DMEA Form 9
Rev. 6/57

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE — Idm-E NO. 456 — DMEA NO. 2150

Application
- [ ] Denied
- [ ] Withdrawn

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

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

Folder No. 1:

**Left Side**

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

**Right Side**

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

Additional Folders:

**Left Side**

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

**Right Side**

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

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

Folders No. _____ : Settlement Sheets

Folders No. _____ : Drill Logs

Folders No. _____ : Royalty material

17963

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Washington office pertaining to Contract Idm-E456, Docket DMEA-2150 (mica), dated December 4, 1952, with

A. W. Reid and W. H. Hooker
d/b/a Reid and Hooker
Box 489
Franklin, North Carolina

for the purpose of determining the amount of royalty payable to the U. S. Government on sales of minerals from property referred to as the Reid-Hooker Mine and the Reid Mine located in Macon County, North Carolina, during the period March 19, 1955, through April 22, 1961.

A certification of discovery or development was issued on May 28, 1953, and, in accordance with Article 9 and Annex I of the contract, royalty is payable on all minerals produced from the land described in Article 2 of the contract for a period of 10 years from the date of the contract or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first. A Report of Review dated April 15, 1953, indicated accepted costs under the exploration contract amounting to $1,300.00 with the Government's contribution on a 90 percent basis being $1,170.00.

The status of the project, the scope of review, and the reasons therefor are stated on page 2.

This review established no sales subject to the Government's royalty subsequent to the period covered by a prior Report of Royalty Review, which found no sales subject to the Government's royalty through March 18, 1955. The royalty account as of March 18, 1955, was:

| | |
|---|---|
| Total Royalty Payable | $ -0- |
| Total Royalty Paid | -0- |
| Balance of Royalty Due | $ -0- |

At April 22, 1961, the royalty account of this project was found to be:

| | |
|---|---|
| Total Royalty Payable | $ -0- |
| Total Royalty Paid | -0- |
| Balance of Royalty Due | $ -0- |

E. D. Talbert
E. D. Talbert, OME Auditor

November 22, 1961

Idm-E456 Reid and Hooker DMEA-2150

STATUS OF PROJECT, SCOPE OF REVIEW
AND REASONS THEREFOR

This contract provided for exploration work at a different mine on the same 116 acres covered by Contract Idm-E37, Docket DMA-1140, Pitt Mica Corporation. Reid and Hooker were two of the three stockholders of that corporation, which was suspended by the Secretary of State of North Carolina on December 14, 1951.

Annex I of this later contract requires that, in the event of certification thereunder, Reid and Hooker jointly and severally shall pay a royalty on all production in the manner provided for in Article 9 of, and for a period of 10 years from, the date of this later contract or until the total Government contribution under both contracts is repaid. The so-called "abandonment" clause in Article 10, however, was not deleted.

The Government's contribution under Contract Idm-E87 was $1,791.00, of which $60.77 has been repaid by royalty on production through this date. No repayment has been made under this later contract. Accordingly, the present contingent obligation of the Operators is $2,900.23, consisting of a repayable $1,730.23 balance under the first contract and the $1,170.00 contribution under this later contract.

Examinations of the property, the latest on April 22, 1961, and inquiries by field representatives have confirmed that the property has been inactive since shortly after completion of the work under this contract and that all sales of production are covered by Reports of Royalty Review on Contract Idm-E87. During a July 13, 1954, inspection of the property Reid stated that his interests had been sold to Hooker, who holds all mineral rights in fee.

The last known address of W. H. Hooker was 104 Hemlock Drive, Marietta, Georgia. The last address of record for A. W. Reid was Box 489, Franklin, North Carolina.

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

(1) The property has been inactive since 1953;
(2) All sales of production have been accounted for and proper royalty thereon paid under Contract Idm-E87; and
(3) The administrative cost to the Government of an on-site royalty audit at this time would be excessive in relation to the amount of possible additional royalty which might be disclosed.

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF SECOND ROYALTY REVIEW

I have reviewed the files of the Executive Officer, DMEA Field Team, Region V, pertaining to Contract Idm-E456, Docket No. DMEA-2150, with:

A. W. Reid and W. H. Hooker
d/b/a Reid and Hooker
Box 489
Franklin, North Carolina

for the purpose of determining the amount of royalties due the U. S. Government on sales of mica produced from property referred to as the Reid Mine located in Macon County, North Carolina, during the period December 4, 1952 to March 18, 1955.

My review included a conference with Mr. William A. Beck, Mining Engineer, U. S. Bureau of Mines, Knoxville, Tennessee, who is thoroughly familiar with the project.

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

(1) This account was previously reviewed by Mr. B. J. Brekhus as indicated by his Royalty Audit Memorandum dated July 28, 1954.

(2) A check of the records of the General Services Administration Mica Purchase Depot, Spruce Pine, North Carolina, did not disclose any sales of mica produced from this mine subsequent to the date of the prior review.

(3) The administrative cost to the Government of an on-site royalty audit at this time would be excessive in relation to the amount of possible royalty which might be disclosed.

The review has not disclosed any sales of mica from this project which would be subject to royalty payments to the U. S. Government.

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

March 21, 1955

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

July 28, 1954

**Royalty Audit Memorandum**

To: Mr. Jay L. Chambers, Chief
Contract Administration and Audit Division

From: B. J. Brekhus, Auditor

Subject: Royalty Audit - Contract Idm-487, Docket No. DMEA-1140X
Pitt Mica Corporation
Contract Idm-456, Docket No. DMEA-2150
A. W. Reid and W. H. Hooker, partners
Contract Idm-476, Docket No. DMEA-2327
Andrew W. Reid

On July 13, accompanied by Mr. Wm. A. Peck, Mining Engineer, Bureau of Mines, Knoxville, Tennessee, I called upon Mr. A. W. Reid for purpose of determining status of royalty payments on the subject contracts.

We found Mr. Reid at home in apparently poor physical condition. He was reported to have been involved in a mine cave in sometime previously, and had spent considerable time in a hospital. Another man was reported killed in this same cave in.

Mr. Reid stated he was now no longer active in the above mining projects and his former partner, Mr. W. H. Hooker, who now resides in Atlanta, Georgia, has taken over the properties and owns the mineral rights, and has the records of the operations. He also stated that there was now no mining being done on these properties and he believed all royalties have been paid. The records of the Field Team and the Mica Depot in Spruce Pine, North Carolina, also support this. Therefore, it was decided not to go to Atlanta, as the probable findings would not justify the trip.

The status of the royalty accounts of the above contracts is as follows:

| Contract No. | Sales: Strategic Mica | Sales: Punch & Burrs | Sales: Total Sales | Royalty Paid |
|---|---|---|---|---|
| Idm-K 87 | $ 530.98 | $684.58 | $1,215.56 | $ 60.77 |
| " 456 | - | - | - | - |
| " 476 | 2,004.90 | 144.25 | 2,149.15 | 107.45 |

Mr. W. H. Hooker's present business address is c/o Trade Publications, Inc., 1125 Peachtree Street, Atlanta, Georgia.

FILE COPY
SURNAME:

Houk
Chambers
Johnson
Hedges

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

600

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

To: Reid and Hosher
c/o A. W. Reid
Box 489
Franklin, North Carolina

Pursuant to the provisions of Exploration Project Contract No. Idm-R456, dated December 4, 1952, (Docket No. DMEA-2150), hereinafter called the "contract" between you and the United States of America, hereinafter called the "Government"; to establish and fix the Government's percentage royalty on production and its lien thereon and on the land described in the contract, the Government considers and therefore certifies that discovery or development from which production may be made has resulted from the exploration work.

The nature of said discovery or development is described broadly or indicated as follows:

Surface exploration by two short trenches, with 15 foot test pits in each, exposed a five foot pegmatite over a horizontal distance of 60 feet and a vertical distance of 52 feet. Sufficient work was performed under the contract to indicate that production of strategic mica may be obtained from the property.

THE UNITED STATES OF AMERICA

By C O Mettendorf
Administrator, Defense Minerals Exploration Administration

Dated: MAY 28 1953

LOHouk:gad 5/26/53

Copy to: Mr. Russell Forbes, DMPA
Operating Committee
Mr. Hedges, 4604
Mr. Thayer, 5216 GSA Bldg.
Operating Committee
Admr. R. File
Field Team, Region VII
Docket File
Mr. Chambers Mr. Johnson Mr. Houk

Copy to Frank Sidwell Box 336

R.N. 5-29-53

FILE COPY
SURNAME:

Hook
Chambers
Carlson
Robin
Cornell
Hedges
Johnson

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

600

MAY 29 1953

Mr. Russell Forbes
Acting Administrator, Defense Materials
Procurement Agency
General Services Administration Bldg.
Washington 25, D. C.

Re: Docket No. [illegible]-2150 - Mica
Reid and Booker
Reid Mine
Mason County, North Carolina
Contract No. [illegible]-1456

Dear Mr. Forbes:

I am enclosing one copy each of a "Certification of Discovery or Development", Summary Report of Operator, and a final report by the Field Team, all relating to the subject contract.

The exploration project contract was executed December 4, 1952, and work completed on January 23, 1953. The Government participated to the extent of 90% of $1,300.00 or $1,170.00. Total expenditure under the contract was $1,300.00 according to Report of Review in lieu of final audit. The operator also assumed the obligations of the Pitt Mica Corporation ($1,791.00), with reference to royalty repayment as set forth in paragraph 2 of Annex 1.

The final field team report states in part:

> Surface exploration by two short trenches, with 15 foot test pits in each, exposed a five feet pegmatite over a horizontal distance of 60 feet and a vertical distance of 32 feet. Sufficient work was performed under the contract to indicate that production of strategic mica may be obtained from the property. Approximately 3,000 pounds of book mica up to six inches in size was recovered during the contract.

The Field Team and the Operator state a discovery resulted and the DMEA concurs.

Sincerely yours,

C. O. Mittendorf (fw)

Administrator

P.H.
5-29-53

Enclosures 3

LOHook:gad 5/26/53

Copy to: Admr. R. File
Operating Committee
Mr. Hedges, 4604
Mr. Thayer, 5216 GSA Bldg.
Field Team, Region VII
Mr. Johnson
Mr. Chambers
Docket File
Mr. Hook

Mr. Fiddler

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Report of:

A. W. Reid & W. H. Hooker

d/b/a Reid & Hooker

Box 489, Franklin, North Carolina

pertaining to Contract No. Idm-R456, Docket No. DMEA-2150, for the period of December 18, 1952 to January 23, 1953, covering a project for the exploration of mica.

My review included an examination of the Monthly Report (Form MF-104) and supporting documents attached thereto, comparison of the costs claimed with the contract and pertinent schedules, consultation with the Executive Officer of the Regional Field Team, and a determination of the reasonableness and propriety of the costs.

This review was made in lieu of a final 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 value of the contract or the estimated amount of possible disallowances thereunder;
(b) the Monthly Reports were supported by documentary proof of the costs incurred under the contract;
(c) a large portion ($450.00) of the costs were under a contract provision for payment by the Government on the basis of agreed estimated costs of units of work actually performed; and
(d) a major portion ($790.00) of the costs covered bulldozing at hourly 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 | | $ 1,300.00 |
| Exceptions: | | |
| By DMEA Finance Officer | $ -0- | |
| Herewith | -0- | -0- |
| Total Accepted Cost | | $ 1,300.00 |

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

— $ 1,170.00 —

is considered valid and proper.

April 13, 1953

E. D. Talbert, Auditor

MF-200
(June 1951)
(Revised Feb. 1952)

DOCKET NO. DMEA 2150

COMMODITY Mica

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Docket Copy
IDM-E 456
DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 15 1952

# EXPLORATION PROJECT CONTRACT[1]

IT IS AGREED this 4th day of December, 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] A. W. Reid and W. H. Hooker, partners, doing business under the firm name and style of Reid and Hooker, c/o A. W. Reid, Box 489, Franklin, North Carolina

hereinafter called the "Operator," as follows:

ARTICLE 1. *Authority for contract.*—This agreement is entered into under the authority of the Defense Production Act of 1950, as amended, pursuant to DMEA Order 1 entitled "Government Aid in Defense Exploration Projects."

ARTICLE 2. *Operator's property rights.*—~~With respect to that certain land situated in the State of North Carolina, County of Macon, with respect~~ to the mineral interest and mining privileges in that certain land situated in Macon County, North Carolina, as described in Book A-6, page 186, of the Register of Deeds, Macon County, N. C., being the same land set forth in Contract Idm-E87, Docket No. DMEA-1140X.

the Operator represents and undertakes:[4]

(*a*) That the Operator is the owner, in possession and entitled to possession of 17/25 of the property, which is subject only to the following claims, liens, or encumbrances as to each of which the subordination agreement of the holder is attached: None

of 8/25 of this property,

(*b*) That the Operator is a lessee, in possession and entitled to possession, and the Owner's Consent to Lien is attached.

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.

ARTICLE 3. *Exploration project.*—The Operator, within 30 days from the date of this contract shall commence work on a project of exploration for[5] Mica

in or upon the described land; and shall bring the project to completion within a period of 3 months from the date of this contract. The work to be performed is more fully described in Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, are made a part of this contract. The Government will contribute to the cost of this work as hereafter provided.

ARTICLE 4. *Performance of the work.*—(*a*) *Operator's responsibility.* The work shall be performed efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for workmens' compensation and employers' liability insurance, with suitable and adequate equipment, materials, and labor, to bring the project to completion within the time fixed. To the extent specified in Exhibit "A," attached hereto, the work may be performed by independent contractor or contractors; and work not specified in Exhibit "A" for performance by independent contractor may nevertheless be so performed upon amendment of Exhibit "A," as agreed to by the parties, to state the work to be so performed and the estimated unit costs thereof, as provided hereafter.

(*b*) *Independent contracts.*—Any independent contract for the performance of work shall be on a unit-price basis (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved), or on some basis that will indicate the amount due for work performed at any stage of the work to be performed under such independent contract. The Government shall not be nor be considered to be a party to any such independent contract, and the Government's right to terminate the exploration project contract under any of its provisions shall not in any manner be affected by reason of any such independent contract. If the reference in Exhibit "A" to any such independent contract states that the Government's approval thereof is required, the Government may refuse to participate in the cost thereof unless and until it has given its written approval of the independent contract.

(*c*) *Government may inspect.*—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.

ARTICLE 5. *Estimated costs of the project.*—A statement of the estimated cost of the project is set forth in Exhibit "A," attached hereto. Except insofar as any item of requirement or the estimated cost thereof set forth in Exhibit "A" is there or elsewhere designated as an "allowable maximum," such items of requirement and of related cost are estimates only, and may be exceeded to the extent that the Government may from time to time approve for the most economic and beneficial performance of the work within the limitation of the total aggregate estimate of costs. The Government's approval of any such excess over the estimate for an item of requirement or related cost will be signified by its approval and payment of any invoice or voucher for payment which expressly calls attention to such excess. Items expressly designated in Exhibit "A" or elsewhere as "allowable maximum," and the total aggregate estimated cost are limitations, and any excess therein will be for the sole account of the Operator in which the Government will not participate.

ARTICLE 6. *Allowable costs of the project.*—(*a*) The costs of the project in which the Government will participate are limited to the following:

(1) *Independent contracts.*—Payments to independent contractors under independent contracts listed in Exhibit "A." The estimated cost of any work to be performed under an independent contract is or shall be included in the estimate of costs in Exhibit "A" in terms of the estimated numbers of units of work to be performed, the estimated amount to be paid per unit, and the estimated total amount to be paid to the independent contractor, and such estimates shall be allowable maximums above which the Government will not contribute. Regardless of the provisions of any such independent contract, the Government will participate in the payments to the independent contractor only on account of work actually performed and that conforms with the provisions of the exploration project contract, and only to the extent that the Government deems the unit prices for the work under the independent contract to be reasonable and necessary. No such independent contract shall have the effect of increasing the estimated total cost of the exploration project contract nor the maximum amount which the Government will pay as provided in the exploration project contract.

(2) *Labor, supervision, consultants.*—Labor, supervision and technical services (including engineering and geological consultants), a schedule of which is included in the estimate of costs set forth in Exhibit "A." The requirements and related estimated costs for supervision and technical services are allowable maximums.

(3) *Operating materials and supplies.*—Necessary materials and supplies including items of equipment costing less than $50.00 each, and power, water, and fuel, a schedule of which is included in the estimate of costs in Exhibit "A."

(4) *Operating equipment.*—Any operating equipment to be rented or purchased, or which is owned and will be furnished by the Operator, with the estimated rental, purchase price, or the allowable depreciation, as the case may be, a schedule of which is included in Exhibit "A." Any items listed as owned and to be furnished by the Operator, and related ~~initial~~ allowable depreciation, are allowable maximums.

(5) *Rehabilitation and repairs.*—Any necessary initial rehabilitation or repairs of existing buildings, installations, fixtures, and movable operating equipment, now owned by the Operator and to be devoted to the purposes of the exploration contract, a schedule of which is included in the estimate of costs set forth in Exhibit "A." These items are allowable maximums.

(6) *New buildings, improvements, installations.*—Any necessary buildings, fixed improvements, or installations to be purchased, installed, or constructed for the purposes of the exploration work, with the estimated cost of each, a schedule of which is included in the estimate of costs in Exhibit "A." All of these items are allowable maximums.

(7) *Miscellaneous.*—Repairs to and maintenance of operating equipment (not including initial rehabilitation or repairs of the Operator's equipment), analytical work, accounting, workmen's compensation and employers' liability insurance and payroll taxes.

(8) *Contingencies.*—Such other necessary, reasonable direct costs of performing the exploration work, within the limit of the total aggregate estimate of costs, whether or not included in any schedule of costs in Exhibit "A," as may be approved by the Government in the course of the work, as indicated by its approval and payment of invoices and vouchers.

[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, particularly excluding any land or interest therein to which the Government's lien is not to attach or the production from which is not to be subject to the Government's percentage royalty.
[4] Strike out the provision not applicable.
[5] Name of mineral or minerals.

(*b*) The Government's payments in all cases will be based on actual, necessary costs (including contract unit prices) incurred not in excess of any "allowable maximum," and not in excess of the fixed percentage of the total aggregate estimated cost. Costs will be considered to be incurred only as they are or become due and payable.

(*c*) No items of general overhead, corporate management, interest, taxes (other than payroll and sales taxes) or any other indirect costs, or work performed or costs incurred before the date of this contract, shall be allowed as costs of the project in which the Government will participate.

ARTICLE 7. *Reports, accounts, audits.*—(*a*) *Progress reports.* The Operators shall provide the Government with monthly reports of work performed and costs (including contract unit prices) incurred under the contract, in quintuplicate (five copies), upon forms provided by the Government. These progress reports shall be certified by the Operator, and shall constitute both the Operator's invoice of costs incurred on the project during the period covered by the report and his voucher for repayment by the Government, unless the Government requires the use of a standard voucher form with invoice attached. Progress reports shall include surface and/or underground engineering-geological maps or sketches showing the progress of the exploration, with assay-reports on samples taken concurrently with the advance in mineralized ground.

(*b*) *Final report.*—Upon completion of the exploration work or termination of the contract the Operator shall provide the Government with an adequate geological and engineering report, in quintuplicate (five copies), including an estimate of ore reserves resulting from the exploration work.

