, North Carolina

Name and address of applicant

Date

FILL IN THIS BLOCK

Date of application May 30, 1951

Estimated cost $30,895

Mineral or metal Mica with Beryl by-product

Percentage of Government participation 88.6% ($27,395.00)

Location of mine Huskins Farm, Gaston County, North Carolina
See Exhibit I

Date of filing MF-100

DMA Docket Number, if available dma 1388X

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.

(*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.

---------- By ----------
(Name of company) (Signature of authorized official)

---------- ----------
(Date) (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

Form MF-103 Defense Minerals Administration

Gaston Strategic Minerals Co., Inc. Huskins Farm, Gaston Co., N. C.

1. Corporation - Certified copy of Certificate of Incorporation attached as Exhibit A.

2. Not a partnership

3. See page 3 of Exhibit A

4. See Exhibits B, C, and D

5. Lessee

6. Not owner

7. Lease is attached as Exhibit E. It is in good standing.

   Note: Subordination Form attached as Exhibit F, and is attached to original file.

8. New corporation

9. Corporation is investing its Ingersoll Rand Air Compressor Serial #535881, Model 130 G. S., Size 33 4x5, Spec. 130 - G. S.-3 W, 105 cu. ft. capacity. Valued at $3,500. Corporation owns this compressor free and clear. Assignment is attached as Exhibit G.

10. Legal description of portion of Huskins Farm leased is set forth in lease attached as Exhibit E. Exploration will be conducted over entire area leased.

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12. Mine is five miles from Cherryville, North Carolina. Truck routes and railroads serve Cherryville. Roads are hard surface or good solid gravel top. See Exhibit I

13. Branch with ample supply of water is within leased area.

14. None

15. Ore can be placed on box cars at Cherryville, or trucked to Spruce Pine, N. C. which is 70 miles. Spruce Pine is the area which practically all of the fabricating and milling factories in the United States are located. People in that area have the ability and know-how to utilize all of the strategic and punch grades of mica.

16. Sheet mica of strategic grade from this mine was sold to Colonial Mica Corpora tion duri ng World War II. These records are now in the files of RFC. (Call Mr. Tully Executive 3111 Extension 550)

17. See answer 16.

18. Sheet mica deposits be assayed as to their sheet or strategic content. This mine produced strategic grade mica during World War II, as can be ascertained from the records of Colonial Mica Corporation. It is estimated that mica of like amounts and quality is still in this immediate vicinity. Mining operations ceased only when the price of sheet mica fell after the last war.

19. None

20. Mica

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In addition, the dragline will pull through at each 300 feet, commencing at the front of the leased area to its end 2000 away. The dragline will be carried to a depth of at least 60 to 75 feet, and when books of mica are found, the depth will be lowered through the vein. This project is expected to take one year to complete.

22. Production possibilities are of record in the U. S. Bureau of Mines, U. S. Geological Survey and RFC files. All of these records will show mica of strategic quality in this vicinity. Also see Exhibit H.

23.

(a)	2 muckers at $60 per week	$6,240
	1 dragline or power drill operator at $75 per week	3,900
		10,140
(b)	1 Supervisor at $100 per week	5,200
(c)	None	
(d)	1 bunk house	1,000
	1 tool shed	200
		1,200
(e)	1 electric single phase $7\frac{1}{2}$ horsepower pump	750
	1 dragline assembly complete including double drawn hoist, cable blocks, etc.	6,500
	1 JA50 jackhammer	350
	Miscellaneous hand tools	200
(h)	1 power drill rig, hose, etc.	175
(i)	supplies, dynamite, repairs, gasoline, etc. $200 per month	2,400
	Electric power $40 per month	480
		$27,395

24. Project is expected to be completed within a twelve month period after awardation of the exploration contract. It is expected that from 35 to 70 holes per month will be drilled. The number of holes drilled per month, of course, will be determined by the type of subsoil encountered. About one dragline lane 300 feet long and from 50 to 90 feet deep will be dug per month. Laborers will be assigned to various jobs from time to time so that the project will proceed according to the above schedule.

The first month's expenditures will include the total cost of the eqauipment that must be purchased, excluding the air compressor invested by the applicant. Each month thereafter will include salaries, supplies, and power.

First Month's Operation

2 muckers	$520.00
1 dragline and drill man	325.00
1 supervisor	433.33 1/3
1 bunk house and shed	1200.00
1 pump with electric motor	750.00
1 dragline complete	6500.00
1 jackhammer	350.00
hand tools	200.00
drill rig	175.00
supplies and power	240.00
	10,693.33 1/3

Each Month Thereafter

2 muckers	$520.00
1 dragline and drill man	325.00
1 supervisor	433.33 1/3
electric power and supplies	240.00
	1,518.33 1/3

Exhibit "A"

STATE OF NORTH CAROLINA
Department of State

To all to whom these presents shall come, Greeting:

I, Thad Eure, Secretary of State of the State of North Carolina, do hereby certify the following and hereto attached (FOUR (4) sheets) to be a true copy of

CERTIFICATE OF INCORPORATION OF

GASTON STRATEGIC MINERALS CO., INC.

the original of which is now on file and a matter of record in this office.

In Witness Whereof, I have hereunto set my hand and affixed my official seal.

Done in Office, at Raleigh, this 25th day of May in the year of our Lord 1951.

Thad Eure
Secretary of State

65238

CERTIFICATE OF INCORPORATION

of

Gaston Strategic Minerals Co., Inc.

KNOW ALL MEN BY THESE PRESENTS:

That we, the undersigned, have this day voluntarily associated ourselves together for the purpose of forming a corporation under the laws of the State of North Carolina, and do hereby certify:

FIRST: That the name of the said corporation is:

Gaston Strategic Minerals Co., Inc.

SECOND: That the purposes for which said corporation is formed are:

(a) To initially engage in the primary business of exploring, prospecting, developing, mining and milling mica and minerals of every character and description.

(b) To purchase or otherwise acquire, to own, hold, lease, sell or otherwise dispose of, deal in and improve real estate, and to mortgage, convey in trust or otherwise encumber the same and to erect, manage, care for, maintain, extend and alter buildings thereon and other improvements.

(c) To purchase or otherwise acquire, to own, hold, lease, sell or otherwise dispose of, deal in and improve real estate, and to mortgage, convey in trust or otherwise encumber or hypothecate the same.

(d) To enter into partnerships or into any arrangement for sharing profits, union of interest, corporation, joint adventure, reciprocal concession, or otherwise, with any person, partnership, firm or corporation, in any business or transaction in which this corporation is authorized to carry on or engage in so as to directly or indirectly benefit this corporation.

(e) To take, acquire by purchase, exchange or otherwise, and to own, hold, deal in, sell or otherwise dispose of, mortgage, hypothecate or otherwise encumber, letters patent and inventions and shares of stock or bonds, and while the owner of said shares to vote the same.

(f) To borrow money and to execute and deliver its secured promissory note or notes or other evidences of indebtedness therefor.

(g) To issue bonds, notes, debentures, certificates, script or other corporate obligations or evidences of debt, and to secure the payment therefor by mortgage, pledge or deed of trust of or upon the whole or any portion of the corporate property, funds, credits and franchises and to sell, pledge or otherwise use or dispose of the same.

(h) To exercise in respect to all such bonds, notes, mortgages, shares of capital stock and other securities and other obligations, any and all rights, powers and privileges of individual owners thereof; including the right to vote upon any shares of stock held by it to the same extent that a natural person might or could do.

(i) To carry on business in states outside of North Carolina and to purchase and hold real and personal property in said states.

(j) To engage in any and all lawful business other than those above specified which may be permitted by any law or laws of the State of North Carolina now in force or hereinafter enacted, and for which no special authorization or permit is necessary.

(k) To do and perform all things whatsoever that shall be necessary or proper for the full and complete execution of the foregoing purposes.

(l) To act as guarantor or surety on contracts, notes, bonds, mortgages, deeds of trust or other securities.

THIRD: That the principal office for the transaction of the business of this corporation is to be located in ~~Spruce Pine, North Carolina~~. That the name and address of the agent authorized to accept service on the corporation in the State of North Carolina is Lin Carpenter, Spruce Pine, North Carolina.

FOURTH: That this corporation is authorized to issue only one class of shares of stock, the total number of which is 900 shares with no par value.

FIFTH: That the number of directors of said corporation shall be three (3) who must be shareholders and the names and addresses of the persons who are appointed to act as the first directors and to hold office until the selection and qualification of their successors are as follows:

65238

Lin Carpenter, President	Spruce Pine, N. Car.
Fletcher O. Phillips, Secty-Treas	Spruce Pine, N. Car.
John Phillips, Vice President	Spruce Pine, N. Car.

SIXTH: That the duration of this corporation shall be 100 years; original capital to commence business to be $30.00.

SEVENTH: That the following shares of stock have been subscribed by the incorporators:

Lin Carpenter	Spruce Pine, N. C.	~~30~~ (1) ~~xxx~~ shares
Fletcher O. Phillips	" "	~~30~~ (1) ~~xxx~~ shares
John Phillips	" "	~~30~~ (1) ~~xxx~~ shares

EIGHTH: That the number of persons named above shall constitute the number of directors in the corporation until changed by amendment to the by-laws.

NINTH: Said corporation shall not have the power to levy assessments upon the shares or shareholders thereof.

TENTH: The shareholders of said corporation shall have preemptive rights to subscribe to any and all issues of shares of securities.

IN WITNESS WHEREOF, the persons named herein as directors have hereunto set their hands this 24 day of May, 1951.

Lin Carpenter

Fletcher O Phillips

John Phillips

65238

STATE OF NORTH CAROLINA)
) ss.
MITCHELL COUNTY)

On this 24 day of May 1951 before me, the undersigned Notary Public in and for the State of North Carolina, residing therein, duly commissioned and sworn, personally appeared

Lin Carpenter

known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal in the County of Mitchell, the day and year first hereinabove written.

Kenneth R. McKinney
Notary Public of said County and State
My Commission expires 11-21-52

STATE OF NORTH CAROLINA)
) ss.
MITCHELL COUNTY)

On this 24 day of May 1951 before me, the undersigned Notary Public in and for the State of North Carolina, residing therein, duly commissioned and sworn, personally appeared

Fletcher O. Phillips

known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal in the County of Mitchell, the day and year first hereinabove written.

Kenneth R. McKinney
Notary Public of said County and State
My Commission expires 11-21-52

STATE OF NORTH CAROLINA)
) ss.
MITCHELL COUNTY)

On this 24 day of May 1951 before me, the undersigned Notary Public in and for the State of North Carolina, residing therein, duly commissioned and sworn, personally appeared

John Phillips

known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal in the County of Mitchell, the day and year first hereinabove written.

Kenneth R. McKinney
Notary Public of said County and State
My commission expires 11-21-52

FILED MAY 25 1951

THAD EURE

SECRETARY OF STATE

STATE OF

NORTH CAROLINA

CERTIFIED COPY OF

CERTIFICATE OF INCORPORATION

OF

GASTON STRATEGIC MINERALS

CO., INC.

Office of the

Secretary of State

Exhibit "B"

LIN CARPENTER

Lin Carpenter is one of two partners in the "Carpenter and Phillips Mica Company." Prior to the formation of the "Carpenter and Phillips Mica Company," Mr. Carpenter was employed as the Supervising Manager of the Spruce Pine Mica Company which is one of the largest mica fabricators of mica in the Spruce Pine area.

Mr. Carpenter is 57 years old and has been associated with the mica industry all his life. The various positions held by him as mining foreman, mining operator, mica grinder, and mica fabricator are too numerous to set forth.

In his present position at the "Carpenter and Phillips Mica Company," Mr. Carpenter performs the administrative task of supervising, hiring, and training of all employees. There are from 90 to 180 employees who perform work assigned to them by Mr. Carpenter. In addition to those duties, he purchases most of the raw mica for fabricating by the partnership.

Exhibit "C"

JOHN PHILLIPS

John Phillips is thirty-four years old and a native of the Spruce Pine area where he has lived most of his life.

He operated the Bouy Mine in Spruce Pine during the years 1941 to 1943 from which he produced a large quantity of book mica of punch and better grade.

In 1941 at the same time he was operating the Bouy Mine, he became a member of the partnership "Carpenter and Phillips Mica Company." This firm fabricates punch grade mica for the electric and electronic industry.

Mr. Phillips' business acumen is evidenced by his rapid expansion in conservative business interests. He is one of two partners in the partnership of "Phillips and Coulter." This partnership is engaged in the following businesses:

1. The Texas Company Distributorship for Avery, Mitchell and Yancy Counties.
2. Studebaker automobile and truck dealer for Avery, Mitchell and Yancy Counties, North Carolina.
3. Firestone Retail Store
4. Texaco Service Station, Spruce Pine.

* * * * *

References:

Mr. Robert Guy, Cashier
Avery County Bank, Newland, N. C.
Mr. Baxter Johnson, Owner
Johnson Electric Co., Spruce Pine, N. C.
Mr. L. L. McMurry, Supervising Engineer
Feldspar Flotation Co., Spruce Pine, N. C.

Exhibit "D"

FLETCHER O. PHILLIPS

Fletcher O. Phillips is 46 years old, a native of the Spruce Pine area, and has lived in that mining district most of his life.

He has 26 years of mining experience, and at present is mining mica and feldspar on a commercially profitable basis in the Dogwood Flat near Yellow Mountain in the Spruce Pine area. This mine is presently producing one thousand pounds of mica of punch or better quality per week and approximately seventy-five tons of feldspar.

During World War II, Mr. Phillips was one of three partners in the mica fabricating plant of "Carpenter and Phillips Mica Company" which employed from 90 to 180 persons. One of his duties was to purchase mica for fabricating. That experience has thoroughly schooled Mr. Phillips in appraising and grading blocks and sheets of mica.

His two years mining education at North Carolina State College is one of his greatest assets in that it helps him to evaluate out croppings and to follow "leads" once mining operations have commenced.

His past employment record is as follows:

Bennidict Coal Co.	St. Charles, Va.	1927 - 1928
Mining School	State College, N. C.	1928 - 1930
Bennidict Coal Co.	St. Charles, Va.	1930 - 1932
Hoot Owl Mine	Spruce Pine, N. C.	1934 - 1936
Mining for self	Spruce Pine, N. C.	1936 - 1941
Carpenter & Phillips Mica Co. (partner)	Spruce Pine, N. C.	1941 - 1945

* * * * * *

References:

Mr. Ernest Poteat, Cashier
Northwestern Bank, Bakersville, N. C.
Mr. Roy Welds, Manager
Harris Clay Co., Spruce Pine, N. C.
Mr. J. P. McKinney, Mine Manager
United Feldspar & Minerals, Spruce Pine, N. C.

Exhibit "E"

MINING LEASE

State of North Carolina Gaston County:

This indenture made this 21st day of May, 1951 between J. B. Huskins and his wife Elizabeth Huskins of Gaston County and State of North Carolina, as party of the first part, and known as lessors, and John Phillips, J. O. Phillips and Carpenter of Mitchell County and State of North Carolina, party of the second part and known as lessee.

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

Beginning at state road at Walden Weaver's line running with his line to W. A. Lingerfelt line at branch located on the northwest portion of the farm I now reside and thence along Lingerfelt line beside branch 500 feet to a stake, thence back parallel to first line to state road and thence with state road to the beginning.

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

AND IT IS FURTHER AGREED That the party of the second part, the lesse hereby agrees to pay to the said parties of the first part, or his or their heirs or assigns, a rental royalty of Ten per cent on Mica

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

AND IT IS FURTHER AGREED That the lessee, the party of the second part, his heirs or assigns, shall have the option to renew this lease and to extend the period of its running for an additional five years from the date of its present termination. The option shall be exercised by giving formal written notice to the parties of the first part or by the continuation of any mining operations then being conducted. The lessors reserve the right to use the land, or convey the same not conflicting

this lease, but under any conveyance the terms of this lease must be recognized by the grantee, purchaser, or assigns thereof. And it is agreed that the lessee may assign this mining lease or any part thereof and that he may sublease.

~~AND IT IS FURTHER AGREED That the leassee, his heirs, or assigns, is hereby given an option to purchase the title to the land above set forth and described for a price of no option Dollars ($_____), and it is agreed that any and all royalities paid as rent up to that time, the time the option is exercised, shall be allocated and applied to this agreed purchase price. And that upon tender of payment of the purchase price the lessor will convey title to the lessee or his assigns by special warranty deed.~~

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

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

Witness:

J. B. Huskins (seal)

Mrs. Elizabeth Huskins (seal)

(seal)

NORTH CAROLINA, Gaston COUNTY:

The execution of the foregoing instrument was this day acknowledged before me by J. B. Huskins and Elizabeth Huskins the grantor for the purposes therein expressed. Let the same, with this certificate, be registered. This 21st day of May, 1951.

Kenneth R. McKinney

***

NORTH CAROLINA, Gaston COUNTY:

I, Kenneth B. McKinney, do certify that J. B. Huskins and Elizabeth Huskins, his wife personally appeared before me this day, and acknowledged the execution of the annexed mining lease and the said Elizabeth Huskins being by me privately examined separate and apart from her said husband, touching her voluntary execution of the same; doth state that she signed the same free and voluntarily, without fear or compulsion of her said husband, or of any other person, and that she doth still voluntarily assent thereto. This 21st day of May, 1951.

Kenneth R. McKinney

NORTH CAROLINA, _____ COUNTY:

The foregoing certificate of _____ of _____ County is adjudged to be correct and sufficient. Let the instrument, with the certificate be registered.

Witness my hand and official seal, this _____ day of _____, 1951

Clerk Superior Court

***

Filed for Registration at _____ o'clock ___ M. _____, 1951 and registered in the office of Register of Deeds for _____ County, in Deed Book No. _____ Page No. _____

A S S I G M E N T

I, (We), John Phillips, F. O. Phillips and Lin Carpenter

the undersigned for and in consideration of One Dollar and other valuable consideration, in hand received and hereby acknowledged, do hereby sell, assign, transfer, quit-claim, and deliver unto

Gaston Strategic Minerals Co., Inc.

all my (our) right title and interest, both legal and quitable, in and to the following described property, chattles, or goods:

Lease dated May 21, 1951 for mining rights on a portion of Huskins Farm, Gaston County, North Carolina.

WITNESS my (our) hand(s) and seal(s) this 28th day of May, 1951. 1951.

John Phillips

Fletcher O Phillips

Lin Carpenter

STATE OF NORTH CAROLINA)
O ss
COUNTY OF MITCHELL:)

On this _____ day of _____, 1951, before me, the undersigned Notary Public in and for the State of North Carolina, residing therein, duly commissioned and sworn, personally appeared

known to me to be the person(s) whose name(s) is (are) subscribed to the within instrument, and acknowledged to me that he (they) executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal in the County of Mitchell, the day and year first hereinabove written.

Notary Public of said County and State

My commission expires _____.

Exhibit "G"

Exhibit "G"

A S S I G M E N T

I, (~~we~~), Fletcher O. Phillips

the undersigned for and in consideration of One Dollar and other valuable consideration, in hand received and hereby acknowledged, do hereby sell, assign, transfer, quit-claim, and deliver unto

Gaston Strategic Minerals Co., Inc.

all my (our) right title and interest, both legal and quitable, in and to the following described property, chattles, or goods:

One Ingersoll Rand Air Compressor Serical # 535881, Model 130 G. S., Size 33 4x5, Spec. - G. S. - 3W, 105 Cu. Ft.

WITNESS my (~~our~~) hand(~~s~~) and seal(~~s~~) this 24th day of May 1951.

Fletcher O Phillips

STATE OF NORTH CAROLINA)
O ss
COUNTY OF MITCHELL:)

On this_____day of_____, 1951, before me, the undersigned Notary Public in and for the State of North Carolina, residing therein, duly commissioned and sworn, personally appeared_

known to me to be the person(s) whose name(s) is (are) subscribed to the within instrument, and acknowledged to me that he (they) executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal in the County of Mitchell, the day and year first hereinabove written.

Notary Public of said County and State

My commission expires_____.

Exhibit "H"

Exhibit "H"

GENERAL TEST DATA FOR MICA SPECIMENS[1]/

NAME OF MINE OR PROSPECT: Big Bess mine[2]/

District: Shelby-Hickory
County and State: Gaston, North Carolina
Type of material: 5, 6, 7
Color: Pinkish bluff
Proportion of material with mineral stain (to nearest 5 percent): Trace
Type of mineral stain: Rare specks and spots of magnetite and hematite
Remarks: Slightly clay-stained; local pale-green vegetable stain

Electrical Tests

Number of lots tested: 3
Total number of pieces tested: 775
Percent E-1: 100
Percent E-2: 0
Percent E-3: 0
30-mil stack (number of stacks in parentheses): E-1 (2)

Proportion of tested defects (to nearest 5 percent)
Material with conducting substances: 0
Material with cracks: Trace
Material with pinholes: 10

* * * * * * * *

NAME OF MINE OR PROSPECT: Huskins mine[3]/

District: Shelby-Hickory
County and State: Gaston, North Carolina
Type of material: 5, 6, 7
Color: Pinkish buff, with tinges of pale yellowish green
Proportion of material with mineral stain (to nearest 5 percent): 25
Type of mineral stain: Scattered magnetite specks and hematite dendrite specks and spots
Remarks: Clay-stained; rare light-brown bursts.

Electrical Tests

Number of lots tested: 7
Total number of pieces tested: 1,245
Percent E-1: 100
Percent E-2: 0
Percent E-3: 0
30-mil stack (number of stacks in parentheses): E-1 (5)

Proportion of tested defects (to nearest 5 percent)
Material with conducting substances: 0
Material with cracks: 0
Material with pinholes: 5

* * * * * * * *

NAME OF MINE OR PROSPECT: Self, E. R., (Old Neale) mine[4]/

District: Shelby-Hickory
County and State: Gaston, North Carolina
Type of material: 5, 6, 7
Color: Pinkish buff
Proportion of material with mineral stain (to nearest 5 percent): Trace
Type of mineral stain: Rare magnetite spots and hematite dendrite spots and specks
Remarks: Clay-and iron-stained; rare brown bursts; sparse light-brown mottling

Electrical Tests

Number of lots tested: 5
Total number of pieces tested: 383
Percent E-1: 100
Percent E-2: 0
Percent E-3: 0
30-mil stack (number of stacks in parentheses): E-1 (4)

Proportion of tested defects (to nearest 5 percent)
Material with conducting substances: 0
Material with cracks: 0
Material with pinholes: 0

* * * * * * * *

1/ PHYSICAL CHARACTERISTICS OF COMMERCIAL SHEET MUSCOVITE IN THE SOUTHEASTERN UNITED STATES -- Geological Survey Proffessional Paper 225

2/ Table 10. Page 52.

3/ Table 10. Page 71.

4/ Table 10. Page 87.

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
	Houk	600
		220

600

March 4, 1958

Project Summary Report

By: Lawrence G. Houk

1. Docket No. DMEA-1388-Mica
Contract No. Idm-E77
Property: Huskins Mine
Gaston County, North Carolina

Application: Form MF-103(April 1952) received May 30, 1951.

Operator: Gaston Strategic Minerals Co., Inc.
c/o Lin Carpenter, President
Spruce Pine, North Carolina

Operator's Property Rights: Five year mining lease, dated May 21, 1951. Landlord's Subordination Agreement, dated May 26, 1951.

Work Proposed by Applicant:

Drill from 400 to 1000 holes	$30,563.00

2. Contract dated July 23, 1951

Work Authorized:

7 100-foot long by 7 feet deep tractor-dozer trenches - 200 hrs. operation @ $10.00/hr.	$2,000.00
120 ' of 6 ' diam. test pits @ $30.00/ft.	3,600.00
Estimated total cost of project	$5,600.00
Government participation @ 90%	$5,040.00

Amendments: No. 1, dated August 30, 1951, to deepen an existing shaft 35 feet.
No. 2, dated November 20, 1951, to provide for a new shaft to be sunk approximately 70 feet.

Work Completed:

7 trenches 100 ft. long from 3 to 7 feet deep.
Test pits sunk in each trench from 10 to 20 ft. deep.
Deepened 25-ft. shaft to approximately 70-feet level.
New shaft sunk 15 ft. east of abandoned shaft.
Shaft was lowered to 80-feet.

