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Mr. James H. Howell, Jr.
Attorney-at-Law
P. O. Box 44
Waynesville, North Carolina

Subject: Docket No. DMEA-1295 - Mica
Bell Ridge Mine
Jackson County, North Carolina

Dear Mr. Howell:

This is in reply to your letter of May 15, 1952, referring to the denial of the subject application for exploration assistance.

With respect to a more detailed explanation of the reasons for denial, please be advised that the information regarding a property must indicate, in the opinion of the Government, the geologic probability of finding sufficient strategic or critical minerals or metals to be of significant importance to the National Defense Program.

In the subject case, the information contained in the application, and data obtained by the Field Team and from other sources have been carefully considered. Although some past production is indicated, the available data do not show that it was of strategic quality under current specifications. The pegmatite is not exposed and the mine workings are not accessible. Consequently, there is no evidence that further exploration would be worthwhile nor that exploration could reasonably be expected to result in a significant discovery. Under the circumstances we are unable to approve a project for the property.

However, if you will do sufficient work to expose the pegmatite, we will be pleased to reconsider the proposal when we have received information to that effect.

Sincerely yours,

C. O. Mittendorf

Acting Administrator
Defense Minerals Exploration
Administration

FBJohnson:ged 6/17/52
Copy to: Admin. Reading File
Docket File
Operating Committee (2)
Field Team, Region VII with copy of applicant's letter.
Mr. Norton, [illegible] GSA Bldg.
Mr. Hook
Mr. Dietrich, 3526

Dixie Minerals, Inc.
131 Main Street
Waynesville, North Carolina

Subject: Docket No. [illegible]-293 - Mica
Shell Ridge Mine
Jackson County, North Carolina

Gentlemen:

Your application for exploration assistance on the Shell Ridge Mine, Jackson County, North Carolina, has been reviewed by the Staff of the Defense Minerals Exploration Administration.

With data and reports in our files it is indicated that the discovery of significant bodies of strategic mica is not probable. Hence, your request for exploration assistance is denied.

We thank you for your interest in the defense minerals program and regret that we are unable to approve the expenditure of Government funds on this project.

Sincerely yours,

Acting Administrator
Defense Minerals Exploration
Administration

TLChapman:mp 4/17/52
cc: Docket File
Adm. Reading File
Field Team, Region VII (2)
Mr. Dietrich, 3526
Mr. Nortonn, G-232, GSA Bldg.
Mr. Houk

IN REPLY REFER TO:

G-MD-JJN

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

April 16, 1952

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-2295 (Mica).

To: Non-Metallic Minerals Division, DMEA.
From: J. J. Norton, U. S. Geological Survey.
Commodity: Mica.
Applicant: Dixie Minerals, Inc.
Name of property: Shell Ridge.
Location of property: 8.3 miles S.16 W. of Sylva, North Carolina.
Field team's recommendation: Field team states that "No pegmatite is at present exposed," and in the absence of adequate data, the field team offers two alternative recommendations: (1) denial, or (2) a $4,800 project consisting of bulldozer work and a shaft on the northwest pegmatite.

Comments: Field team's indecision seems to reflect uncertainty on DMEA policy. It seems to me that the burden of proof should lie on the applicant, and he should be expected to show that the exploration is worthwhile and has a reasonable chance of resulting in a significant discovery. Inasmuch as the applicant has not provided evidence of this sort, I recommend denial. If the applicant cleans out the old workings and exposes the deposit, and by so doing obtains evidence that further expenditures are worthwhile, the project should be reconsidered.

ACTION SUGGESTED:

Deny the application, but notify applicant that the project will be reconsidered if he opens up the deposit and shows that further exploration is warranted.