(*c*) Compliance with requirements.—If, in the opinion of the Government, any of the Operator's reports are insufficient or incomplete, the Government may procure the making or completion of such reports and attachments as an expense of the exploration work; and the Government may withhold approval and payment of any vouchers depending upon insufficient or incomplete reports.

(*d*) *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. Upon the completion of the project or termination of the contract the Operator shall render a final account as provided in Article 12.

ARTICLE 8. *Payments by the Government.*—(*a*) The Government will pay 90 percent of the allowable costs incurred, as they accrue, in an aggregate total amount not in excess of $1,170.00, which is 90 percent of $1,300.00, the agreed, estimated total cost of the project in which the Government will participate; *Provided*, that until the Operator's final report and final accounting have been rendered to the Government, and any final auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of ten (10) percent of the maximum total which the Government might have been called upon to pay under the terms of the contract.

(*b*) The Government may make any payment or payments direct to independent contractors and to suppliers, for the account of the Operator, rather than to the Operator.

ARTICLE 9. *Repayment by Operator.*—(*a*) If, at any time, the Government considers that a discovery or a development from which production may be made has resulted from the exploration work, the Government, at any time not later than 6 months after the Operator has rendered the required final report and final account, may so certify in writing to the Operator. The certification shall describe broadly or indicate the nature of the discovery or development. In the event of such certification, any minerals mined or produced from the land described in Article 2 within 10 years from the date of this contract, including any mined or produced before the certification, shall be subject to a percentage royalty which the Operator or his successor in interest shall pay to the Government, upon the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, until the total amount contributed by the Government, without interest, is fully repaid, or said 10 years have elapsed, whichever occurs first, as follows:

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

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

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

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

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

(*d*) This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

ARTICLE 10. *Assignment, transfer, or loss of Operator's interest.*—Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder. The Operator shall not make any voluntary nor permit any involuntary transfer or conveyance of the Operator's rights in the land described in Article 2, without making suitable provision for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof; *Provided*, that mere failure by the Operator to maintain the Operator's rights in the land, without any consideration running to the Operator other than relief from the cost of maintaining such rights (as by surrender of a leasehold, failure to perform assessment work, or failure to exercise an option), coupled with complete abandonment by the Operator of all interest in or operations on the land for a period of 10 years from the date of this contract, shall not constitute such a transfer or conveyance. Should the Operator make or permit any transfer or conveyance in violation of this provision, the Operator shall be and remain liable for payment to the Government of the same amounts, at the same times, as would have been paid under the terms of the percentage royalty on production. If for any reason the net smelter returns, net concentrator returns, or other net amounts realized from the sale or other disposition of such production are not available as a means of measuring the amount of the Operator's liability, the amount thereof shall be estimated as well as may be, and in the event of dispute as to such estimates, the determination thereof by the Administrator of Defense Minerals Exploration Administration or by his successor shall be final and binding upon the Operator.

ARTICLE 11. *Title to and disposition of property.*—All facilities, buildings, fixtures, equipment, or other items costing more than $50.00 each, paid for or purchased with funds contributed jointly by the Operator and the Government, although title may be taken in the name of the Operator, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the completion of the work or the termination of the contract shall be disposed of promptly by the Operator for the joint account of the Government and the Operator, either by return to the vendor, by sale to others, or purchase by the Operator at a price at least as high as could otherwise be obtained, as may appear to be for the best interest of the Government, unless the Government, in writing, waives its interest in any such item. If necessary to accomplish such disposition, the Operator shall dismantle, sever from the land, and remove any such item, the cost thereof to be for the joint account of the parties in proportion to their respective interests. If the Operator, within 90 days after the receipt of written notice from the Government, fails, neglects, or refuses to dispose of such property, the Government may itself enter upon the land, take possession of, and remove and dispose of any such property as above provided.

ARTICLE 12. *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 worth while 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 dispose of any remaining materials, supplies, facilities, buildings, fixtures, and equipment in which the Government has an interest, for the joint account of the Operator and the Government in the proportion of their respective interests; shall render to the Government a full and final accounting of his operations under the contract and his expenditures of money; and shall pay to the Government its pro rata share of any money remaining.

ARTICLE 13. *Changes and added provisions.* See Annex I

Executed in sextuplicate the day and year first above written.

FRED AND HARKER

By A. W. Reid (Partner)

(Operator)

By W. S. Harker (Partner)

THE UNITED STATES OF AMERICA

By Frank P. Johnson

ACTING Administrator, Defense Minerals Exploration Administration

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

[CORPORATE SEAL]

EXPLORATION PROJECT CONTRACT
REID AND HOOKER
DOCKET NO. DMEA-2150

ANNEX I

WHEREAS; (1) the Government previously entered into another contract Idm-E87, Docket No. DMEA-1140X, dated July 27, 1951, with the Pitt Mica Corporation, for the exploration of a different mine on the same property covered by this contract; (2) on February 21, 1952, a Certificate of Discovery or Development under the aforesaid contract was issued to the Pitt Mica Corporation; and (3) by a letter dated September 20, 1952, to the Administrator of Defense Minerals Exploration Administration, A. W. Reid informed the Government that he and W. H. Hooker were operating the property covered by the aforesaid exploration project contract under the name of Reid-Mary Mine and were accounting for the royalties due the Government, as therein provided.

NOW THEREFORE, in consideration of the Government entering into this contract, A. W. Reid and W. H. Hooker jointly and severally undertake and agree: (1) to assume all the obligations of the Pitt Mica Corporation under the aforesaid Exploration Project Contract Idm-E87; and (2) in the event that a further certificate of discovery is issued pursuant to the terms of this contract, any minerals mined or produced from any of the land described in either contract shall, in the manner provided for in Article 9 of this contract, be subject to the Government's percentage royalty as therein described, until the total amount contributed by the Government under both contracts is fully repaid, or 10 years from the date of this contract have elapsed.

EXPLORATION PROJECT CONTRACT
REID AND HOOKER
DOCKET NO. DMEA-2150

EXHIBIT "A"

Description of the Work

The work is to be done in two stages as hereinafter indicated, and the direction, location and extent of all excavation shall be specified by the Government.

Stage I

Excavate two trenches across the pegmatite as indicated on the sketch map attached hereto and made a part hereof and entitled "Reid-Hooker Mica Prospect, DMEA-2150." Each trench should be approximately 60' long and not more than 10' deep or more than 12' wide at the bottom.

If in the opinion of the Government, the trenching indicates that further exploration of the deposit is warranted, Stage II may be undertaken.

Stage II

Excavate one or two test pits not to exceed an aggregate depth of 30 feet.

Estimated Costs of the Project
(* Indicates allowable maximum)

Stage I

(1) Independent Contracts

None

(2) Labor, Supervision, Consultants

1 - Supervisor, half time, ten 4-hour shifts @ $1.50/hr.* $ 60.00 *

(3) Operating Materials and Supplies

None

(4) Operating Equipment

To be rented

Bulldozer (caterpiller D-6 or equal)
79 hours @ $10/hr.*1/ $790.00

(5) Rehabilitation and Repairs

None

(6) New Buildings, Improvements, Installations

None

(7) Miscellaneous

None

(8) Contingencies

None

Total, Stage I $850.00

Stage II

The Government will contribute to the costs of excavating the test pits in this Stage, as they accrue, for units of work actually performed on the basis of the below agreed unit cost per foot in lieu of actual costs. This unit cost includes all costs of the work.

Test pit 30 feet @ $15/ft. 450.00

Total Cost of the Project $1,300.00*

Government Participation @ 90% $1,170.00*

1/ This includes the cost of the Operator, fuel oil, and repairs, and an allowance in time may be made for the time necessary to transport the bulldozer to and from the site.

MF-203

# OWNER'S CONSENT TO LIEN

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

BEING the lands conveyed by deed from A. W. Reid to Pitt Mica Corporation on October 5, 1950, and recorded in the office of the Register of Deeds for Macon County, North Carolina, in Book X-5 at page 511.

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

2/ REID & HOOKER (Docket No. DMEA-2150)

hereinafter called the "Operator"; and

WHEREAS, under certain provisions of said contract which are set forth on the reverse side hereof, the Government is entitled to a percentage royalty on production and to certain other rights and equities which do or may conflict with or be adverse to the interest of the undersigned in said property;

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

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

2. To secure the payment to the Government of the percentage royalty on production3/ provided for under the terms of said exploration project contract, or any amendment thereof which does not increase the maximum amount of the Government's claim here stated or alter the provisions for repayment, there is hereby granted to the Government a lien upon the land herein described and upon any production of minerals therefrom, until the royalty claim is fully paid in the amount of the Government's contribution, not in excess of 4/$ 6,000.00, or ten years have elapsed from the date of the contract.

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

Dated this 22nd day of September, 195 2.

G. Pierson [Seal]

_____ [Seal]

_____ [Seal]

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

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

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

4/ Insert the maximum amount of the Government's contribution.

RELEVANT CONTRACT PROVISIONS

Repayment by Operator. (a) If, at any time, the Government considers that a discovery or a development from which production may be made has resulted from the exploration work, the Government, at any time not later than six months after the Operator has rendered the required final report and final account, may so certify in writing to the Operator. The certification shall describe broadly or indicate the nature of the discovery or development. In the event of such certification, any minerals mined or produced from the land described in Article 2 within 10 years from the date of this contract, including any mined or produced before the certification, shall be subject to a percentage royalty which the Operator or his successor in interest shall pay to the Government, upon the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, until the total amount contributed by the Government, without interest, is fully repaid, or said 10 years have elapsed, whichever occurs first, as follows:

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

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

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

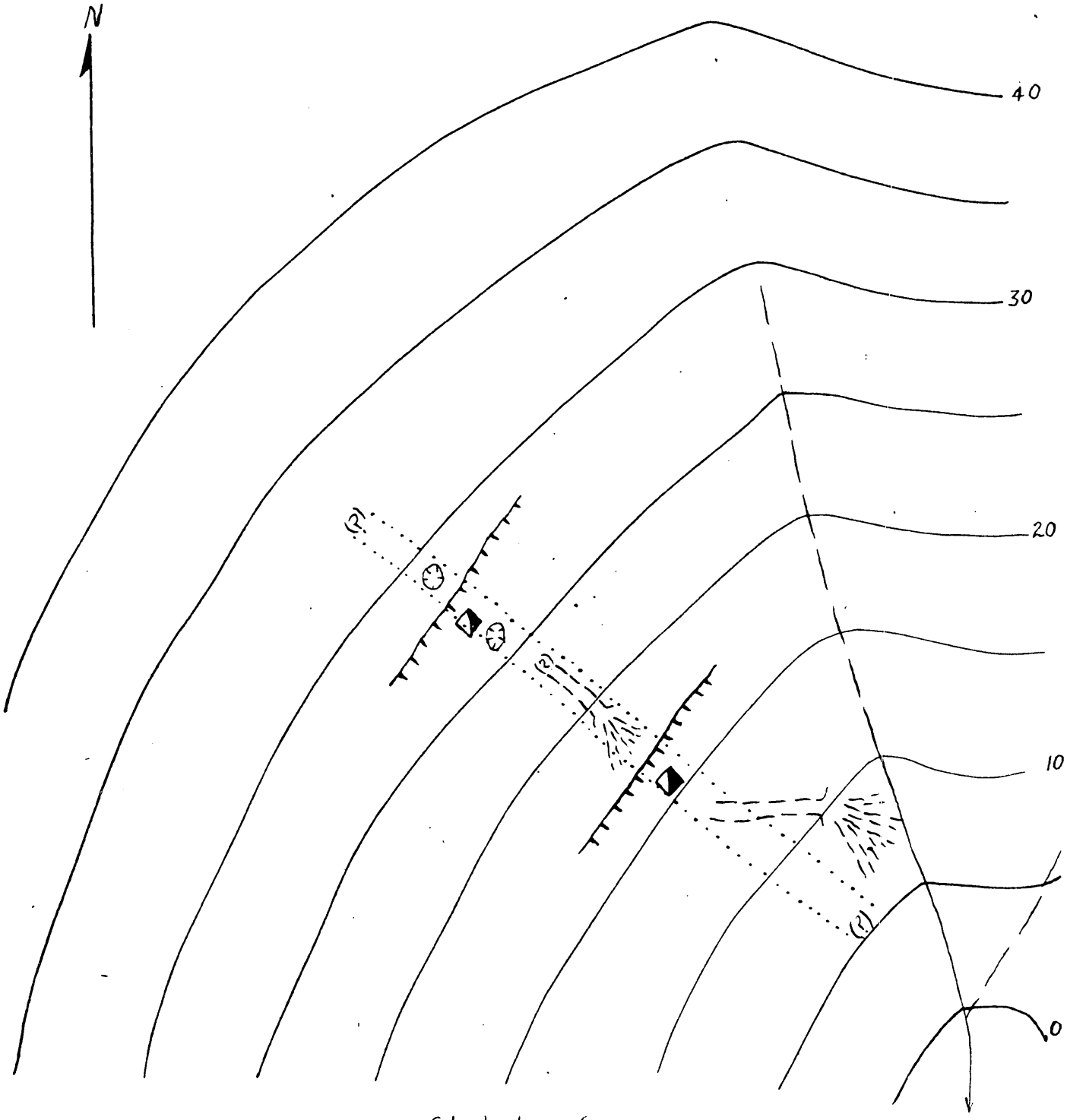
(b) As here used, "net smelter returns", "net concentrator returns", and "other net amounts realized from the sale or other disposition", mean gross revenue from sales; or if not sold, the market value, the market value of the material after it is mined in the form in which and the place where it is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

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

(d) This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

Title to and disposition of property. All facilities, buildings, fixtures, equipment, or other items costing more than $50.00 each, paid for or purchased with funds contributed jointly by the Operator and the Government, although title may be taken in the name of the Operator, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the completion of the work or the termination of the contract shall be disposed of promptly by the Operator for the joint account of the Government and the Operator, either by return to the vendor, by sale to others, or purchase by the Operator at a price at least as high as could otherwise be obtained, as may appear to be for the best interest of the Government, unless the Government, in writing, waives its interest in any such item. If necessary to accomplish such disposition, the Operator shall dismantle, sever from the land, and remove any such item, the cost thereof to be for the joint account of the parties in proportion to their respective interests. If the Operator, within 90 days after the receipt of written notice from the Government, fails, neglects, or refuses to dispose of such property, the Government may itself enter upon the land, take possession of, and remove and dispose of any such property as above provided.

DMEA-2150




Sketch of
Proposed Prospecting at

# REID-HOOKER MICA PROSPECT

Proposed Trench
Proposed Test Pit
Caved Drift
Probable Pegmatite

Scale 1" = 40'

Form MF-103
(April 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

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

DEFENSE MINERALS ADMINISTRATION WASHINGTON, D. C.
OCT 12 2 37 PM '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 2150

Date received 10-12-51

Participation

REID & HOOKER
P. O. BOX 489
FRANKLIN, N.C.

REID MINE

Name and address of applicant

Date 10/10/51

FILL IN THIS BLOCK

Date of application 10/10/51

Estimated cost $2,755.00

Mineral or metal STRATEGIC MICA

Percentage of Government participation 90%

Location of mine 14 miles northeast of Franklin, N. C.

Date of filing MF-100 5/4/51

DMA Docket Number, if available ~~1140-X~~ 2150

## 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? Partnership

*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? Owner

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)? 10% - sufficient in accordance with MO-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.

REID & HOOKER
(Name of company)

By C. W. Reid
(Signature of authorized official)

10/10/51
(Date)

General Partner
(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

MF-103 REID & HOOKER 10/10/51

2. A. W REID P. O. BOX 489, Franklin, N. C.
W. H. HOOKER 627 Peachtree St. NE, Atlanta, Ga.

4. W. H. Hooker is Publisher of American Motor Carrier, a montaly paper to the Trucking Industry.
A. W. Reid has mined and operated properties for more than 30 years. Is thoroughly familiar with all phases of mining and processing of ores.

6. Property is owned by A. W. Reid, W. H. Hooker and F. T. Siersma (Franklin, N.C.). Reid & Hooker have an agreement with Siersma to purchase his interest for $5000.00 payable at the rate of 5% of sales.

10. LEGAL DESCRIPTION: "Being the minerals, ores, clays, stones, rights and privileges described in that certain deed from Pitt Mica Corporation to F. T. Siersma, dated August 11, 1951 and recorded in Book No. A-6, page 186 of Register of Deeds for Macon County, N. C., containing 110 acres more or less.

Above deed is for 8/25ths interest; same deed was made to A. W. Reid for 8/25ths and to W. H. Hooker for 9/25ths.

Exact area in which exploration will be conducted under this application:
Approximately 3000 feet west of exploration work now being conducted under contract Idm-E-87 (DMA-1140-X)

11. PRESENT & FORMER NAME:- REID MINE

12. Located 14 miles northeast of Franklin Railroad Station; within the main mica belt of western North Carolina.

13. Sufficient water, for all purposes, on property. No power required.

14. No facilities existing for exploration work.

15. Strategic Mica (block) will be prepared from ore, in Franklin, N. C., and shipped from there.

16. More than 20 years ago numerous shallow pits and tunnels were dug along the quartz ledge. This ledge shows a large outcropping of quartz on the surface for a distance of about 400 feet and from 6 to 8 feet wide. During that time very fine and large blocks of strategic ruby mica was taken out. No work has been done in 20 years and past workings are now caved in.
The location is on the same mica lead which is now being prospected under Contract Idm-E-87 and where excellent evidence of large reserves is being established.

20. Exploration will be conducted for Strategic Mica.

21. Proposed work will consist of dozer trenching (6 cuts; each 150 feet long, 15 feet deep and 25 feet wide. Several test pits will be sunk paralleling each side of quartz and then cross-cut with trenches; test pits to be 15 feet to 20 feet deep and about 6 feet square.
Exploration work will require 20 working days.

23. COST OF PROJECT:

| | |
|---|---|
| Tractor-dozer trenching 120 hours @$10.00 per hour | $1,200.00 |
| Miscellaneous hand tools-purchase | 100.00 |
| Engineer-Superintendent, 20 days @$20.00 | 400.00 |
| Working Foreman, 18 days @ $15.00 per day | 270.00 |
| 3 Laborers, 18 days @ $10.00 per 8 hours | 540.00 |
| Jeep rental, 20 days @$6.00 per day | 120.00 |
| Miscellaneous expense, sampling, office, etc. | 125.00 |
| Total cost of Project | $2,755.00 |

NORTH CAROLINA
MACON COUNTY

THIS DEED, Made this the 11th day of August, 1951, by PITT MICA CORPORATION, a North Carolina corporation with its principal office and place of business in Franklin, Macon County, North Carolina, party of the first part, to F. T. SIERSMA, of Macon County, North Carolina, party of the second part;

W I T N E S S E T H:

That the said party of the first part in consideration of Ten ($10.00) Dollars and other good and valuable considerations, the receipt of which is hereby acknowledged, has bargained and sold and by these presents does grant, bargain, sell and convey unto the said party of the second part and his heirs and assigns, an undivided eight-twenty-fifths (8/25) interest in and to the following descrived property:

> Being the minerals, ores, clays, stones, rights and privileges described in and conveyed by that certain deed from A. W. Raid to Pitt Mica Corporation, dated 5 October, 1950, and recorded in the office of the Register of Deeds for Macon County, North Carolina, in Deed Book X-5, page 511, together with all mining machinery and equipment now being used in connection with the mining of said minerals and/or located on the land containing the said minerals, ores, clays and stones above referred to.