Total cost of project	$5,600.00
Government participation @ 90%	$5,040.00

Work was completed in May 1952.
Field Team Final Report, dated April 11, 1952.
Operator's Final Report, dated April 8, 1952.
Royalty paid in full in amount of $5,040.00, and letter of thanks sent September 3, 1957. No equipment purchased under contract. Production: 250 Tons inferred reserve (book mica).

3. Audit: Report of Review issued July 2, 1952.

Total accepted cost	$5,794.48
Exceptions by DMEA Finance Officer	194.48
Total final accepted cost	$5,600.00
Government participation @ 90%	$5,040.00

4. Certification of discovery - issued May 22, 1952.

5. Comments:

Geologic Premise: Two pegmatite dikes flanked by plagioclase-quartz that contains scattered books of muscovite up to 5 inches. In places mica constitutes 10% of pegmatite.

Geologic Criteria upon which work was based: The distribution and mica content of the pegmatite dikes.

Geologic Criteria developed during project: Results obtained from the trenching and test pitting indicated only two pegmatites which offer possible production.

Future Possibilities: Operator continued exploration on his own after completion of the DMEA contract. Production has been about 70,000 pounds of mine-run-mica during the first half of 1957. From the beginning of the DMEA contract, the Operator's have produced over $107, 680.88.

Recommendations: The Nonmetallic Minerals Division concurred with the Field Team that the project should be certified as a discovery. The Commodity Members of the Geological Survey and Bureau of Mines also concurred.

Lawrence G. Houk, Director
Division of Nonmetallic Minerals

LGHouk:rsi 3/4/58
Copy to: Admr. R. File
Mr. Houk

✓ Audit

✓ Certified

K ANALYSIS SHEET - DMEA PROJECT

Analysis as of Nov 30, 54
Incl. Voucher for Dec 1951

✓ Actual Cost

☐ Agreed Unit Costs

Name Gaston Strategic Minerals Company

Docket No. 1388

State North Carolina

Commodity Mica

Idn-E No. 77

OPERATION	AUTHORIZED Units	AUTHORIZED Cost	COMPLETED Units	COMPLETED Cost	NET COST
Drifting & Crosscutting					
Shafts by Amendment (2) / by amendment (1)	70' / 35	$3074.90 / 2450.	70	3074.90	3074.90
Winzes (Test pits)	~~38.~~ / ~~120~~ 24	~~$1150~~ / ~~$3600~~ 720.00	24	720.00	720.00
Drilling (Specify)					
Surface Excavation		1805.10 / ~~2000~~		1805.10	1805.10
Underground Excavation					
Roads and Trails					
Operating Equipment Purchased					
Surface Rehabilitation & Repairs					
Underground Rehabilitation					
New Building, Improvements, etc.					
Other (Specify)					
Totals		$5600.00		$5600	$5600

Prepared by L. G. Houk
W. C. Anderson

DMEA

6/23 C 220
23 Com 100
" 110
6/25 800
600

DMEA EXPLORATION PROJECT
Semi-Annual Report of Certified Project

DMEA-1388X, Idm-E77(mica) John Huskins Mine
Gaston County, North Carolina

Reporting Period: December 17, 1957 to June 11, 1958.

Operator: Gaston Strategic Minerals Corporation. Now leased to Self-Huskins Mining Co., c/o Frank W. Phillips, Spruce Pine, North Carolina.

Government royalty in the amount of $5,040 has been paid in full. Final payment was made August 6,1957.

When visited by the writer June 11, 1958, no one was on the property but all the equipment was still here. A dragline was in the bottom of the pit which is now 75 feet deep. Mr. Huskins, the owner of the property said they had not worked for two weeks. He is looking after the electric pump while they are not operating.

Original Estimate of Reserves (from Final Engr.-Geol Report):

Inferred : 320 tons of book mica

Production this period and that not previously reported:

Type Mica	Pounds	Value
Sheet	103.28	$1,673.75
Hand cobbed	86,239.00	21,805.76*
Total	86,342.28	$23,479.51

DMEA Production(previous)

Sheet	1,262.28	$18,703.76
Hand cobbed	447,630.00	100,918.70
Punch	48,368.00	6,933.12
Scrap	44,035.00	660.53
	541,295.28	127,216.11

DMEA Production to date:

Sheet	1,365.56	20,377.51
Hand cobbed	533,869.00	122,724.46*
Punch	48,368.00	6,933.12
Scrap	44,035.00	660.53
Total	627,637.56	$150,695.62

* Includes final payments on two sales which were not available when last report was made and does not include final settlement on last sale made.

W A Beck

Wm. A. Beck, Mining Engineer
U.S. Bureau of Mines (DMEA)

O M E
RECEIVED JAN 25 1960

DATE	INITIALS	FILE
1-25	[illegible]	[illegible]
"	[illegible]	[illegible]
	[illegible]	[illegible]
	[illegible]	
	[illegible]	
	[illegible]	
	[illegible]	
	[illegible]	

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

ROOM 11 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

January 22, 1960

Memorandum

To: Operating Committee, OME - Washington, D. C.

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

Subject: Mica production of certain DMEA projects.

As requested in Mr. Johnson's memorandum of January 13, the best available data on production of [illegible] DMEA projects have been compiled, and are presented in [illegible] table which accompanies this memorandum.

We would suggest addition of three more projects to the list, as they made significant contribution to the totals purchased by GSA. They are:

DMEA No.	Mine	Trimmed Mica Pounds	Trimmed Mica Value	Hand cobbed Pounds	Hand cobbed Value
1876	Cattail	9820.26	$149,957.57	—	—
2377	Self	1814.10	36,195.34	65,493.00	*
2917	Allman Cove	3[illegible]	65,526.99	—	—
4337	Hawk	3689.[illegible]	68,589.12	—	—

* Value included with trimmed mica; not available separately.

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

[illegible]
[illegible], Member
[illegible] Mines

MICA PRODUCTION OF CERTAIN DMEA PROJECTS

DMEA No.	MINE Name	Trimmed Mica Pounds	Trimmed Mica Value	Hand Cobbed Pounds	Hand Cobbed Value	REMARKS
1388 ✓	[illegible]	1365	$20,377	533,869	$122,724	Not operating
1665	Chalk Hill	18,622	$437,004	---	---	Not a certified project. No hand cobbed mica sales reported.
2377	Sinkhole	73,820	$1,144,881	15,266	---	Mine still operating
[illegible]	Elk	8,132	$134,628	14,461	$19,604	Not operating.
[illegible]	Iotla Bowers	20,59[illegible]	$207,101	---	---	No hand cobbed sales reported
	Rev. Thaddeus Persons	2,25[illegible]	$ 37,947	2,000	---	Value of hand cobbed mica included in trimmed mica.
	Engle Cope	4,6[illegible]	$ 62,061	14,930	$1,118	Not operating
	Mrs. Robinson	11,[illegible]	$138,0[illegible]	180,932	$152,946	Not operating
	R. B. Phillips	48,8[illegible]	$841,104	145,169	---	Value of hand cobbed included in with trimmed.
	Geo. Howell	14,7[illegible]	$240,667	56,214	$176,772	Not operating
	Dycus	5,01[illegible]	$ 67,678	95,114	$ 25,055	Not operating
	Harris	15,[illegible]	$192,[illegible]	[illegible],240	$,475	Not operating
	Taylor	9,281	$116,[illegible]	158,717	---	Still operating. [illegible] hand cobbed included [illegible] trimmed.
	Banner	38,540	$624,734	---	---	Still operating. Only trimmed mica sold.

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
4/29	Knouse	600
4/30	Houk	600
4/30	GCS	130
"	Johnson	110
"	Bottendorf	100
		220
		600

MAY 1 1958 600

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

Subject: Docket No. DMEA-1388-Mica
Gaston Strategic Minerals Co.
Huskins Mine
Gaston County, North Carolina
Contract No. Idm-E77

Docket No. DMEA-4912-Mica
Frank W. Phillips, et al.
Huskins Mine
Gaston County, North Carolina

Dear Mr. Laurence:

Please review the enclosed copies of the memorandum, dated April 24, 1958, from T. H. Kiilsgaard, USGS, which relates to a modification of the Field Team's recommended program to explore the subject property.

We note that the program recommended by the Field Team contemplates the exploration of a pegmatite that is exposed for a width of 10 feet and a strike length of about 15 feet. (See map of Huskins Mine with Field Team Report.) Also, that the Applicants reported this pegmatite has a strike length of 160 feet that is now covered by spoil and water. The Applicants should be requested to remove the material covering the pegmatite, and when the exposure is completed the property should be re-examined and the findings and any modifications of your recommended program should be furnished in a supplemental report. Also, the supplemental report should include a map showing the extent of the pegmatite, and the location of the proposed work in relation to the pegmatites and workings, where possible, that are shown on the map with the Field Team Final Report for Docket No. DMEA-1388, dated April 8,1952.

When we receive this information we will continue to process the application.

Approved:

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

Thor H. Kiilsgaard (HB)
Member, Geological Survey

FLKnouse:gad 4/29/58

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee (HB)

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

8623

Mr. Robert A. Laurence
Executive Officer, DMEA
Field Team, Region V
Room 12, Post Office Bldg.
Knoxville 2, Tennessee

Subject: Docket No. DMEA-1383-Mica
Gaston Strategic Minerals Co.
Huskins Mine
Gaston County, North Carolina
Contract No. Ide-877

Docket No. DMEA-4912-Mica
Frank E. Phillips, et al.
Huskins Mine
Gaston County, North Carolina

Dear Mr. Laurence:

When review the enclosed copies of the memorandum, dated April [illegible] 1958, from [illegible] Kiilsgaard, [illegible], which relates to a modification of the field team's recommended program to explore the subject property.

We note that the program recommended by the Field Team contemplates the exploration of a pegmatite that is exposed for a width of 10 feet and a strike length of about 15 feet. (See map of Huskins Mine with Field Team Report.) Also, that the applicants reported this pegmatite has a strike length of 100 feet that is now covered by spoil and water. The Applicants should be requested to remove the material covering the pegmatite, and when the exposure is completed the property should be re-examined and the findings and any modifications of your recommended program should be furnished in a supplemental report. Also, the supplemental report should include a map showing the extent of the pegmatite, and the location of the proposed work in relation to the pegmatites and workings, where possible, that are shown on the map with the Field Team Final Report for Docket No. DMEA-1383, dated April [illegible], 1958.

When we receive this information we will continue to process the application.

Approved:
Frank D. Lamb
Member, Bureau of Mines

Thor H. Kiilsgaard
Member, Geological Survey

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee

FLKnouse:ga 4/29/58

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

OFFICIAL FILE COPY
DMEA
RECEIVE JAN 10 1958
DATE | INITIALS | CODE
1-10 | C | 220
13 | Cmc | inc
225

DMEA EXPLORATION PROJECT

Semi-Annual Report of Certified Project

Reporting Period: 6-20-57 to 12-17-57. Date Examined: 12-17-57

Operators: Gaston Strategic Minerals Corp. Inc. Present Operator: Self- Huskins Mining Co., c/o Frank Phillips, Spruce Pine, N.C.

Mine Name: John Huskins Mined County: Gaston. State: North Carolina

DMEA-1388C, Contract: Idm-E77. Date Certified: May 22, 1952

Expiration Date of Royalty Pay't: July 23, 1961

Total Amount of Contract: $5,600.00. Total Expended: $5,600.00

Government participation at 90% - $5,040.00

Royalty Paid this Period: $135.03. Previously paid: $4,904.97

Total Royalty paid to date: $5,040.00. Percent Gov't Participation Repaid: 100%

Royalty Due: None

Royalty Remarks: Final payment on Government royalty was made by Lewis Crowder on August 6, 1957.

Original Estimated of Reserves(from final Engr. & Geol Report: Inferred 320 tons of book mica.

Production this period:

Type	Pounds	Value
Sheet	10.50	$180.97
Hand cobbed	123,405.00	$19,354.26*
	123,415.50	$19,535.23

Previous Production (since date of contract)

Sheet	1,251.78	18,522.79
Hand cobbed	324,225.00	81,564.44
Punch	48,368.00	6,933.12
Scrap	44,035.00	660.53
	417,879.78	$107.680.88

Total DMEA Production todate:

Type	Pounds	Value
Sheet	1,262.28	$18,703.76
Hand cobbed	447,630.00	100,918.70*
Punch	48,368.00	6,933.12
Scrap	44,035.00	660.53
	541,295.28	$127,216.11

* Includes final payments on four sales which were not available when last report was made and does not include final settlement on last two sales made.

Remarks: This property was visited December 17, 1957. The present Operators- Frank Phillips, J. R. Beams and Sam Thompson, operating under the name of Self-Huskins Mining Co., purchased the lease from the Crowder boys in August 1957. They have their own bulldozer and pan and are continueing the open pit operation started by the Crowders. The pit is presently about 60 feet deep, 200 feet wide and 400 feet long. The Self-Huskins Mining Co., has produced 86,465 lbs of the hand cobbed mica reported above under "Production this period."

Wm. A. Beck, Mining Engineer
Bureau of Mines

uary 8, 1968

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
8/27	Alley	800
8-27	Chambers	800
8/29	Houk	600
		600
9/2	Selfridge	120
9/3	Johnson	110
"	Mittendorf	100
9/4	[illegible]	220
		225

SEP 3 1957

Messrs. Ernest and Lewis Crowder

Spruce Pine, North Carolina

Re: Docket No. DMEA-1388 (Mica)
Huskins Mine
Gaston Strategic Minerals Co.
Gaston County, North Carolina
Contract No. Idm-E77

Gentlemen:

Under the above-cited contract the Government allotted a total of $5,600.00 for exploration for mica and agreed to share 90 percent of the cost as approved and accepted by this Administration. The accepted costs were determined to be $5,600.00 and the Government's share at 90 percent participation to be $5,040.00.

As the exploration work resulted in a discovery, the Government was to receive a royalty percentage for a period of 10 years, or until the amount advanced by the Government was liquidated, whichever occurred first. The production from land under this contract enabled repayment of the Government's advance considerably before the expiration of the ten year repayment period provided for in the contract.

As a result of this repayment the Government retains no claim or lien against the property subject to the contract or any future production therefrom.

I wish to thank you for the payment of your account under the contract.

Sincerely yours,

C. O. Mittendorf

Administrator

AMAlley/ama
August 27, 1957

Copy to: Docket
Admr. Reading File
Administrator
Mr. Johnson
Mr. Houk
Mr. Chambers
Mr. and Mrs. J. B. Huskins
Gaston Strategic Minerals Co.
Field Team, Region V (2)
Mr. Dietrich, Room 3061
Mr. Kiilsgaard, Room 5224

8623

TRIPLICATE

STANDARD FORM 201 (Formerly Cert. of Deposit, Form 1)
Promulgated Oct. 1949 by Treasury Dept., Fiscal Service

THIS DEPOSIT IS NOT SUBJECT TO CHECK Oak Ridge, Tennessee

DEPOSIT NO. 14-23-070-11

For credit of 5369 Br. Trsy. [redacted]tional Office, Oak Ridge, Tenn. [redacted] 8/9/57
(Name, title, and disbursing [redacted]her identification symbol of accountable officer) (Date sent)

deposited with Hamilton National Bank, Knoxville, Tennessee
(Name and location of depositary)

$ 135.03

for accounts listed below. SCHEDULE Nos.

ACCOUNT SYMBOL	TITLE OF ACCOUNT TO BE CREDITED	AMOUNT
14X4401	Idm-E77 Gaston Strategic Minerals (Royalty Payment)	$135.03

(Depositor will insert below his name, title, Department or Agency concerned, and his address)

Defense Minerals Exploration Administration
Bureau of Mines, Dept. of Interior
Helen R. Miller, Personal Assistant
P. O. Box 217
Morris, Tennessee

SPACE BELOW TO BE USED BY DEPOSITARY ONLY

I certify that the above amount has been received for credit in the account of the Treasurer of the United States on the date shown, subject to adjustment for uncollectible items included therein.

(Authorized signature)

(Date of credit in Treasurer's account)

DEPOSITARY WILL DATE, SIGN, AND RETURN THIS TO DEPOSITOR FOR HIS RETAINED COPY

16—59680b-1 GPO

RECEIVED		
DATE		
8/12	O.K.	220
8/12	[illegible]	600

August 8, 1957

Memorandum

To: Finance Officer, Region V- (DMEA)

From: Executive Officer, DMEA - Region V - Knoxville

Subject: Royalty Payment - Idm-E77, DMA-1388X.
Gaston Strategic Minerals Co., Bessemer City, N.C.

Transmitted is a check in the amount of $135.03, which is the balance due on royalty sold from the subject certified contract. This repays the Government in full for its participation.

Robert A. Laurence

zm.
cc
Mittendorf
Lynch
Files

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

August 2, 1957

OFFICIAL FILE COPY
DMEA
RECEIVED AUG 5 1957

DATE	INITIALS	CODE
8/5	P.K.	200
8/5	[illegible]	600

Mr. J. B. Huskins
Route # 2
Bessemer City, North Carolina

Re: DMEA-1388K, Idm-F77-Mica
Huskins Mine, Gaston County,
North Carolina

Dear Mr. Huskins:

On June 20, 1957 the subject operation was visited by Mr. Wm. A. Beck, Mining Engineer of this office. At that time he conferred with the Crowder boys who are operating the mine and also talked with you. You were advised that only $135.03 remained to complete repayment of the Government's participation in the subject contract. Leonard Crowder was given a list of mica sales made to the Government Mica Buying Depot which totaled $9,581.71. The royalty on these sales at 5 percent amount to more than enough to repay the Government the balance due.

Mr. Crowder promised to send a check within the week. Todate we have not received payment. Please advise Mr. Crowder of this oversight and tell him to mail his check together with copies of the settlement sheets to this office as soon as possible. Checks should be made payable to Defense Minerals Exploration Administration.

A copy of this letter is being sent to Lewis Crowder at Spruce Pine, N. C., who we understand is the present lessee of the property.

Very truly yours,

Robert A. Laurence
Executive Officer, DMEA
Region V

WAB/zm
cc
Opr. Com-2
Lewis Crowder

ACTION ON INTERIM
OR FINAL FIELD TEAM REPORT

Date 7-8-1388

Referred to:

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

Note comments in report regarding:

1. Refund in Fund?
2. No. Balance of $135.03 not received to date.
3. GEF 7/11/57
4.

and take appropriate action.

- - - - - - - - -

Action taken by Division:

Robert E. Adams

DMEA EXPLORATION PROJECT

SEMI-ANNUAL REPORT OF CERTIFIED PROJECT

Reporting Period: 1-1-57 to 6-20-57. Examined: June 20, 1957

Operator: Gaston Strategic Minerals Corp. Inc.

Name of Mine: John Huskins . County: Gaston. State: North Carolina

DMEA No.1388X, Idm-E77. Commodity: Mica. Contract Date: July 23, 1951

Certification Date: May 22, 1952. Expiration for Royalty: July 23, 1961

Total Amount of Contract: $5,600.00. Total Expenditures: $5,600.00

Amount of Gov't Participation at 90%....$5,040.00

Royalty Payments this Period: $405.56. Previous Royalty Paid: $4,499.41

Total Royalty Paid to Date: $4,904.97

Percent Gov't Participation Repaid: 97.32%

Royalty Due on Production todate: $135.03

Royalty Remarks: Sales totaling $9,581.71 have been made since the last royalty payment was made February 1, 1957. This is more than enough to repay the Government the $135.03 royalty still owing on the certification of $5,040.00. Leonard Crowder, brother to Lewis Crowder the present Lessee was given a list of sales made to the Government Buying Depot on which no royalties had been paid to the Government.

Original Estimate of Reserves (from Final Engr-Geol. Report)

Inferred---320 tons of book mica.

Production this period:

Type mica	Pounds	Value
Hand cobbed	67,810	$9,581.71
Total	67,810	$9,581.71

OFFICIAL FILE COPY
DMEA
RECEIVED JUL 8 1957

DATE	INITIALS	CODE
7/8	C	220
7/9	COM	100

Amount of Previous Production (since date of contract):

Type mica	Pounds	Value
Sheet	1,251.78	$18,522.70
Hand cobbed	256,415.00	71,982.73
Punch	48,368.00	6,933.12
Scrap	44,035.00	660.53
Total	350,069.78	$98,099.17

Total Production to date:

Sheet	1,251.78	$18,522.79
Hand cobbed	324,225.00	81,564.44
Punch	48,368.00	6,933.12
Scrap	44,035.00	660.53
Total to 6/20/57	417,879.78	$107,680.88

Remarks: Carl Young and Yates Bennett are no longer partners of the Crowder boys in this operation. The Croders have taken in H. W. Southard of Gastonia as a partner. Southard has a pan and bulldozer and with this they are recovering mica by the open pit method.

The pit when visited by the writer was 60 feet dep and about 70 feet wide. They were preparing to take another cut to get down to the pegmatite. About 70,000 pounds of mine-run-mica has been recovered by this method since the first of the year.

Wm. A. Beck, Mining Engineer
U. S. Bureau of Mines

July 1, 1957

zm

TRIPLICATE

STANDARD FORM 201 (Formerly Cert. of Deposit, Form 1)
Promulgated Oct. 1949 by Treasury Dept., Fiscal Service

THIS DEPOSIT IS NOT SUBJECT TO CHECK Oak Ridge, Tennessee

For credit of 1428 Br. Trsy, [redacted]ional Office, Oak Ridge, Tenn. [redacted]2/5/57
(Name, title, and disbursing or [redacted] identification symbol of accountable officer) (Date sent)

DEPOSIT NO. 14-23-070-71

deposited with Hamilton National Bank, Knoxville, Tennessee
(Name and location of depositary)

$ 405.56

for accounts listed below. SCHEDULE NOS.

ACCOUNT SYMBOL	TITLE OF ACCOUNT TO BE CREDITED	AMOUNT
14X4401	Idm-E77 Gaston Strategic Minerals (Royalty Payment)	405.56

(Depositor will insert below his name, title, Department or Agency concerned, and his address)

Defense Minerals Exploration Administration
Bureau of Mines, Dept. of Interior
Helen R. Miller, Adm. Asst.
P. O. Box 217
Norris, Tennessee

SPACE BELOW TO BE USED BY DEPOSITARY ONLY

I certify that the above amount has been received for credit in the account of the Treasurer of the United States on the date shown, subject to adjustment for uncollectible items included therein.

(Authorized signature)

(Date of credit in Treasurer's account)

DEPOSITARY WILL DATE, SIGN, AND RETURN THIS TO DEPOSITOR FOR HIS RETAINED COPY

16—59686b-1 GPO

February 4, 1957

RECEIVED 6 1957 D.M.E.A.

Memorandum

To: Finance Officer, Region V 9-(DMEA)

From: Executive Officer, DMEA - Region V - Knoxville

Subject: Royalty Payment - Idm-E77, DMA-1388X (mica)
Gaston Strategic Minerals Co., Inc. Spruce Pine, N.C.

Transmitted is a check from Lewis Crowder for $405.56, royalty on mica sold from the subject contract. Mr. Crowder did not include invoices or a transmittal letter with the check.

Mr. Wm. A. Beck recently checked the sales made to the GSA Depot in Spruce Pine, N.C., and the total sales were $8,111.11.

Robert A. Laurence

Mr.
Mittendorf
Lynch

Files

OFFICIAL FILE COPY
D M E A
RECEIVED 1957

DATE	INITIALS	CODE
2-6	C	220
1/9	Hank	600

February 4, 1957

RECEIVED DMEA

Mr. Lewis Crowder

Spruce Pine, N.C.

Re: DMEA-1388, Idm-E77(mica)
Gaston Strategic Minerals
Huskins Mine, Gaston County,
North Carolina

Dear Mr. Crowder:

Your check in the amount of $405.56, dated February 1, 1957 for royalty due on mica sold from the subject mine was received in this office today and will be credited to your contract.

According to our records you have paid in royalties $4,904.97 leaving a balance of $135.03 of the certification of $5,040.00.

Thank you for the check.