TO HAVE AND TO HOLD the aforesaid described property and all privileges and appurtenances thereunto belonging, or in anywise thereunto appertaining, unto the said party of the second part and his heirs and assigns, to his and their only use and behoof in fee simple foreber.

IN TESTIMONY WHEREOF, the said party of the first part has caused this deed to be signed in its corporate name by its President and attested by its Asst. Secretary, and sealed with its common corporate seal, all by order of the Board of Directors duly made, on the day and year first above written.

PITT MICA CORPORATION

s/ A. W. Reid
President

s/ Attest - F. T. Siersma
Asst. Secretary

Recorded August 14, 1951
Book A-6, page 186

NORTH CAROLINA

MACON COUNTY

I, A. W. REID, HEREBY CERTIFY THAT THE ATTACHED IS A TRUE AND EXACT COPY OF DEED FROM PITT MICA CORPORATION TO F. T. SIERSMA, AS RECORDED IN THE OFFICE OF THE REGISTER OF DEEDS FOR MACON COUNTY, NORTH CAROLINA IN BOOK A-6 AT PAGE 186; AN I FURTHER CERTIFY THAT A LIKE DEED WAS EXECUTED BY SAID CORPORATION TO W. H. HOOKER AND RECORDED IN BOOK A-6 AT PAGE 223, AND ALSO A LIKE DEED WAS EXECUTED TO A. W. REID AND RECORDED IN BOOK A-6, AT PAGE 459.

A. W. Reid

A. W. REID

NORTH CAROLINA

MACON COUNTY

I, Kate McGee, Clerk Superior Court, a ~~Notary Public~~ in and for the aforementioned State and County hereby certify that A. W. REID personally appeared before me and acknowledged the due execution of the foregoing instrument for the purpose therein stated.

WITNESS my hand and ~~Notarial~~ seal this, the 25 day of September, 1952.

(SEAL)

Kate McGee
Clerk Superior Court

~~MY~~ C~~OMMISSION~~ EX~~PIRES~~:

NORTH CAROLINA

MACON COUNTY

THIS AGREEMENT, Made and entered into, this the 12th day of September, 1951, by and between F. T. SIERSMA, party of the first part, and A. W. REID, party of the second part, both parties of Macon County, North Carolina.

WITNESSETH, That for and in consideration of the covenants and agreements to be done and performed by the party of the second part, the party of the first part has agreed to sell and convey, and by these presents does agree to sell and convey unto the party of the second part, his heirs or assigns an eight-twenty- fifths (8/25) undivided interest in and to the following described property, upon the following terms and conditions:

> Being the minerals, ores, clays, stones, rights and privileges described in and conveyed by that certain deed from A. W. Reid to Pitt Mica Corporation, dated 5 October, 1950, and recorded in the office of the Register of Deeds for Macon County, North Carolina, in Deed Book X-5, page 511, together with all mining machinery and equipment now being used in connection with the mining of said minerals and/or located on the land containing the said minerals, ores, clays and stones above referred to.

THE TERMS AND CONDITIONS OF THIS SALE ARE AS FOLLOWS:

1. The total purchase price to be paid for said property is the sum FIVE THOUSAND ($5000.00) DOLLARS.

2. The party of the second part agrees to pay unto the party of the first part, on or before the 15th day of each calendar month, five percent )5%) of the amount of the gross sales of mineral products from said property during the preceding calendar month, which payment shall be applied upon the purchase price of said property, as above set forth. Such payments shall continue and be paid, as aforesaid, until the total purchase has been paid. The party of the second part shall, however, have the right, at any time, to pay any balance of the purchase price outstanding as of the date of said payment.

3. When the party of the second part, his heirs or assigns, shall have paid unto the party of the first part the total purchase price for the property aforesaid, then, and at such time, the party of the first part, for himself, his heirs and assigns, covenant and agrees to make, execute and deliver to the party of the second part, his heirs and assigns, a deed conveying good and marketable title to sais property.

4. The party of the second part agrees to maintain a complete and accurate account of all sales of mineral products from said property, which record and account shall be open to the party of the first part, and his representatives at any time. The party of the second part further agrees that at the time when he shall make payments, as above referred to, that he will deliver and furnish unto the party of the first part a certified statement of sales of mineral products from said property during the preceding calendar month.

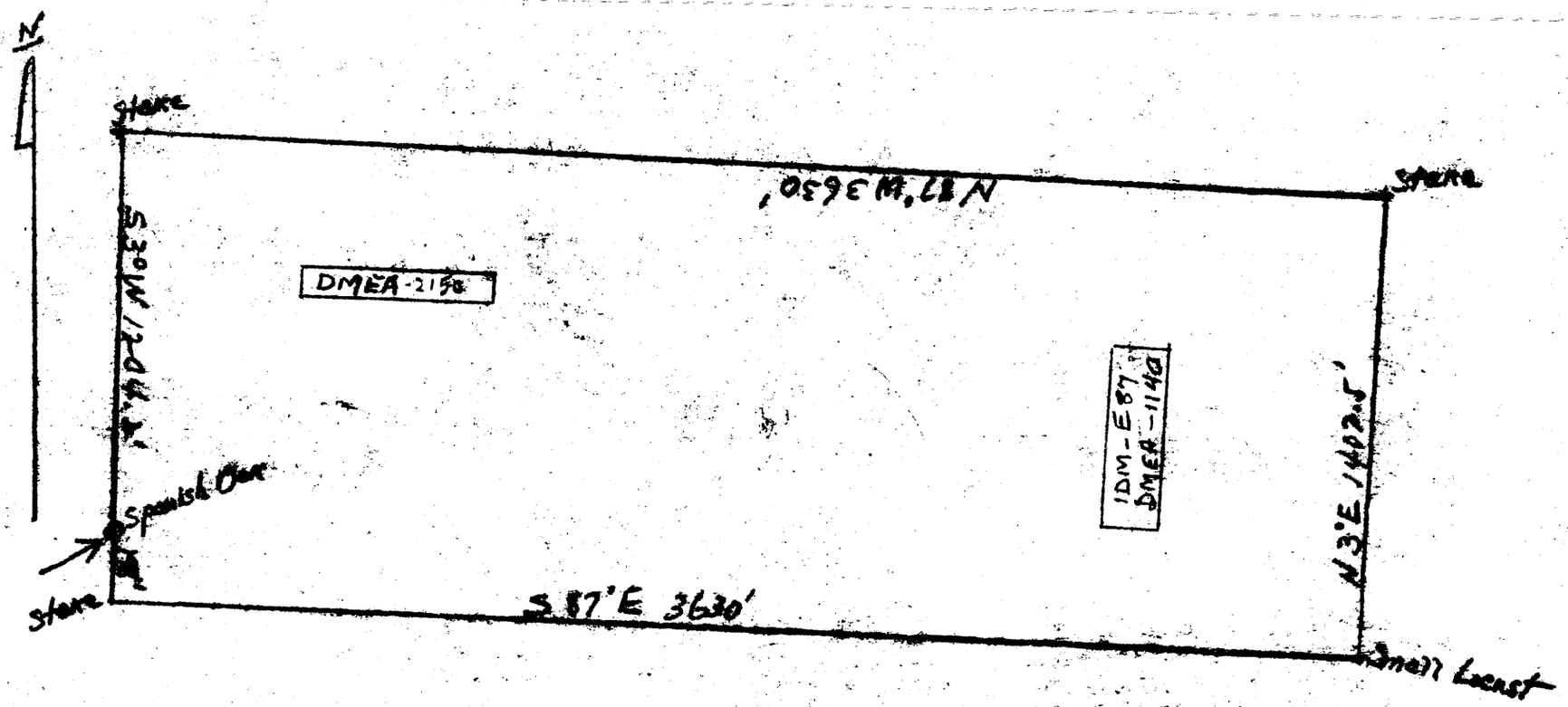
5. The party of the second part further agrees that if the sheet mica mine on said property shall cease or fail to operate for a period of six (6) months and/or the washing plant shall fail or cease to be operated for a term of twelve (12) months, then, and in such event, the party of the first part shall have the right to enter said premises, take posession of said property and operate same, upon the condition that he shall pay unto the party of the second part the sum of five percent (5%) of gross sales of mineral products sold from said property during the period of his operation, which payments will be made monthly.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals, the day and year first above written.

s/ F. T. Siersma (SEAL)

s/ A. W. Reid (SEAL)

Above instrument recorded in the office of the Register of Deeds, for Macon County, N. C., on the 14th day of September, 1951, in Book A-6 at Page 225.

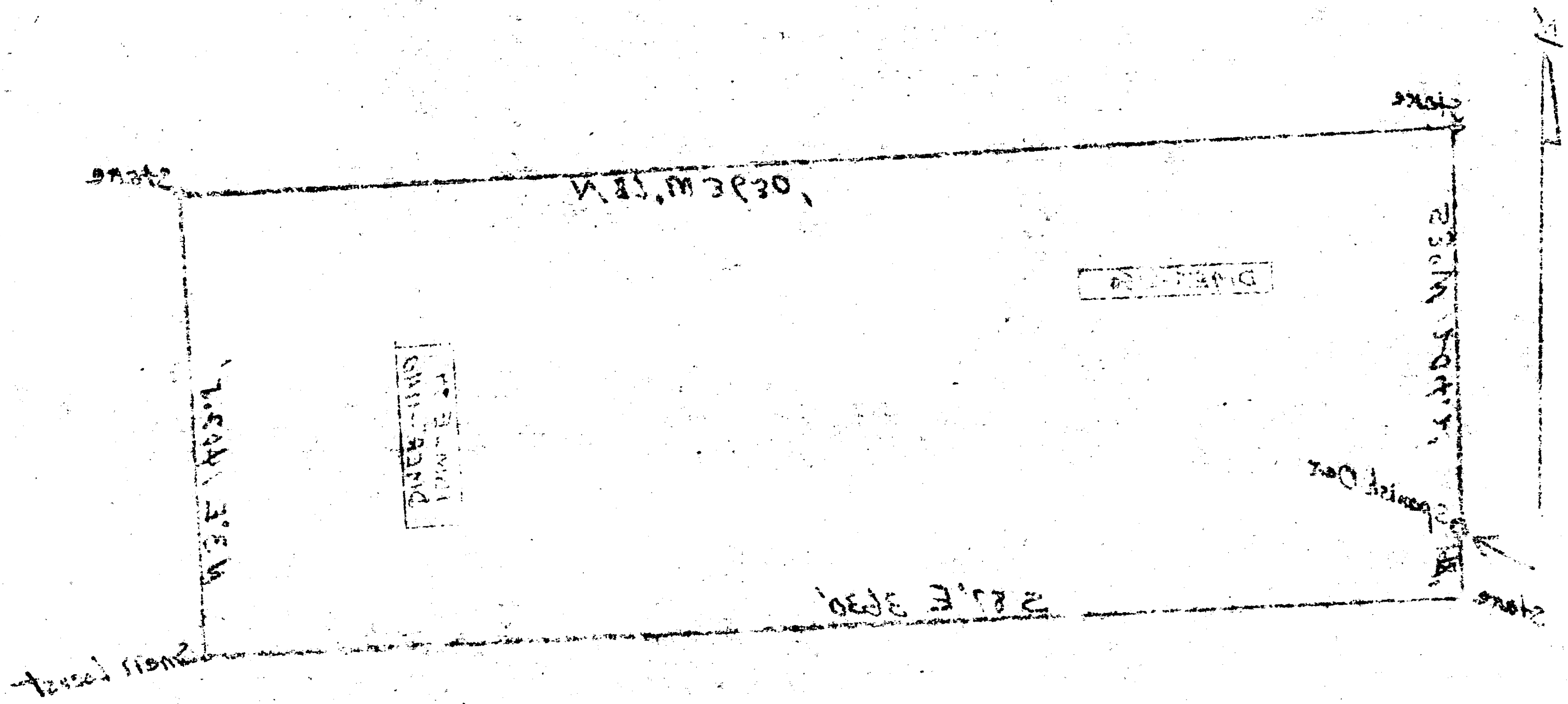



Scale:
1" = 500'

Plat of Land Described in Deed
From Carl V. Dalton et als
To A. W. Reid, Dated 21 Feb., 1945
Recorded in Deed Book K-5-431,
Records of Macon Co., N.C.

DOCKET No. DMEA-2150 - MICA
REID MINE, MACON COUNTY, N.C.

5/21/52




Scale:
1" = 500'

Plat of Land Described in Deed
From Carl V. Dalton et als
To A. W. Hurd, Dated 21 Feb. 1947
Recorded in Deed Book K-7-431,
Records of Macon Co. N.C.

Docket No. DMEA-2120-Mica
Reid Mine Macon County, N.C.

5/4/51

REID - MARY MINE

THIS DEED, dated February 21st, 1945, by CARLE V. DALTON and wife EDITH DALTON, ROBERT M. MORGAN and wife HELEN MORGAN, JOEL M. DALTON and wife SELMA H. DALTON, of Macon County, North Carolina, to A. W. REID, of Macon County, North Carolina.

The Mineral Interest and Mining Privileges in a certain tract or parcel of land in Macon County, North Carolina, adjoining lands of J. C. HURST the U. S. Government Lands known as the Goat Ranch and others, being more particularly described as follows:

THIS BEING all the Mineral Interest and Mining privileges in what is commonly known as the Lee A. Green tract of land State Grant #2220, situated on the Waters of Mica-City Creek in Cowee Township and being described as follows:

BEGINNING at a Spanish Oak and runs S. 3 deg. W, 12 poles to a stake and pointers; then S. 87 deg. E, 220 poles to a Small Locust grown up through the Stump of a Chestnut Oak at the Corner Rock the Beginning Corner of the Ragan tract of land; then N. 3 deg. E, 85 poles to a Stake and pointers near the top of a Ridge; then N, 87 deg. W, 220 poles to a Stake and pointers near the top of a Knob; then S, 3 deg. W, 73 poles to the beginning. The tract containing 116.5 Acres.

The conditions of the forgoing Deed is such, that the above described Mineral Interest and Mining Rights will naturally revert to the U. S. Government after a period of Twenty Years from the date of the Deed made to the U. S. Forestry for the Surface rights to the land above described.

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

May 26, 1953

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: Closing Review of Docket No. DMEA-2150 - Mica
A. W. Reid and W. H. Hooker
Franklin, North Carolina
Reid Mine
Macon County, North Carolina
Contract Idm-E456

Amount of contract: $1,300.00
Cost of project: $1,300.00
Government contribution at 90%: $1,170.00
Certification of Discovery being made.
Special note: The Operator's liability, according to Annex I of the contract includes the unpaid balance of $1,791.00 contributed by the Government for Contract Idm-E87, Docket No. DMA-1140X, dated July 27, 1951, with the Pitt Mica Corporation.

Work done and results:

Surface exploration by two short trenches (60 and 75 feet long) with 15 foot test pits in each, exposed a 5 foot pegmatite over a horizontal distance of 60 feet and a vertical distance of 52 feet. Sufficient work was performed under the contract to indicate that production of strategic mica maybe obtained from the property. Approximately 3,000 pounds of book mica were recovered. Much of this mica is of scrap grade, but several hundred pounds are suitable for processing to produce a strategic product.

Unit costs:

Operator reports 100,000 cubic feet of trench excavation ($790.00 cost) at a unit cost of $.79. This should be $0.0079 or 21 1/3 ¢ / cubic yard.

However the estimate of cubage is at least 3 times too great for the work described by the field team. The bulldozer excavation, therefore, cost $.65 to $.85 per cubic yard.

The test pits were sunk at a unit price of $15.00 per foot.

History:

Application received 10/21/51
Proposed six bulldozer cuts and several test pits at a cost of $2,755.00.
U.S.G.S. memo 11/5/51 recommends obtaining additional information from applicant.
Letter to applicant 11/14/51 requesting additional information.
Letter from applicant 11/20/51 not much additional information supplied.
U.S.B.M. memo 2/12/52 recommends field examination.
U.S.G.S. memo 2/15/52 refuses to surname field referral.
Field referral 2/21/52.
Field report received 3/31/52
Recommends bulldozing and test pits to cost $1,795.00.
U.S.G.S. memo 4/8/52 concurs with field team.
Letter to applicant 5/2/52 requesting legal data and plat of the property.
Letter from applicant received 5/26/52 supplying requested data.
Telephone to Reid, partner, regarding necessity for Siersma to sign Owner's Consent to Lien for his 8/25s interest in the land.
Letter to applicant 6/13/52 confirming telephone request for above consent.
Telephone to Hooker, other partner, regarding Owner's Consent and necessity of Reid, Hooker and Siersma straightening out title matters relating to this application as well as DMA-1140X, a prior DMA discovery on the same land.
Letter to applicant 8/1/52 follow up requesting reply in thirty days.
Letter from applicant 9/22/52 with Owner's Consent and copy of deed from Pitt Mica Corporation to Reid, Hooker, and Siersma.
Legal Division 10/1/52 asks that additional legal data be obtained.
Letter to applicant 10/6/52 requesting that Reid and Hooker submit proof that the partnership controls the land.
Letter from applicant received 11/5/52 supplying information requested 10/6/52.
Contract prepared 11/7/52.
Contract sent to field 12/5/52 for execution.
Monthly report for January, 1953. Contract completed, December 18, 1952 to January 23, 1953.
Audit review received 4/13/53.
Final field report received 4/20/53. Certification recommended.
Certification prepared 5/26/53.

Stanley A. Feitler

Stanley A. Feitler
Nonmetallic Minerals Division

MME Form 18
10-60

OFFICE OF MINERALS EXPLORATION

ANALYSIS OF ANNUAL REPORT
OF CERTIFIED PROJECT OR PROJECT UNDER ROYALTY AGREEMENT

Division of Minerals prepares in duplicate, files original in official docket, and sends copy -

To: (1) Code 110 (for verification or adjustment)
(2) Code 210

| Docket No. | Operator | Report Period | Contract No. |
|---|---|---|---|
| 2150 | Reid + Hooker | to 5-1-61 | E 456 |

| ORE ESTIMATES | Original DMEA or OME (From Final Report) | Revised DMEA or OME | Found by Operator after DMEA-OME work |
|---|---|---|---|
| Analysis | | | |
| Tons Found | no estimate | | |
| Tons Produced (Ore or Concentrate) | | | |
| Previously Reported | | | |
| This Period | | | |
| Tons Remaining | — | | |

Comments of Analyst:

Inactive at this time

Prepared by WR Summerd Date 5-26-61

82444-60

DMEA-2150
Reid and Hooker

Please note that no letter is being sent to F.T. Sicisma, agency of the O.C.L., because Mr. Sicisma is dead.

S.P.H.

MME Form 7
(10-58)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| 1/14 | Holt | 500 |
| | Turnel | 500 |
| 1/14 | Tallent | 800 |
| | Selfridge | 120 |
| 1/14 | Johnson | 110 |
| | Fumich | 100 |
| | | 220 |
| | | |
| | | |

JAN 14 1963

Messrs. A. W. Reid and W. H. Hooker
d/b/a Reid and Hooker
Box 489
Franklin, North Carolina

Re: DMEA-2150 (Mica)
Reid and Hooker
Reid-Hooker Mine
Macon County, North Carolina
Contract Idm-E456

Gentlemen:

By the terms of the subject Exploration Project Contract and the certification of discovery or development dated May 8, 1953, all minerals mined or produced from July 27, 1951, (under previous contract Idm-E87) to December 4, 1962, were subject to the Government's royalty as set forth in said contract.

As the period during which production was subject to royalty has now expired, the Government according to its present records retains no claim or lien against the property subject to the contract or any future production therefrom. We, therefore, are closing our books and records on this contract. Your attention, however, is called to the provisions of the contract which require the Operator to keep and preserve certain records for the periods indicated.

Sincerely yours,

George Fumich, Jr.

Director

SPHolt/mm
1-11-63
cc: Director's Reading File
Region IV (2)
CA&A Division
Docket
Code 500
Mr. W. H. Hooker, 104 Hemlock Drive, Marietta, Ga.

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| 10/9 | Holt | 500 |
| 10/10 | Kellogg | 120 |
| " | Johnson | 110 |
| 10/10 | Smith | 100 |
| | | 220 |
| | | |
| | | |
| | | |
| | | |

October 9, 1962

Memorandum

To: The Files

From: W. R. Griswold, Chief
Division of Minerals

Subject: DMEA-1140 (Mica)
Pitt Mica Corporation
Reid-Mary Mine
Macon County, North Carolina
Contract Idm-E87

Inasmuch as this docket is interlocked with DMEA-2150 Reid and Hooker (same land), no release letter can be sent until DMEA-2150 expires on December 4, 1962.

WRGriswold/gla
10-9-62
cc to: Director's Reading File
Docket DMEA-1140
Docket DMEA-2150

43683

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

OFFICIAL FILE COPY
O. M. E
JUN 25 1962

| DATE | INITIALS | CODE |
|---|---|---|
| 6/25 | | 800 |
| | | 100 |
| | | 110 |
| 6/25 | | 500 |

JUN 1 9 1962

Re: DMEA-2150 (Mica)
Reid and Hooker
Reid Mine
Macon County, No. Carolina
Contract Idm-E456

Mr. W. H. Hooker
104 Hemlock Drive
Marietta, Georgia

Dear Mr. Hooker:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

Willis R. Griswold

Willis R. Griswold, Chief
Division of Minerals

MME Form 63
Revised 3-62

## REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since June 7, 1961, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, (unless they have been provided before. Yes ☐ No ☑

2. Since June 7, 1961, has there been any production from the land subject to the contract? Yes ☐ No ☑

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

| | Quantity | Value |
|---|---|---|
| | | |
| | | |

   B. If stockpiled awaiting sale, state quantity, grade, and location.

| Type | Quantity | Estimated Grade | Location |
|---|---|---|---|
| Ore | Tons | | |
| Concentrates | Tons | | |
| Other | Tons | | |

3. Since , has any production been transported through workings (see of contract)? Yes ☐ No ☐

   A. If so, state quantity, value; and disposition of material.

| Disposition of Material | Quantity | Value |
|---|---|---|
| | | |

Submitted by:

Name W. H. Hooker Title

Address 104 Hemlock Dr., Marietta, Ga. Date 6/21/62

W.H.H.

4511

Form 7
(10-58)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| [illegible] | [illegible] | [illegible] |
| | | [illegible] |
| | | [illegible] |
| | | 1[illegible] |
| | | 100 |
| | | 220 |
| | | |
| | | |
| | | |

[illegible]

Memorandum

[illegible]

From: [illegible], [illegible] Audit

Subject: [illegible] Pine [illegible] Purchase [illegible],
[illegible], 1962

During [illegible] 1962, [illegible] the purchase records [illegible] purchase depot at [illegible], North Carolina, for the purpose of ascertaining [illegible] production under [illegible] exploration project contracts. [illegible] did not disclose [illegible] production [illegible] under the following contracts:

| Contract No. | | | |
|---|---|---|---|
| [illegible] | | | [illegible]-Mary, |
| [illegible] | | | [illegible]-Mary, |
| 30[illegible] | | | [illegible]Stevens) |
| 41[illegible] | | | [illegible] Barnard |
| 46[illegible] | | | |
| 47[illegible] | | | [illegible] Turley |
| 68[illegible] | | [illegible] Mines, [illegible] | |
| [illegible] | | | |
| [illegible] | | | |
| [illegible] | | | [illegible]am |
| [illegible] | | | |
| [illegible] | | | |
| [illegible] | | | |
| [illegible] | | | |
| 51[illegible] | | [illegible] Mount | |
| 5[illegible] | | [illegible] Mica [illegible] | [illegible]ers) |
| 6[illegible] | | [illegible] Mica Miner | |
| [illegible] | | | |
| [illegible] | | | [illegible]Peterson |
| [illegible] | | | [illegible] (Talent) |
| [illegible] | | [illegible] | |

cc: [illegible]
Director's Reading File
CA[illegible] Division
Region IV Files (2)

[illegible]Fisher/ams
6-[illegible]-62

63683

OFFICIAL FILE

| Date | Subject | |
|---|---|---|
| 11/29 | George C. Selfridge | 120 |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | 220 |
| | | |

NOV 29 1961

**Memorandum**

**To:** Chief, Fiscal Section, Division of Administrative Services, Office of the Secretary

**From:** Chief, Division of Field Operations, OGE

**Subject:** DMA-1140 (Mica)
Flat Mica Corporation
Gold-Mary Mine
Mitchell County, North Carolina
Contract Ida-257
and
DMEA-2150 (Mica)
Gold and Ruby
Gold-Ruby Mine
Mitchell County, North Carolina
Contract Ida-2434

Enclosed for your files are the originals of Reports of Royalty Review on the subject contracts.

George C. Selfridge

**Enclosures 2**

GCSelfridge/hb (11/29/61)
cc: Docket DMA-1140
Docket DMEA-2150
Director's Reading File
CA & A Division
G.C.Selfridge
R.A.Laurence, Reg. [illegible]
Royalty Review [illegible]
2 memos std [illegible]
Div. of Field [illegible]
V.J.Lynch w/ [illegible]

MME Form 7
(10-58)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| 11-27 | gad | 220 |
| 11/29 | Selfridge | 120 |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |

NOV 2 4 1961

Memorandum

To: Chief, Division of Field Operations

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

Subject: DMA-1140 (Mica)
Pitt Mica Corporation
Reid-Mary Mine
Macon County, North Carolina
Contract Idm-E87
and
DMEA-2150 (Mica)
Reid and Hooker
Reid-Hooker Mine
Macon County, North Carolina
Contract Idm-E456

Enclosed are the original and two copies each of Reports of Royalty Review covering the subject Region IV contracts. If you concur in the facts stated therein, please make the following distribution:

(a) Original of each to the Fiscal Section, Division of Administrative Services, Office of the Secretary; and
(b) Two copies of each to Region IV files.

These reports are for OME record purposes only; therefore, no copies have been provided for the Operators.

As evidence of your concurrence, a copy of your memorandum transmitting the original of each report to the Department's Fiscal Section should be furnished this Division. If for any reason you do not concur, the originals and all copies should be returned to this Division with your comments.

Enclosures

EDTalbert/ama 11-24-61

cc:
Docket - DMEA-2150
Director's Reading File
CA & A Division
Mr. Rothrock

43683

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Washington office pertaining to Contract Idm-E456, Docket DMEA-2150 (mica), dated December 4, 1952, with

A. W. Reid and W. H. Hooker
d/b/a Reid and Hooker
Box 489
Franklin, North Carolina

for the purpose of determining the amount of royalty payable to the U. S. Government on sales of minerals from property referred to as the Reid-Hooker Mine and the Reid Mine located in Macon County, North Carolina, during the period March 19, 1955, through April 22, 1961.

A certification of discovery or development was issued on May 28, 1955, and, in accordance with Article 9 and Annex I of the contract, royalty is payable on all minerals produced from the land described in Article 2 of the contract for a period of 10 years from the date of the contract or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first. A Report of Review dated April 13, 1953, indicated accepted costs under the exploration contract amounting to $1,300.00 with the Government's contribution on a 90 percent basis being $1,170.00.

The status of the project, the scope of review, and the reasons therefor are stated on page 2.

This review established no sales subject to the Government's royalty subsequent to the period covered by a prior Report of Royalty Review, which found no sales subject to the Government's royalty through March 18, 1955. The royalty account as of March 18, 1955, was:

| | |
|---|---|
| Total Royalty Payable | $ -0- |
| Total Royalty Paid | -0- |
| Balance of Royalty Due | $ -0- |

At April 22, 1961, the royalty account of this project was found to be:

| | |
|---|---|
| Total Royalty Payable | $ -0- |
| Total Royalty Paid | -0- |
| Balance of Royalty Due | $ -0- |

E. D. Talbert, OME Auditor

November 22, 1961

STATUS OF PROJECT, SCOPE OF REVIEW
AND REASONS THEREFOR

This contract provided for exploration work at a different mine on the same 116 acres covered by Contract Idm-E87, Docket DMA-1140, Pitt Mica Corporation. Reid and Hooker were two of the three stockholders of that corporation, which was suspended by the Secretary of State of North Carolina on December 14, 1951.

Annex I of this later contract requires that, in the event of certification thereunder, Reid and Hooker jointly and severally shall pay a royalty on all production in the manner provided for in Article 9 of, and for a period of 10 years from, the date of this later contract or until the total Government contribution under both contracts is repaid. The so-called "abandonment" clause in Article 10, however, was not deleted.

The Government's contribution under Contract Idm-E87 was $1,791.00, of which $60.77 has been repaid by royalty on production through this date. No repayment has been made under this later contract. Accordingly, the present contingent obligation of the Operators is $2,900.23, consisting of a repayable $1,730.23 balance under the first contract and the $1,170.00 contribution under this later contract.

Examinations of the property, the latest on April 22, 1961, and inquiries by field representatives have confirmed that the property has been inactive since shortly after completion of the work under this contract and that all sales of production are covered by Reports of Royalty Review on Contract Idm-E87. During a July 13, 1954, inspection of the property Reid stated that his interests had been sold to Hooker, who holds all mineral rights in fee.

The last known address of W. H. Hooker was 104 Hemlock Drive, Marietta, Georgia. The last address of record for A. W. Reid was Box 489, Franklin, North Carolina.

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

(1) The property has been inactive since 1953;
(2) All sales of production have been accounted for and proper royalty thereon paid under Contract Idm-E87; and
(3) The administrative cost to the Government of an on-site royalty audit at this time would be excessive in relation to the amount of possible additional royalty which might be disclosed.

REQUEST FOR INFORMATION
FROM OPERATOR ON CERTIFIED PROJECT
AND PROJECT UNDER ROYALTY AGREEMENT

OFFICIAL FILE COPY
O. M. E
RECEIVED JUN 9 1961

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

From: George C. Selfridge, Chief
~~Field Engineer,~~
Division of Field Operations
Office of Mineral Exploration
Department of the Interior
Washington 25, D. C.

Date: MAY 29 1961

| DATE | INITIALS | CODE |
|---|---|---|
| 6/9 | gad | |
| | | |
| | | |
| 6/9 | | 800 |
| 6/13 | gd | 500 |
| | | 220 |

Concerning:
Docket No. OMEA-2150 (Mica)
Property: Reid and Hooker
Reid Mine
Location: Macon County, North Carolina
Contract Icm-E456

Mr. W. H. Hooker
~~2877 North Fulton Drive, N. E.~~
~~Atlanta, Georgia~~
104 Hemlock Drive
Marietta, Ga.

With the certification of the exploration project identified above, you were asked to inform our office about changes in the status of the property and production from it.

To assist you to furnish this information and to assure the accuracy of our records, we ask that you answer the questions below and return ~~xxxxxxxx~~ two copies to this office with copies of any pertinent documents.

George C. Selfridge
~~xxxxxxxxxxxxxx~~
Chief, Division of Field Operations

1. Since 7/1/60, has there been a change in ownership, lease, or sublease about which the OME has not been notified? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents. Yes ☐ No ☒

2. Since 7/1/60, has there been any production from the property?* Yes ☐ No ☒

A. If so and it was shipped, give name and address of purchaser?

| | Quantity | Value |
|---|---|---|
| | | |
| | | |

B. If stockpiled awaiting sale, state quantity, grade, and location.

| Type | Quantity | | Estimated Grade | Location |
|---|---|---|---|---|
| Ore | | Tons | | |
| Concentrates | | Tons | | |
| Other | | Tons | | |

Submitted by:

Name [illegible] Title

Address [illegible] Date [illegible]

MME Form 63 8-60 * Property means land subject to the contract. 79340-60
2 copies to Region IV (Mr. Laurence and Mr. Lynch)

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

OFFICIAL FILE COPY
O. M. E.
IN REPLY REFER TO:
RECEIVED MAY 22 1961

| DATE | INITIALS | CODE |
|---|---|---|
| 5/23 | gad | VVO |
| | on leave | ~~110~~ |
| 5/23 | [illegible] | 800 |
| " | [illegible] | 500 |
| | | |
| | | 220 |
| | | |

May 18, 1961

Report of Inspection of Certified Project

Hooker
Reid-Hooker mine, Macon County, N.C.
DMEA 2150
E 456

At least 3 short adits (15 to 20 feet long) and a small pit have been dug at the Reid-Hooker mine since the DMEA exploration. These workings are now caving and their extent is unknown. A few hundred pounds of poor quality mica is scattered about near these workings. It is doubtful that there has been any significant production as the workings have the appearance of "gophering". There is no equipment on the property.

Frank G. Lesure

Date Inspected
22 April 1961

Send inquiry to (since 7/1/60)
Mr H. H. Hooker
c/o American Motor Carrier
627 Peachtree St. NE,
Atlanta - Ga,

W. Hummel
5/26/61

OFFICIAL FILE COPY
G. M. E.
RECEIVED JAN 6 1960
DATE | INITIALS
7-6 | gad
DATE OF COMMENTS
June 13 1960

NORTH CAROLINA PROJECTS
DMEA SEMI-ANNUAL REPORT ON CERTIFIED PROJECTS

Projects Inactive since last inspection

Reporting Period: January 1 to July 1, 1960.

| DMEA No. | Idm-E | Operator |
|---|---|---|
| [illegible] | 87 | Pitt Mica Co. (Mary Mine) |
| [illegible] | 107 | Franklin Developers (Campbell Mine) |
| [illegible] | 116 | Fred D. Cabe (Cabe Mine # 1) |
| [illegible] | 456 | Reid-Hooker Ptners (Reid -Hooker Mine) |
| [illegible] | 412 | Lin Carpenter, Mgr. (Burke John Mine) |
| [illegible] | 393 | Dixie Minerals, Inc. (Upper Mine and D. H. Stephens Mine) |
| [illegible] | 476 | A. W. Reid, Operator (May Mine) |
| [illegible] | 181 | Yancey Mica Mines, Inc. (Cattail Mine) |
| [illegible] | 349 | Robinson and West (Swannanoa Mine) |
| [illegible] | 311 | Piedmont Minerals (Self Mine) |
| [illegible] | 432 | Anglin & Elkins (Muskins Mica Mine) |
| [illegible] | 461 | Zeb Angel (Kasson Mine) |
| [illegible] | 613 | Litt Young (Cox Mine) |
| [illegible] | 547 | Duncan Mining Co. (Connolly Mine) |

OFFICIAL FILE COPY
1958
CODE

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| [illegible] | [illegible] | [illegible] Mica [illegible] |
| [illegible] | [illegible] | [illegible] Cabe |
| [illegible] | [illegible] | [illegible] |
| 476 | [illegible] | [illegible] W. [illegible] |
| [illegible] | [illegible] | [illegible] Industries |
| [illegible] | [illegible] | [illegible] Angel |
| [illegible] | [illegible] Ridge | Dixie Minerals Inc. |
| 613 | Cox | Latt Young |
| [illegible] | [illegible] Cape | [illegible] Mica Mining Co. |
| [illegible] | [illegible] | [illegible] T. R. Mining Co. |
| [illegible] | [illegible] | [illegible] |
| [illegible] | [illegible] | [illegible] |
| [illegible] | [illegible] | [illegible] Ward |

DMEA EXPLORATION Project

Semi-Annual Report of Certified Project

Reporting Period: July 1, 1957 to January 1, 1958

DMEA-2150, Idm-E456(mica) REID-HOOKER PROS.
Macon County, North Carolina

Operators: Reid & Hooker, c/o W.H. Hooker, 2877 N. Fulton Drive, NE
Atlanta, Georgia

Mr. Hooker now sole owner of mineral rights.

According to Carl E. Hubble, no work has been done recently on this property.

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

2-7-58

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SEMI-ANNUAL REPORT ON CERTIFIED OR PSEUDO-CERTIFIED PROJECTS

DMEA RECEIVED JUL 2

INACTIVE SINCE LAST INSPECTION 7/2 C 220 600

Commodity : Mica

Reporting Period: January 1, 1958 to July 1, 1958

| DMEA No. | Idr-E | Operator & Mine | Date Inspected |
|---|---|---|---|
| 1140X | 87 | Pitt Mica Corp (Mary Mine) | June 25, 1 |
| 1700X | 116 | Fred Cabe (Cabe No.1 Mine) | " " |
| √2150 | 156 | Reid & Hooker (Reid Mine) | " " |
| 2277 | 412 | Burke John Mica Mines (Burke John Mine) | " " |
| 2293 | 393 | Dixie Minerals Inc. (D.H. Stephens Mine) | " 24 " |
| 2327 | 476 | Andrew W. Reid (May Mine) | " 25 " |
| 2582 | 461 | Zeb Angel (Kasson Mine) | " 24 |
| 2610 | 431 | Dixie Minerals Inc. (Shell Ridge Mine) Pseudo | " 24 " |
| 2687 | 425 | Sam Phillips, et al (Ietla Bowers Mine) | " 25 " |
| 2875 | 613 | Latt Young (Cox Mine) | " 24 " |
| 2926 | 516 | The Goodmica Mining Co. (Engle Cope Mine) | " 24 " |
| 3000 | 557 | B.T.R. Mining Co.(Terrill Bryson) mine | " 25 " |
| 3265 | 830 | Mines & Mining Inc.(Farlow Gap) | " 26 " |
| 3287 | 674 | Sam Phillips, et al (Mud Cut & Tallent Mines) | " 25 " |
| 3469 | 737 | A Ward(Elmore Mine) | " 24 " |
| 3720 | 805 | Alvin White, et al(Coward Mine) | " 24 " |
| 3543 | 891 | Buchanan Minerals Inc(DREAM Mine) | " 24 " |

Wm. A. Beck, Mining Engineer, USBM

ANDREW W. REID

MINE OWNER
&
OPERATOR
—
MAY
MARY
BUOY
SCOTT
HIGDON
CAMPBELL
LYLE KNOB
MILL KNOB
COPE MOUNTAIN
PITT
PROCESSING
PLANT

MICA MINING & SALES
Pattern, Sheet, Punch and Processed Scrap

P. O. Box 489
FRANKLIN, NORTH CAROLINA

SUMMERY REPORT ON EXPLORATORY LOAN

Docket # 2150
IDM-E 456
Reid & Hooker
Box 489
Franklin, N. C.