Very truly yours,

Robert A. Laurence
Executive Officer, DMEA
Region V

ZM.
cc
Lynch
Laurence
Opr. Com.
Finance

1388

ACTION ON INTER
OR FINAL FIELD TEAM REPORT
Date 2/5

Referred to:

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

Note comments in report regarding:

1. Royalty due - no comments by Beck.
2. Does not follow
3. reporting format.
4. Follow up

and take appropriate action.

- - - - - - - - - -

Action taken by Division:

Robert E. Adams

OFFICIAL FILE COPY
DMEA
RECEIVED FEB 4 1957

DATE	INITIALS	CODE

DMEA EXPLORATION PROJECTS

Semi-Annual Report of Certified Projects

Reporting Period 7-1-56 to 1-1-57 Date of Examination: 1-25-57

Mine Name: Huskins. Operators: Gaston Strategic Minerals, Corp.

County: Gaston State: North Carolina

DMEA-1388X Contract No. Idm-E 77 Commodity: mica

Date of Contract: July 23, 1951 Date of Certification May 22, 1952

Expiration Date of Royalty Payments: July 23, 1961

Total Amount of Contract: $5,600.00

Total Expenditures under contract: $5,600.00

Amount of Government Participation at 90 % $5,040.00

Royalty Payments this Period: $623.10 Previously Paid

Previous Royalty Payments : $3,876.31

Total Royalty paid to Date : $4,499.41

Percent Government Participation Repaid: 89.27%

Royalty Due on Production to Date: $405.56 ✓ see memo 2-4-57

Royalty Remarks: Lance Crowder, brother of Lewis Crowder the present lessee was given a list of sales made to the Government Buying Depot on which no royalties had been paid to the Government. These sales amounted to $8,111.11 and did not include the final settlement on one sale of hand cobbed mica made November 16, 1956. Returns on this sale had not been completed when investigated.

Original Estimate of Reserves (from final Engr-Geol. Report):

Inferred 320 tons of book mica.

Production this Period:

Kind	Pounds	Value
Sheet	29.31	$494.52
Hand cobbed	31,645.00	$7,616.59
Total	31,674.31	$8,111.11

Amount of Previous Production(since date of contract).

Sheet	1,222.47	$18,028.27
Hand cobbed	224,770.00	64,366.14
Punch	48,368.00	6,933.12
Scrap	44,035.00	660.53
Total	318,395.47	$89,988.06

Total DMEA Production to date:

Sheet	1,251.78	$18,522.79
Hand cobbed	256,415.00	71,982.73
Punch	48,368.00	6,933.12
Scrap	44,035.00	660.53
Total	350,069.78	$98,099.17

Remarks: The present Operators have taken in Carl Young and Yates Bennett as partners. These two own a bulldozer and are presently taking the top off the deposit to get what mica they can. Eventually they expect to get a pan and by this means should be able to get to considerable depth, as the deposit is soft. They had been working about a week and have recovered about two tons of book mica.

Wm. A. Beck, Mining Engineer

zm.

1-31-57

TRIPLICATE

STANDARD FORM 201 (Formerly Cert. of Deposit, Form 1)
Promulgated Oct. 1949 by Treasury Dept., Fiscal Service

THIS DEPOSIT IS NOT SUBJECT TO CHECK

Oak Ridge, Tennessee

DEPOSIT NO. 14-23-070-17

For credit of 428 Dr. Troy, Regional Office, Oak Ridge, Tenn. 8/9/56
(Name, title, and disbursing or other identification symbol of accountable officer) (Date sent)

deposited with Hamilton National Bank, Knoxville, Tennessee
(Name and location of depositary)

$ 965.97

for accounts listed below. SCHEDULE NOS.

ACCOUNT SYMBOL	TITLE OF ACCOUNT TO BE CREDITED	AMOUNT
14X4401	Idm-E646 Chas. Robinson Mine (Royalty Payment)	342.87
	Idm-E77 Lewis Crowder (Royalty Payment)	623.10

(Depositor will insert below his name, title, Department or Agency concerned, and his address)

Defense Minerals Exploration Administration
Bureau of Mines, Dept. of Interior
Helen R. Miller, Adm. Asst.
P. O. Box 217
Norris, Tennessee

SPACE BELOW TO BE USED BY DEPOSITARY ONLY

I certify that the above amount has been received for credit in the account of the Treasurer of the United States on the date shown, subject to adjustment for uncollectible items included therein.

(Authorized signature)

(Date of credit in Treasurer's account)

DEPOSITARY WILL DATE, SIGN, AND RETURN THIS TO DEPOSITOR FOR HIS RETAINED COPY

16—59686b-1 GPO

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

RECEIVED
AUG 13 1956

August 8, 1956

Memorandum

To: Helen Miller, Ass't Administrative Officer, Region V

From: Executive Officer, DMEA - Region V - Knoxville, Tenn.

Subject: Royalty payment - Idm-277, DMA-1388, Huskins Mine (mica) Gaston County, N. C. Lewis Crowder, Operator.

Transmitted is a check in the amount of $623.10 for royalty payment on the sale of $12,461.96 worth of mica from the subject mine. The Operator did not send the bills-of-sale along with the check, but we will try and get them at a later date.

Robert A. Laurence

RL
cc:
Mittendorf
Lynch
Files

C/ 77

RECEIVED
JUL 27 1956

Semi-Annual Reports of Certified Projects

Reporting Period January 1 to July 1, 1956 Date of Examination 7-4-56

Operator: Gaston Strategic Minerals Corporation, Inc.

Mine Name : Huskins

County and State : Gaston County, North Carolina

Docket Number and Commodity Mica DMEA- 1388

Contract Number --- Idm-E 77

Date of Contract: July 23, 1951

Date of Certification : May 22, 1952

Expiration Date of Royalty Payments : July 23, 1961

Total Amount of Contract : $5,600.00

Total Expenditures under Contract : $5,600.00

Amount of Government Participation at 90 % $5,040.00

Royalty Payments this Period : $826.72

Previous Royalty Payments : $3,049.59

Total Royalty Payments to Date : $ 3,876.31

Percent Government Participation Repaid : 76.91%

Royalty Due on Production to Date : $623.10 ✓

Royalty Remarks : Present lessee, Lewis Crowder was given a list of sales to the Government Buying Depot on which no royalties had been paid to the Government. These sales amounted to $12,461.96.

1388

ACTION ON INTERIM
ON FIELD TEAM REPORT
Date 27 [illegible] 1953

Referred to:

1. ~~Mr. Hetherington~~
2. ~~Mr. Johnson~~
3. ~~Mr. Chambers~~
4. ~~Docket Control Mails and Files~~
5. ~~Mr. Hoard~~ ~~Division~~
6. Docket Control Mails and Files

Note comments in report regarding:

1. Omits reconciliation with orig reserves est.
2.
3. Wild operation!
4. Royalties Due! Follow up.

and take appropriate action.

- - - - - - - -

Action taken by Division:

Royalty has been paid to date.

~~[illegible]~~

Robert L. Adams

Original Estimate of Reserves
(from final Engr.-Geol. Report): Inferred 320 tons of book mica.

Production this Period (Ore or Concentrates) in suitable detail: Seven lots of hand cobbed mica totalling 89,894 lbs for which $21,243.40 was received. Final settlement on last two lots not received.

Amount of Previous Production (since date of contract):

Type	Pounds	Amount
Sheet Mica	1,222.47	$18,028.27
Hand Cobbed	134,876.00	43,122.74
Punch	48,368.00	6,933.12
Scrap	44,035.00	660.53
Total	? $228,501.47	$68,744.66

Total DMEA Production to Date:

Type	Pounds	Amount
Sheet mica	1,222.47	$18,028.27
Hand Cobbed	224,770.00	64,366.14
Punch	48,368.00	6,933.12
Scrap	44,035.00	660.53
	318,395.47	$89,988.06

Roy

Other Remarks:

The property is being operated by three sons of Ernest Crowder and another young man to whom they are paying a salary. ~~[illegible]~~ The lease is in the name of Lewis Crowder, the oldest of the sons. These boys have been operating here since the summer of 1954 and have produced a large quantity of mica. Their expenses are very low as the pegmatite is soft, and no drilling or blasting is required. When the mica shoot gives out or the going gets bad they will sink another shaft on another part of the pegmatite. The shafts are from 80 to 100 feet deep and usually are untimbered. On one occasion when the writer visited the property there was not even a ladder in the 80 foot shaft from which they were working.

Wm. A. Beck, Mining Engineer
Bureau of Mines

Oak Ridge, Tennessee

THIS DEPOSIT IS NOT SUBJECT TO CHECK

DEPOSIT NO. 14-23-070-103

For credit of 428 Br. Trst. Regional Office, Oak Ridge, Tenn. 5/10/56
(Name, title, and disbursing or other identification symbol of accountable officer) (Date sent)

deposited with Hamilton National Bank, Knoxville, Tennessee
(Name and location of depositary)

$ 830.00

for accounts listed below. SCHEDULE NOS.

ACCOUNT SYMBOL	TITLE OF ACCOUNT TO BE CREDITED	AMOUNT
14X1401	Idm-E-410 Elk Mining Co. (Royalty Payment)	3.28
	Idm-E-77 Gaston Strategic Minerals Co. (Royalty Payment)	826.72

(Depositor will insert below his name, title, Department or Agency concerned, and his address)

Defense Minerals Exploration Administration
Bureau of Mines, Dept. of Interior
Helen R. Miller, Adm. Asst.
P. O. Box 217
Norris, Tennessee

SPACE BELOW TO BE USED BY DEPOSITARY ONLY

I certify that the above amount has been received for credit in the account of the Treasurer of the United States on the date shown, subject to adjustment for uncollectible items included therein.

(Authorized signature)

(Date of credit in Treasurer's account)

DEPOSITARY WILL DATE, SIGN, AND RETURN THIS TO DEPOSITOR FOR HIS RETAINED COPY

16—59686b-1 GPO

TRIPLICATE

STANDARD FORM 201 (Formerly Cert. of Deposit, Form 1)
Promulgated Oct. 1949 by Treasury Dept., Fiscal Service

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 45 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

RECEIVED
MAY 11 1956

May 9, 1956

Memorandum

To: Helen Miller, Ass't Administrative Officer, Region V

From: Clerk - DMEA Office - Knoxville, Tenn. Region V

Subject: Royalty Payment - Idn-877, DMEA-1388, Gaston Strategic Minerals Co., Spruce Pine, N. C. Huskins Mine (mica)

Transmitted is a check in the amount of $826.72, signed by Mr. Louis Crowder, Operator of the subject mine.

This check represents mica sold from August 19, 1955 to February 10, 1956. Vouchers for the sales did not accompany the check, however, we will try to obtain copies from Mr. Crowder.

Zula B. Martin, Clerk

ZM.
cc:
Mittendorf
Lynch
Files

5
7

Rubin
Dwyer

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SOLICITOR
WASHINGTON 25, D. C.

DEC 19 1955

Memorandum

To: The Administrator, DMEA

From: Associate Solicitor, Division of Mineral Resources

Subject: Royalty obligations under Docket No. DMA-1306X (Mica)
Gaston Strategic Minerals Company, Inc., Contract I4m-277

Your recent memorandum requests clarification of the discussions in two prior memoranda from this office concerning the obligation to pay royalty.

The discussion in question in the memorandum dated August 16, 1954 (under question 3 on page 3) related to the obligation of the Operator, Calumet and Hecla, to pay royalty under an Amended Contract written on the long form of February 1952 (Docket No. DMA-1206X). Specifically, it was addressed to an inquiry as to the Government's rights to royalty under the Operator's personal guaranty, given in lieu of a Landlord's Subordination Agreement, in which the Operator assumed obligations ". . . to the same extent as if the Subordination Agreements of the lessors had been given." Thus, the discussion of the obligations under a Landlord's Subordination Agreement in that unusual case refers to the obligations of the Operator, Calumet and Hecla, under its guaranty. As no landlord's undertaking was involved the memorandum did not encompass the question of the liability of a landlord.

On the other hand, the memorandum dated August 24, 1954, dealt with the obligations of both the Operator under the contract form of June 1951 (which does not contain an abandonment clause), and of the landowner who had executed a Landlord's Subordination Agreement. The conclusion was that in these circumstances in the event of "abandonment" by the Operator, both the Operator and the landlord remained liable for the Government's royalty.

In any rereading of the memoranda discussed herein it should be noted that (1) the memorandum of August 16, 1954, deals with an unusual fact situation involving the February 1952 long form, and (2) the memorandum of August 24, 1954, concerns the general rules which apply to the obligations of a lessee-operator under the oldest contract form and a landlord who executed the Landlord's Subordination Agreement in connection therewith.

Robert P. Dwyer

Robert P. Dwyer

HCRubin/emd
Copy to: DMEA Docket
Solicitor's Docket
L. G. Houk
G. C. Selfridge
Adm. R. File
R.P.Dwyer
HCRubin
chron.

Selfridge.
Hoch
Feldman

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

DEC 12 1955

Memorandum

To: Mr. Robert P. Boyer, Associate Solicitor
Division of Mineral Resources

From: Administrator, DMEA

Subject: Royalty obligations on certified projects
Docket No. DMA-1[illegible] (mica)
Gaston Strategic Minerals Company, Inc.
Hawkins Mine
Gaston County, North Carolina
Contract No. Idm-877

Reference is made to a memorandum dated August 24, 1954, signed by Henry C. Rubin for J. L. Hofflund, Acting Assistant Solicitor, Defense Minerals, subject above. The memorandum mentions that a similar memorandum dated August 16, 1954, in connection with Calumet and Hecla (Docket No. DMA-1[illegible]) stated that the landlord assumes the obligation of the lessee to pay royalty if the leasehold should be surrendered or terminated. This particular reference is found in the penultimate paragraph on page 3 of the Calumet and Hecla memorandum.

In view of the information contained in the two memoranda, why is it that the Government may look to the Gaston Strategic Minerals Company for the payment of royalty after abandonment, as stated in the last paragraph of the August 24, 1954, memorandum?

D. C. [illegible]
(857)
Administrator

GCSelfridge/esf
12/8/55
cc to: Docket
Admr. R. File
Mr. Johnson
Mr. Mittendorf
Mr. Selfridge

TRIPLICATE

STANDARD FORM 201 (Formerly Cert. of Deposit, Form 1)
Promulgated Oct. 1949 by Treasury Dept., Fiscal Service

THIS DEPOSIT IS NOT SUBJECT TO CHECK

Oak Ridge, Tenn.

DEPOSIT NO. 14-23-070-48

For credit of 428 RR TRSY Regional Office, Oak Ridge, Tenn. (Name, title, and disbursing officer's identification symbol or accountable officer) 12/7/55 (Date sent)

deposited with Hamilton National Bank, Knoxville, Tennessee (Name and location of depositary)

$ 950.95

for accounts listed below. SCHEDULE NOS.

ACCOUNT SYMBOL	TITLE OF ACCOUNT TO BE CREDITED	AMOUNT
14X4401	Idm-E-77 Huskins Mine (Royalty Payment)	$950.95

(Depositor will insert below his name, title, Department or Agency concerned, and his address)

Defense Minerals Exploration Administration
Bureau of Mines, Dept. of Interior
Helen R. Miller, Adm. Asst.
P. O. Box 217
Norris, Tennessee

SPACE BELOW TO BE USED BY DEPOSITARY ONLY

I certify that the above amount has been received for credit in the account of the Treasurer of the United States on the date shown, subject to adjustment for uncollectible items included therein.

(Authorized signature)

(Date of credit in Treasurer's account)

DEPOSITARY WILL DATE, SIGN, AND RETURN THIS TO DEPOSITOR FOR HIS RETAINED COPY

16—59686b-1 GPO

RECEIVED
DEC 1 2 1955

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1025 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

RECEIVED
DEC - 8 1955

December 6, 1955

Memorandum

To: Helen Miller, Ass't Administrative Officer- Region V

From: Executive Officer, DMEA - Region V - Knoxville, Tenn.

Subject: Royalty payment on - DMA-1388K, Idm-K77 (mica) Huskins Mine, Gaston County, N. C.

Transmitted is a check in the amount of $950.95, royalty payment for mica sold from the subject contract. Also is attached a list of the sales sent in by Mr. Crowder. Since there were several errors in the amount of the sales listed, and in the addition, we wrote Mr. Crowder a letter (copy of which is attached). No corrected sale slip was received - only a check in the correct amount. If, at a later date it is possible to get copies of the sales, we will send a copy to your office. This payment represents 13 sales, totalling 40,390 pounds of hand-cobbed mica, between July 7 and November 18, 1955.

Robert A. Lawrence

ZM.
cc:
Mittendorf
Lynch
Shirley
Files

COPY

RECEIVED
DEC - 8 1956

November 30, 1955

Mr. Lewis W. Crowder

Spruce Pine, North Carolina

Re: DMEA-1388, Idm-E77 (mica)
Huskins Mine, Gaston County, N. C.

Dear Mr. Crowder:

This will acknowledge receipt of your check dated November 26, 1955 with a list of mica sales made by you from July 7, 1955 to November 8, 1955 from production at the subject mine. The check is being returned to you because it is not properly made out and because your list of sales does not agree with our records. The figures on the check show $930.72, while the written amount is "Nine hundred-thirty-two Dollars and 72/100 dollars."

On lot SPBR-35(a) you show the amount received as $2,475.97 while our records show that you received $2,478.97. On lot SPBR-191 you list shows that you received $518.82 while our records show that you received $518.52. Should not the lot number on the Final payment you received on October 19, 1955 be SPRB-81 instead of 91 ?

We are returning your list together with an adding machine tape showing all the sales as we have them recorded. You will note that the total of these sales is $19,019.05. The Government's royalty on this amount at 5 percent is $950.95. If your records agree with ours, please make the necessary corrections on the list and return it together with your check in the above amount.

If it is at all possible we would appreciate your sending us copies of the sale slips on each individual sale when you send your royalty payment.

Very truly yours,

Wm. A. Beck, Acting
Executive Officer, DMEA
Field Team, Region V

WAB/sm
cc: Finance Office
Mittendorf
Shirley
Lynch
Files

RECEIVED
DEC 23 1955

REPORT OF INSPECTION OF CERTIFIED PROJECT

DMEA-1388, Idm-E77, HUSKINS MINE (mica)
Gaston County, N. C.

Operator: Gaston Strategic Minerals Co., Inc. Spruce Pine, N. C.

Present Operator: Ernest and Lewis Crowder, Spruce Pine, N. C.

This property was visited on December 5, 1955. Lewis Crowder was still operating the mine and paying the Government its royalty. He made a sale of 21,000 pounds of run-of-mine mica the week prior to this visit for which he will receive $4,444.44 as an initial payment. This sale was made on the Government's "B" program on which the Operator receives a maximum of $600.00 per ton. He stated that he would be more prompt in sending the Government its royalty in the future.

December 5, 1955

Wm. A. Beck, Mining Engineer
Bureau of Mines

z

TRIPLICATE

STANDARD FORM 201 (Formerly Cert. of Deposit, Form 1)
Promulgated Oct. 1949 by Treasury Dept., Fiscal Service

THIS DEPOSIT IS NOT SUBJECT TO CHECK

Oak Ridge, Tennessee

DEPOSIT NO. 14-23-070-15

For credit of 428 TRSY Br Regional Office, Oak Ridge, Tennessee
(Name, title, and disbursing or [illegible] identification symbol of accountable officer) [illegible]ate sent)

deposited with Hamilton National Bank, Knoxville, Tennessee
(Name and location of depositary)

$ 575.55

for accounts listed below. SCHEDULE NOS.

ACCOUNT SYMBOL	TITLE OF ACCOUNT TO BE CREDITED	AMOUNT
14X4401	Idm-577, Gaston Strategic Minerals (Royalty Payment)	575.55

(Depositor will insert below his name, title, Department or Agency concerned, and his address)

Defense Minerals Exploration Administration
Dept. of Interior, Bureau of Mines
Helen R. Miller, Adm. Asst.
P. O. Box 217
Norris, Tennessee

SPACE BELOW TO BE USED BY DEPOSITARY ONLY

I certify that the above amount has been received for credit in the account of the Treasurer of the United States on the date shown, subject to adjustment for uncollectible items included therein.

Mona J. Duncan
(Authorized signature) Auditor

AUG [illegible]
(Date of credit in Treasurer's account)

DEPOSITARY WILL DATE, SIGN, AND RETURN THIS TO DEPOSITOR FOR HIS RETAINED COPY

16—59686b-1 GPO

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

RECEIVED
AUG - 5 1955
DMEA HQ.

August 3, 1955

Memorandum

To: Helen Miller, Asst Administrative Officer, Region V

From: Executive Officer, DMEA - Region V

Subject: Royalty payment - Ich-577, MA-1310, Boston Strategic Minerals Corporation, Inc. Mustins Mine, Boston County, N. C.

Attached is a list of sales made by the subject operator to the Mica Buying Depot at Spruce Pine, North Carolina totalling $11,510.92, and a check for 5% royalty in the amount of $575.55.

Robert A. Lawrence

575

RAL
cc:
Lynch
Allmann
Hittenbori
Miles

C O P Y

RECEIVED
AUG - 5 1955

Date of Sale	Lot No.	Pounds	Amt. Rec'd	Remarks
1/22/55	SPBR-5		$524.90	Hand Cobbed Final payment
3/7/55	SPBR-6		367.20	Final Payment
3/24/55	SPBR-7	6,629.00	$1,365.80	Initial Pay't (hand cobbed)
3/24/55	SPBR-7		221.52	Final Payment " "
4/29/55	SPBR-35	12,490.00	2,810.28	Initial Payment " "
5/19/55	SPBR-69	17,140.00	3,427.98	" "
6/3/55	SPBR-98	9,881.00	1,976.22	" "
6/17/55	SPBR-133	4,085.00	817.02	" "
		TOTAL.....	$11,510.92	

Government's Royalty @ 5% .. $575.55

Copied by zm.
cc:
Lynch
Mittendorf

(DMEA-1388, Idm-E77. Huskins Mine, Gaston Strategic Minerals)
Gaston County, N. C.

RECEIVED
JUL - 8 1955

REPORT OF INSPECTION OF CERTIFIED PROJECT

DMEA-1388, Idm-E77 (mica) HUSKINS MINE, GASTON COUNTY, N. C.

Operator: Gaston Strategic Minerals Company, Inc. Spruce Pine, N.C.

Present Operator: Ernest & Lewis Crowder, Spruce Pine, N. C.

This mine was visited on June 29, 1955. Lewis Crowder and three other men were starting a new shaft on the south end of the deposit and were down about 6 feet. Some mica was recovered at one point in the excavation, but none was showing in the bottom.

Mr. Crowder stated that he would take care of the Government's royalty now due when he returned to Spruce Pine at the end of the week. He also stated that in the future he would send the royalty after each sale.

Date of Inspection: June 29, 1955.

Wm. A. Beck, Mining Engineer
U. S. Bureau of Mines

z

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

RECEIVED
JUN 29 1955

June 27, 1955

Mr. J. B. Huskins
Route 2
Bessemer City, North Carolina

Re: Docket No. DMEA-1388 (mica)
Huskins Mine
Gaston County, North Carolina
Contract Idm-E77

Dear Mr. Huskins:

A recent check of the mica sales to the Government Buying Depot from the subject mine showed that Lewis W. Crowder has received payment on the mica sales listed below and on which the Government has not received its royalty.

Date of Sale	Lot. No.	Pounds	Amount Received	Remarks			
1/22/55	SPBR-5		$ 524.90	Hand	Cobbed,	Final	Payment
3/ 7/55	SPBR-6		367.20	"	"	"	"
3/24/55	SPBR-7	6,829.00	1,365.80	"	"	Initial	"
3/24/55	SPBR-7		221.52	"	"	Final	"
4/29/55	SPBR-35	12,490.00	2,810.28	"	"	Initial	"
5/19/55	SPBR-69	17,140.00	3,427.98	"	"	"	"
6/ 3/55	SPBR-98	9,881.00	1,976.22	"	"	"	"
	Total		$10,693.90				
	Government's royalty @ 5%		534.70				

This royalty is past due. Please advise Mr. Crowder to that effect and tell him to mail his check together with copies of the settlement sheets to this office as soon as possible. Check should be made payable to Defense Minerals Exploration Administration. Royalty is also due on any other sales, such as scrap, punch, etc.