Work started December 18, 1952; completed Jan. 23, 1953.

The Exploratory work completed at Reid-Hooker mine in Macon County, North Carolina, on Mica City Creek, proved satisfactory; the vein was exposed for approximately 100 feet in length, and strategic ruby mica the entire length.

Of Course, it was clay stained due to the fact that seepage water from the surface. The vein has an average of about six feet in width; a quartz core of approximately three feet carried mica on both sides of the quartz.

Two test pits were sunk: 4 feet x six feet, 15 feet in depth. About 200 pounds of block mica was removed; showed less clay stain, thicker books, and much better quality.

In my opinion, the mine will produce mica of excellent ruby quality, and I will start operation about April 1st. The weather has been too bad to operate an open cut mine for the past two months. I am pleased with the prospects of the mine being a producer of good ruby mica in paying quantity. Anyway, I will go ahead with further operation soon as weather will permit.

A. W. Reid

make 8 copies

RECEIVED
FEB 27 1953
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

SEMI-ANNUAL REPORT OF CERTIFIED
PROJECT

DMEA-2150, Idm-E456(mica) REID-HOOKER PROSPECT

Reporting Period: 1-1-57 to 7-1-57

Operator: Reid & Hooker, c/o W. H. Hooker, 2877 N. Fulton Dr. Atlanta, Georgia. (Owner of Mineral Rights)

Location: North of Mica City Creek, about 13 miles NE of Franklin, Macon County, N. C. and about 2000 ft due west of the Mary Mine (DMA-1140X).

The writer talked with Mr. A. W. Reid about this property August 20, 1957. Inquiry indicates no work has been done on the property during this period.

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

8/30/57

z

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DMEA
RECEIVED APR 3 1957

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Semi-Annual Report of Certified Project

DMEA-2150, Idm-E456 (mica)

Reid-Hooker Prospect

Operator: Reid and Hooker, c/o W. H. Hooker, 2877 North Fulton Drive, N. E., Atlanta, Georgia. Mr. Hooker now sole owner of mineral rights.

Location: North of Mica City Creek about 13 miles northeast of Franklin, Macon County, North Carolina, and about 2000 feet due west of the Mary Mine (DMA-1140X).

Reporting period: Inquiry indicates that there has not been any work done there during this period. Property not visited as it would necessitate a jeep.

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

Date: March 21, 1957

s

456

RECEIVED
JUL 18 1956

## Semi-Annual Reports of Certified Projects

Reporting Period 7/16/55 to 6/19/56 Date of Examination 6/19/56

Operator Reid and Hooker, c/o W. H. Hooker, 2877 North Fulton Drive, N.E. Atlanta, Georgia

Mine Name Reid-Hooker

County and State Macon County, N. C.

Docket Number and Commodity --- DMEA- 2150 Mica

Contract Number --- Idm-E 456

Date of Contract December 4, 1952

Date of Certification May 28, 1953

Expiration Date of Royalty Payments December 4, 1962

Total Amount of Contract $1,300.00

Total Expenditures under Contract 1,300.00

Amount of Government Participation at 90 % $1,170.00

Royalty Payments this Period None

Previous Royalty Payments None

Total Royalty Payments to Date None

Percent Government Participation Repaid None ? 107.45

Royalty Due on Production to Date None

Royalty Remarks None

ACTION ON INCOMING
US Atomic Energy Commission
Date 7-18 2150

Referred to:

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

Give comments in report regarding:

1. Inactive Since DMEB
2.
3.
4.

and take appropriate action.

- - - - - - - - - -

Action taken by Division:

Robert E. Adams

Original Estimate of Reserves
(from final Engr.-Geol. Report): Not made in Final Report

Increase (or Decrease) of Reserves
by work performed subsequent to
original and last Field Team
estimates:

Revised Estimate of Reserves:

Production this Period (Ore or Concentrates) in suitable detail

Amount of Previous Production (since date of contract)

Total DMEA Production to Date

Percent of Revised Reserves Mined

Production Remarks:

Other Remarks:

(Investments, description of additional exploration or development work, production facilities, and plant installations, etc. since completion of the exploration project work.)

Mr. A. W. Reid stated that no work had been attempted since completion of the contract.

Signed Lawrence E. Shirley Engineer
Lawrence E. Shirley
U. S. Bureau of Mines

RECEIVED
JUL 28 1955

INTERIM REPORT ON CERTIFIED PROJECT

DMEA-2150, Idm-E456 (mica) HOOKER PROSPECT
Macon County, N. C.

Operators: A. W. Reid and W. H. Hooker, partners, d/b/a under the firm name and style of Reid & Hooker, c/o A. W. Reid, Box 489, Franklin, N. C.

Present Owner: W. H. Hooker, Trade Publications, Inc. 1145 Peachtree St. Atlanta 5, Georgia

Location: 13 miles northeast of Franklin, Macon County, N. C. and north of Mica City Creek.

Due to poor access this mine was not visited but according to A. W. Reid, one of the original partners, no work has been done since completion of the contract.

July 15, 1955.

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

REPORT OF INSPECTION OF CERTIFIED PROJECT

DMEA-2150, Idm-E 456 (mica)

A. W. Reid and W. H. Hooker, Partners, d/b/a Reid & Hooker, c/o A. W. Reid, Box 489, Franklin, North Carolina.

Now owned by W. H. Hooker, Trade Publications, Inc., 1145 Peachtree St. N. E. Atlanta, Georgia.

Accompanied by B. J. Brekhus, auditor, Contract Administration and Audit Division, the writer called on Andrew W. Reid July 13 and inquired about activities at the subject mine. Mr. Reid stated that Mr. Hooker is now sole owner of the mineral rights on the property and no work has been done there since the exploration.

Date of Insp: July 13, 1954.

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

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

April 19, 1954

Mr. W. H. Hooker
2877 North Fulton Drive, NE
Atlanta, Georgia

Re: DMA-2150, Idm-E 456 (mica)
Reid-Hooker Mine, Macon County, Ga.
and
DMA-1140X, Idm-E 87 (mica)
Pitt Mica Corp. Reid-Mary Mine
Macon County, N. C.

Dear Mr. Hooker:

I regret that I do not have an extra copy of the two exploration contracts, as requested in your letter of April 17. Possibly Mr. Reid can locate the papers which he has mislaid; article 11 of the contract requires the Operator to keep all the records and accounts for 3 years after completion of the contract ( in this case, until January 23, 1956 and October 18, 1954 respectively).

However, I believe I can supply all the pertinent information in this letter. If you need any further details, I suggest you write to Mr. C. O. Mittendorf, Administrator, Defense Minerals Exploration Administration, Department of the Interior, Washington 25, D. C.

Two certificates of discovery, establishing the Government's right to percentage royalty, were issued as a result of these contracts, and both apply to the land de cribed as - " All the mineral rights and mining privileges in 116 acres of land situated on the head waters of Mica City Creek, in Macon County, North Carolina, approximately 14 miles northeast of the town of Franklin; as conveyed by deed from A. W. Reid to Pitt Mica Corporation on October 5, 1950 and recorded on page 511 of Deed Book X-5, Records of Macon County."

In Annex I of contract Idm-E 456, you and Mr. Reed did "jointly and severally undertake and agree: " (1) to assume all the obligations of the Pitt Mica Corporation under the aforesaid Exploration Project Contract Idm-E87; and (2) in the event that a further certificate of discovery is issued pursuant to the terms of this contract, any minerals mined

or produced from any of the land described in either contract shall, in the manner provided for in Article 9 of this contract, be subject to the Government's percentage royalty as therein described, until the total amount contributed by the Government under both contract is fully repaid, or 10 years from the date of this contract have elapsed."

A certificate of discovery on contract No. Idm-E 87 was issued on February 21, 1952, so that all production from the property after July 27, 1951 is subject to the Government's percentage royalty until the sum of $1,791.00 is paid or until July 27, 1961, whichever occurs first. Mr. Reid has paid $60.77, leaving a balance of $1,730.23.

On May 28, 1953, a certificate of discovery on contract Idm-E 456 was issued. In this case the amount is $1,170.00, and the expiration date December 4, 1962, and as no payments have been received, the balance is $1,170.00, in addition to the $1,730.23 mentioned above.

Thus, all production from this 116-acre tract is subject to this percentage royalty. Payments should be sent to this office, checks being drawn payable to the Treasurer of the United States, and should be accompanied by suitable evidence such as copies of settlement sheets showing quantity and grade of mica sold, the name of the purchaser and the price and charges certified to be correct by the purchaser.

You are requested to notify me 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 an extended period, please notify me at 6-months intervals that no production has been made.

I hope this answers the questions you have asked. If there is additional information that you need, please let me know.

Very truly yours,

Robert A. Laurence,
Executive Officer, DMEA
Region VII

RAL/mm
Beck
Lynch
Opr. Com.
Files

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. DMEA-2150 Contract: Idm-E 456

Commodity: Mica

Operators Name: Reid & Hooker

Address: c/o A. W. Reid, P.O. Box 489, Franklin, N. C.

Name of Mine: Reid Mine

County: Macon State: North Carolina

Date Certified: May 28, 1953

Contract Amount: $2,635.00 Amount Spent: 1,990.00

Government Participation: 90% or $1,170.00 (or December 4, 1962)

Remarks: No work done on this property since exploration was completed.

Mr. Reid transferred all his rights, title, and interest in the property to W. H. Hooker, c/o American Motor Carrier, 627 Peachtree St. NE Atlanta, Georgia.

Report Prepared by: Wm. A. Beck, Mining Engineer
U. S. Bureau of Mines

February 1, 1954

sm

REPORT OF INVESTIGATION OF CERTIFIED PROJECT

DMEA-2150, Idm-E 456 (mica)

A. W. Reid and W. H. Hooker, partners, d/b/a under the firm name and style of REID & HOOKER, c/o A. W. Reid Box 489, Franklin, North Carolina.

REID-HOOKER MINE, Macon County, N. C.

The writer called on Andrew W. Reid on January 15, 1954, and inquired about activities at the subject mine. Mr. Reid stated that no work has been done there since the exploration.

Mr. Reid advised that he had sold his interest in the mine to Mr. W. H. Hooker, c/o American Motor Carrier, 627 Peachtree Street, N. E. Atlanta, Georgia. He also stated that Mr. Hooker may start operations at the property in the spring.

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

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 3 1954

February 1, 1954

Mr. Andrew W. Reid
P.O. Box 489
Franklin, North Carolina

Re: Docket No. DMEA-2150 (mica)
Reid & Hooker-Reid Mine, Macon County,
North Carolina, Contract Idm-E 456

Dear Mr. Reid:

During the exploration at the subject mine a considerable amount of mica was obtained. We are wondering what disposition was made of this mica. Todate we have not received any payment as the Government's per centage royalty on sales from this property.

Kindly advise us as to the above at your earliest convenience.

Very truly yours,

Robert A. Laurence

Royalty fund refunded to E 87, DMA-1140 during 1959
Jackson

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION
SEMI-ANNUAL REPORT OF CERTIFIED PROJECT

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 3 1953

Period: January 1, 1953 to June 30, 1953

Docket No. DMEA-2150. Contract: Idm-E456. Commodity: Mica

Operators Name: Reid and Hooker, c/o A. W. Reid Box 489, Franklin, N. C.

Name of Mine: Reid Mine. County: Macon. State: North Carolina

Date Certified: May 28, 1953. Contract Amount: $1,300.00. Amount Spent: $1,300.00

Government's Percentage Royalty 90% or $1,170.00 (or December 4, 1962).

Remarks:

No work done on this deposit since exploratory work was done.

Mr. Reid reported by letter dated June 9, 1953 to the executive officer, Field Team, Region VII, that he had transferred all his rights, title and interest in the property to Mr. W. H. Hooker, c/o American Motor Carrier, 627 Peachtree Street, Atlanta, Georgia.

FILE COPY
SURNAME:

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

600

JUN 23 1953

Houk
Fitter
DeKane
Tytin
Chandler
Jenkins
Hodges
Selfridge

Mr. Andrew W. Reid
P. O. Box 489
Franklin, North Carolina

Re: Docket No. DMEA-2150 (Mica)
Reid Mine, Macon County
Contract No. Idm-2456

Dear Mr. Reid:

Reference is made to your letter of June 9, 1953, to Mr. Robert A. Lawrence, Executive Officer, DMEA Field Team, Region 7, in which you refer to the Government's letter of May 29, 1953, regarding royalty payments and state "I have heretofore transferred all my right, title and interest in the property the subject of this contract to Mr. Hooker..." (your former partner).

Please be advised that the transfer of your interest in the partnership to Mr. Hooker does not relieve you personally of the contract obligation to make the required royalty payments.

Sincerely yours,

C. O. Mittendorf

Administrator

J.N.
6-23-53

AEKane/LGHouk/ema/dec/ 6-19/53
cc: Mails & Files
Adm. R. File
C. O. Mittendorf
Field Team Reg. VII (2)
L. G. Houk
A. E. Kane
J. L. Hofflund

FILE COPY
SURNAME:

140

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

Feitler
AEKane
Pending

Mr. Andrew W. Reid
P. O. Box 489
Franklin, North Carolina

Subject: Docket No. DMEA-2150 (Mica)
Reid Mine, Macon County
Contract No. Idm-E455

Dear Mr. Reid:

Reference is made to your letter of June 9, 1953, to Mr. Robert A. Laurence, Executive Officer, DMEA Field Team, Region 7, in which you refer to the Government's letter of May 29, 1953, regarding royalty payments and state "I have heretofore transferred all my right, title and interest in the property the subject of this contract to Mr. Hooker . . ." (your former partner).

Please be advised that the transfer of your interest in the partnership to Mr. Hooker does not relieve you personally of the contract obligation to make the required royalty payments, ~~and if such payments are not made by Mr. Hooker, the Government will also look to you for their payment.~~ its

Sincerely yours,

Administrator

AEKane/~~emaf 6-18-53~~ 6-17-53
cc: Mails & Files
Adm. R. File
C. O. Mittendorf
Field Team Reg. VII (2)
L. G. Houk
A. E. Kane
J. L. Hofflund
~~Chron.~~
~~Pending~~

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

June 12, 1953

Memorandum

To: Chairman, Operating Committee, D M E A- Washington

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

Subject: DMEA-2150, Idm-E156 (mica) Reid & Hooker; Reid-Hooker Mine

Enclosed herewith is a letter received from A. W. Reid, indicating that he has transferred his interest in the subject property to Mr. W. H. Hooker. This letter was evidently prepared in reply to the last paragraph of Mr. Mittendorf's letter of May 29 to the Operators.

Robert A. Laurence
Robert A. Laurence

ANDREW W. REID

MINE OWNER
&
OPERATOR
—
MAY
MARY
BUOY
SCOTT
HIGDON
CAMPBELL
LYLE KNOB
MILL KNOB
COPE MOUNTAIN
PITT
PROCESSING
PLANT

MICA MINING & SALES
Pattern, Sheet, Punch and Processed Scrap

P. O. Box 489
FRANKLIN, NORTH CAROLINA

RECEIVED
JUN 12 1953
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

June 9, 1953.

Mr. Robert A. Laurence,
Executive Officer,
Defense Minerals Administration Field Team,
Room 13,
Post Office Building,
Knoxville 2, Tenn.

Dear Mr. Laurence:

RE: Docket No. DMEA-2150- Mica,
Reid Mine, Macon County,
Contract No. Idm-E456.

I am in receipt of a letter from your Department in Washington regarding royalty payments under the above contract. I have heretofore transferred all my right, title and interest in the property the subject of this co ntract to Mr. W. H. Hooker whose address is C/O American Motor Carrier, 627 Peachtree Street, N. E., Atlanta, Ga.

All further communications regarding this contract or the operation of the property should be addressed to him.

Very truly yours,

A. W. Reid

A. W. REID

FILE COPY
SURNAME:

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

Hawk
Chamberlin
Affleck
Burton
Hodges
Johnson

Reid and Mosher
c/o A. W. Reid
Box 489
Franklin, North Carolina

MAY 29 1953

Re: Docket No. DMEA-2150 - Mica
Reid Mine
Mason County, North Carolina
Contract No. Idm-5456

Gentlemen:

Transmitted herewith is a Certification of Discovery or Development on Contract No. Idm-5456 on the Reid Mine in Mason County, North Carolina.

By the terms of the Exploration Project Contract and of the Certification, all production from the property from the date of the Exploration Project Contract, December 4, 1952, is subject to the Government's percentage royalty as set forth in the contract until the sum of $1,170.00 is paid or until December 4, 1962, whichever occurs first, and the obligations ($1,791.00) of the Operator with reference to the Pitt Mica Corporation as set forth in the second paragraph of Annex I are fully satisfied and discharged.

Payments should be made to Mr. Robert A. Laurence, Executive Officer, Defense Minerals Exploration Administration Field Team, Region VII, Room 13, Post Office Building, Knoxville 2, Tennessee. Checks should be drawn 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 quality and grade of ore 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.

Sincerely yours,

C. O. Mittendorf (for)
Administrator

5-29-53

Enclosure

LOHouk:gad 5/26/53

Operating Committee
Mr. Thayer, 5216 GSA Bldg.
Mr. Hawk

Copy for Admr. & File
Mr. Johnson
Field Team, Region VII
Docket File
Mr. Hodges, 4604
Mr. Chamberlin

MAY 29 1953

Mr. Marshall Forman
Acting Administrator, Defense Materials
Procurement Agency
General Services Administration Bldg.
Washington 25, D. C.

Re: Project No. [illegible] - Mica
Reid and Parker
Reid Mine
Macon County, North Carolina
Contract No. [illegible]

Dear Mr. Forman:

I am enclosing one copy each of a "Certification of Discovery or Development", summary report of operator, and a final report by the Field Team, all relating to the subject contract.

The exploration project contract was executed December 4, 1952, and work completed on January [illegible], 1953. The Government participated to the extent of 90% of $1,3[illegible] or $1,170.00. Total expenditure under the contract was $1,[illegible] according to Report of Review in lieu of final audit. The operator also assumed the obligations of the Mitt Mica Corporation ($1,7[illegible]), with reference to royalty repayment as set forth in paragraph 2 of Annex 1.

The final field team report states in part:

> Surface exploration by two short trenches, with [illegible] foot test pits in each, exposed a five foot pegmatite over a horizontal distance of 60 feet and a vertical distance of [illegible] feet. Sufficient work was performed under the contract to indicate that production of strategic mica may be obtained from the property. Approximately 3,[illegible] pounds of book mica up to six inches in size was recovered during the contract.

The Field Team and the operator share a like very realistic that the mica concern.

Sincerely yours,

C. O. Mittendorf

Administrator

Enclosures 3

[illegible]:gad 5/26/53

Copy to: Mr. A. Fla
Operating Committee
Mr. Hodges, 464
Mr. Thayer, Sub Ind Bldg.
Field Team, Region VII
Mr. Johnson
Mr. Chambers
Docket File
Mr. Hook

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

April 17, 1953

Memorandum

To: Operating Committee, D M E A - Washington

From: Field Team, DMEA - Region VII

Subject: DMEA-2150, Idm-E456, Reid-Hooker (mica) Mine. Final Report.

Enclosed herewith are 4 copies of the Final Report by Mr. K. H. Teague and Mr. L. E. Shirley on the subject exploration project. The Field Team approves the recommendation that this be certified as a successful project.

B. Gildersleeve, for

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

W A Beck

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

Reviewed by
DMEA OPERATING COMMITTEE
4-24-53

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

# FINAL REPORT
# BY FIELD TEAM, REGION VII

On

## DMEA-2150, Idm-E456, REID-HOOKER (Mica)

Franklin, Macon County, N. C.

By


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

---

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


---

April 15, 1953

Field Team Final Rpt

Reviewed by
DMEA CENTRAL
4-24-53

# FINAL REPORT
on
# REID-HOOKER PROSPECT

DMEA-Docket 2150, (mica)
Contract No. Idm-E456

Operator: Reid & Hooker, c/o A. W. Reid, Franklin, N.C.

The Reid-Hooker prospect is on the north side and near the headwaters of Mica City Creek 13 miles northeast of Franklin, Macon County, N. C. Access is via N.C. Highway No. 28 north from Franklin and the Mica City Creek road.

Exploration exposed a 5-foot pegmatite over a strike length of 60 feet and a vertical distance of 52 feet. Approximately 3000 pounds of book mica was recovered. Much of that obtained is of scrap grade, but several hundred pounds is suitable for processing into strategic mica. Even though the deposit does not appear to be a large one, the field examiners are of the opinion that production on an economical basis can be obtained, and that a certificate of discovery should be issued.

The project consisted of cutting two bulldozer trenches normal to the strike of the pegmatite. The upper trench is 60 feet long and the upslope face is 25 feet high. The lower cut is 40 feet horizontally below the upper; it is 75 feet long and the upslope face is 12 feet high. Two 15-foot test pits, one from each trench, was sunk on the pegmatite. Work on the project began on December 18, 1952 and was completed January 23, 1953.

The pegmatite uncovered had been previously worked by a small open cut and two drifts, all of which are caved. Under this project the pegmatite was exposed along its strike over a distance of about 60 feet and along the dip for 52 feet. The pegmatite in the northwestern part strikes N. 50° W., dipping 60° SW, and in the southeast part strikes N.75° W., dipping 60° SW. At the point where the abrupt change in strike occurs there has been a small displacement by a shear fault. The pegmatite is well zoned at the northwest end, consisting of a medial quartz core 12 to 18 inches thick, bounded on both sides by feldspathic pegmatite containing mica. Most of the mica is ruby colored, but a small amount frozen to the quartz core is green "A". To the southeast the quartz core is not in evidence and all of the mica is ruby colored. The pegmatite averages about 5 feet in thickness.

It is emplaced conformably in a weathered biotite gneiss.

As the pegmatite is weathered, all of the mica obtained is more or less surface stained. Except for this condition, it is clear, hard, splits well, and generally flat. Some of it shows "A" structure, and in the vicinity of the shear, considerable ruling is present. Books up to 6 inches across were recovered.

Expenditures:

| | |
|---|---|
| Total approved..... | $1,300.00 |
| Total cost of project..... | $1,300.00 |
| Government's share of cost..... | $1,170.00 |
| Government's share unexpended... | None |

Value of production during operation - unknown.

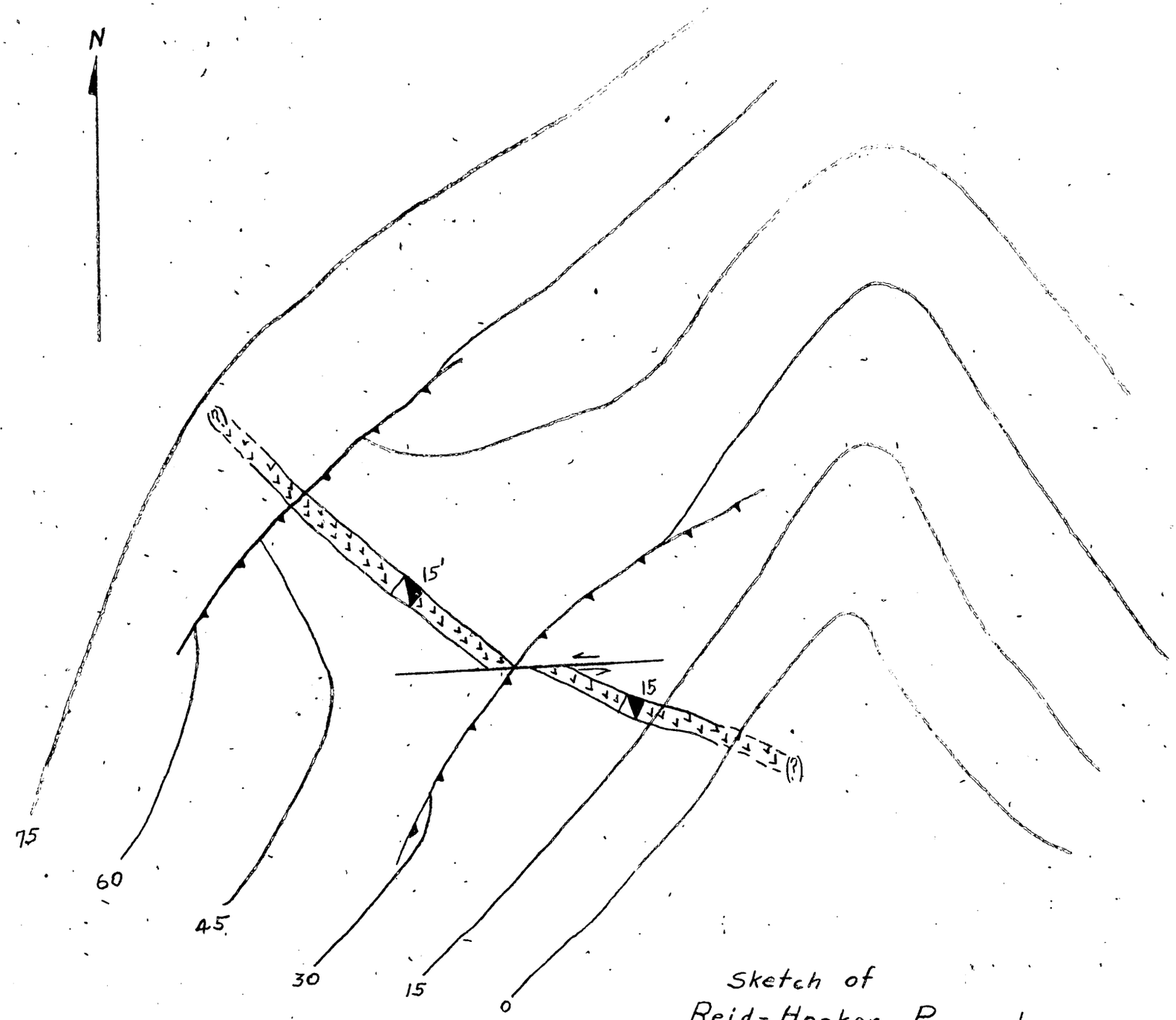
The project was conducted in a competent and efficient manner. No equipment costing in excess of $50.00 was purchased for the project.

April 15, 1953.

K. H. Teague, Geologist
USGS

L. E. Shirley, Mining Engineer
USBM

zm




Sketch of
Reid-Hooker Prospect

0 20 40
Scale

Macon Co., N.C.

DMEA-2150

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
FEB 1 1953

INTERIM REPORT

DMEA-2150 Idm-E456 (mica) REID-HOOKER

OPERATOR: A. W. Reid and W. H. Hooker, c/o A. W. Reid, Box 489, Franklin, North Carolina.

LOCATION: 13 miles northeast of Franklin, Macon County, N. C. and north of Mica City Creek. This prospect is about 2000' due west of the Mary Mine (DMEA-1140X).

This project began on December 18, 1952. Stage I consisted of excavation of two bulldozer trenches approximately 60 feet long, 10 feet deep and 12 feet wide. Some of this work was observed on January 7, 1953 at which time a safety inspection was made by Roy G. Stott, Safety Engineer, in the company of W. A. Beck and the writer. At the time of this visit a pegmatite striking about N 37° W was exposed in the upper cut and a show of the S E extension was observed in the lower cut. Some evidence indicates previous movement in the area and is best illustrated by numerous slickensides in the upper cut. Pegmatite material consists of plagioclase feldspar, both fresh and weathered, mica up to 4" x 5" and massive quartz, particularly in the lower cut.

At the time of this visit enough evidence was available to justify going ahead with Stage II of the contract, which specified two test pits not to exceed 30'. Location of these pits were made and the operator began work on January 14, 1953. This work was almost completed at time of visit and operator recovered mica of unestimated quantity from both test pits, and it is believed that this project may warrant certification. It is anticipated that this project will be completed by the end of January.

L. E. Shirley

L. E. Shirley, Mining Engineer
U. S. Bureau of Mines
K. H. Teague, Geologist
U. S. Geological Survey

K. H. Teague

January 26, 1953.

Omea 2150

January 30, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 2 1953

B.W.

Mr. A. W. Reid, Mine Partner
Reid and Hooker Prospect
Box 469
Franklin, N. C.

Dear Mr. Reid:

Attached is a Safety Inspection Report of your Reid and Hooker Prospect made by Mr. Roy G. Stott, mining health and safety engineer, on January 7, 1953.

Very truly yours,

M. C. McCall

M. C. McCall, Chief,
Accident Prevention and Health
Division, Region VII

CC: R. A. Laurence, Room 13, Post Office Bldg., Knoxville 2, Tenn.
A. H. Beck (3) Room 13, Post Office Bldg., Knoxville, 2, Tenn.
F. H. Shuford, State Department of Labor, Raleigh, N. C.
J. L. Fitzgerald, Box 7346, Asheville, N. C.
Director, Defense Minerals Exploration Administration, Washington, D. C.
S. H. Ash
J. Westfield
A. Gabriel
J. R. Thoenen, Bureau of Mines, Tuscaloosa, Alabama
R. G. Stott
District Office

# SAFETY INSPECTION REPORT
# REID AND HOOKER PROSPECT (MICA)
# (NEAR) LEATHERMAN, MACON COUNTY, NORTH CAROLINA

January 7, 1953

By

Roy G. Stott
Mining Health and Safety Engineer

Originating Office - Bureau of Mines
210-12 Social Security Building
Birmingham 3, Alabama
M. C. McCall, Chief
Accident Prevention and Health Division
Region VII

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

# SAFETY INSPECTION REPORT
# REID AND HOOKER PROSPECT (MICA)
# (NEAR) LEATHERMAN, MACON COUNTY, NORTH CAROLINA

January 7, 1953

by

Roy G. Stott
Mining Health and Safety Engineer

## INTRODUCTION

This report is based on an inspection made at the request of the Defense Minerals Exploration Administration to determine conditions and practices relating to health and safety and to propose recommendations for correcting hazards. The inspection party consisted of Roy G. Stott, mining health and safety engineer, Bureau of Mines, William A. Beck and Laurence E. Shirley, mining engineers, Defense Minerals Exploration Administration, and A. W. Reid, mine partner.

## GENERAL INFORMATION

The Reid and Hooker Prospect is operated by a partnership of A. W. Reid and W. H. Hooker of Franklin, North Carolina. A D. M. E. A. loan has been granted under Docket No. 2150, Contract Idm E-456.

The prospect is located about 4.0 airline miles N50°E of Leatherman, Macon County, North Carolina and about 0.9 mile south of Cowee Bald peak.

The prospect is a surface exposure of pegmatite vein outcropping on a steel hillside. The vein has been exposed by dozing aside from 3 to 8 feet of clay overburden by means of a Diesel-powered Oliver Cletrac dozer. Approximately 25 feet of vertically dipping vein has been exposed revealing an old adit extending northwesterly along the strike of the vein for at least 45 feet from the original portal. The dozer had broken through the untimbered workings about 25 feet from its entrance. The vein had shifted laterally about 15 feet northward at about 8 feet above the old adit.

Two men were employed; a dozer operator and a laborer.

No underground work was being done at the time of the inspection; however, one or two test pits of combined depth of 30 feet are proposed for further prospecting.

## SAFETY RECOMMENDATIONS

The stripping was being conducted in a safe and orderly manner, and no safety recommendations were made.

A general safety discussion was held with A. W. Reid regarding the use of hard hats and safety shoes in underground work, and the proper use of explosives and fuse caps.

ACKNOWLEDGMENT

The cooperation of A. W. Reid and his employees is gratefully acknowledged.

Respectfully submitted,

/s/ Roy G. Stott

Roy G. Stott
Mining Health and Safety Engineer

Form MF-104 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

Mr. Fetter

115

OF PAYMENTS NOR - 45

# UNITED STATES
# DEPARTMENT OF THE INTERIOR
## DEFENSE MINERALS EXPLORATION ADMINISTRATION
# OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of Dec. 18-Jan 23, 1953 Docket No. DMEA 2150 Contract No. IDM-E 456
Operator's Name Reid and Hooker Minerals Mica
Address A.W. Reid, Box 489, Franklin, N. C.
Contract Amount, $ 1300.00 Government Participation: 90 % Amount, $ 1170.00

| ITEMS OF COSTS | FOR OPERATOR'S USE | | | FOR GOVERNMENT USE ONLY | | |
|---|---|---|---|---|---|---|
| | Monthly Total | Totals Previously Reported | Totals To Date | Approved Monthly Total | Approved Totals Previously Reported | Approved Totals To Date |
| (1) ~~Minimum~~ Short Form Contracts: | | | | | | |
| Drilling | | | | | | |
| Bulldozing 100,000 cu ft | 790.00 | none | 790.00 | 790.00 | — | 790.00 |
| Crosscutting | | | | | | |
| Drifting Stage II Test Pits, two, total depth 30 ft | 450.00 | none | 450.00 | 450.00 | — | 450.00 |
| (2) Labor and Supervision: | | | | | | |
| Labor | | | | | | |
| Supervision | 60.00 | none | 60.00 | 60.00 | | 60.00 |
| Technical Services | | | | | | |
| (3) Operating Mat'ls. and Supplies: | | | | | | |
| Timber | | | | | | |
| Explosives | | | | | | |
| Pipe | | | | | | |
| Track | | | | | | |
| (4) Operating Equipment: | | | | | | |
| Rental | | | | | | |
| Purchase | | | | | | |
| Depreciation | | | | | | |
| (5) Initial Rehabilitation and Repairs | | | | | | |
| (6) New Bldgs., Improvements, etc. | | | | | | |
| (7) Miscellaneous: | | | | | | |
| Repairs to Equipment | | | | | | |
| Sampling and Analysis | | | | | | |
| Payroll Taxes | | | | | | |
| Liability Insurance | | | | | | |
| (8) Contingencies (specify): | | | | | | |
| TOTALS | 1300.00 | none | 1300.00 | 1300.00 | | 1300.00 |

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

Date Feb. 2, 1953 *Payee Reid & Hooker

Per A W Reid Title partner

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

**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.**

**(Instructions on reverse)**

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$ 1170.00

Signature Cora A. Piper
(Authorized Certifying Officer)

Date FEB 24 1953 Vou. No. 115

**(See other side)**

12/18
1+7 1144

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Tdm-E456 in accordance with the terms of the contract.

Signature Lawrence E. Shirley Title Mining Engr. U.S.B.M. Date Feb. 17, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title ..... Date .....

# MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. 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.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

*Preparation of Form MF-104—Operator's Monthly Report and Voucher.*—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

U. S. GOVERNMENT PRINTING OFFICE 205675

Form MF-104A
(April 1952)

Budget Bureau No. 42-R
Approval expires 6-30-53.

# UNITED STATES
# DEPARTMENT OF THE INTERIOR

## DEFENSE MINERALS EXPLORATION ADMINISTRATION

# OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Dec. 18-Jan. 23 1953 Docket No. DMEA 2150 Contract No. IDM-E 456
Operator's Name Reid and Hooker Minerals Mica
Address A. W. Reid, Box 489, Franklin, N. C.

| OPERATION | UNIT | COSTS THIS MONTH | UNITS THIS MONTH | COSTS TO DATE | UNITS TO DATE | UNIT COSTS TO DATE | AUTHORIZED BY CONTRACT | |
|---|---|---|---|---|---|---|---|---|
| | | | | | | | Units | Unit Costs |
| Drifting | | | | | | | | |
| Crosscutting 100,000 | cu.ft. | 790.00 | 100,000 | 790.00 | 100Th. | .79 | 100T | .79 |
| Raising | | | | | | | | |
| Shafts | | | | | | | | |
| Winzes | | | | | | | | |
| Drilling: Core | | | | | | | | |
| Churn | | | | | | | | |
| Auger | | | | | | | | |
| Stripping | | | | | | | | |
| Trenching | | | | | | | | |
| Test Pits | ft | 450.00 | 30 | 450.00 | 30 | 15.00 | 30 | 15.00 |
| Roads and Trails | | | | | | | | |
| Supervision | | 60.00 | | 60.00 | | | | 60.00 |
| TOTAL DISTRIBUTED COSTS | | 1300.00 | | 1300.00 | | | | TOTAL COSTS AUTHORIZED BY CONTRACT |
| Operating Equipment Purchased | | | | | | | | |
| Initial Rehabilitation and Repairs | | | | | | | | |
| New Buildings, Improvements, etc. | | | | | | | | |
| TOTAL COSTS | | 1300.00 | | 1300.00 | | | | 1300.00 |

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.

Date Feb. 2, 1953 Operator Reid & Hooker

Per A W Reid Title partner

REMARKS:

→ 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.

(Instructions on reverse)

(For Government use only)

# INSTRUCTIONS

*Preparation of Form MF–104A—Operator's Unit Cost and Progress Report.*—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF–104A has been designed to tie in with Form MF–104 for both monthly and cumulative costs. The "Total Costs" on Form MF–104A for each month should equal the monthly "Total Costs" as reported on Form MF–104. This is also true of the "Total Costs To Date".

In preparing Form MF–104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

U. S. GOVERNMENT PRINTING OFFICE 205676

OPERATOR'S
PROGRESS REPORT
FOR
DEC. 18-JAN. 23

Dec. 18. Started Bulldozing operations consisted of digging two trenches 60 feet long over 12 feet wide. Used D-6 Dozer.

Dec-18 to Jan 14- Completed 79 hours bulldozing. Soft earth encountered and trenches dug somewhat larger than specifications - 100,000 cu ft of earth removed in the two trenches.

Jan 15. Started two test pits, dug 4 feet in each.
Jan 16. Started drilling holes by hand. Drilled 6 holes.
Jan 19. Shot holes and mucked out- drilled more holes by hand. 10 feet deep each pit.
Jan 20. Shot and mucked out. Quartz and chrystalised feldspar in spots.
Jan 21. Drilled and shot holes and mucked out.
Jan. 22. Mucked out. Loose quarts and feldspar; also strategic ruby mica encountered.
Jan. 23. Finished mucking to a depth of 15 feet. Approx. 300 lbs of book mica removed in test pit operations. Completed pits were 4 feet by 6 feet, 15 feet deep.