Very truly yours,

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

WAB/mg
cc - Operating Committee (2)
Allsman
Lynch
Shirley
Finance Office
Crowder

QUADRUPLICATE

STANDARD FORM 209c (Formerly Cert. of Deposit, Form 6599)
Promulgated August 1951 by Treasury Department, Fiscal Service

CERTIFICATE OF DEPOSIT FOR CHECKING ACCOUNT

DEPOSIT NO.
14-23-070-89

Deposited with Hamilton National Bank, Knoxville, Tennessee
(Name and location of depositary) (Date sent)

$ 777.27

the sum shown opposite for credit, subject to check, in the disbursing account of—

SYMBOL NO.
1428

E. A. Hudson, Oak Ridge, Tennessee
(Name and address of officer to be credited)

On account of—

E TT 382.88

14X4401 $777.27 Royalty Payments (See Reverse)

(Depositor will insert below his name, title, Department or Agency concerned, and his address)

Helen R. Miller, Adm. Asst.
Interior Dept., Bureau of Mines
P. O. Box 1909
Knoxville 1, Tennessee

SPACE BELOW TO BE USED BY DEPOSITARY ONLY
I certify that the above amount has been received for credit in the account of the Treasurer of the United States on the date shown, subject to adjustment for uncollectible items included therein.

(Authorized signature)

(Date of credit in Treasurer's account)

DEPOSITARY WILL DATE, SIGN, AND RETURN THIS TO DEPOSITOR FOR HIS RETAINED COPY

Idm-E-734	Boone & Jarrett	$ 38.51
Idm-E-682	B.B. Duval, et. al	5.42
Idm-E-736	Audy Pitman	10.60
Idm-E-726	Buchanan and Johnson	272.78
Idm-E-77	Gaston Strategic Mine als	382.88
Idm-E-181	Yancey Mica	67.08

APR 15 1955
U.S. BUREAU OF MINES
ELECTROCHEMICAL LABORATORY
NIAGARA FALLS, N.Y.

APR 14 1955
TREASURY DEPARTMENT
Division of Disbursement
Oak Hagen, Texas

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

April 11, 1955

Memorandum

To: Helen Miller, Ass't Admin. Officer - Norris - Knoxville

From: Executive Officer, DMEA - Region 5 - Knoxville, Tennessee

Subject: Royalty payment - Idm-E77, DMEA-1388, Gaston Strategic Minerals Spruce Pine, N. C.

Transmitted are bill-of-sales in the amount of $7,657.63 and a check for 5% royalty in the amount of $382.88.

Robert A. Lawrence

RM.
cc.
Mittendorf
Shirley
Lynch
Files
Allaman

C O P Y

GASTON STRATEGIC MINERALS,
HUSKINS MINE, GASTON COUNTY, N. C. DMEA-1388, Idm-E77

Lewis W. Crowder Now Operating the mine.

Program A

8-10-54,	Sold to Carpenter & Phillips Mica Co. 1029 lbs. @ 9¢		$92.61
7-27-54	" " " " " 1165 lbs @ 8¢		93.20
Sold to GSA Mica Buying Depot, Spruce Pine, N. C.			$185.81

	Lot No.	Lbs.	Amount of sale	
6-23-54	1,467	22.88	.....	422.83
7-8-54	66	24.75	.....	423.14
7-29-54	211	23.01	.....	357.95
8-10-54	287	29.69		501.09
8-30-54	408	16.87	.....	293.69
1955				
2-9-55	1,466	37.37		633.23
				2,631.92

Program B

1954				
Aug. 25	SPER-3	11,005	$3,301.50	
Jan. 27, 1955	"-5	7,752	1,162.80	
Mar. 7, 1955	"-6	1,878	375.60	4,839.90

Total sales subject to royalty..... $7,471.82
Royalty due at 5% 373.59

Grand Total.....$7657.63

Royalty check dated April 7, 1955.....$382.88

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 5 1955

January 3, 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region VII - Knoxville

Subject: DMEA-1388, Idm-E 77 (mica) Gaston Strategic Minerals Co.
Huskins Mine, Gaston County, N. C.
and
DMEA-2377, Idm-E 311 (mica) Self Mine

The address of J. B. Huskins and Mrs. Elizabeth Huskins is Bessemer City, North Carolina.

The letter you sent on September 24, 1954 was mailed from here on September 30 by registered mail to Mr. Huskins at Bessmer City. It was not returned, so we assume that it was delivered to Mr. Huskins.

We will get the address of the owners of the Self Mine and fofward it to you at the earliest opportunity.

Robert A. Laurence

Robert A. Laurence

Docket Copy
Surname:
Anderson
Houk
Selfridge
Johnson
Matthews

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

DEC 28 1954

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

Dear Mr. Laurence:

Reference is made to Reports of Inspection of Certified Projects, dated December 6, 1954, on the two following projects both located in Gaston County, North Carolina:

Docket No.	Contract No.	Mine	Owner
DMEA-1388	Idm-K77	Huskins	J. B. Huskins and Mrs. Elizabeth Huskins
DMEA-2377	Idm-K311	Self	E. R. Self and Mrs. E. R. Self

We note from the reports that mica is being produced at both of the above mines by Operators other than the original Operators who conducted operations under DMEA exploration contracts. Since we wish to make contact with the above owners, please obtain and forward their addresses.

On September 24, 1954, we forwarded you a letter to Mr. J. B. Huskins which had been returned from the Cherryville Post Office to be forwarded by registered mail to the correct address. Please indicate whether Mr. Huskins received that letter as we have no record of it here.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee

Approved:

C. H. JOHNSON
Member, Bureau of Mines

Thor H. Kiilsgaard
Member, Geological Survey

WCAnderson:gad 12/22/54
Copy to: Admr. R. File
Docket (2)
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk (2)

R.C.G.

Bureau of Mines
RECEIVED
DEC 16 1954

REPORT OF INSPECTION OF CERTIFIED PROJECT

DMEA-1388X, Idm-E77 (mica)

HUSKINS MINE, Gaston County, N. C.

Operator: Gaston Strategic Minerals Co., Inc. Spruce Pine, N. C.

This mine was visited December 6, 1954. No one was on the property at the time, but indications were that the mine was being operated as there was equipment on the property.

Mr. J. B. Huskins the property owner, was interviewed at this home nearby. He stated that he is allowing Ernest Crowder to operate the mine without a lease. Crowder is paying him 10 percent royalty on any sales. To date he has received $300 or $400 in royalties from Crowder. Mr. Huskins stated that he told Crowder he should pay the Government its royalty of five percent.

December 6, 1954.

Wm. A. Beck, Supervising Mining Engineer
U. S. Bureau of Mines

Docket Copy
Surname:
Houk

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

SEP 24 1954

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

Re: Docket No. DMEA-1388 - Mica
Gaston Strategic Minerals Company, Inc.
Huskins Mine
Gaston County, North Carolina
Contract No. Idm-E77

Dear Mr. Laurence:

The enclosed letter to Mr. J. B. Huskins has been returned from the Cherryville Post Office, and inasmuch as we have no better address for the Owner, please send it forward by registered mail to the correct address.

Sincerely yours,

C. O. Mittendorf

Administrator

Enclosure

LGHouk:gad 9/24/54

Copy to: Admr. R. File
Docket
Mr. Johnson
Operating Committee
Mr. Hedges, 4604
Mr. Kiilsgaard, 5227
Mr. Houk

R

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

600
SURNAME
Hoffland
Houck
Chairman
Selfridge
Johnson

SEP 21 1954

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

Subject: Docket No. DMEA-1388 - Mica
Gaston Strategic Minerals
Company, Inc.
Huskins Mine
Gaston County, North Carolina
Contract No. Idm-E77

Dear Mr. Laurence:

Reference is made to your letter of July 12, 1954, to Mr. Ernest Crowder.

Under the subject contract, the Government may look to the Gaston Strategic Minerals Company, Inc., the Operator, or to the landlord, or to both simultaneously for payment of the royalty; but it may not look to Mr. Crowder for payment. A copy of Counsel's memorandum on this point is enclosed. You can well understand the difficulty of collecting royalty from operators who incorporate for the purpose of a DMEA exploration contract, when the project is not as successful as they had hoped, and the lease is surrendered.

A copy of our letter to Mr. Huskins, who with his wife signed a Landlord's Subordination Agreement, will reach you under separate cover.

Sincerely yours,

George C. Selfridge
(by ESJ)

Chairman, Operating Committee

Approved:

J. H. Hedges

Member, Bureau of Mines

Thor H. Kiilsgaard

Member, Geological Survey

Copy to: Admr. R. File
Solicitor's Docket
DMEA Docket
Operating Committee
Mr. Johnson
Mr. Hedges, 4604
Mr. Thayer, 4307 GSA
Mr. Houk

LGHouk/HCRubin:gad:bbh 9-14-54

Enclosure

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

Returned 9-14-54

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

Subject: Docket No. DMEA-1388 - Mica
Gaston Strategic Minerals Company, Inc.
Huskins Mine
Gaston County, North Carolina
Contract No. Idm-E77

Dear Mr. Laurence:

Reference is made to your letter of July 12, 1954, to Mr. Ernest Crowder.

Under the present contract, the Government may look to the Gaston Strategic Minerals Company, Inc., the Operator, or to the landlord, or to both simultaneously for payment of the royalty; ~~The surrender of the lease and presumable dissolution of the company makes collection from the company improbable leaving only the land owner's to look to for collection. The formation of these collapsible corporations to do a single exploration job, and abandonment of the lease at the end of the exploration project or when mining becomes unprofitable, presents a problem in protecting the Government's interest.~~

Sincerely yours,

Chairman, Operating Committee

Approved:

Member, Bureau of Mines

Member, Geological Survey

You can well understand the difficulty of collecting royalty from ~~corporate~~ operators who come into the field for the purpose of a quick exploration contract and if the project is not as successful as they had hoped, and the lease is surrendered.

A copy of Counsel's memorandum on this point is enclosed. (Also the original copies in docket)

A copy of our letter to Mr. Hardin, with his life signed a landlord's subordination agreement will reach you under separate cover.

Docket Copy
Surname:
Houk
Hoffhund
Chamberlin
Hedges
Kiilsgaard
Selfridge
Y.E. Johnson

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

INTERIOR DEPT.
SEP 8 - 1954
SOLICITOR

SEP 21 1954

Mr. J. B. Huskins

Cherryville, North Carolina

Re: Docket No. DMEA-1388 - Mica
Gaston Strategic Minerals Company, Inc.
Huskins Mine
Gaston County, North Carolina
Contract No. Idm-E77

Dear Mr. Huskins:

Reference is made to the Landlord's Subordination Agreement which you signed on May 26, 1951.

By the terms of the Landlord's Subordination Agreement you agreed, "that if said leasehold interest should be surrendered or if said lease should terminate at any time prior to the expiration of the rights of the United States of America under said Exploration Project Contract, the undersigned shall assume and does hereby assume all of the obligations of the Lessee under said Exploration Project Contract to make repayment to the United States of America according to the terms of said contract".

A certification of discovery or development was made on the Huskins Mine in Gaston County, North Carolina, on May 22, 1952. Enclosed you will find a copy of the certification of discovery or development. We regret the failure to send you a copy of the certification until this late date.

Sincerely yours,

Frank E. Johnson

ACTING Administrator

Enclosure
LGHouk:gad 9/3/54
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Johnson
Mr. Hedges, 4604
Mr. Thayer, 4307 GSA Bldg.
Field Team, Region VII
Mr. Houk

R.C.G.

Docket Copy
Surname: Houk

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

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

Subject: Docket No. DMEA-1388 - Mica
Gaston Strategic Minerals Company, Inc.
Huskins Mine
Gaston County, North Carolina
Contract No. Idm-E77

Dear Mr. Laurence:

Reference is made to your letter of July 12, 1954, to Mr. Ernest Crowder.

The Government may look to the Gaston Strategic Minerals Company, Inc., the Operator, or to the landlord, or to both simultaneously for payment of the royalty. The surrender of the lease and presumable dissolution of the company makes collection from the company improbable leaving only the land owner's to look to for collection. The formation of these collapsible corporations to do a single exploration job, and abandonment of the lease at the end of the exploration project or when mining becomes unprofitable, presents a problem in protecting the Government's interest.

Sincerely yours,

Chairman, Operating Committee

Approved:

Member, Bureau of Mines

Member, Geological Survey

LGHouk:gad 9/3/54
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Johnson
Mr. Hedges, 4604
Mr. Thayer, 4307 GSA
Mr. Houk

DMEA
File Copy

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SOLICITOR
WASHINGTON 25, D. C.

August 24, 1954

Memorandum

To: The Administrator, DMEA

From: Acting Assistant Solicitor, Defense Minerals

Subject: Royalty obligations on certified projects
Docket No. DMA-1388X (mica)
Gaston Strategic Minerals Company, Inc.
Huskins Mine
Gaston County, North Carolina
Contract Idm-E77

This responds to your memorandum dated July 22, asking a question with respect to the obligation to pay royalty under the subject contract.

The contract was executed on an old form (MF-200 of June 1951) and the Landlord's Subordination Agreement is attached thereto. The project was certified on May 22, 1952, and the Government has received more than $1,000 in royalty from the operator. It appears, from the docket, that sometime during 1953 the operator "abandoned" the property, and in the early part of this year the owners leased the property to Mr. Ernest Crowder, who is now producing. In a letter dated July 12, the Executive Officer requested royalty from the new lessee. Your question is:

> "Under these conditions ... to whom should the Government look primarily for payments?"

The Executive Officer's letter requesting payment of royalty by Mr. Crowder was improper, as Mr. Crowder is not a party to the contract and it does not appear that he has assumed any obligation thereunder.

In your letter dated July 15 to the Regional Director, Bureau of Mines, at Denver, concerning Bachelor Development Company (Docket No. DMEA-1243), where the operator owned the land, it was stated:

"The contract is on an old form (June 1951). Article 15 of this contract form provides that in the event of a certification of discovery or development—

> '... the Operator and his successor in interest shall be and become obligated to pay to the Government a percentage royalty on ... net proceeds ... This obligation ... shall be and remain a claim and lien upon the mineral deposit and upon any production resulting from such discovery or development ... 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.'

"In our view, under the provisions quoted above, the operator remains liable for the payment of royalty on production regardless of the fact that he transferred the land to a purchaser. Should production be made from the Bachelor mine in the future, the Government should continue to demand royalty from the operator."

This case differs from the Bachelor case in that the operator is a lessee and the Landlord's Subordination Agreement is attached to the contract. In regard to the Landlord's Subordination Agreement, our memorandum dated August 15 in connection with Calumet and Hecla (Docket No. DMA-1206X), said that the landlord assumes the obligation of the lessee to pay royalty if the leasehold should be surrendered or terminated.

Accordingly, the Government may look to the Gaston Strategic Minerals Company (operator) or to the landlord, or to both simultaneously for the payment of royalty.

Henry C. Rubin

For J. L. Hofflund
Acting Assistant Solicitor
Defense Minerals

HCRubin:ep

Copy to: Mr. Houk (2)
Mr. Hofflund
Mr. Rubin
Chron.
Solicitor's Docket
DMEA Docket

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

August 18, 1954

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: DMEA-1388, Idm-E 77 (mica) Gaston Strategic Minerals Co. Huskins Mine, Gaston County, North Carolina. Delinquent Royalties.

Please refer to the report of inspection of the subject property dated July 9, 1954, submitted by Mr. Wm. A. Beck.

On July 12, we wrote Mr. Ernest Crowder, requesting payment of royalty due the Government on production from the Huskins mine. No answer has been received.

Following is a resume' of the history of this project:

Contract with Gaston Strategic Minerals Co., signed July 23, 1951. Ernest Crowder was a partner in this company.

Landlord's Subordination Agreement signed May 26, 1951 by J. B. Huskins and Mrs. Elizabeth Huskins of Cherryville, N. C.

Discovery certified May 22, 1952 and Operator notified by letter on same date. List of copies on the certification does not show one sent to land owners.

Royalties totalling $1,140.21 paid through October 1952, leaving a balance due of $3,899.79.

Letter from Operator dated February 19, 1953, signed by F. O. Phillips, states that mine was closed down. This is the last correspondence from the Operator in our files.

Subsequent visits by field examiners indicated abandonment of the mine, surrender of the lease by Gaston Strategic Minerals Company, and (presumably) dissolution of the Company.

The question now is, who owes the Government the royalty on the current sales? Does Mr. Crowder, as a partner in the Gaston Strategic Minerals Company have any liability now that he is operating under a new lease, as an individual? Should collection be made from the owner, who was never notified that a certification exists and is probably unaware of any liability?

Inasmuch as our letter to Mr. Crowder received no response, we suggest that the Washington office write to the responsible party and request payment. The only sale of wh ch we have knowledge is the one for $422.83 on June 23, 1954, but it is safe to assume that there are other sales of both strategic and non-strategic mica, which were not reported to us.

Robert A. Laurence

Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION VII

Wm. A. Beck

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

z

Selfridge

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

July 22, 1954

Memorandum

To: Mr. John Hefflund
Acting Assistant Solicitor, DMEA

From: Administrator, DMEA

Subject: Royalty obligations on certified projects
Docket No. DMEA-1388
Gaston Strategic Minerals Company, Inc.
Huskins Mine
Gaston County, North Carolina
Contract No. IDm-E77

Referring further to my memorandum of July 19, 1954, to you, I am sending the subject dockets for your study and comment on the question which appears below.

The contract was executed on Form MF-200 (June 1951) between the Gaston Strategic Minerals Company, lessee, and the Government. The lessors signed the Landlord's Subordination Agreement, Form MF-202. The project was certified May 22, 1952, and the Government has received more than $1,000 in royalty from the Operator. Subsequently, the Operator abandoned the property. During the early part of this year the owners leased the property to Mr. Ernest Crowder who is now producing mica. You will note that Mr. Robert A. Laurence, Executive Officer, DMEA, Region VII, has written Mr. Crowder, in a letter dated July 12, 1954, requesting royalties on sales made on production from the mine.

Will you please give me your opinion on the following question:

1. Under the conditions as set forth above, to whom should the Government look primarily for royalty payments? It is my thought that Mr. Laurence should have first written to the lessors.

For my information in cases such as this, will you please briefly outline the obligations for royalty payments, if due, of the lessor, the Operator as lessee, and a third party who might produce from the land covered by the contract and certification, if not covered in your answer to question 1. Please furnish copies of your memorandum for Messrs. Johnson and Selfridge and the two dockets.

C. O. Mittendorf
Administrator

GCSelfridge/esf
cc to: Docket
Admr. R. File
Messrs: Johnson
Houk - Selfridge

R.C.S.

REPORT OF INSPECTION OF CERTIFIED PROJECT

DMA-1388, Idm-E 77 (mica)
HUSKINS MINE
Gaston County, N. C.
Gaston Strategic Minerals Company, c/o Lin Carpenter, Pres. Spruce Pine, N.C.
Now leased to Ernest Crowder, Spruce Pine, N. C.

Accompanied by B. J. Brekhus, Auditor, Contract Administration and Audit Division, the writer contacted Fletcher O. Phillips on July 9, 1954 to audit the records of sales made from the subject mine. The records showed that $22,801.18 worth of mica has been sold from the mine, on which the Government has received $1,097.96 as royalty. A sale of punch mica made on October 10, 1952 amounting to $844.98 had not been reported. Mr. Phillips gave us a check for $42.25 as the Government's royalty on this sale. Thus, the total royalty received to date is $1,140.21.

Mr. Ernest Crowder of Spruce Pine is now operating this mine. The records at the Buying Depot show that he made a sale amounting to $422.83 on June 23, 1954. He has been notified that the Government is entitled to its royalty on any production from the property.

The mine was visited on July 14, 1954 by Mr. Brekhus and the writer. Two of Mr. Crowder's sons were working in a new shaft ~~from which~~ from which they were recovering some nice mica.

July 9 and 14, 1954

Wm. A. Beck

Wm. A. Beck, Mining Engineer
U. S. Bureau of Mines

z

July 12, 1956

Mr. Ernest Crowder

Spruce Pine, North Carolina

Dear Mr. Crowder:

I have been advised that you are now operating the Hankins Mine, in Gaston County, N. C., and have recently made sales of mica from that mine.

There is a balance of $3,899.79 outstanding until July 23, 1961, unless paid earlier, as a result of the Certificate of Discovery issued on May 22, 1952, as a result of the successful exploration project carried out there under DMEA-1388, Idm-E 77 .

Therefore, a check for 5 percent of the gross sales price, payable to the Treasurer of the United States, accompanied by certified copies of sales slips, should be sent to this office, at least once a month when sales are being made.

Very truly yours,

Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION VII

RAL/xm

cc:
Beck
Lynch
Opr. Com.-2
Files

SEXTUPLICATE

STANDARD FORM 209e (Formerly Cert. of Deposit, Form 6599)
Promulgated August 1951 by Treasury Department, Fiscal Service

CERTIFICATE OF DEPOSIT FOR CHECKING ACCOUNT

DEPOSIT NO.
[illegible]

Deposited with [illegible] (Name and location of depositary) [illegible] (Date sent)

the sum shown opposite for credit, subject to check, in the disbursing account of—

$ 331.89

SYMBOL NO.
[illegible]

[illegible] (Name and address of officer to be credited)

On account of— [illegible] (See reverse) 142.25

(Depositor will insert below his name, title, Department or Agency concerned, and his address)

[illegible]

SPACE BELOW TO BE USED BY DEPOSITARY ONLY

I certify that the above amount has been received for credit in the account of the Treasurer of the United States on the date shown, subject to adjustment for uncollectible items included therein.

[illegible]

(Authorized signature)

(Date of credit in Treasurer's account)

DEPOSITOR WILL RETAIN THIS COPY

July 12, 1954

Memorandum

To: ~~[illegible]~~ Cora Piper, Finance Officer, Region VII

From: Executive Officer, DMEA - Region VII

Subject: Royalty payment on Idm-E 77, DMA-1388 (mica) Gaston Strategic Minerals
Spruce Pine, N.C.

Transmitted herewith is a check and voucher for royalty payment on mica sold from the subject contract in 1952.

Amount of check $42.25.

Robert A. Laurence

ZM
cc:
Beck
Lynch

Mittendorf

Files

Report of Inspection of Certified Project

DMEA-1388X Idm-E77 (mica)

HUSKINS MINE, Gaston Co., N. C.

Gaston Strategic Minerals Co., Inc.
Spruce Pine N. C.

This mine was visited June 1, 1954. Work was resumed at the mine during the month of May, 1954 and unwatering of the mine was nearly completed from the "Ernest Crowder" shaft. Present operator is Lewis Crowder and others from Spruce Pine, N. C. No production was reported by the operator up to the present time.

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

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

June 1, 1954

n = BCB noted

REPORT OF INSPECTION OF CERTIFIED PROJECT

DMEA- 1388X, Idm-E 77 (mica)

GASTON STRATEGIC MINERALS CO. Inc.

HUSKINS MINE, Gaston County, N. C.

The writer visited the subject mine on January 11, 1954. No work was being done at the time and no equipment was on the property.

Wm. A. Beck, Mining Engineer
U. S. Bureau of Mines

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

SEMI-ANNUAL REPORT OF CERTIFIED PROJECT

Period: July 1, 1953 to December 31, 1953

Docket No.: DMA-1388X Contract: Idm-E 194

Commodity: Mica

Operators Name: Gaston Strategic Minerals Co.

Address: c/o Lin Carpenter, President, Spruce Pine, North Carolina

Name of Mine : Huskins Mine

County: Gaston State: North Carolina

Date Certified: May 16, 1952

Contract Amount: $5,600.00 Amount Spent: $5,600.00

Governments Participation: 90% or $5,040.00 (or July 23, 1961)

Remark: No mica was produced from this property during this period. The mine has been abandoned and has caved in places.

To date sales in the amount of $21,956.20 have been made. The Government has received $1,097.96, leaving a balance of $3,942.04 to be paid.

Febraury 1, 1954

Preport prepared by: Wm. A. Beck,
Mining Engineer
U. S. Bureau of Mines

zm

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

SEMI-ANNUAL REPORT OF CERTIFIED PROJECT

Period: January 1, 1953 to June 30, 1953
Project No. DML-1388K, Contract- Idm-E 77. Commodity: Mica
Operator's Name: GASTON SMELTING MINERALS CO.
Address: Spruce Pine, North Carolina.
Name of Mine: Huskins. County: Gaston. State: North Carolina
Date Certified: May 16, 1952
Contract Amount: $5,600.00. Amount Spent: $5,600.00.
Government's Percentage Royalty 90% or $5,040.00 (or July 23, 1961)

Remarks:

At the close of this period the deposit was not in production. The Operator claimed they had to stop the mine operation due to soft material and water.

During this period sales to the General Services Administration amounted to 202.57 pounds of sheet mica for which $2,190.06 was paid. The Government received a check in the amount of $109.50 as its royalty. To date royalties amounting to $1,097.96 have been paid the Government.

TOTAL SALES FROM PROJECT TO DATE

	Pounds	Value	Royalty paid Gov.
Sheet	1,067.90	$15,396.34	
Punch washer, etc.	40,347.00	5,902.33	
Scrap	44,035.00	660.53	
TOTAL	85,449.90	$21,959.20	$1,097.96

Standard Form No. 1044—Revised
Form approved by Comptroller General U. S.
June 25, 1936

SCHEDULE OF COLLECTIONS

Schedule No. NOR 19

Sheet No. _____

Defense Minerals Exploration Administration (Department or Establishment) 14-23-070 (Bureau or Office)

Received by K. A. Hudson, Regional Disbursing Officer (Name) (Title) at Oak Ridge, Tenn. (Station)

Period February 1953 (Month or quarter ended) D. O. Symbol No. 1428

Date Received	Receipt Number	Name of Remitter	Detail Description of Purpose for Which Collections Were Received	Amount	Fund to be Credited (Symbol and title in full)
Check No. 245 dated 2/19/53		Gaston Strategic Mineral Co.	5% Royalty on mica sold under Contract Idm-F-77	109.50	14X4101 Revolving Fund Defense Production Act, Interior
			Total,	109.50	

Received _____, subject to collection.

(Disbursing clerk or accountable officer)

By _____

Forwarded February 25, 1953

By Cora A. Piper (Name)
Authorized Certifying Officer

Title _____

Certificate of Deposit No. _____ dated _____

U. S. GOVERNMENT PRINTING OFFICE 10—1790

Mitterdorf

C O P Y C O P Y

Spruce Pine, N. C.
Feb. 19, 1953

Mr. Robert A. Laurence
Executive Officer, DMEA
Room 13, Post Office Building
Knoxville 02, Tenn.

Re: DME-1388, Idm-E77 (mica)

Dear Mr. Lawrence,

Am enclosing check to cover the last two sales made from the Huskins Mine. We have been forced to stop the mine operation due to the soft material and water.

Yours Very truly

GASTON STR TEGIC MINERALS

s/ F. O. Phillips

ck: 109.60

COPIED
zm.
2/24/53

COPY COPY

GENERAL SERVICES ADMINISTRATION
Mica Purchase Depot - Spruce Pine, N. C.

WARRANTY, ACCEPTANCE AND INVOICE

DATE 2-12-53

ACCEPTANCE NUMBER 4-632

ISSUED UNDER CERTIFICATE OF AUTHORIZATION NUMBER EPS-4-226A

LOT NUMBER SP-632

RECEIPT AND WEIGHT TICKET NUMBER

WARRANTY

The undersigned, a participant in the Mica Program, warrants that the mica included in this lot of mica is of domestic origin, is not material owned previously by the Government, was not purchased from others prior to December 14, 1951, and is owned by the person or firm whose name appears below (herein referred to as "Seller").

NAME AND ADDRESS OF SELLER *(Type or print)*	SELLER OR PERSON AUTHORIZED TO SIGN THIS WARRANTY FOR SELLER
NAME Gaston Strategic Minerals Co.	SIGNATURE s/ F. O. Phillips
STREET ADDRESS Box 776	NAME *(Type or print)* F. O. Phillips
CITY, ZONE AND STATE Spruce Pine, N. C.	TITLE *(Type or print)* Partner

EVALUATION AND SETTLEMENT DATA

PROGRAM A - BLOCK OR FILM MICA

QUALITY	HALF TRIM			FULL TRIM		
	POUNDS	PRICE PER LB.	AMOUNT	POUNDS	PRICE PER LB.	AMOUNT
GOOD STAINED AND BETTER						
GRADES NO. 3 AND LARGER				.50	$70.00	35.00
GRADES NO. 4 AND 5				14.22	$40.00	568.80
GRADES NO. 5½ AND 6				42.16	$15.00	632.40
STAINED						
GRADES NO. 3 AND LARGER		$12.00		.50	$18.00	9.00
GRADES NO. 4 AND 5		$ 5.00		9.96	$ 8.00	79.68
GRADES NO. 5½ AND 6		$ 3.00		27.63	$ 5.00	138.15
HEAVY STAINED						
GRADES NO. 3 AND LARGER		$ 8.00		.12	$13.00	1.56
GRADES NO. 4 AND 5		$ 4.00		10.67	$ 6.00	64.02
GRADES NO. 5½ AND 6		$ 2.00		29.61	$ 3.00	88.83
TOTALS				135.37		$1,617.44
LOT TOTALS						

PROGRAM B - HAND-COBBED MICA

TOTALS					$ 0.30	

ACCEPTANCE

Subject to the terms and conditions of the Mica Regulation dated March 12, 1952 (17 F.R. 2279), establishing the Government's Purchase Programs for Domestic Mica, the Government accepts the number of pounds of mica (as hereinabove identified), delivered by the Seller to the Government for which payment in the total amount set forth hereinabove will be made by the Government.

GENERAL SERVICES ADMINISTRATION

BY *(Type name)*	SIGNATURE	TITLE
Carl Buchanan	s/ Carl Buchanan	Head Buyer

INVOICE

TO General Services Administration, Region IV

FOR Mica delivered as indicated above — $1,617.44

I certify that the above bill is correct and just and that payment therefor has not been received.

SELLER *(Type name)*	DATE
Gaston Strategic Minerals Co (Huskins Mine)	2-12-53
BY *(Signature)* s/ F. O. Phillis	NAME AND TITLE *(Type)* F. O. Phillips, Partner

GSA-WASH DC 53-3094

GSA FORM 1013
September 1952

COPY COPY

GENERAL SERVICES ADMINISTRATION
Mica Purchase Depot - Spruce Pine, N. C.

WARRANTY, ACCEPTANCE AND INVOICE

DATE: 1-27-53
ACCEPTANCE NUMBER: 4-570

ISSUED UNDER CERTIFICATE OF AUTHORIZATION NUMBER	LOT NUMBER	RECEIPT AND WEIGHT TICKET NUMBER
EPS-4-226 A	SP-570	

WARRANTY

The undersigned, a participant in the Mica Program, warrants that the mica included in this lot of mica is of domestic origin, is not material owned previously by the Government, was not purchased from others prior to December 14, 1951, and is owned by the person or firm whose name appears below (herein referred to as "Seller").

NAME AND ADDRESS OF SELLER *(Type or print)*	SELLER OR PERSON AUTHORIZED TO SIGN THIS WARRANTY FOR SELLER
NAME: Gaston Strategic Minerals Co.	SIGNATURE: s/ F. O. Phillips
STREET ADDRESS: Box 776	NAME *(Type or print)*: F. O. Phillips
CITY, ZONE AND STATE: Spruce Pine, N. C.	TITLE *(Type or print)*: Sec. & Treas

EVALUATION AND SETTLEMENT DATA

PROGRAM A - BLOCK OR FILM MICA

QUALITY	HALF TRIM			FULL TRIM		
	POUNDS	PRICE PER LB.	AMOUNT	POUNDS	PRICE PER LB.	AMOUNT
GOOD STAINED AND BETTER						
GRADES NO. 3 AND LARGER				~~[illegible]~~	$70.00	
GRADES NO. 4 AND 5				1.34	$40.00	53.60
GRADES NO. 5½ AND 6				22.26	$15.00	333.90
STAINED						
GRADES NO. 3 AND LARGER		$12.00			$18.00	
GRADES NO. 4 AND 5		$ 5.00		1.34	$ 8.00	10.72
GRADES NO. 5½ AND 6		$ 3.00		19.79	$ 5.00	98.95
HEAVY STAINED						
GRADES NO. 3 AND LARGER		$ 8.00			$13.00	
GRADES NO. 4 AND 5		$ 4.00		2.68	$ 6.00	16.08
GRADES NO. 5½ AND 6		$ 2.00		19.79	$ 3.00	59.37
TOTALS				67.20		572.62
LOT TOTALS						

PROGRAM B - HAND-COBBED MICA

TOTALS					$ 0.30	

ACCEPTANCE

Subject to the terms and conditions of the Mica Regulation dated March 12, 1952 (17 F.R. 2279), establishing the Government's Purchase Programs for Domestic Mica, the Government accepts the number of pounds of mica (as hereinabove identified), delivered by the Seller to the Government for which payment in the total amount set forth hereinabove will be made by the Government.

GENERAL SERVICES ADMINISTRATION

BY *(Type name)*	SIGNATURE	TITLE
Carl Buchanan	s/ Carl Buchanan	Head Buyer

INVOICE

TO: General Services Administration, Region IV

FOR: Mica delivered as indicated above — $572.62

I certify that the above bill is correct and just and that payment therefor has not been received.

SELLER *(Type name)*	DATE
Gaston Strategic Minerals Co (Huskins Mine)	1-27-53

BY *(Signature)*	NAME AND TITLE *(Type)*
s/ F. O. Phillips	F. O. Phillips, Sec. & Treas.

GSA-WASH DC 53-3094 COPY GSA FORM 1013 September 1952

Standard Form No. 1044—Revised
Form approved by Comptroller General U. S.
June 25, 1936

SCHEDULE OF COLLECTIONS

Schedule No. NOR-12

Sheet No. 1

Defense Minerals Exploration Administration (Department or Establishment) 14-23-070 (Bureau or Office)

Received by E. A. Hudson (Name) Regional Disbursing Officer (Title) at Oak Ridge, Tenn. (Station)

Period November 1952 (Month or quarter ended) D. O. Symbol No. 1428

Date Received	Receipt Number	Name of Remitter	Detail Description of Purpose for Which Collections Were Received	Amount	Fund to be Credited (Symbol and title in full)
Check dated	No. 233 Nov 13/52	Gaston Strategic Minerals, Inc.	5% Royalty payment under Contract IDM-E-77, DMEA-1388X(Mica)	57.86	14X4401 Revolving Fund, Defense Production Act, Interior.
			Total,	57.86	

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 4 1952

Received ....., subject to collection. Forwarded Nov. 19, 1952

(Disbursing clerk or accountable officer)

By .....

By .....

Title Authorized Certifying Officer

Certificate of Deposit No. ..... dated .....

U. S. GOVERNMENT PRINTING OFFICE 10—1790

FILE COPY
SURNAME:

DOCKET COPY

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

Room 13, Post Office Building
Knoxville 02, Tennessee

November 13, 1952

Mr. Fletcher O. Phillips
Gaston Strategic Minerals, Inc.
Spruce Pine, N. C.

Re: DMA-1388X, Idm-E77 (mica)

Dear Mr. Phillips:

This will acknowledge receipt of your check for $$57.86 for royalty payment on the sale of mica. This check is being forwarded to the Regional Finance Officer at Norris, Tennessee according to established procedures.

Robert A. Laurence
Executive Officer, DMEA
Region 7

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 17 1952

Rec. Payments To
#930.60
57.86
988.46

Contracts
450A.00

mm.
cc:
Beck
Lynch
Opr. Com.
Files-2

Standard Form No. 1044—Revised
Form approved by Comptroller General U. S.
June 25, 1936

SCHEDULE OF COLLECTIONS

Schedule No. NOR-10

Sheet No. 1

Defense Minerals Exploration Administration 14-23-070
(Department or Establishment) (Bureau or Office)

Received by E. A. Hudson Regional Disbursing Officer at Oak Ridge, Tenn.
(Name) (Title) (Station)

Period October 1952 D. O. Symbol No. 1428
(Month or quarter ended)

Date Received	Receipt Number	Name of Remitter	Detail Description of Purpose for Which Collections Were Received	Amount	Fund to be Credited (Symbol and title in full)
Check No. 197 dated Oct. 7,1952		Canton Strategic Minerals Co.	5% Royalty payment under Contract IDM-5-77, DMEA-1338X (Mica)	51.27	14X4401 Revolving Fund Defense Production Act, Interior.
			Total,	51.27	

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 29 1952

Received ....., subject to collection. Forwarded October 10, 1952

(Disbursing clerk or accountable officer)

By .....

By .....
(Name)
Sam J. Wardell
Title Authorized Certifying Officer

Certificate of Deposit No. ..... dated .....

U. S. GOVERNMENT PRINTING OFFICE 10—1790

Standard Form No. 1044—Revised
Form approved by Comptroller General U. S.
June 25, 1936

COPY

SCHEDULE OF COLLECTIONS

Schedule No. NOR-9

Sheet No. 1

Defense Minerals Exploration Administration
(Department or Establishment) (Bureau or Office)

Received by E. A. Hudson (Name) Regional Disbursing Officer (Title) at Oak Ridge, Tenn. (Station)

Period Sept. 1952 (Month or quarter ended) D. O. Symbol No. 1428

Date Received	Receipt Number	Name of Remitter	Detail Description of Purpose for Which Collections Were Received	Amount	Fund to be Credited (Symbol and title in full)
Check # dated Sept 22/52	166	Gaston Strategic Minerals Co.	5% Royalty payment under Contract Idm-E-77 - DMEA 1388X (Mica)	66.26	Uranium Revolving Fund Defense Production Act, Interior
			Total,	66.26	

Received _____, subject to collection. Forwarded Sept. 25, 1952

_____ (Disbursing clerk or accountable officer)

By _____

By _____ (Name) Sam J. Wardell

Title Authorized Certifying Officer

Certificate of Deposit No. _____ dated _____

U. S. GOVERNMENT PRINTING OFFICE 10—1790

Standard Form No. 1044—Revised
Form approved by Comptroller General U. S.
June 25, 1936

COPY

SCHEDULE OF COLLECTIONS

Schedule No. NCR-5

Sheet No. 1

14-23-070

Defense Minerals Exploration Administration (Department or Establishment)

Bureau of Mines, Norris, Tenn. (Bureau or Office)

Received by E. A. Hudson, Regional Disbursing Officer (Name) (Title) at Oak Ridge, Tenn. (Station)

Period September 1952 (Month or quarter ended)

D. O. Symbol No. 1428

Date Received	Receipt Number	Name of Remitter	Detail Description of Purpose for Which Collections Were Received	Amount	Fund to be Credited (Symbol and title in full)
Check No. 117 dated Sept.8/52		Gaston Strategic Minerals Co.	5% Royalty payment under mica contract Idm-E-77 (DMA-1386X)	83.12	14X4401 Revolving Fund Defense Production Act, Interior
			Total,	83.12	

Received _____, subject to collection.

Forwarded September 17, 1952

_____ (Disbursing clerk or accountable officer)

By _____

By _____ (Name) Sam J. Wardell

Title Fiscal Officer

Certificate of Deposit No. 91 dated Sept. 19, 1952

U. S. GOVERNMENT PRINTING OFFICE 10—1700

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

September 11, 1952

Mr. F. O. Phillips
Gaston Strategic Minerals Co.
Box 776
Spruce Pine, N. C.

Re: DMEA-1388X, Idm-E77 (mica)
Huskins Mine

Dear Mr. Phillips:

This will acknowledge receipt of your letter of September 8, enclosing royalty check for $83.12 and supporting invoices. The check has been forwarded to the Regional Fiscal Office in accordance with established procedures.

Very truly yours,

Robert A. Laurence
Executive Officer, DMEA
Field Team, Region 7

RAL/mm
cc:
Peak
Lynch
Opr. Com.
Norris
Files

Standard Form No. 1044—Revised
Form approved by Comptroller General U. S.
June 25, 1936

COPY

SCHEDULE OF COLLECTIONS

Schedule No. NOR-4

Sheet No. 1

14-23-070

Department of the Interior (Department or Establishment)

Defense Minerals Exploration Administration (Bureau or Office)

Received by E. A. Hudson (Name) Regional Disburing Officer (Title) at Oak Ridge, Tenn. (Station)

Period August 1952 (Month or quarter ended)

D. O. Symbol No. 1428

Date Received	Receipt Number	Name of Remitter	Detail Description of Purpose for Which Collections Were Received	Amount	Fund to be Credited (Symbol and title in full)
Check No. 75 Dated Aug 15/52		Gaston Strategic Minerals Company	Royalty payment under Contract Idm-E-77 (Docket DMA-1388X)	74.74	14X4401 Revolving Fund Defense Production Act, Interior.
Check No. 48 Dated Aug 13/52		Gaston Strategic Minerals Company	Royalty payment under contract Idm-E-77 (Docket DMA-1388X)	141.73	14X4401 Revolving Fund Defense Production Act, Interior
			Total,	216.47	

Received _____, subject to collection.

Forwarded August 21, 1952

_____ (Disbursing clerk or accountable officer)

By _____

By _____ (Name) Sam J. Wardell

Title Authorized Certifying Officer

Certificate of Deposit No. 63 dated Aug. 22, 1952

U. S. GOVERNMENT PRINTING OFFICE 10—1790

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

DOCKET COPY

Room 1, Post Office Building
Knoxville, Tennessee

August 20, 1952

Memorandum

To: Helen Miller, Administrative Officer, USBM. Norris

From: Wm. A. Beck. Knoxville Field Office

Subject: Royalty Check for $74.74. Gaston Strategic Minerals Co. IMA-1388X, Idm-877.

Hopkins Mine

Attached hereto is a check in the amount of $74.74, which is royalty at 5% on $1,494.72, invoice of which is attached from Gaston Strategic Minerals Co., Idm-877.

Wm. A. Beck

Wm.
cc:
Beck
Lynch
Laurence
Opr. Com.
D. File

5D

FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
[redacted]

Room 1, Post Office Building
Knoxville 2, Tenn.

August 15, 1952

Mrs. Helen Miller, Administrative Officer
U. S. Bureau of Mines
Norris, Tennessee

Re: DMA-1388X, Idm-E77, (mica)
Gaston Strategic Minerals

Dear Mrs. Miller:

Enclosed is an invoice from Gaston Strategic Minerals Company for sale of 150.56 pounds of mica totaling $2,834.68, and check for $141.73, representing royalty payment of 5% under the Company's exploration contract.

Sincerely yours,

W. A. Beck
Acting Executive Officer
DMA-Field Team, Region 7

WAB/mm
cc:
Lynch
Opr. Com.
D. File
Files-2
enc. Ck. $141.73

Standard Form No. 1044—Revised
Form approved by Comptroller General U. S.
June 25, 1936

COPY

SCHEDULE OF COLLECTIONS

Schedule No. NCR-3

Sheet No. 1

Defense Minerals Exploration Administration (Department or Establishment) Bureau of Mines 14-23-070 (Bureau or Office)

Received by E. A. Hudson (Name) Regional Disbursing Officer (Title) at Oak Ridge, Tenn. (Station)

Period August 1952 (Month or quarter ended) D. O. Symbol No. 1428

Date Received	Receipt Number	Name of Remitter	Detail Description of Purpose for Which Collections Were Received	Amount	Fund to be Credited (Symbol and title in full)
Check No. 6 dated July 31/52		Gaston Strategic Minerals Co.	Royalty payment under Mica contract Idm-E-77, (DMA - 1388X)	513.48	14X4401 Revolving Fund Defense Production Act, Interior
			Total,	513.48	

Received _____, subject to collection. Forwarded August 12, 1952

_____ (Disbursing clerk or accountable officer)

By _____

By _____ (Name) Sam J. Wardell

Title Authorized Certifying Officer

Certificate of Deposit No. 52 dated August 14, 1952

U. S. GOVERNMENT PRINTING OFFICE 10—1700

FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
[redacted]

Room 13, Post Office Building
Knoxville 2, Tennessee

August 4, 1952

Miss Helen Miller, Administrative Officer,
U. S. Bureau of Mines
Norris, Tennessee

Re: DMA-1388X, Idm-E77,(mica)
Gaston Strategic Minerals Co.

Dear Miss Miller:

Inclosed herewith are invoices from Gaston Strategic Minerals Company for sales of mica totalling $10,269.61, and check for $513.48 representing royalty payments of 5%, under the Company's exploration contract.

Sincerely yours,

Robert A. Laurence
Executive Officer, DMEA
Field Team, Region 7

RAL/zm
cc:
Beck
Lynch
Files
D. file
Opr. Com.

FILE COPY
SURNAME:

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

Room 13, Post Office Building
Knoxville 2, Tennessee

August 4, 1952

Mr. Fletcher Phillips
c/o Gaston Strategic Minerals Co.
Spruce Pine, North Carolina

Re: DMA-1388X, Idm-E77 (mica)

Dear Mr. Phillips:

This will acknowledge, with thanks, receipt of your letter of July 31, transmitting invoices and royalty check for $513.48 on sales of mica by the Gaston Strategic Minerals Company. The check is being forwarded to the Regional Finance Officer in accordance with established procedure.

Very truly yours,

Robert A. Laurence
Executive Officer, DMA
Field Team, Region 7

RAL/zm
cc:
Beck
Lynch
Opr. Com
D. File
Files

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

Room 13, Post Office Building
Knoxville, Tennessee

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 2 1952

June 30, 1952

Memorandum

To: Jay L. Chambers, Chief, Contract Admin. & Audit Division

Thru: Operating Committee, DMEA

From: Executive Officer, DMEA-Region VII

Subject: DMEA-1388, Idm-E77; Huskins Mine (mica)
Gaston Strategic Minerals Co.

It has been called to my attention that Amendment I to the subject contract, dated August 30, 1951, contains in item 2, provision for rental of a dump truck and a power hoist for a maximum of ten weeks, and in item 3, provision for 2 miners, a timberman and superintendent, for a maximum of ten weeks.

The work "maximum" was inadverently included in this amendment instead of "estimate", and it was not our intention that this work should be limited to ten weeks.

This project was conducted efficiently by the Operator and resulted in a certification and the recovery of a considerable quantity of strategic mica. The Operator continued exploration on his own account after completion of the DMEA contract.

Robert A. Laurence

Robert A. Laurence

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

Room 13, Post Office Building
Knoxville, Tennessee

June 3, 1952

Memorandum

To: Operating Committee, DMEA

From: Field Team, DMEA, Region VII

Subject: Docket No. DMEA-1388 (mica) Gaston Strategic Minerals Co.
Huskins Mine, Gaston County, N. C.
Idm-E77, $5600.00

Reference is made to your letter of May 19, 1952 regarding the possibility of determining indicated and inferred reserves of mica at the subject mine.

Production from this mine through May 1952, is estimated at 50 tons of mine-run mica, all of which has been from the northwest pegmatite. Through May 1952, approximately 800 pounds of full trimmed mica had been processed from the mine-run material. Mr. John Phillips who has observed the processing estimates that from 50 to 75 pounds or approximately 3% of full trimmed mica are obtained per ton from mine-run book.

There is no sound basis for estimating reserves of mica at this place, however, the known features of the pegmatite supply certain information which can be used for inferred reserves. For the first estimated 1500 cu. ft. of pegmatite that was removed approximately 16 tons of book mica were recovered (approximately 12%). This pegmatite has been mined at the surface for a strike length of approximately 100 feet, is known down the dip for approximately 100 feet, and will average 3 feet in thickness. Therefore, an inferred reserve of 320 tons is estimated for this pegmatite; however, production during World War II and the present operation has probably reduced the inferred reserve to 250 tons of book mica.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 5 1952

Robert A Lawrence

Executive Officer, DMEA
Field Team, Region VII

DEFENSE MATERIALS PROCUREMENT AGENCY
WASHINGTON

OFFICE OF THE ADMINISTRATOR

May 26, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 28 1952

Mr. C. O. Mittendorf
Acting Administrator
Defense Minerals Exploration
Administration
Room 4624 Interior Building
Washington 25, D. C.