A W Reid
A. W. Reid

COPY

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

Room 13, Post Office Building
Knoxville, Tennessee

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 15 1952

December 12, 1952

Memorandum

To: Operating Committee, D M E A - Washington

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

Subject: DMEA-2150, Idm-E456 (mica) A. W. Reid & W. H. Hooker
Signed Contract

Attached are three copies of the above subject contract which have been signed by Mr. Reid and Mr. Hooker. One copy has been sent to the Finance Officer, one retained by the operators, and one by this office.

Wm A Beck

Wm. A. Beck

cae
12/15

FILE COPY
SURNAME:

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

DEC 4 1952

Feitler
Houk
Holland
Hallmark
Cathane
Selfridge
Mica
Detrich

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

Subject: Docket No. DMEA-2150 - Mica
Reid & Hooker
Franklin, North Carolina
Reid Mine
Macon County, North Carolina

Dear Mr. Laurence:

Please find herewith the original and five copies of a contract covering the subject exploration project which have been signed by this office for the Government with register number and effective date as shown.

The changes from the costs recommended in the field report were discussed with the Field Team. If the contract meets with your approval, present it to the operator for his approval and signature. If any provisions are unsatisfactory to the operator, return all copies to this office along with suggested changes for consideration. The time to be allowed for starting and completing the work should be inserted in the proper spaces in Article 3 of the contract before the operator signs. Please explain to the operator that this is a firm contract and that he is obligated under the terms of the contract to complete the work outlined in the contract for his own account should his per foot costs exceed the unit cost of $15.00 for test pits. This contract must be signed by both partners.

After signing of the contract, one copy is to be given to the operator, one copy retained for your files, one copy for the Field Team, one copy for the Regional Finance Officer, and the remaining copies, including the original, are to be returned to this office as soon as possible.

Sincerely yours,

George C. Selfridge (JHB)

ACTING Chairman, Operating Committee

Approved:

H. E. Hedges (JHB)

Member, Bureau of Mines

A. R. Kinkel, Jr. (JHB)

Member, Geological Survey

Enclosures 7

SAFeitler:fls 12/1/52
Copy to: Admr. R. File
Docket File
Operating Committee (2)
Mr. Dietrich, 3526
Mr. Norton, G-232 GSA Bldg.
Mr. Houk

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

November 26, 1952

Memorandum

To: Administrator

Through: L. G. Houk

From: Chief Counsel

Subject: Reid and Hooker, Docket No. DMEA-2150

There is attached, in satisfactory legal form for execution, a contract covering the above-described project. Because of the provisions of Annex I, this contract must be signed by both A. W. Reid and W. H. Hooker and not merely by one of the parties for both.

J. L. Hoffmund
Chief Counsel

Attachments

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

November 11, 1952

Memorandum

To: Administrator

From: Nonmetallic Minerals Division SAF

Subject: Resume - Docket No. DMEA-2150 - Mica
Reid and Hooker
Franklin, North Carolina
Reid Mine, Macon County

Conclusions:

This mine is on the same tract as the Mary Mine (DMA-1140, Pitt Mica Corporation) which was certified as a discovery.

Although no pegmatite is exposed, a modest exploration program is justified as the dumps at the caved workings contain ruby mica of good quality. Fragments of quartz up to 12 inches across are favorable evidence of zoning in the pegmatite.

Processing of this application has been delayed because of difficulties in correcting title matters which were snarled by these partners and Frank Siersma in connection with the Pitt Mica Corporation, DMA-1140X.

The accompanying recommended contract contains provision for acknowledgment and assumption of Pitt Mica Corporation's contingent liability to the Government occasioned by the certification of discovery at the Mary Mine, DMA-1140X. Production from either the Reid Mine, DMEA-2150, or the Mary Mine, DMA-1140X, will be subject to royalty payments for both contracts. Thus, the Government will deal with Reid and Hooker, a partnership, instead of the Pitt Mica Corporation, now under suspension by the State of North Carolina.

Recommendation:

The accompanying contract, providing for a program of trenching and sinking test pits at a total cost of $1,300.00, is recommended for approval.

Application received 10/12/51
Proposed six bulldozer cuts and several test pits at a cost of $2,755.00.
U.S.G.S. memo 11/5/51 recommends obtaining additional information from applicant.
Letter to applicant 11/14/51 requesting additional information.
Letter from applicant 11/20/51 not much additional information supplied.
U.S.B.M. memo 2/12/52 recommends field examination.
U.S.G.S. memo 2/15/52 refuses to surname field referral.
Field referral 2/21/52.
Field report received 3/31/52
Recommends bulldozing and test pits to cost $1,795.00.
U.S.G.S. memo 4/8/52 concurs with field team.
Letter to applicant 5/2/52 requesting legal data and plat of the property.
Letter from applicant received 5/26/52 supplying requested data.
Telephone to Reid, partner, regarding necessity for Siersma to sign Owner's Consent to Lien for his 8/25s interest in the land.
Letter to applicant 6/13/52 confirming telephone request for above consent.
Telephone to Hooker, other partner, regarding Owner's Consent and necessity of Reid, Hooker and Siersma straightening out title matters relating to this application as well as DMA-1140X, a prior DMA discovery on the same land.
Letter to applicant 8/1/52 follow up requesting reply in thirty days.
Letter from applicant 9/22/52 with Owner's Consent and copy of deed from Pitt Mica Corporation to Reid, Hooker, and Siersma.
Legal Division 10/1/52 asks that additional legal data be obtained.
Letter to applicant 10/6/52 requesting that Reid and Hooker submit proof that the partnership controls the land.
Letter from applicant received 11/5/52 supplying information requested 10/6/52.
Contract prepared 11/7/52
To Legal Division 11/10/52.

Stanley A. Feitler

Stanley A. Feitler
Nonmetallic Minerals Division

dmea 2327

# ANDREW W. REID

MICA MINING & SALES

Pattern, Sheet, Punch and Processed Scrap

MINE OWNER
&
OPERATOR
—
MAY
MARY
BUOY
SCOTT
HIGDON
CAMPBELL
LYLE KNOB
MILL KNOB
COPE MOUNTAIN
PITT
PROCESSING
PLANT

P. O. Box 489
FRANKLIN, NORTH CAROLINA

Nov. 3 - 52

United States Dept. of the Interior
Defense Minerals Exploration Administration
Washington D. C.

Mr. Laurence G. Hawk,

Dear Sir:

Enclose find copy of deed from Reid, Hooker and F. J. Sierma.

I hope that this will clear up the situation, so that we can go ahead with the exploration developement.

With kindest regards,

I remain,

Yours Sincerely,

A. W. Reid

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 5 1952

COPY COPY COPY

NORTH CAROLINA
MACON COUNTY

THIS AGREEMENT made and entered into this the 19th day of September 1951, by and between A. W. REID, party of the first part, and W. H. HOOKER, party of the second part;

WITTNESSETH:

THAT WHEREAS A. W. Reid is the owner of an undivided 8/25 interest in the hereinafter described minerals; and

WHEREEAS W. H. Hooker is the owner of an undivided 9/25 interest in said minerals; and

WHEREAS F. T. Siersma is the owner of an undivided 8/25 interest in said minerals; and

WHEREAS heretofore F. T. Siersma has executed and delivered to A. W. Reid an agreement whereby he agreed to sell to the said A. W. Reid his undivided 8/25 interest in said minerals at the price of five thousand dollars ($5,000.00), the said purchase price to be paid by paying to the said F. T. Siersma the sum of five per cent (5%) of the gross sales of mineral products from said property; and

WHEREAS the parties hereto desire to be equal owners in said mineral interest:

NOW, THEREFORE, the said parties of the first and second part, for and in consideration of the premises and the further sum of one dollar to each in hand paid, do hereby agree that from and after this date the said A. W. Reid shall own an undivided 17/50 interest in the minerals hereinafter described and the said W. H. Hooker shall own an undivided 17/50 interest in said minerals and that when the parties to this agreement have paid to F. T. Siersma the purchase price for his 8/25 interest that he shall make a deed for 4/25 interest to A. W. Reid and a deed for 4/25 interest to W. H. Hooker, so that when the said Siersma interest is purchased and paid for the parties to this agreement shall each own an undivided one-half interest in said minerals.

The property above mentioned is described as follows:

> Being the minerals, ores, clays, stones, rights and privileges described in and conveyed by that certain deed from A. W. Reid to Pitt Mica Corporation, dated 5 October 1950 and recorded in the office of the Register of Deeds for Macon County, North Carolina, in Deed Book X-5, page 511, together with all mining machinery and equipment now being used in connection with the mining of said minerals and/or located on the land containing the said minerals, ores, clays and stones above referred to, with the exception of one truck now in the possession of A. W. Reid and formerly owned by Pitt Mica Corporation which shall be the individual property of A. W. Reid.

IN WITNESS WHEREOF the parties hereto have set their hands and affixed their seals the day and year first above written

A. W. REID (seal)
W. H. HOOKER (seal)

NORTH CAROLINA
MACON COUNTY

Personally appeared before me this day A. W. REID and W. H. HOOKER, who acknowledged the due execution of the foregoing agreement for the purpose therein set forth.

WITNESS my hand and notarial seal, this 19th day of September 1951

( S E A L )

(signed) Cecile Gibson
Notary Public, Macon County, N. C.

My commission expires December 22, 1951

FILE COPY
SURNAME:

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

OCT 6 1952

Mr. Andrew W. Reid
P. O. Box 489
Franklin, North Carolina

Subject: Docket No. DMEA-2150 - Mica
Reid Mine
Reid & Hooker
Macon County, North Carolina

Dear Mr. Reid:

Receipt is acknowledged of your letter of September 22, 1952, enclosing certified copies of deed from Pitt Mica to Frank Sierema and Owner's Consent to Lien on the subject docket.

The partnership of Reid and Hooker must demonstrate that it has the necessary control over the tract as required in Section 8 of DMEA Order-1. To prove that the partnership has the necessary interest in the land, you should supply this office with copies of deeds to the partnership or with a copy of the agreement of partnership in which the necessary rights to the land are given.

Sincerely yours,

Signed

Lawrence G. Houk, Chief
Nonmetallic Minerals Division

SAFeitler:gad 10/3/52

Copy to: Admin. Reading File
Field Team, Region VII
Mr. Dietrich, 3526
Mr. Norton, G-232 GSA Bldg.
Mr. Houk

October 1, 1952

Notes for the File

Re: Pitt Mica Corporation, Docket No. DMA-1140
Reid and Hooker, Docket No. DMEA-2150

The contract with Pitt Mica Corporation has been completed and a certification made. Pitt Mica Corporation was suspended in December 1951, and certification was made February 21, 1952. By deed dated August 14, 1951, before the suspension or certification, Pitt Mica Corporation transferred the property described in the contract to F. T. Siersma (Assistant Secretary of the corporation), to A. W. Reid, President, and to W. H. Hooker, Secretary. The deed did not make any reference to the Government's interest under the contract.

By letter dated September 18, 1952, to the Corporation, the Administrator pointed out that we had not consented to the assignment. By reply dated September 22, Mr. Reid replied that himself and Hooker had purchased Siersma's interest, are operating the property, and paying the Government's royalty. Reid under date of September 22 (the same date that he wrote to Mittendorf) paid to the Field Office $39.07 on account of royalties.

Reid and Hooker now have an application pending for another exploration project contract on the same property, but a different mine. I agreed with Mr. Feitler that when we work up this contract with Reid and Hooker we will require them to assume all of the obligations to the Government under the contract with Pitt Mica Corporation, and that the lien will be extended to cover any royalties accruing under both contracts.

Siersma has executed an Owner's Consent to Lien in the sum of $6,000.00. This is necessitated by reason of his conveyance to Reid dated December 12, 1951, in which he retains a royalty interest. Neither Reid nor Hooker have conveyed their interest to the partnership of Reid and Hooker, the intention presumably being that their partnership interest will correspond to their interest in the property. Either we should have a copy of their articles of partnership or conveyances to the partnership to indicate that the property is actually devoted to partnership purposes.

J. L. H.

J. L. Hofflund

ANDREW W. REID

MINE OWNER
&
OPERATOR
—
MAY
MARY
BUOY
SCOTT
HIGDON
CAMPBELL
LYLE KNOB
MILL KNOB
COPE MOUNTAIN
PITT
PROCESSING
PLANT

MICA MINING & SALES
Pattern, Sheet, Punch and Processed Scrap

P. O. Box 489
FRANKLIN, NORTH CAROLINA

September 22, 1952

Mr. Lawrence G. Houk, Chief
Nonmetallic Minerals Division
Defense Minerals Expl. Adm.
Washington 25, D. C.

Re: Docket No. DMEA-2150
Reid Mine - Mica
(Reid & Hooker)

Dear Mr. Houk:

Reference is being made to the above application and your letter dated June 13, 1952.

Enclosed is a certified copy of deed from Pitt Mica Corporation to F. T. Siersma; and certification to the fact that like deeds were executed to W. H. Hooker and A. W. Reid.

Also enclosed are six copies of "Owner's Consent to Lien" signed by F. T. Siersma.

In accordance with the contents of your above mentioned letter I believe the desired information has been furnished. I trust you can now proceed with processing of this application and that a contract may be executed at an early date.

Very truly yours,

A. W. Reid

A. W. REID

SEP 23 1952

Copy of deed
transferring prop
from Pitt Mica Corp
to Siersma
Reid
Hooker

Landlord's consent
to lien 6 copies
from Siersma for
new contract

6/10/5 v
Tel. call to
Hooker: During discussion
he said what
mining at
Reid-Morny
was being pushed
ST.

FILE COPY
SURNAME:

Feitler
Houk

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

AUG 1 1952

Mr. A. W. Reid
Reid and Hooker
P. O. Box 489
Franklin, North Carolina

Subject: Docket No. DMEA-2150 - Mica
Reid Mine
Reid and Hooker
Macon County, North Carolina

Dear Mr. Reid:

Reference is made to the subject application for exploration assistance and our letter of June 13, 1952, in which we requested that you submit a copy of the deed transferring the land from the Pitt Mica Corporation to three individuals. In the same letter you were advised that an Owner's Consent to Lien, signed by Frank Siersma, should be obtained as he has title to an eight-twenty-fifths interest in the property.

We wish to cooperate with you in the matter of allowing ample time but if the needed data have not been received within thirty days we will then consider the docket closed.

Sincerely yours,

C. O. Mittendorf (for) J.N. 8-1-52

Acting Administrator
Defense Minerals Exploration
Administration

SAFeitler:gad 8/1/52

Copy to: Admin. Reading File
Docket File
Field Team, Region VII
Mr. Norton, G-232 GSA Bldg.
Mr. Dietrich, 3526
Mr. Houk

Pitt Mica Appl. & Extract
Ctrct 7/23/51
Pitt has property from
Reid 1950.

Aug. 11, 1951 transfer
from Pitt Mica Corp
to. (A) Sierma
(B) Reid
(C) Hooker

(B) (Reid) buys
(C) (Sierma) interest
for $5000 by 5% royalty

B & C apply
(Reid & Hooker)
for new project
on same tract
of land DMEA 2150

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

July 31, 1952

Memorandum

To: Lawrence G. Houk, Chief
Non-Metallic Minerals Division, DMEA

From: Stanley A. Feitler

Subject: Docket No. DMEA-2150 - Mica
Reid & Hooker
Reid Mine, Macon County, North Carolina
Telephone conversation between Mr. Feitler and W. H. Hooker, Atlanta, Georgia, July 30, 1952.

Our request for copy of deed transferring land from Pitt Mica Corporation to Reid, Hooker & Siersma. Also "Owner's Consent to Lien" to be signed by Mr. Siersma.

Need for straightening out title matters was stressed.

Government's lien on Pitt Mica Corporation (DMEA-1140) contract involved also.

Stanley A. Feitler

FILE COPY
SURNAME:

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

JUN 13 1952

Mr. A. W. Reid
Reid & Hooker
P. O. Box 469
Franklin, North Carolina

Subject: Docket No. [illegible]A-2150 - Mica
Reid Mine
Macon County, North Carolina

Dear Mr. Reid:

This is in reference to the above application and in confirmation of our telephone conversation of today.

It is understood that you will send a certified copy of the deed transferring the property described in the above application from the Pitt Mica Corporation to A. T. Sierema, A. W. Reid and W. H. Hooker.

Inasmuch as Mr. Sierema's agreement to sell his interest in the property to Mr. Reid leaves title in Mr. Sierema's possession until some future time, an "Owner's Consent to Lien" signed by Mr. Sierema, will be necessary. Enclosed are eight copies of form MB-203. Six copies are to be signed by Mr. Sierema and the extra copies are for you and Mr. Sierema.

When the above material has been received, we will be able to complete the processing of your application.

Sincerely yours,

6/13/52

Lawrence G. Houk, Chief
Nonmetallic Minerals Division
Defense Minerals Exploration
Administration

Enclosures - 8
SAFeitler:mp 6/12/52
cc: Docket File
Adm. Reading File
Mr. Dietrich, 3526
Mr. Norton, G-232, GSA Bldg.
Mr. Houk
Field Team, Region VII (2)

ANDREW W. REID

MINE OWNER
&
OPERATOR
—
MAY
MARY
BUOY
SCOTT
HIGDON
CAMPBELL
LYLE KNOB
MILL KNOB
COPE MOUNTAIN
PITT
PROCESSING
PLANT

MICA MINING & SALES
Pattern, Sheet, Punch and Processed Scrap

P. O. Box 489
FRANKLIN, NORTH CAROLINA

May 23, 1952

Mr. Lawrence G. Houk, Chief
Non-Metallics Minerals Div.
Defense Minerals Expl. Adm.
Washington, D. C.

DMEA-2150 - MICA
Reid Mary Mine

Dear Mr. Houk:

Reference is being made to your letter of May 2.

The book number for recording deed to A. W. Reid is A-6, page 459; for W. H. Hooker, book A-6, page 223.

A copy of purchase agreement with F. T. Siersma is enclosed.

Legal description, from deed, is also enclosed; attached to a plat of the property. Noted thereon is location of intended exploratory project under DMEA-2150, as well as of certified project completed under contract Idm-E87.

I trust the above information will permit completion of the processing of this application.

Sincerely yours,

A. W. Reid

A. W. Reid

AWR:fs

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 26 1952

FILE COPY
SURNAME:

SAFeitler
Mitt

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

MAY 8 1952

Mr. A. W. Reid
Reid and Hooker
P. O. Box 489
Franklin, North Carolina

Subject: Docket No. DMEA-2150 - Mica
Reid Mine
Macon County, North Carolina

Dear Mr. Reid:

This letter is in reference to the subject application for exploration assistance at the Reid Mine.

Certain additional information will be necessary to enable this office to proceed with the processing of your application.

Please submit the book and page numbers for the recording of the deeds for the shares of A. W. Reid and N. H. Hooker. You should also send a copy of your purchase agreement with F. T. Sierema.

In addition to the above, it is necessary that you submit a map or plat of your property (to scale) on which is shown the area to be explored. This is to make certain that the work to be done is actually on the land for which you have mining and mineral rights.

Receipt of this information will allow prompt completion of the processing of your application.

Sincerely yours,

SIGNED 5/2

Lawrence G. Houk, Chief
Non-Metallic Minerals Division
Defense Minerals Exploration
Administration

SAFeitler:gad 5/2/52
Copy to: Admin. Reading File
Docket File
Mr. Norton, G-232 GSA Bldg.
Mr. Dietrich, 3526
Mr. Houk
Field Team, Region VII

IN REPLY REFER TO:

G-MD-JJN

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

April 8, 1952

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-2150 (Mica).

To: Non-Metallic Minerals Division, DMEA.
From: J. J. Norton, U. S. Geological Survey.
Commodity: Mica.
Applicant: Reid & Hooker.
Name of property: Reid-Hooker prospect.
Location of property: 13 miles northeast of Franklin, North Carolina.
Field team's recommendation:

1. 2 crosscutting bulldozer trenches, 60 feet long and not more than 10 feet deep.
2. 2 15-feet test pits.

Comments: none.

ACTION SUGGESTED:
Follow field team's recommendation.

J. J. Norton

J. J. Norton

APR 10 1952

xxxxxxxxxxxxxx

Room 13, Post Office Building
Knoxville 02, Tennessee

March 27, 1952

Memorandum

DEPARTMENT OF THE TREASURY
Defense Materials Administration
RECEIVED
MAR 3 - 1952

To: Frank E. Johnson, Chairman, Operating Committee

From: DMEA Field Team, Region VII

Subject: DMEA-2150 Reid-Hooker Prospect (mica)
DMEA-2327 May Mine (mica)

Transmitted herewith are 4 copies of field examination reports for each of the subject applications. The Field Team agrees with the recommendations for exploration.

Please note that, in the estimated costs, a figure of $6 per day has been indicated for jeep rental. We feel that this is a fair figure for use of the jeep under the conditions of this job. However, it should be pointed out that the jeep to be used belongs to A. W. Reid, who is a partner in the Reid-Hooker property and sole owner of the May mine. We are not certain whether a jeep can be rented to a partnership by one of the partners. If it should be charged as depreciation rental, an additional $30 for fuel, oil, and repairs for each project, should be added to the estimated costs.

Robert A. Laurence
Executive Officer, DMEA, Region VII

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

RAL/sm
Files -2
Beck 2
Lunch

On-Site Exam Rept

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

DEFENSE MINERALS EXPLORATION ADMINISTRATION

# REPORT OF EXAMINATION BY FIELD TEAM, REGION VII

## DMEA-2150, REID-HOOKER PROSPECT
(mica)
Macon County, North Carolina

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 3 - 1952

By

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

March 13, 1952

Reviewed by
DMEA OPERATING COMMITTEE

4-7-52
(JHB) (date)

Field Examination Report on

DMEA-2150, Reid-Hooker Prospect ( Mica)

Macon County, North Carolina

The prospect designated as the Reid-Hooker is located north of Mica City Creek about 13 miles northeast of Franklin, Macon County, North Carolina. It is about 2000 feet due west of the Mary Mine (DMEA-1140X).

Prospecting at this place was conducted several years ago by four shallow pits and two short drifts along the pegmatite. All of the openings are now slumped and caved, thus no pegmatite is exposed. No information is available on the size and character of the pegmatite, nor the size and amount of mica obtained during the work.

From the distribution of the caved openings it would appear that the pegmatite trends about N 50° W., dip is unknown. Dump material consist of lumps of milky to glassy quartz fragments up to 12 inches across, semi weathered plagioclase feldspar, and muscovite mica.

Mica in the dumps is hard, flat, clear, free splitting, and ruby colored. Sizes up to 3 inches across can be dug from the dump. Ruling and crackings seems to be the chief defect.

It would appear that the deposit justifies a limited amount of prospecting. It is recommended that two crosscutting bulldozer trenches, not to exceed 10 feet in depth, and each approximately 60 feet long be cut across the pegmatite. These trenches should be supplemented by a test pit in each trench, not to exceed 15 feet in depth.

(continued on next page)

Estimated Costs

Fixtures and Improvements

None

Operating Equipment

To be rented:

| | |
|---|---|
| 1 - Bulldozer*, 80 hrs. @ $10/hr. | $800.00 |
| 1 - Jeep*, 20 days @ $6/day | 120.00 |

To be purchased:

| | |
|---|---|
| Hand tools and miscellaneous | 75.00 |

Furnished by Operator

None

Labor and Supervision

| | |
|---|---|
| 2- Laborers, @ $1.25/hr for 20 shifts | 400.00 |
| 1 -Working foreman @ $15/shift, 20 shifts | 300.00 |
| Insurance and Social Security | 100.00 |

Rehabilitation and Repairs

None

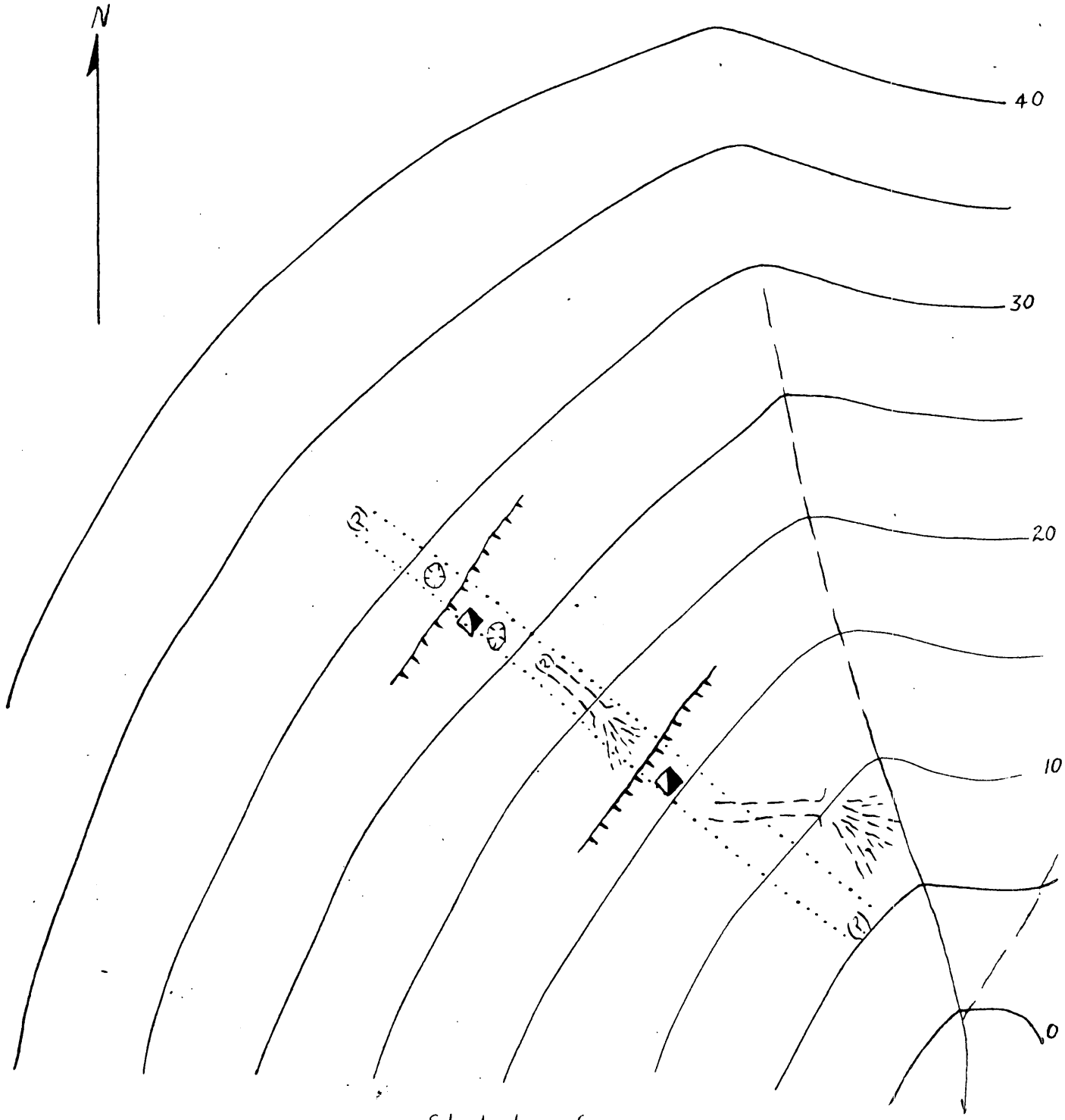
| | |
|---|---|
| Estimated total cost..... | $1,795.00 |

* Cost includes operator, fuel, oil, and repairs

March 13, 1952

K. H. Teague, Geologist
DMEA Field Team

DMEA-2150




Sketch of
Proposed Prospecting at

# REID-HOOKER MICA PROSPECT

Proposed Trench
Proposed Test Pit
Caved Drift
Probable Pegmatite

Scale 1" = 40'

FILE COPY
SURNAME:

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

FEB 21 1952

SAFeitler
Houk
Dietrich
Lawson
Thayer
F. Johnson

Reid & Hooker
P. O. Box 489
Franklin, North Carolina

Subject: Docket No. DMEA-2150 - Mica
14 Miles N.E. of Franklin R.R. Station
Macon County, North Carolina

Dear Sirs:

Your application is being referred to Mr. Robert A. Laurence, Executive Officer, DMEA Field Team, Region VII, Knoxville, Tennessee, for further information.

Sincerely yours,

C. O. Mittenderf (fw) 2/21

Acting Administrator
Defense Minerals Exploration Administration

SAFeitler:gad
2/6/52

Copy to: Admin. Reading File
Mr. Dietrich, 3526
Mr. Norton, G-228, GSA Bldg.
Docket File
Mr. Houk

FILE COPY
SURNAME:

SAFeitler
Houk
Dietrich

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

FEB 21 1952

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

Subject: Docket No. DMEA-2150 - Mica
14 Miles N.E. of Franklin R.R.
Station
Macon County, North Carolina

Dear Mr. Laurence:

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

Reid & Hooker
Docket No. DMEA-2150
Commodity: Mica
Amount $2,755.00

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

Sincerely yours,

2/21

(signed) FRANK E. JOHNSON (GHB)

Chairman, Operating Committee
Defense Minerals Exploration
Administration

Approved:

C. H. Johnson
For Bureau of Mines (GHB)

J. P. Thoyer
For Geological Survey (GHB)

Copy to: Admin. Reading File
Docket File
Mr. Norton, G-228, GSA Bldg.
Mr. Dietrich, 3526
Mr. Houk

Enclosure

SAFeitler:gad 2/6/52

Defense Minerals Exploration Administration

Review of Application for Exploration Assistance

Docket No. DMEA-2150

Commodity Mica

Total Amount $2,755.00

Govt. Participation 90%

1. Name and Address of Applicant Reid & Hooker

P. O. Box 489, Franklin, North Carolina

2. Location of Property 14 Miles N.E. of Franklin R.R. Station

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

If not, application will be rejected.

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

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

a) Good

b) Poor

c) None

d) Don't know—needs field examination Field

e) Is there an alternative and favorable project? Field
(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? Owner

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

productive period? Not applicable

*question numbers are those of MF-103

7. Are subordination agreements necessary? No

a) MF-201?

b) MF-202

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

a) Available manpower Yes

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

c) Accessibility (question 12)* Yes

d) Water (question 13)*

e) Power (question 13)*

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

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?

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

a) Is the project adequately described? No map

If not, are there sufficient data given so that you can describe the project? F. T. recommend If so, attach a draft.

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

One should be made (show property lines).

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

If not, what part of it is?

Is this part a worthwhile exploration project? F. T.

d) Are the cost estimates detailed? _____

Can they be summarized, as on page 2 of Procedural Instruction 5-A, from the available data? Yes If so, attach a draft.

e) Are the cost estimates reasonable? Contract will reduce

f) Should more information be requested from applicant? _____

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

11. Exhibit B (question 23-d)*

a) Is it applicable? No

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

c) Is a field check needed? _____

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

a) Is it applicable? Yes

b) Sufficient data? F. T. If so, attach a draft.

c) Are rents and charges reasonable? F. T.

d) Is a field check needed? Is dozer rental correct?

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

a) Are there sufficient data? F. T.

b) Is the schedule adequate for the work proposed? F. T.

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

d) Are the proposed wages and salaries reasonable? F. T.

e) Is a field check needed? Yes

14. Exhibit E (question 23-c)*

a) Is it applicable? No

b) Sufficient data?

c) Reasonable?

d) Field check needed?

15. In your judgment, can the proposed work be done in the proposed time? No

(All exploration must be completed within two years)

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

17. If field examination is needed, do you have any special instructions for the field team not indicated by your answers to the foregoing question? Is the property worth exploring?

Field Team recommendation.

Please remark on rates of pay.

Do these projects need a jeep?

Is $6.00 per day the current rental rate for a jeep?

Is jeep owned by the applicant?

Send in 1/4 lb. samples of trimmed mica, if available.

Reviewed by: S. A. Feitler

Date 2/6/52

IN REPLY REFER TO:

G-MD-JJN

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

February 15, 1952

Memorandum

To: Lawrence Houk
Non-Metallic Minerals Division, DMEA

From: J. J. Norton
U. S. Geological Survey

Subject: Reid and Hooker mica application, DMEA-2150.

I regret that I am unable to surname the letter transmitting the Reid and Hooker application, DMEA-2150, to the field team.

Mr. A. W. Reid's letter of November 16, 1951, contains no specific information to justify making a field examination of this property.

I suggest that you either (1) deny this application on the grounds that Mr. Reid has submitted no data to show that a field examination is warranted, or (2) send Mr. Reid a copy of the check list that you planned to prepare for use in requesting further information from pegmatite applicants.

We are preparing a summary of our views on the problem of handling this sort of application, and as soon as I return from the A.I.M.E. meetings, it will be submitted to appropriate persons for discussion.

J. J. Norton

J. J. Norton

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

80%.

February 12, 1952

Memorandum

To: Nonmetallics Minerals Division
Defense Minerals Exploration Administration

From: W. F. Dietrich, Chief
Ceramic and Fertilizer Materials Branch

Subject: DMA-2150: Reid Mine (Mica)

A field team investigation of subject application is recommended. Consideration should be given to a revision of the cost estimate, which apparently provides for excessive supervision.

The property is in a favorable area for strategic mica and is near the Pitt Mica Group, on which evidence of strategic mica was found when prospected under contract Idm-E-87.

W. F. Dietrich

W. F. DIETRICH

W. REID, PRESIDENT

NON METALLICS BR.

DEFENSE MINERALS ADMINISTRATION
WASHINGTON, D. C.

# Pitt Mica Corporation

MICA MINING AND SALES
FRANKLIN, NORTH CAROLINA

Nov 19 1 46 PM '51

November 16, 1951

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

Mr. Frank E. Johnson
Acting Administrator
Defense Minerals Adm.
Washington 25, D. C.

Dear Mr. Johnson:

Reference is being made to your letter of the 14th in connection with my application for exploratory aid, DMA-2150X, placed in the name of Reid and Hooker.

My reasons for believing that the particular pegmatite vein contains mineable and commercial amounts of strategic mica, are made part of my answer to question 16, in Form MF-103. Also, since applying, Contract Idm-E-87 on the same land and WITHIN the same lead, has been completed. During their final inspection, Geologist Kefton Teague and Engineer A. L. Peyton, of the Field Team, stated that results have proven the best they have so far seen and they are satisfied that mining will produce large quantities of mica - of strategic grade.

Application DMA-2150X covers a location on the same mica lead and the same property - about 3000 feet west.

I have mined and prospected, exclusively, for more that thirty five years and quite assuredly know mica formations. I have owned this property nearly fifteen years and have covered it thoroughly. I am sure no richer prospects can be found, and I am also sure my opinions will be concurred in by the Field Team at the time of their inspection.

Sincerely yours,

A. W. Reid

A. W. REID

AWR:em

Messrs. Reed and Hooker
P. O. Box 489
Franklin, North Carolina

Subject: DMA-2150X

Gentlemen:

Your application for aid for an exploration project located near Franklin in Macon County, North Carolina, has been reviewed in this office.

Projects for approval by the Defense Minerals Administration must, in the judgment of this office, show definite promise of yielding strategic material of acceptable grade, physical character and specifications in quantity that will significantly improve the position of the mineral program. It is necessary that Form MF-103 be completed in sufficient detail for proper evaluation of your proposal.

Kindly state why you believe this particular pegmatite contains mineable amounts of strategic mica, and demonstrate a sound geologic basis exists for expenting to encounter strategic mica in quantity.

Sincerely yours,

Acting Administrator

LGHOUK: esf
11/9/51
cc: Admr. Reading File
DMA Docket File
Mr. Barr

FILE COPY
SURNAME:

Hook
Barr
FEJohnson

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

370

NOV 14 1951

Messrs. Reed and Hooker
P. O. Box 489
Franklin, North Carolina

Subject: DMA-2150X

Gentlemen:

Your application for aid for an exploration project located near Franklin in Macon County, North Carolina, has been reviewed in this office.

Projects for approval by the Defense Minerals Administration must, in the judgment of this office, show definite promise of yielding strategic material of acceptable grade, physical character and specifications in quantity that will significantly improve the position of the mineral program. It is necessary that Form MP-103 be completed in sufficient detail for proper evaluation of your proposal.

Kindly state why you believe this particular pegmatite contains mineable amounts of strategic mica, and demonstrate a sound geologic basis exists for expecting to encounter strategic mica in quantity.

Sincerely yours, cc 11-14

(signed) FRANK E. JOHNSON (fw)

Acting Administrator

LGHOUK: esf
11/9/51
cc: Admr. Reading File
DMA Docket File
Mr. Barr

BS

IN REPLY REFER TO:

G-MD-DHK

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

November 5, 1951

Memorandum

To: Robert Waskey, Defense Minerals Administration

From: Donald H. Kupfer, U. S. Geological Survey

Subject: Reid and Hooker's application (DMA-2150) for aid in exploring the Reid Mine, Macon County, North Carolina, for strategic mica.

Reid and Hooker's application, DMA-2150, proposes to spend $2,755 to explore the Reid Mine, 14 miles northeast of Franklin, Macon County, North Carolina. This is adjacent to the Mary (May) Mine, DMA-1140, but we have no information on this specific pegmatite. The applicant has completely ignored question 22 and has not given any data on which to evaluate this application.

The applicant states that "very fine and large blocks of strategic ruby mica" were mined in the 1920's. If he has information on the past production of the property, he should give the data. He should also submit samples of the mica. He should state his reasons for believing that this particular pegmatite contains minable amounts of strategic grade mica.

Donald H. Kupfer

Donald H. Kupfer

October 15, 1951

Subject: DMA-2150
Re: Exploration

Reid & Hooker
P. O. Box 489
Franklin, North Carolina

My dear Mr. Reid:

This will acknowledge receipt of your application dated October 10, 1951 for a loan under the Defense Production Act of 1950.

Your application was assigned Docket Number DMA- 2150 and referred to the Industrial Minerals Branch.

Kindly refer to DMA- 2150 in any future correspondence relating to your application.

Sincerely yours,

Robert E. Adams

Robert E. Adams, Chief
Reports and Records Unit

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