Dear Mr. Mittendorf:

Thanks for your letter of the 22nd, to Mr. Larson, reporting on the results of exploration work covered by your Docket No. DMEA-1388X - Mica, Huskins Mine, Gaston County, North Carolina.

Sincerely yours,

Howard I. Young

Howard I. Young
Deputy Administrator

FILE COPY
SURNAME:

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

600

COPY

Houk
Mittendorf

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

Subject: Docket No. DMEA-1388 - Mica
" " DMEA-1955 - "
" " DMEA-2249 - "
" " DMEA-2327 - "
" " DMEA-2414 - "
" " DMEA-2429 - "
" " DMEA-2430 - "
" " DMEA-2431 - "

Dear Mr. Laurence:

Reference is made to Mr. Mittendorf's letter of May 21st transmitting samples of mica to Mr. George A. Purcell, Mica Consultant, General Services Administration, Federal Supply Service, Unit 2, 7th Floor, 34 Exchange Place, Jersey City, New Jersey, for evaluation. The following are Mr. Purcell's findings:

Huskins Mine:
DMEA-1388

"Sample 3 pieces well prepared. Color: Ruby. Quality acceptable for stockpile.

Winters Prospect:
DMEA-1955

"Sample 7 pieces of poor preparation. Color: Ruby. Quality wavy and some black spots. Not acceptable for stockpile.

Luther Mine:
DMEA-2249

"Sample 5 small pieces poorly prepared. Color: Non-ruby. Quality poor except for 2 specimens. Not acceptable for stockpile.

May Mine:
DMEA-2327

"Sample 4 pieces of fair preparation. Color: Ruby. Quality somewhat wavy. Samples would indicate acceptable stockpile quality obtainable from this source.

Doublehead Mine:
DMEA-2414

"Sample 7 pieces of fair preparation. Color: Non-ruby. Quality contains some black spots. Not acceptable for stockpile.

Carpenter Mine:
DMEA-2429

"Sample 6 pieces very small, untrimmed. Color: Ruby. Usable area of samples too small to indicate quality or size obtainable. Acceptable for stockpile as to color.

Bumgardner Mine: DMEA-2430 "Sample 6 thin sheets of fair preparation. Color: Ruby. Sample would indicate acceptable quality obtainable from this source.

Glen Meade Mine: DMEA-2431 "Sample 3 very small specimens poorly prepared. Color: Ruby. Samples too small to evaluate quality. It is possible acceptable quality could be obtained from this source but cannot so determine from present samples."

Please note that the mica from the Winters Prospect, DMEA-1955, LDM-8224, is not acceptable for stockpile. If the seven samples are representative of the quality of mica to be expected from this prospect, then you would be justified in terminating this contract.

The Lauher Mine, DMEA-2249, and the Doublehead Mine, DMEA-2414, are not eligible for exploration assistance, and this office will write letters of denial on them.

Sincerely yours,

-S- 5/29/52

Chairman, Operating Committee
Defense Mineral Exploration Administration

Approved:

/s/ J. H. Hedges

Member, Bureau of Mines

/s/ D. M. Lemmon

Member, Geological Survey

LGHouk:gad 5/26/52

Copy to: Admin. Reading File
Operating Committee (2)
Mr. Dietrich, 3526
Mr. Horton, 0-232 GSA Bldg.
Mr. Houk

FILE COPY
SURNAME:

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

MAY 22 1952

Mr. Jess Larson, Administrator
Defense Materials Procurement Agency
General Services Administration
Building
Washington 25, D. C.

Subject: Docket No. DMEA-1388X - Mica
Haskins Mine
Gaston Strategic Minerals Co.
Gaston County, North Carolina
Exploration Project Contract
No. Idm-E77 $5,600.00

Dear Mr. Larson:

I am enclosing a copy of a "Certification of Discovery or Development," and a copy of the Field Team's Final Report on the above-referenced property.

The project contract was signed July 23, 1951, the Government participating to the extent of 90% in an exploration project estimated to cost $5,600.00. The Government's share of $5,040.00 was expended.

Since there were no purchases of equipment or materials, there will be no return of salvage funds. The contract was set up for seven bulldozer trenches, supplemented by ten-to-twenty-foot test pits in the trenches. Preliminary results from trenching and test pitting indicated that only two pegmatites showed promise. As a result, the contract was amended to deepen the existing shaft. This shaft was lost, and a subsequent amendment provided for the sinking of a new shaft to the approximate depth of 80 feet. Summary features of the Field Team Report show six trenches cut across the pegmatite, two are promising enough to justify mining. The shaft sunk on the NW pegmatite encountered mica bearing pegmatite from four-to-ten-feet in thickness at the 50-foot level, extending to the 80-foot level, and along the strike for approximately 35 feet.

Approximately 16 tons of mica was recovered during the exploration project and subsequent work by the operators to April 8, 1952. The results of the sheeting of this mica are not known; however, the operators claim exceptional yield.

LGHouk:gad 5/16/52
Copy to: Operating Committee
Mr. F. Johnson
Mr. Hedges, 4604
Mr. Thayer, 5216, GSA Bldg.
Admin. Reading File
Docket File
Field Team, Region VII
Mr. Chambers
Enclosures 2
Mr. Murkland
~~Finance Officer~~ Mr. Houk

Sincerely yours,

C. O. Mittendorf

Acting Administrator
Defense Minerals Exploration
Administration

FILE COPY
SURNAME:

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

Hook
Talbert
Hoffmeyer
Common
Hedges
Johnson
J. Mica

Mr. Lin Carpenter
President, Easton Strategic
Minerals Company
Green Pine, North Carolina

Subject: Docket No. [illegible]-13[illegible] - Mica
Nursing Mine
Easton Strategic Minerals Co.
Easton County, North Carolina
Exploration Project Contract
No. Idm-677
$5,[illegible]0.00

Dear Mr. Carpenter:

Transmitted herewith is Certification of Discovery or Development under Contract No. Idm-677 on the Nursing Mine.

By the terms of the Exploration Project Contract and of the Certification, all mica produced from the aforesaid mine from the date of the Exploration Project Contract Idm-677 is subject to the Government's percentage royalty as set forth in the contract until the sum of $5,[illegible]0 is paid or until July 23, 1961, whichever comes first.

Payments should be made to Mr. Robert J. Laurence Executive Officer, DMA, Field Team, Region VII, Room 13, Post Office Building, Knoxville 1, Tennessee. Checks should be payable to the Treasurer of the United States. The purchaser should be advised to deduct the royalties from the amount due on each shipment and forward check direct to the Executive Officer.

Royalty payments to the Government should be accompanied by suitable evidence, such as copies of settlement sheets showing quantity and grade of the mica product sold, the name of the purchaser, and the price and charges certified to be correct by the purchaser.

You are requested to notify Mr. Laurence of any changes in ownership or production rights that might have any effect on the Government's right to its percentage royalty. Also, if production ceases at any time for any extended period, please notify Mr. Laurence at six-month intervals that no production has been made, when that is the case.

Sincerely yours,

C. O. Mittendorf
Acting Administrator
Defense Minerals Exploration
Administration

LJHook:gad 5/12/52
Copy to: Operating Committee
Mr. F. Johnson
Mr. Hedges
Mr. Thayer
Admin. Mailing File
Docket File
Executive Field Team, Region VII
~~Mr. Archland~~
Mr. Chambers
Mr. Hook ~~Mr. Terry~~

FILE COPY
SURNAME:

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

MAY 19 1952

Houk
Hartendorf

Mr. Robert A. Laurence
Executive Officer, DMEA
Field Team, Region VII
Room 13, Post Office Building
Knoxville 1, Tennessee

Subject: Docket No. DMEA-1383 - Mica
Gaston Strategic Minerals Co.
Huskins Mine
Gaston County, North Carolina
Exploration Project Contract
Idm-877 $5,600.00

Dear Mr. Laurence:

Reference is made to our letter of May 1, 1952 requesting calculation of the reserves of mica found in the subject exploration project, and your reply of May 7th referring to first paragraph, page 2, final field team report.

From paragraph three, first page of the final field team report "Between the 55- and 60-foot level a 15-foot drift has been driven northeastward on the pegmatite and a narrow stope about 15 feet long raised in a southeast direction along the up dip extension of the pegmatite. From about the 70-foot level a 20-foot drift has been driven southwestward along the pegmatite" and from the next to the last paragraph "(2) An 80-foot shaft sunk northwest of the northwestern pegmatite has shown that a mica bearing pegmatite from 4 to 10 feet in thickness extends to at least the 80-foot level and along the strike for approximately 35 feet." Apparently the mica bearing pegmatite cut on the 50-foot level and extending to the 80-foot level has a strike length of about 35 feet and a known dip length of 30 feet. Is it not possible with this information to determine indicated and inferred reserves of mica? If it is not possible to arrive at an indicated and inferred tonnage figure, kindly make a statement to this effect.

Receipt is acknowledged of mica samples from the subject mine.

Mr. C. B. Collins states that the Huskins book is sheeting between 25% and 30%. Can you verify this figure with the Operators at your convenience?

Sincerely yours,

ce
5-19

(signed) FRANK E. JOHNSON

Chairman, Operating Committee
Defense Minerals Exploration
Administration

Approved:

Jo. H. Hedges

Member, Bureau of Mines

D. M. Lemmon

Member, Geological Survey

Copy to: Admin. Reading File
Operating Committee
Mr. Dietrich, 3526
Mr. Norton, G-232, GSA Bldg.
Mr. Houk

LGHouk:gad 5/15/52

OFFICE OF THE ADMINISTRATOR

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
Defense Minerals Administration
RECEIVED
MAY 9 1952

May 7, 1952

Memorandum

To: Operating Committee

From: Executive Officer, DMEA, Region VII

Subject: DMEA-1388X, Idm-E-77 (Mica)
Gaston Strategic Minerals Co., Huskins Mine
Final Report, supplementary information

In reply to your letter of May 1, following are answers to Questions 1 to 9:

1. Total amount spent, $5,600.
2. Government funds to be returned: none
3. The work accomplished the objective set forth in the contract.
4. Operator was competent and followed the contract.
5. No equipment purchased.
   No salvage value of supplies.
6. See first paragraph on page 2, final report.
7. Same as 6.
8. Same as 6.
9. No estimate can be made now of value of the mica recovered. Total amount estimated at 16 tons (page 2, paragraph 3, final report). Sample of this mica sent to Mr. Houk, May 5, 1952.

Robert A. Laurence

Robert A. Laurence
Executive Officer, DMEA, Region VII

OFFICE OF THE ADMINISTRATOR

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

May 5, 1952

Memorandum

To: L. G. Houk, Chief, Non-Metallic Mineral Division, DMEA

From: Executive Officer, DMEA, Region VII

Subject: Mica samples, Gaston Strategic Minerals Co., Inc., (Huskins Mine) DMA-1388X, Contract Idm-E-77

Pursuant with your request during a telephone conversation with this office last week, there are enclosed samples of mica from the above subject mine.

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

Attachment

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 7 1952

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

PENALTY FOR PRIVATE USE TO AVOID
PAYMENT OF POSTAGE, $300
(PMGC)

NEW HOPE FOR HEARTS
---SUPPORT---
THE HEART FUND

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1952
TENN.

DALE H. JONES X
Idaho Z7
Klus Bins Nine

Mr. L. G. Houk, Chief
Non-Metallic Mineral Division
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.

Gas Hard Strategic
Minerals Co. Inc

FILE COPY
SURNAME:

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

Sd

Hourh

MAY

Mr. Robert A. Laurence
Executive Officer, DMEA
Field Team, Region VII
Room 13, Post Office Building
Knoxville 1, Tennessee

Subject: Docket No. DMEA-1388 - Mica
Gaston Strategic Minerals Co.
Huskins Mine
Gaston County, North Carolina
Exploration Project Contract
Idm-E77 $5,600.00

Dear Mr. Laurence:

Reference is made to the Final Field Team Report on the subject Contract.

A Certificate of Discovery or Development is being prepared in this office for Contract No. Idm-E77 on the Huskins Mine. This office believes there is sufficient work accomplished under the Contract, and by subsequent work by the Operator for his own account, to make a calculation on the reserves of mica. It will be necessary for this office to also have a sample of the mica for determination of its strategic value.

For your convenience, I am repeating the information requested in our letter of April 28, 1952, for inclusion in all final field team reports:

1. Total amount of money spent.
2. Amount of Government funds to be returned to the revolving fund.
3. A statement as to whether the work accomplished the objective set forth in the Contract.
4. Was the Operator competent, and did he follow the Contract?
5. Estimate of the salvage value of the equipment or supplies purchased.
6. An estimate of the tonnage of strategic material explored.
7. A crystal count on faces where strategic minerals are noted.
8. Length and width of area containing crystals.

9. An estimate of the value of the mica recovered during exploration together with the estimate of the percentage of strategic mica that will result from the sheeting of the book mica.

In the case of the above-mentioned Contract, it will be sufficient for you to supply a supplement to the Final Report answering Questions one to nine.

Sincerely yours,

(signed) FRANK E. JOHNSON

Chairman, Operating Committee
Defense Minerals Exploration
Administration

Approved:

Member, Bureau of Mines

/s/ D. M. Lemmon
Member, Geological Survey

LGHouk:gad 4/29/52

Copy to: Admin. Reading File
Operating Committee
Docket File
Mr. Norton, G-232 GSA Bldg.
Mr. Dietrich, 3526
Mr. Houk

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 11 1952

Memorandum

To: Frank E. Johnson, Chairman, Operating Committee DMEA

From: Field Team, DMEA Region VII

Subject: Operator's and Field Team's Final Report on DMA-1388X, Idm-E77 (mica) Gaston Strategic Minerals.

Transmitted herewith are 4 copies of the Field Team's Final Report, and 4 copies of the Operator's Final Report on the subject docket.

Benjamin Gildersleeve

Benjamin Gildersleeve, Acting
for R. A. Laurence, Executive Officer
DMEA, Region VII

Wm A Beck

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

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

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REGION VII

FINAL REPORT

DMA-1388X, Idm-E77, HUSKINS MINE (MICA)

GASTON STRATEGIC MINERALS CO.,INC.
Gaston County, North Carolina

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 11 1952

By

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

******

Wm. A. Beck, Mining Engineer
U. S. Bureau of Mines

April 8, 1952

Reviewed by
DMEA OPERATING COMMITTEE
4-18-52
(HB) (date)

FINAL REPORT

IMA-1388X, Idm-E77, Gaston Strategic Minerals Co.
(mica)
HUSKINS MICA MINE

Gaston County, North Carolina

The Huskins mine is situated on the John Huskins farm, 5 miles southeast of Cherryville, North Carolina.

The exploration project as set up consisted of seven bulldozer trenches normal to the trend of the pegmatites, supplimented by 10-20 foot test pits to be located in each of the trenches. Results obtained from the trenching and test pitting indicated that only two pegmatites occur which seem to offer possibilities for the production of strategic sheet mica. The original contract was amended to permit the operator to clean out and deepen a 50-foot shaft to 85 feet in order to explore the possible down dip extension of the northwest pegmatite. At approximately the 70-foot level heavy and wet ground was encountered and the shaft was abandoned. A second amendment was prepared permitting the operator to sink a new shaft about 15 feet east of the abandoned shaft, between it and the pegmatite outcrop. This shaft was sunk to a depth of 80 feet, cutting the pegmatite at about the 50-foot level.

The 80-foot shaft is in thoroughly weathered fine-grained hornblende gneiss and mica schist. The shaft is untimbered above the 50-foot level and cribbed with 2-inch timber below that level. Between the 55- and 60-foot level a 15-foot drift has been driven northeastward on the pegmatite and a narrow stope about 15 feet long raised in a southeast direction along the up dip extension of the pegmatite. From about the 70-foot level a 20-foot drift has been driven southwestward along the pegmatite.

The attached map shows the general relationship of the various pegmatites and the approximate location of the surface and underground openings. The Section AA' shows the Field Team's interpretation of the structure of the pegmatite cut in the 80-foot shaft.

According to the operator the pegmatite was first cut at the 50-foot level. This pegmatite is reported to be 4 feet thick. Below it a mica schist zone 4-6 feet thick was cut and then another pegmatite encountered which continued to the bottom of the shaft. It is thought that the pegmatite is steeply dipping and "rolls" in dip from northwest to southeast. This is verified in part by the exposure in the drift northeast of the shaft where the dip is approximately 60° N. W. At the lower level where the drift is to the southwest the pegmatite

dips steeply southeast. The schist encountered below the first pegmatite appears to be a tongue of wall rock which locally divides the pegmatite.

The pegmatite where examined trends from N 10° E to N 30° E, with a N W or S E dip. It appears to have a considerable range of thickness- from 4 to 10 feet. At the drift heading N E of shaft the pegmatite consists of a 2-foot quartz core surrounded on both sides by weathered feldspathic pegmatite; total thickness ranges from 4 to 5 feet. Mica occurs in and adjacent to the quartz core. At the time the heading was examined 4 mica books with diameters from 5 to 8 inches were exposed in a 4-square foot area. At a later date when the southwest drift was examined the pegmatite had similar size and zoning characteristics as that described in the N E heading and mica of similar size and abundance.

A few beryl crystals have been recovered during exploration, but they are too rare to be of economic importance.

When the funds allotted to this project were expended during December 1951, approximately four tons of book mica had been recovered. Total production through February 1952 including that produced under contract is estimated at 16 tons of book mica.

The mica from this pegmatite is light ruby in color, clear, and splits well. Much of that produced to date contains clay stains. Some of the books are not free splitting; others contain reeves. Occasional books have "A" structure, although most of it is flat. No figures are available as to the percentage of sheet that can be obtained from the mine run mica.

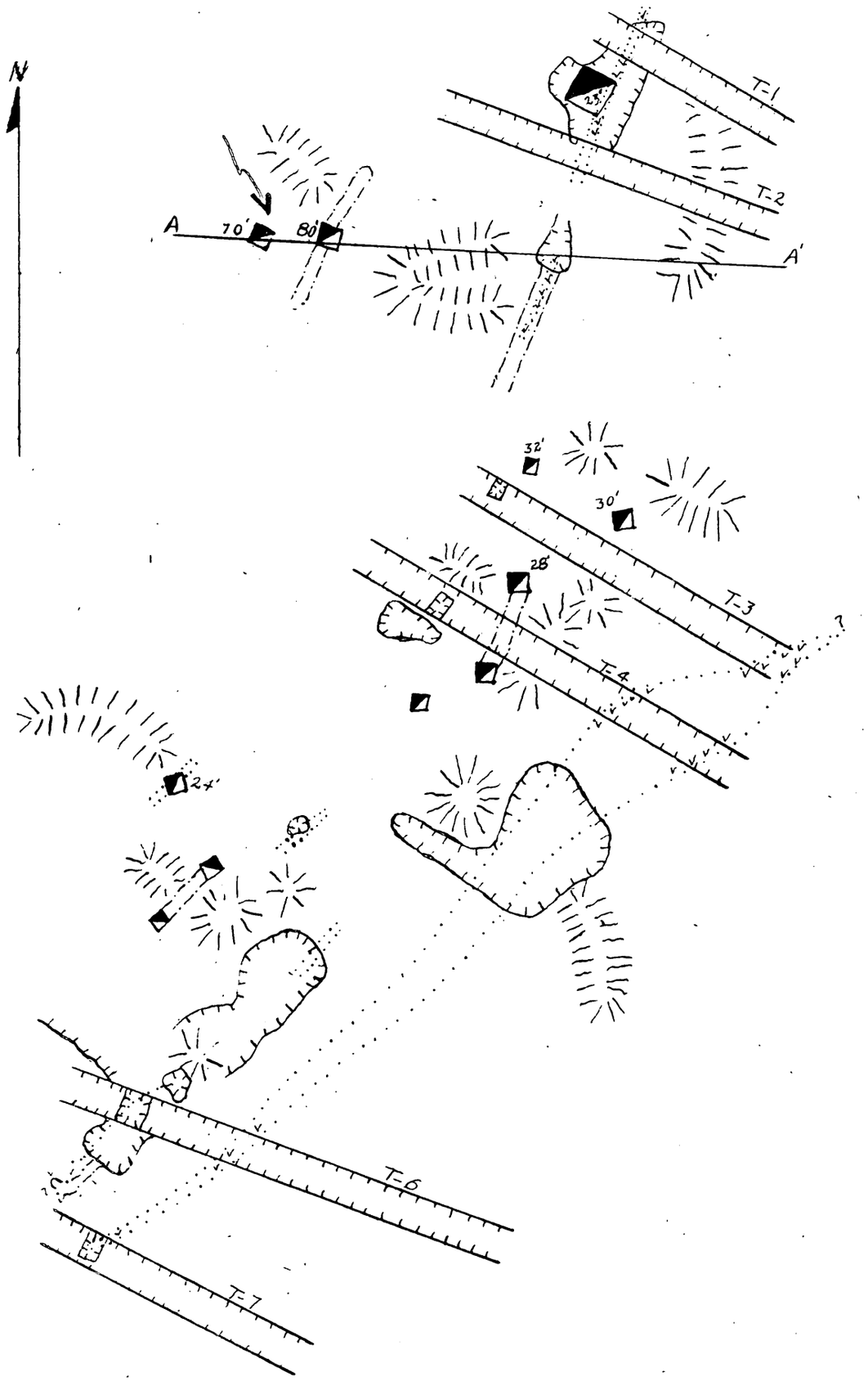
In summary, the following features are mentioned: (1) Six trenches cut across the pegmatite zone indicate that at least two pegmatites are of sufficient extent to justify mining. (2) An 80-foot shaft sunk northwest of the northwestern pegmatite has shown that a mica bearing pegmatite from 4 to 10 feet in thickness extends to at least the 80-foot level and along the strike for approximately 35 feet. (3) Mica produced from the northwest pegmatite during and since the exploration project was completed (16 tons) appears to be of strategic grade.

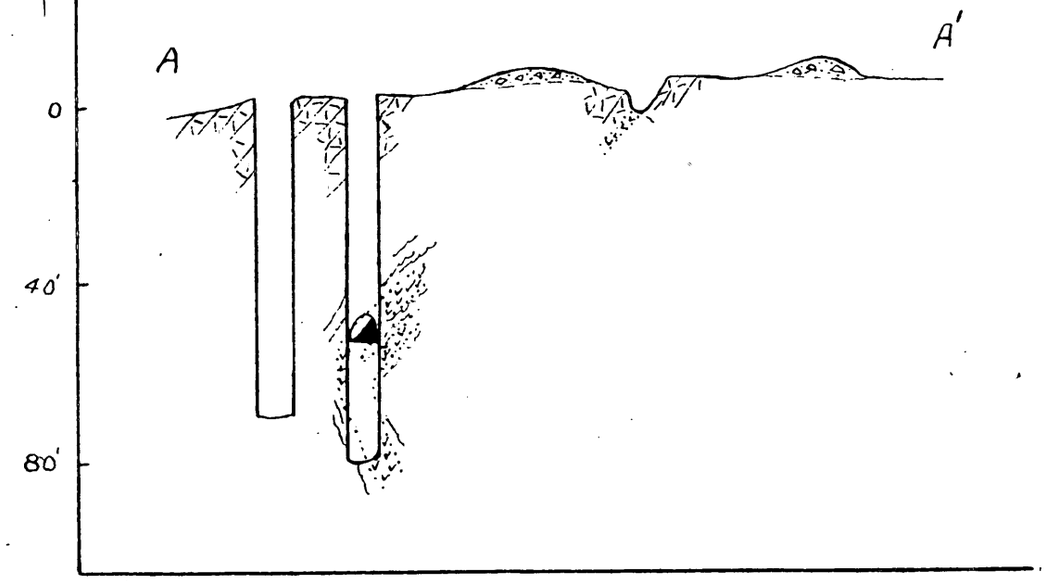
The Field Team believes that pegmatites explored on this property contain sufficient mica to justify a commercial operation.

April ,1952.

Wm. A. Beck, Mining Engineer
U. S. B. M.

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





Section along AA'

Explanation

- Pegmatite
- Hornblende gneiss
- Mica schist
- Contact
- Underground opening
- Shaft
- Drift from shaft
- Open pit or trench
- Dump
- Fill

0 40 80

Scale

Sketch map of
HUSKINS MICA MINE
Gaston Co., N.C.

2-26-52

OPERATOR'S FINAL REPORT

DMA-1388X, Idm-E77, HUSKINS MINE (MICA).
Gaston County, North Carolina

Six trenches, numbers 1, 2, 3, 4, 6 and 7, were cut across the pegmatite zone. Each trench is approximately 100 feet long and from three to seven feet deep, exposing the pegmatite in each trench. Test pits from 10 to 20 feet deep were sunk in each of the trenches. All of the pits were in pegmatite and some mica was found, but not enough to justify working.

In accordance with contract Amendment No. 1, an existing 25-foot shaft was deepened to approximately the 70-foot level. No pegmatite had been encountered at this depth and because of heavy ground and water the shaft was abandoned.

In accordance with contract Amendment No. 2 a new shaft was sunk about 15 feet east of the abandoned shaft. The shaft was lowered to a depth of 70 feet. At approximately 50 feet pegmatite was cut and it averaged about 12 feet in thickness. Between four and five tons of good high-grade mica was obtained in sinking through the pegmatite.

We have extended the shaft on down through a very soft shale to its present depth of seventy (70) feet, and have found another pegmatite, which we have only worked for a few minutes on, and have taken out some twenty-five pounds of good high-grade mica. We feel that this pegmatite has never been found before, and are of the opinion that it is a good pegmatite for high grade mica, because the mica taken from this pegmatite seemed to carry less clay stain than that taken from the other pegmatites over it.

This shaft has been hard to lower because of the abundance of water and soft material we have had to go through. We have had to crip it with two inch lumber for the last thirty-five feet.

GASTON STRATEGIC MINERALS CO., Inc.

Note: Report compiled by Field Team from Operator's monthly report, as no Final Report has been received from the Operator.

April 8, 1952.

Operator's Final Rpt.

1a

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASH[redacted]

Room 13, Post Office Building
Knoxville, Tennessee

January 16, 1952

Memorandum

To: Hewitt Wilson, Regional Director, U. S. Bureau of Mines

From: Executive Officer, DMEA - Region VII

Subject: Monthly Progress Report, DMA-1388X, Idm-E77.

Enclosed herewith are four copies of the Operator's Monthly Report for December for the subject contract. Please note that $194.48 has been deleted from the total, leaving an approved total of $627.62 of which the Government's share is $564.86. This deletion was necessary because the total expenditure reported to date was $194.48 over the authorized amount of the contract, $5600. The Operator is continuing work on his own account.

It is our understanding that you will send a copy of this report to the Washington office of the D.M.E.A.

Robert A. Laurence

RAL/sm
cc:
Peck
Lynch
Files

MF-104
(August 1951)

Budget Bureau No. 42-R1036.2.
Approval Expires 6-30-52.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Contract No. [illegible]
Idm-E 77

Name of Operator Caston Strategic Metals Co., Inc.
Docket No. DMA [illegible]
Total Contract Amount $ [illegible]
Government Participation: 90 % Amount, $ 5040.00
Distribution of Expenditures for Month of [illegible], 1951

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

Operators are to submit monthly reports to the designated field representative of the Defense Minerals Administration. Reports are to be submitted in quadruplicate prior to the 15th day of the month following the reporting period.

Narrative.—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered is to be furnished.

Maps.—Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

Cost Accounts.—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts may be made from time to time.

CERTIFICATION

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

Caston Strategic Metals Co., Inc. By Lin Caporetto
(Name of Company) (Signature of Authorized Official)

1-6-52 President
(Date) (Title)

NOTE.—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.

16—64068-3

MONTHLY SUMMARY COST STATEMENT

List as Shown on Exhibits Attached to Contract

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only		
				Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
1. Fixtures and Improvements:						
(a) Facilities						
(b) Buildings						
(c) Fixtures						
2. Operating Equipment:						
(a) Purchased[1]						
(b) Rented[2]	188.00	2441.00	2629.00			
(c) Furnished by operator						
3. Rehabilitation and Repairs:						
(a) Facilities						
(b) Buildings						
(c) Installations						

[illegible] 1951

We have lowered the present shaft to a depth of seventy (70) feet. At approximately fifty (50) feet, we found the pegmatite and it averaged about twelve (12) feet in thickness. We took out between four (4) and five (5) tons of good high grade mica going through this pegmatite.

We have extended the shaft on down through a very soft shale to its present depth of seventy (70) feet, and have found another pegmatite, which we have only worked a few minutes on, and have taken out some twenty five (25) pounds, of good high grade mica. We feel that this pegmatite has never been found before, and are of the opinion that it is a good pegmatite for high grade mica, because the mica taken from this pegmatite seemed to carry less clay stain than that taken from the other pegmatites over it.

This shaft has been hard to lower because of the abundance of water and soft material we have had to go through. We have had to crib it with two (2) inch lumber for the last thirty five (35) feet.

[illegible], INC.

By J O Phillips

MONTHLY SUMMARY COST STATEMENT—Continued

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(d) Fixtures						
4. Labor[3]	458.90	1520.55	1979.45			
5. Supervision	116.67	391.67	508.34			
6. Supplies						
(a) Timber	20.64	101.84	122.48			
(b) Explosives		32.56	32.56			
(c) Repair Parts						
(d) Other	.68	278.97	279.65			
7. Power Electric	4.86	5.89	10.75			
8. Transportation						
9. Insurance						
(a) Fire						
(b) Public Liability						
(c) Workmen's Compensation						
10. Contract Work						
11. Other (specify)						
Gas & Oil	32.35	199.90	232.25			
Total	622.10	4972.38	5794.48			
Deletions see memo attached				194.48		
Adjusted totals				627.62		
Totals previously reported		4972.38			4972.38	
Totals to date			5794.48			5600.00

[1] Enter amount paid during month toward total purchase price.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.
[3] Submit copy of the Social Security form filed under the Old Age Insurance system showing complete wage and salary data or furnish copy of payroll sheet giving same data.

NOTE.—Indicate that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY

Checked by L. G. Marshall
Entered by J. J. Lynch
Approved by Robert A. Lawrence
Amount approved for payment $564.86
Remarks

16—64068-3

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF December

(Supply Data Below Applicable Only to Your Operations)

Item	Costs					Progress [4]				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract (Exhibit A)
Drifting										
Crosscutting										
Raising										
Shafts	575.57	100.00	50.67	4.06	680.10	[illegible]	1	0	1	0
Winzes										
Drill holes										
Overburden										
Rehabilitation and preparation										
Geology and geophysics										
Trenching										
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify)										
Totals	575.57	100.00	50.67	4.06	680.10	[illegible]	1	0	1	0

[1] Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
[2] Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
[3] Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.
[4] Specify whether feet, cubic feet, acres, miles, etc.

16—64068-3 U. S. GOVERNMENT PRINTING OFFICE

FILE COPY
SURNAME:

410

FL Knouse
Mittendorf

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

December 3, 1951

Memorandum

To: Chief, Finance Section

From: Mr. C. O. Mittendorf
Acting Administrator

Subject: Docket No. DMA 1388X
Gaston Strategic Minerals Company
Exploration Project Contract Idm-E77

Herewith please find copy of letter dated November 28, 1951 from Mr. Robert A. Laurence, Executive Officer, Region VII, and a copy of Amendment No. 2. Please forward the copy of Amendment No. 2 to the Finance Officer, Region VII, for attachment to his copy of the contract.

N.R. S.R. C

C. O. Mittendorf (for)

Enclosures

FLKnouse/meb

cc to: Adm.Reading File
Reports & Records
Mr. Mittendorf
FLKnouse
Docket
Field Team,Reg.VII(2)

FILE COPY
SURNAME:

410

FLKnouse
Mittendorf

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

December 3, 1951

Memorandum

To: Reports and Records Section

From: Acting Administrator

Subject: Docket No. DMA 1388X
Gaston Strategic Minerals Company
Exploration Project Contract Idm-E77

Enclosed is an original of a letter dated November 28, 1951 from Mr. Robert A. Laurence, Executive Officer, Region VII, and a copy of Amendment No. 2. Please attach the copy of the Amendment to your copy of the contract.

ce, 12/7

C. O. Mittendorf (for)

Enclosures

FLKnouse/meb
cc to: Adm.Reading File
Reports & Records
Mr. Mittendorf
FLKnouse
Docket

MF-104
(August 1951)

Budget Bureau No. 42-R1036.2.
Approval Expires 6-30-52.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Contract No. DMA1388X
Idm-E 77

Name of Operator Gaston Strategic Minerals Co.,Inc.
Docket No. DMA 1388X
Total Contract Amount $ 5600.00
Government Participation: 90 % Amount, $ 5040.00
Distribution of Expenditures for Month of November 1951

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 23 1952

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

Operators are to submit monthly reports to the designated field representative of the Defense Minerals Administration. Reports are to be submitted in quadruplicate prior to the 15th day of the month following the reporting period.

Narrative.—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered is to be furnished.

Maps.—Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

Cost Accounts.—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts may be made from time to time.

CERTIFICATION

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

Gaston Strategic Minerals Co.,Inc.
(Name of Company)

By Lin Carpenter
(Signature of Authorized Official)

November 6,1951
(Date)

President
(Title)

NOTE.—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.

16—64068-3

MONTHLY SUMMARY COST STATEMENT

List as Shown on Exhibits Attached to Contract

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only		
				Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
1. Fixtures and Improvements:						
(a) Facilities						
(b) Buildings						
(c) Fixtures						
2. Operating Equipment:						
(a) Purchased[1]						
(b) Rented[2]	188.00	2253.00	2441.00	188.00	2253.00	2441.00
(c) Furnished by operator						
3. Rehabilitation and Repairs:						
(a) Facilities						
(b) Buildings						
(c) Installations						

Narrative on Progress far Gaston Strategic Minerals co.,Inc.
Far month of November 1951

We have been sinking the new shaft and have sunk it approximately fifty (50) feet deep,and have had unusually good luckwith it. we found the pegmatite on the last day of work in November,at about fifty (50) feet deep,and got around one hundred(100) pounds of good grade mica.

I was back at the mine on Tuesday,December 4th and we had around four or five hundred pounds of good average mica,theyy got this out Monday december 3rd.

We are having some trouble now with handeling the water because it is pretty strong. We have had to crib or timber the the bottom of the shaft far about eight feet.

MONTHLY SUMMARY COST STATEMENT—Continued

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(d) Fixtures						
4. Labor[3]	538.90	981.65	1520.55	538.90	981.65	1520.55
5. Supervision	166.67	225.00	391.67	166.67	225.00	391.67
6. Supplies						
(a) Timber		101.84	101.84		101.84	101.84
(b) Explosives		32.56	32.56		32.56	32.56
(c) Repair Parts						
(d) Other	34.89	244.08	278.97	34.89	244.08	278.97
7. Power	3.81	2.08	5.89	3.81	2.08	5.89
8. Transportation						
9. Insurance						
(a) Fire						
(b) Public Liability						
(c) Workmen's Compensation						
10. Contract Work						
11. Other (specify) Gas & Oil	44.36	155.54	199.90	44.36	155.54	199.90
Total	976.63	3995.75	4972.38	976.63	3995.75	4972.38
Deletions						
Adjusted totals						
Totals previously reported		3995.75				
Totals to date			4972.38	976.63	3995.75	4972.38

[1] Enter amount paid during month toward total purchase price.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.
[3] Submit copy of the Social Security form filed under the Old Age Insurance system showing complete wage and salary data or furnish copy of payroll sheet giving same data.

NOTE.—Indicate that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY

Checked by L. D. Marshall
Entered by V. J. Lepper
Approved by W. M. Beck
Amount approved for payment $878.97
Remarks

16—64068-3

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF November 1951

(Supply Data Below Applicable Only to Your Operations)

Item	Costs					Progress [4]				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract (Exhibit A)
Drifting										
Crosscutting										
Raising										
Shafts	705.57	188.00	79.25	3.81	976.63	La.	1	1	2	2
Winzes										
Drill holes										
Overburden										
Rehabilitation and preparation										
Geology and geophysics										
Trenching										
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify)										
Totals										

[1] Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
[2] Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
[3] Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.
[4] Specify whether feet, cubic feet, acres, miles, etc.

16—64068-3 U. S. GOVERNMENT PRINTING OFFICE

NONMETALLICS BR.

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

DEFENSE MINERALS ADMINISTRATION WASHINGTON, D. C.

Nov 30 8 49 AM '51

DEPARTMENT OF THE INTERIOR RECEIVED
NOV 30 1951
Defense Minerals Administration, Production Expansion Division.

November 28, 1951

Mr. Frank E. Johnson
Acting Administrator
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMA-1388X - Mica
Gaston Strategic Minerals Company
Exploration Project Contract Idm-E77

Dear Mr. Johnson:

Enclosed herewith are the original and three copies of Contract Amendment No. 2 to provide for sinking a new shaft at a site mutually agreeable to the Operator and the Field Team engineers. The shaft to be sunk to an approximate depth of 70 feet. This amendment will not increase the estimated total cost of the project.

Copy of amendment was retained by Gaston Strategic Minerals Company and one copy retained in this office.

Sincerely,

Robert A. Laurence

Robert A. Laurence
Executive Officer
Field Team, Region VII

Enclosures

MF-104
(August 1951)

Budget Bureau No. 42-R1036.2.
Approval Expires 6-30-52.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Contract No. 77
Idm-E

Name of Operator Gaston Strategic Minerals Co., Inc.
Docket No. DMA 1388X
Total Contract Amount $ 5600.00
Government Participation: 90 % Amount, $ 5,040.00
Distribution of Expenditures for Month of October 1951

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 2 3 1952

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

Operators are to submit monthly reports to the designated field representative of the Defense Minerals Administration. Reports are to be submitted in quadruplicate prior to the 15th day of the month following the reporting period.

Narrative.—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered is to be furnished.

Maps.—Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

Cost Accounts.—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts may be made from time to time.

CERTIFICATION

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

Gaston Strategic Minerals Co., Inc.
(Name of Company)

By [signature]
(Signature of Authorized Official)

November 5, 1951
(Date)

President
(Title)

NOTE.—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.

16—64068-3

MONTHLY SUMMARY COST STATEMENT

List as Shown on Exhibits Attached to Contract

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only		
				Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
1. Fixtures and Improvements:						
(a) Facilities						
(b) Buildings						
(c) Fixtures						
2. Operating Equipment:						
(a) Purchased[1]						
(b) Rented[2]	188.00	2065.00	2253.00	188.00	2065.00	2253.00
(c) Furnished by operator						
3. Rehabilitation and Repairs:						
(a) Facilities						
(b) Buildings						
(c) Installations						

MONTHLY SUMMARY COST STATEMENT—Continued

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(d) Fixtures						
4. Labor[3]	550.45	431.20	981.65	550.45	231.20	781.65
5. Supervision	225.00	00	225.00	225.00	200.00	425.00
6. Supplies						
(a) Timber	101.84	00	101.84	101.84		101.84
(b) Explosives	19.41	13.15	32.56	19.41	13.15	32.56
(c) Repair Parts						
(d) Other	207.65	36.43	244.08	207.65	36.43	244.08
7. Power	2.08	00	2.08	2.08		2.08
8. Transportation						
9. Insurance						
(a) Fire						
(b) Public Liability						
(c) Workmen's Compensation						
10. Contract Work						
11. Other (specify) Gas & Oil	81.74	73.80	155.54	81.74	73.80	155.54
Total	1376.17	2619.58	3995.75	1376.17	2619.58	3995.75
Deletions						
Adjusted totals						
Totals previously reported		2619.58				
Totals to date			3995.75	1376.17	2619.58	3995.75

[1] Enter amount paid during month toward total purchase price.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.
[3] Submit copy of the Social Security form filed under the Old Age Insurance system showing complete wage and salary data or furnish copy of payroll sheet giving same data.

NOTE.—Indicate that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY

Checked by L. G. Marshall
Entered by V. J. Lynch
Approved by Tom Beck
Amount approved for payment $1238.55
Remarks

16—64068-3

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF October 1951

(Supply Data Below Applicable Only to Your Operations)

Item	Costs					Progress [4]				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract (Exhibit A)
Drifting										
Crosscutting										
Raising										
Shafts	775.45	188.00	410.64	2.08	1376.17	Ea	1	00	1	1
Winzes										
Drill holes										
Overburden										
Rehabilitation and preparation										
Geology and geophysics										
Trenching										
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify)										
Totals	775.45	188.00	410.64	2.08	1376.17		1	00	1	1

[1] Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
[2] Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
[3] Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.
[4] Specify whether feet, cubic feet, acres, miles, etc.

16—64068-3 U. S. GOVERNMENT PRINTING OFFICE

Narrative for October 1951

We have been sinking proposed shaft and have it lowered to a depth of approximately seventy (70) feet. We have encountered some very difficult material to work with it being unusually soft and lots of water to contend with.

We have gone through one pegmatite approximately four (4) feet thick and found some very good small mica in it. It is our opinion that this is what we call the top pegmatite. We are also of the opinion that we will strike the bottom pegmatite within the next ten (10) or fifteen (15) feet.

FILE COPY
SURNAME:

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

F L Knouse
Mittendorf

G. E. C.

Contract Service Section
General Accounting Office
Washington 25, D. C.

SEP 1 1 1951

Re: Docket No. DMA - 1388X
Gaston Strategic Minerals Company, Inc.
Exploration Project Contract Idm-377

Gentlemen:

Enclosed for recording in your office is the original of an amendment to the Exploration Project Contract between the Operator named in the above reference and the Government of the United States.

Sincerely yours,

C. O. Mittendorf (J. H.) By 9/11

C. O. Mittendorf, Director
Production Expansion Division

Enclosure-1

FLKnouse/meb
9/7/51
cc to: Admr's Reading File
Reports & Records
Messrs.Mittendorf/Olund
Knouse
Docket

FILE COPY
SURNAME:

F. Lyons Mittendorf

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

September 7, 1951

Memorandum

TO: Reports and Records Section

FROM: Production Expansion Division

SUBJECT: Docket No. DMA - 1388X
Gaston Strategic Minerals Company, Inc.
Exploration Project Contract Idm-M77

Herewith please find copy of an amendment to the above subject contract. Kindly attach this amendment to your copy of the contract.

C. O. Mittendorf (a.h.) BJ 9/11

C. O. Mittendorf

Enclosure

FLKnouse/meb
cc to: Admr's Reading File
Messrs.Mittendorf/Olund
Knouse
Docket

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
SEP 7 1951
Defense Minerals Administration,
Production Expansion Division.

September 5, 1951

Memorandum

To: C. O. Mittendorf, Director
Production Expansion Division

From: Executive Officer

Subject: Contract Amendments DMA-176X and DMA-1388X

Transmitted herewith are three copies each of amendments to the above-designated exploration contracts. One copy of each is being sent direct to Hewitt Wilson, Regional Director, Bureau of Mines, Norris, Tennessee, for use of the Regional fiscal officer, as monthly reports for August will include work done under these amendments.

Copies of the amendments are distributed as follows:

Transmitted herewith	3
Regional Director USBM	1
Knoxville office files	2
Applicant	1

Robert A. Laurence
Executive Officer
Field Team, Region VII

RAL/mg
cc: Beck
Lynch
Wilson
Files

MF-104
(August 1951)

Budget Bureau No. 42-R1036.2.
Approval Expires 6-30-52.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Contract No. Idm-E 77

Name of Operator Gaston Strategic Minerals Co.
Docket No. DMA 1388-X
Total Contract Amount $ 5600.00
Government Participation: 90 % Amount, $ 5040.00
Distribution of Expenditures for Month of August 1951

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

Operators are to submit monthly reports to the designated field representative of the Defense Minerals Administration. Reports are to be submitted in quadruplicate prior to the 15th day of the month following the reporting period.

Narrative.—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered is to be furnished.

Maps.—Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

Cost Accounts.—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts may be made from time to time.

CERTIFICATION

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

Gaston Strategic Minerals Co.
(Name of Company)

By /s/ Lin Carpenter
(Signature of Authorized Official)

September 3, 1951
(Date)

President
(Title)

NOTE.—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.

16—64068-3

MONTHLY SUMMARY COST STATEMENT

List as Shown on Exhibits Attached to Contract

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only		
				Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
1. Fixtures and Improvements:						
(a) Facilities						
(b) Buildings						
(c) Fixtures						
2. Operating Equipment:						
(a) Purchased[1]						
(b) Rented[2]	2065.00		2065.00			
(c) Furnished by operator						
3. Rehabilitation and Repairs:						
(a) Facilities						
(b) Buildings						
(c) Installations						

MONTHLY SUMMARY COST STATEMENT—Continued

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(d) Fixtures						
4. Labor[3]	231.20		231.20			
5. Supervision	200.00		200.00			
6. Supplies						
(a) Timber						
(b) Explosives	13.15		13.15			
(c) Repair Parts						
(d) Other	36.43		36.43			
7. Power						
8. Transportation						
9. Insurance						
(a) Fire						
(b) Public Liability						
(c) Workmen's Compensation						
10. Contract Work						
11. Other (specify) Gas & Oil	73.80		73.80			
Total	2619.58		2619.58			
Deletions						
Adjusted totals						
Totals previously reported						
Totals to date						

[1] Enter amount paid during month toward total purchase price.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.
[3] Submit copy of the Social Security form filed under the Old Age Insurance system showing complete wage and salary data or furnish copy of payroll sheet giving same data.

NOTE.—Indicate that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY

Checked by /s/ L. G. Marshall
Entered by /s/ V. J. Lynch
Approved by /s/ Wm. A. Beck
Amount approved for payment
Remarks

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF August 1951

(Supply Data Below Applicable Only to Your Operations)

Item	Costs					Progress [4]				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract (Exhibit A)
Drifting										
Crosscutting										
Raising										
Shafts										
Winzes										
Drill holes										
Overburden										
Rehabilitation and preparation										
Geology and geophysics										
Trenching		1880.00			1880.00	Trench 6	6	0	6	7
Sampling and assaying										
Roads and trails										
Test pits	431.20	185.00	123.38		739.58	5 Pit	5	0	5	7
Other (specify)										
Totals	431.20	2065.00	123.38		2619.58					

[1] Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
[2] Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
[3] Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.
[4] Specify whether feet, cubic feet, acres, miles, etc.

16—64068-3 U. S. GOVERNMENT PRINTING OFFICE

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

July 30, 1951

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

Re: Docket No. DMA-1388X - Idm-E77
Gaston Strategic Minerals Co.
Exploration Contract

Dear Mr. Mittendorf:

This will acknowledge receipt, on this date, of one signed and approved copy of Exploration Contract No. DMA-1388X - Idm-E77, Gaston Stretegic Minerals Company, c/o Lin Carpenter, Preisdent, Spruce Pine, North Carolina.

Sincerely,

Robert A. Laurence

Robert A. Laurence
Executive Officer
Field Team, Region VII

410 FILE COPY
SURNAME:

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

F.L.K.
Mittendorf (Fin)

July 23, 1951

G. & C.

Gaston Strategic Minerals Company
c/o Lin Carpenter, President
Spruce Pine, North Carolina

Re: Docket No. DMA-1388X - Idm-E77
Gaston Strategic Minerals Co.
Exploration Contract

Gentlemen:

We are enclosing one signed and approved copy of Exploration Contract No. DMA-1388X - Idm-E77, together with five copies of Form MF-104 monthly reports and one copy of Int. 3337 "Questions and Answers on the Minerals Exploration Program." Four copies of Form MF-104 are to be completed monthly and transmitted to the office of the Executive Director, Region VII, Room 13, Post Office Building, Knoxville, Tennessee. Additional copies of Form MF-104 may be obtained from the office of Region VII.

Sincerely yours,

C. O. Mittendorf
7/26

C. O. Mittendorf, Director
Production Expansion Division

FLKnouse/ecl

cc to: Messrs. Mittendorf - Olund
Admr's. Reading File
Barr
Norton
R. Laurence
Knouse
F I L E S

FILE COPY
SURNAME:

Mittendorf

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

July 23, 1951

AIR MAIL

Mr. Robert Laurence
Executive Director
Region VII
Room 13
Post Office Building
Knoxville, Tennessee

Re: Docket No. DMA-1388X - Idm-E77
Gaston Strategic Minerals Company
Exploration Contract

Dear Mr. Laurence:

We are enclosing one signed and approved copy of Exploration Contract No. DMA-1388X - Idm-E77, Gaston Strategic Minerals Company, c/o Lin Carpenter, President, Spruce Pine, North Carolina. A copy of this contract will be forwarded to the Region Finance Officer by the Washington Finance Officer together with their accounting instructions.

Sincerely yours,

C. O. Mittendorf 7/26 ee

C. O. Mittendorf, Director
Production Expansion Division

Enclosure (1)

FLKnouse/ecl

cc to: Admr's. Reading File
Messrs. Mittendorf - Olund
Reports and Records
Barr
Norton
Miss Terry
Knouse

FILE COPY 410
SURNAME:

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

FLK.
C.O.
Mittendorf (Ctw)

July 23, 1951

Mr. Frank McAtee, Jr.
Contract Service Section
General Accounting Office
4th Floor - New GAO Building
Washington 25, D. C.

Re: Docket No. DMA-1388X
Gaston Strategic Minerals Co.
Exploration Project Contract
No. Idm-E77

Dear Mr. McAtee:

Enclosed for recording in your office is the original of an executed Exploration Project Contract between the Operator named in the above reference and the Government of the United States.

Sincerely yours,

C. O. Mittendorf

7/26

C. O. Mittendorf, Director
Production Expansion Division

Enclosure (1)

FLKnouse/ecl

cc to: Admr's. Reading File
Messrs. Mittendorf - Olund
Reports & Records
Barr
Norton
R. Laurence, Reg. VII (2)
Knouse

y dear enator Hoey:

I am pleased to report to you that the efense Minerals dministration of this Department has recently entered into a contract with the Gaston trategic Minerals Company, operating in your state for the exploration of possible sources of mica.

The contract provides that the Government will participate in the expense of this work up to 90% of the cost thereof.

This type of assistance is provided for under section 303 of the efense Production ct.

The Defense Minerals Administration will be glad to furnish you any further details you may desire regarding the matter.

Sincerely yours,

ecretary of the Interior

Honorable Clyde R. Hoey
United tates enate
Washington 25, . C.

FLKnouse/ecl
Written 7/23/51
cc to: Messrs. Secy's Reading File
Admr's Reading File
Mittendorf - Olund
Reports & Records
FLKnouse

Same letter also sent to
Senator Smith and
Congressman Jones

FILE COPY
SURNAME:

Jones

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

July 19, 1951

Delivered by hand

Memorandum

To: C. C. Mittendorf

From: J. L. Hofflund

Subject: Gaston Strategic Minerals Company exploration contract -- Docket No. DMA-1388-X

The contract in the subject case is approved as to form and legality subject to the insertion of the word "President" after the signature of the man who signed the contract for applicant.

At the time of execution by the Government, the effective date should be inserted in the contract and in the subordination agreement.

Your file is returned herewith.

J. L. Hofflund
J. L. Hofflund
General Counsel

Attachment

WCJones/ema

Copy to: L. F. Strobel
W. C. Jones
J. L. Hofflund
Chron.
Files

delivered by hand

DMA 1388

FILE COPY
SURNAME:

Barr
Lynn

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

July 2, 1951

MEMORANDUM

To: Mr. James A. Barr, Sr.

From: Mr. A. B. Parsons

Subject Docket DMA-1388X; Mica
Gaston Strategic Minerals Co., Inc.
c/o Lin Carpenter
Spruce Pine, N. C.

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

A. B. Parsons
Assistant Director
Supply Division

RW:lck

cc: Mr. Strobel
Mr. Barr
Mr. Parsons
Mr. Morton
Mr. Mittendorf
DMA Files

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

Name of Applicant: Gaston Strategic Minerals co., Inc.
c/o Lin Carpenter, President
Spruce Pine, N.C.

File No. 1388X

Commodity: Mica

Annual Rentals: $30,895

Annual Royalties: $ ~~5,030~~ change to $5600 with consolidation
Team approval
R-weekly
J.R.C.

Commitment Expenditure: 90 % $ 4,527

Tom Lyon
[illegible]

Docket DMA-1388X

RECOMMENDATION

That an Exploration Aid Contract be granted in the amount of $5030, Government Participation 90%, in accordance with exhibits attached.

Docket DMA-1388X

Exhibit "A"

Work will consist of:

1. Bulldozer trenching to remove overburden and expose a fresh surface of the pegmatite. Shallow test pits will be dug in the trenches and samples taken.

   Two trenches will be excavated to a depth of about 7' and from 6' to 12' wide (one cut with blade); length of trenches will be from 100' to 200' each depending on extent of pegmatite found beneath overburden. It is planned that a Field Team member will assist applicant to select site and direction of trenches.

2. 6 test pits will be excavated on the pegmatite (on exposures now known) to a depth of about 20'. It is ~~thought that~~ believe this depth can be reached using hand tools only and with little or no drilling and blasting. Hoisting will be done by windlass. Pit sites will be mutually agreeable to Field Team and operator.

   Allowable cost of entire program: $5030. Time limit: 6 months

Exhibit "B"

Tool shed - shelter - core house $500.

It is intended that this structure will serve for the self mine DMA-1389-X as well as for the Huskins (1388X) These two projects are to have the same management.

Docket DMA-1388X

Exhibit "C"

Rental of Bulldozer, with fuel, driver, etc. (owned by Operator) $10.00 @ Hour 200 Hours	$2000.00
Hand tools, Windlass, Brackets, Wheelborrows, etc.	250.00
Rental of jeep, part time for supervisor. For hauling tools and samples, etc.	150.00
	$2400.00

Exhibit "D"

Superintendent - 1/2 time 6 weeks, @ $100.00 a week	300.00
Sampler - 5 weeks @ $60.00 a week	300.00
1 Miner @ $12.00 a day, 40 days	480.00
2 Laborers @ $10.00 a day, 40 days	800.00
	$1880.00
Payroll taxes, etc.	150.00
Contingencies	100.00
	250.00
TOTAL	$5030.00

Exhibit "E"

Not applicable

5538

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

Mail

JUN 21 1951

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

Dear Sir:

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

1 - DMA-1388X - Gaston Strategic Minerals Co.
2 - DMA-1389X - Piedmont Minerals, Inc.
Docket No. 3 - DMA-1390X - Ernest Mica Co., Inc.
4 - DMA-1391X - The Bess Gaston Mica Co., Inc.

Commodity (1 - Mica with Beryl by-product
2 - 3 - 4 - Mica

Applicant (1) - $30,895. (2) $29,995. (3) $11,693. (4) $31,233.28.

Commodity

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

Very truly yours,

Tom Lyon, Chairman
Coordinating Committee

For Bureau of Mines

For Geological Survey

cc: Mr. Bak

June 13, 1951

Mr. C. B. Collins, Counsel
1025 Vermont Avenue, N. W.
Room 714
Washington, D. C.

Subject: DMA-1388X - Gaston Strategic Minerals Co., Inc.
DMA-1389X - Piedmont Minerals, Inc.
DMA-1390X - Ernest Mica Co., Inc.
DMA-1391X - The Boss Gaston Mica Co., Inc.

Dear Mr. Collins:

Subject applications are being referred to the Defense Minerals Administration Field Team for further information.

Sincerely yours,

James Barr

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

RW:dek

cc: Mr. Strobel
Mr. Barr
Files

Defense Minerals Administration

Review of Application for Exploration Assistance

Docket No. DMA 1388X

Commodity Mica with beryl by-product

Total Amount $30,895

Govt. Participation 90%

1. Name and Address of Applicant Gaston Strategic Minerals Co., Inc.
J. Lin Carpenter, President, Spruce Pine, North Carolina

2. Location of Property: Hoskins Farm, Gaston County, N.C.

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

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

b) Poor

c) None

See Attached sheet JAR

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 (question 5, 6, 7)

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

Does the lease have sufficient time to run to cover a future productive period? Yes

*Question numbers are those of MF-103

Answer to question 4, DMA-1388X
from Gaston Strategic Minerals Co.
Spruce Pine, North Carolina

With the exception of the records of mica, sales from the Huskins Mine, the Geological Survey has no file data on this property. The recorded mica production is small. From the very limited knowledge obtainable, I suspect this property has very poor possibilities.

Their outlined exploration program is much too elaborate and expensive. An investigation of the geology of the claim could probably cut exploration costs to one tenth of their figure.

It is recommended that the field team visit the proposed exploration area. They should determine the advisability of any needed exploration and the proper type of exploration needed.

J. A. Redden

7. Are subordination agreements necessary? Yes

a) MF-201? _____

b) MF-202 attached

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

a) Available manpower ~~No~~ Yes - only 4 men considered (not sufficient)

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

c) Accessibility (question 12) Yes - 5 miles from Cherryville, good roads

d) Water (question 13) Yes

e) Power (question 13) No mention of source -

Is a field check needed on any of these points? No

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? No

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? see draft 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, but too extensive & to too great depth - is not

If not, what part of it is? a logical method as described.

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? Wages given are OK.

f) Should more information be requested from applicant? field exam.

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

11. Exhibit B (question 23-d)

a) Is it applicable? Yes - ~~but~~

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

c) Is a field check needed? No

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

a) Is it applicable? Yes

b) Sufficient data? Yes If so, attach a draft.

c) Are rents and charges reasonable? None listed - see draft

d) Is a field check needed? No

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

a) Are there sufficient data? Yes

b) Is the schedule adequate for the work proposed? No - see draft

c) Is the schedule excessive for the work proposed? No

d) Are the proposed wages and salaries reasonable? Yes

e) Is a field check needed? No

14. Exhibit E (question 23-c)

a) Is it applicable? Yes — No facilities on the property

b) Sufficient data? Yes

c) Reasonable? —

d) Field check needed? No

15. In your judgment, can the proposed work be done in the proposed time? No. If the entire program is completed it cannot be done in 1 year

(All exploration must be completed within two years.)

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

17. If field examination is needed, do you have any special instructions for the field team not indicated by your answers to the foregoing questions? When in this area, check the geologic conditions + discuss the project with the applicant to see if a much more moderate program can be laid out to test the area in an exploratory manner

See also 1389-R-1390-R-1391-R - All can be handled on same field trip - RBM

Reviewed by: Roscoe M. Rundy
Dofm

Date 6/13/51

6/8/51 Docket No: DMA: 1388X.

Sect. 10 Exhibit A.

No mention is made of the thickness of overburden or what the underlying rock will be (probably a pegmatite) nor of what type of drilling rig will be used. (In answer to 23-a. a cost of $175 is given entirely too small for any mechanical rig, especially to drill into pegmatite).

No description of any adjoining mines or prospects is given to indicate why the present program is justified. The project outlined is merely to drill the entire area on a checker-board grid. on a hope that mica will be found at some depth. Whether the pegmatite outcrops & indicates favorable conditions is not indicated

The drag line trenches are very large & excessively deep. The statement that they will be "lowered" if mica is found is impossible as undoubtedly it would be in pegmatite which cannot be mined by drag line.

Sect. 11 Exhibit "B"

Bunk house should be eliminated - not needed for 4 men as contemplated & work is only 5 miles from Cherryville. Even an operating mine in this location would not need such a facility.

Tool house is needed & cost reasonable.

Sect. 12 Exhibit "C"

Some confusion in the figures given. The costs of equipment to be bought are somewhat low, ie. Jackhammer @ $350 ea. The power drill, listed under "h" (question 23) is wrongly listed & the price $175 ea is out of line (This may possibly be a rental - wrongly listed.

Sect 12 Exhibit "C" (cont.)

No rentals of equipment are listed. Under question 9 - the applicant states that a compressor which he owns is to be "invested" in the project at a value of $3500.00. He would probably wish to deduct this from the portion of the cost of the project which he must pay - in other words sell it to the project. This is unacceptable although the rental of this equipment would be permissible. The applicant has been advised of this matter & has agreed to change his application accordingly.

Sect. 13 Exhibit "D"

The labor force listed appears to be too small for the work to be undertaken although the wages listed appear reasonable.

Sect 16 - Recommendation.

On the basis of the information in the application & the records found by the Geol. Survey this project should be declined or covered by a new application on a more moderate scale. A visit by a field team might lead to a program which would test the area & yet be much more moderate, including a few holes which would indicate the possibilities. As at present outlined the project is too elaborate & will cost too much for the information to be obtained.

The application should be returned with the suggestion that, after consultation with the field team, it be resubmitted on a more reasonable basis.

UNITED STATES
DEPARTMENT OF THE INTERIOR

OSCAR L. CHAPMAN, SECRETARY
DEFENSE MINERALS ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM, REGION VII

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
LIBRARY
JUL 9 - 1951
LANDON F. STAEBEL
Executive Secretary

DMA-1388-X, Huskins Mine, Gaston County, N. C.
Gaston Strategic Minerals Co.

By

Wallace R. Griffitts
U. S. Geological Survey

W. A. Beck, Engineer
U. S. Bureau of Mines

June 23, 1951

ON-SITE REPORT

Gaston Strategic Minerals Co., Inc.

Huskins Mine, Gaston County, N.C.

DMA-1388-X

Many years ago an unknown party prospected for mica on the property of John Huskins, 5 miles southeast of Cherryville, N. C.

J. Claude and Allan Self began prospecting there in September 1943. They dug several small pits, then sank a 31 foot shaft. Drifts were driven south at 23 feet depth and north at 12 feet depth. Their operation is said to have been stopped when the Self brother were jailed for draft law violations. Later operations are said to have been carried on by Mr. Huskins and his daughter. In the spring of 1945 a second shaft was sunk 38 feet to connect with a drift at a point 65 feet southwest of the first shaft. Since that time pits and shafts have been scattered promiscuously across the area.

The country rock is a fine-grained hornblende schist. It has been weathered to a soft brown clay. It stands well in dry workings, but is difficult to hold when wet. As a result of this, few pits or shafts were carried below water level except during the war period when the Colonial Mica Corp. provided pumps and other equipment.

Two pegmatite dikes were explored by the end of World War II. The southeast dike was exposed intermittently for 210 feet. It ranges in width from 9 to 23 feet. The strike is N. 55° E in the southwest 170 feet and N. 20° E in the northeast 40 feet. The dip at the northeast end is 50-55° NW. A core of sugary quartz extended for about 150 feet along

the dike. It is flanked by plagioclase-quartz pegmatite that contains scattered books of muscovite as broad as 5 inches. In places, especially at the north end of the core, the mica constitutes as much as 10 percent of the pegmatite and reaches a length of 15 inches.

Most of the war-time mining was done on a dike which lies about 70 feet northwest of the one described above. It is 1/2 to 8 feet thick and nearly 200 feet long. It strikes N. 30° E. At the north end of the underground workings it dips 80° W. The dip steepens southward. The plunge of the dike is uncertain, but the position of workings suggests that it may be 15 to 25 degrees to the northeast. The dike does not contain a continuous quartz core, but does contain local medially situated quartz lenses. The bulk of the pegmatite is composed of plagioclase and quartz, with varying amounts of muscovite.

Muscovite was found everywhere plagioclase-quartz pegmatite has been found. It was abundant in World War II only in the northern part of the eastern dike and in the western dike. It ispossible that the mica in the eastern dike fromms a northward-plunging hood over the quartz core, resembling somewhat the Cliff Blanton and Plato Hauser pegmatites.

Other pegmatite dikes are present between the two on which most of the war work was done as well as east of the eastern dike. None of these has been extensively explored.

Seven hundred feet of trenches and six test pits should supplement the exposures in the present pits and permit an accurate evaluation of the distribution and mica content of the various pegmatite dikes.

Exhibit "A" DMA-1388X

Gaston Strategic Minerals Co. Inc.,
Huskins, Farm - Gaston County, N.C.

Segment "A"

It is proposed to bulldoze 7 - 100-foot trenches to an average depth of 7 feet across the pegmatite as shown on the accompanying map.

Segment "B"

Should good mica showings be found by the work performed under segment "A" then it is planned to sink six 6' x 6' test pits on the pegmatite to an average depth of 20 feet.

Funds required for this work are as follows:

Segment "A"		
	Bulldozer trenching 700 ft. 200 hrs. @ $10 per hr.	$2000.
Segment "B"		
	120 feet of test pitting @ $30 per ft.	3600.
	Total cost of project	$5600

It is estimated that the project can be completed in 8 weeks.

This project will be carried on in conjunction with DMA-1391X, Bess Mine; and DMA-1389X, Self Mine.

Exhibit "B" DMA-1388X

Gaston Strategic Minerals Co. Inc.,

Huskins Farm, Gaston Co., N.C.

No additional facilities, buildings or fixtures are to be purchased, installed or erected.

Exhibit "C" DMA-1388X

Gaston Strategic Minerals Co. Inc.,

Huskins Farm, Gaston Co., N.C.

Below is a list of operating equipment to be rented by the operator for use on the project:

1 dump truck 8 weeks @ $50 per week	$400.
1 hoist 8 weeks @ $10 per week	80.
1 dulldozer-200 hrs.@$10. per hr.	$2000.

The above equipment is owned by the operator and will be rented to the project.

Exhibit "D" DMA-1388X

Gaston Strategic Minerals Co., Inc.

Huskins Farm, Gaston Co. N. C.

Below is an itemized schedule of labor by numbers and classes and of supervisors by numbers and positions with maximum wages and salaries that may be paid to each as an allowable cost of the project.

2 miners @ $50 per week for 8 weeks	$800.00
1 timberman @ $60 per week for 8 weeks	480.00
1 superintendent 1/2 time @ $100 per week	400.00

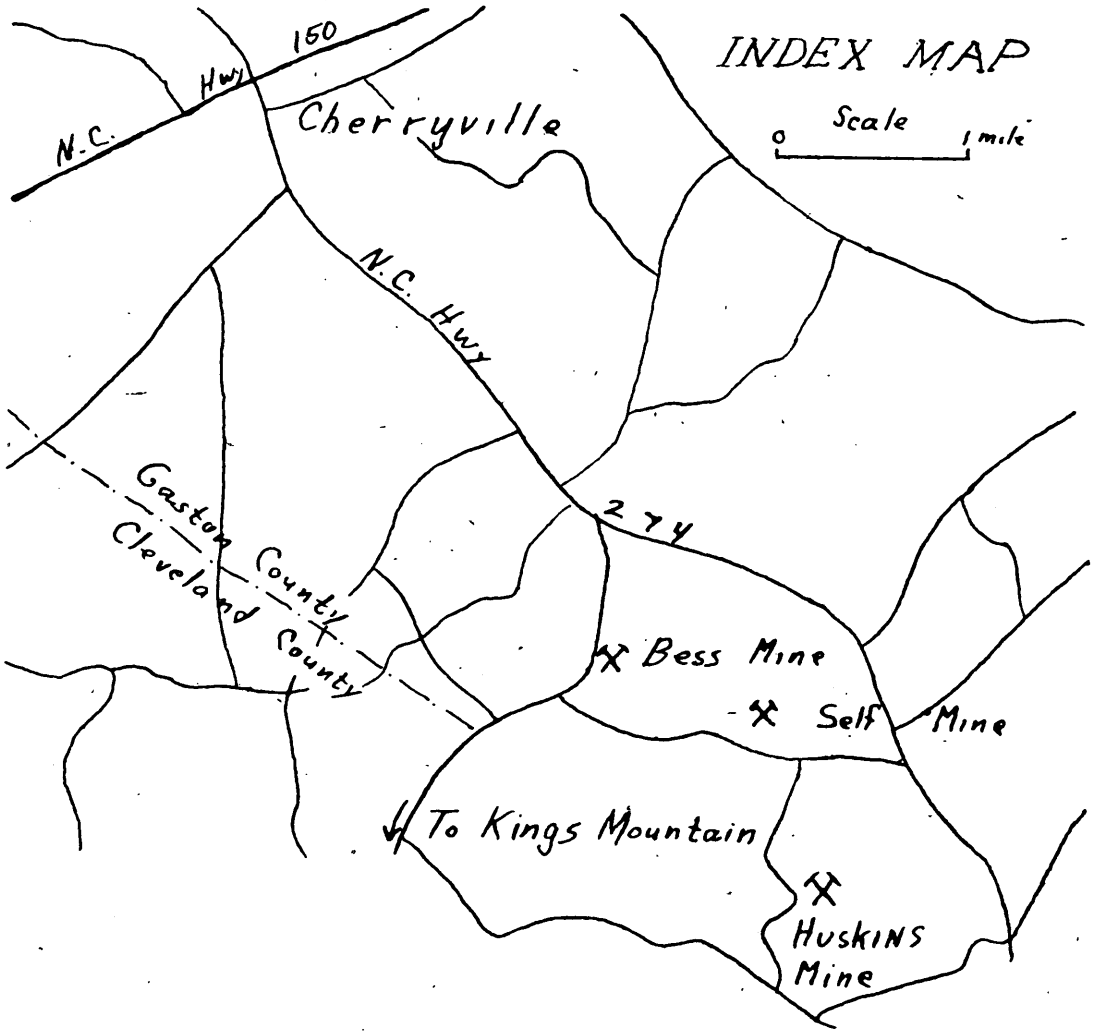
The superintendent will devote his time between projects DMA-1391X, Bess Mine, DMA-1388X Huskins Mine, and DMA-1389 Self Mine.

Exhibit "E" DMA-1388X

Gaston Strategic Minerals Co. Inc.,

Huskins Farm, Gaston Co. N. C.

There are no existing facilities, building, installations or fixtures on the property and no rehabilitation or repairs will be necessary.


INDEX MAP
Scale
0
1 mile
N.C. Hwy 150
Cherryville
N.C. Hwy
274
Gaston County
Cleveland County
Bess Mine
Self Mine
To Kings Mountain
Huskins Mine

MAYLAND MOTOR COMPANY

TELEPHONE 29

PONTIAC CARS ★ INTERNATIONAL TRUCKS ★ FARMALL TRACTORS ★ POWER UNITS ★ FARM MACHINERY ★ ACCESSORIES

1388-7

SPRUCE PINE, NORTH CAROLINA

June 26, 1951

Mr. Lin Carpenter, President
Gaston Strategic Minerals Col, Inc.
Spruce Pine, North Carolina

Dear Mr. Carpenter:

The purpose of this letter is to reduce to writing our commitment that will bind us to drill your Gaston County properties at a rate of not exceeding $4.76 per foot. It is our understanding that the monies to pay us will be received by you on a monthly basis from the Federal Government. If we can cooperate in other manner, do not hesitate to call on us.

Mayland Motor Company

E A Ellis

E.A.Ellis, Pres.

FILE COPY
SURNAME:

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

June 14, 1951

Mr. Lin Carpenter, President
Gaston Strategic Minerals Co., Inc.
Spruce Pine, North Carolina

Subject: DMA-1388X
Re: Exploration Loan - Huskins

My dear Mr. Carpenter:

Receipt is acknowledged of your application and attachments for an exploration loan under the Defense Production Act of 1950.

The application was assigned Docket Number DMA-1388X and referred to Mr. James A. Barr, Chief, Industrial Minerals Branch on June 1, 1951.

In any future correspondence relating to your application, kindly refer to DMA-1388X.

Sincerely yours,

LANDON F. STROBEL

jc

Landon F. Strobel
Executive Secretary

L. F. Strobel:jc
cc: Strobel
✓File
Barr
Lyon

June 13, 1951

Mr. C. B. Collins, Counsel
1025 Vermont Avenue, N. W.
Room 714
Washington, D. C.

Subject: DMA-1388X - Gaston Strategic Minerals Co., Inc.
DMA-1389X - Piedmont Minerals, Inc.
DMA-1390X - Ernest Mica Co., Inc.
DMA-1391X - The Ross Gaston Mica Co., Inc.

Dear Mr. Collins:

Subject applications are being referred to the Defense Minerals Administration Field Team for further information.

Sincerely yours,

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

HW:dak

cc: Mr. Strobel
Mr. Barr
Files

June 13, 1951

Mr. C. B. Collins, Counsel
1025 Vermont Avenue, N. W.
Room 714
Washington, D. C.

Subject: Gaston Strategic
Minerals Co., Inc.

Dear Sir:

Application No. DMA-13XX is being referred to the Field Team for further information.

Sincerely yours,

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

RW:dak

cc: Mr. Strobel
Mr. Barr
Files