J. J. Norton

JJNorton:hhp
G-4/16/52
cc: Dir. Read. f., 4212
Bra. Read. f., 4212
DMEA
JJNorton, G-230, GSA Bldg., USGS
extra

600

Feb. 12, 1952

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

Subject: Docket No. DMEA-2295 - Mica
14 Miles S.W. of Sylva
Shell Ridge Mine
Jackson County, Tennessee

Dear Mr. Laurence:

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

Dixie Minerals, Inc.
Docket No. DMEA-2295
Commodity: Mica
Amount $12,980.00

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

Sincerely yours,

Signed 2/12

Chairman, Operating Committee
Defense Minerals Exploration
Administration

Approved:

For Bureau of Mines

For Geological Survey

Enclosure

TLChapman:gad 2/7/52
Copy to: Admin. Reading File
Docket File
Mr. Norton, G-228, GSA Bldg.
Mr. Dietrich, 3526
Mr. Houk

Defense Minerals Administration

Review of Application for Exploration Assistance

Docket No. DMEA-2295

Commodity Mica

Total Amount $12,980.00

Govt. Participation $11,682.00 90%

1. Name and Address of Applicant Dixie Minerals, Inc.

131 Main Street, Waynesville, North Carolina

2. Location of Property 14 Miles Southwest of Sylva, Jackson County, N. C.

(Shell Ridge Mine.)

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 Yes

e) Is there an alternative and favorable project? No
(If so, attach an explanation)

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

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

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

productive period? Yes

*question numbers are those of MF-103

7. Are subordination agreements necessary? **Yes**

a) MF-201? _____

b) MF-202 **Yes**

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)* **Good**

e) Power (question 13)* **Use Gasoline powered machines**

Is a field check needed on any of these points? **No**

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

_____

Is a field check needed on this point? _____

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

a) Is the project adequately described? **No**

If not, are there sufficient data given so that you can describe the project? **To a fair extent** If so, attach a draft.

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

_____

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

If not, what part of it is? _____

_____

_____

_____

Is this part a worthwhile exploration project? Yes

d) Are the cost estimates detailed? Yes

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? Some rent and purchase items appear to be low

f) Should more information be requested from applicant? _____

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

11. Exhibit B (question 23-d)*

a) Is it applicable? Yes

b) If so, are sufficient data furnished? No If so, attach a draft.

c) Is a field check needed? Yes

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

a) Is it applicable? Yes

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

c) Are rents and charges reasonable? Appear to be low

d) Is a field check needed? Yes

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

a) Are there sufficient data? No

b) Is the schedule adequate for the work proposed? Not sufficient data on work proposed

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

d) Are the proposed wages and salaries reasonable? Yes

e) Is a field check needed? Yes

14. Exhibit E (question 23-c)*

a) Is it applicable? **No**

b) Sufficient data? **No**

c) Reasonable?

d) Field check needed? **Yes**

15. In your judgment, can the proposed work be done in the proposed time? **Insufficient data on proposed work**

(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? **Needs geological study. Layout of work proposed for exploration and check on costs. Rentals and purchases appear to be low.**

Reviewed by: **Thomas L. Chapman**

Date **February 6, 1952**

IN REPLY REFER TO:

G-MD-DHK

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

January 3, 1952

Memorandum

REVIEW OF APPLICATION DMEA-2295

To: Non-Metallic Minerals Division, DMEA.
From: Donald H. Kupfer, U. S. Geological Survey.
Commodity: Mica.
Applicant: Dixie Minerals, Inc.
Name of property: Shell Ridge (Shell Branch) Mine.
Location of property: 14 miles SW of Sylva, Jackson County, North Carolina.
Applicant's requests: 90 percent of $12,980.
Summary of applicant's proposal: Explore the pegmatite in the upper levels.

Sources of information on applicant's property: Brief report in files of R. H. Jahns.

Brief description of deposit: Three cuts about 80 feet X 80 feet or larger with two shafts in the middle cut. Strike, dip, width, and zoning of pegmatite unknown. The mica is generally ruby-colored, but some is green. Most of the mica is scrap grade as the books are not free splitting. The property produced 1,226 pounds of sheet and punch mica in World War II valued at $2,323.

Additional information needed from field team: Applicant's proposal is incomplete, and may be unworkable. The deposit may be mined out. Working conditions may be unsafe. The mica may be green.

RECOMMENDATION: Send to field team.

Reasons for recommendation: (1) Applicant's data is incomplete.
(2) The property has produced a moderate amount of good mica in the past.

Donald H. Kupfer

DHKupfer:jeh
G-1/3/52
copy to: Director's Reading file 4212 GS Bldg.
Branch reading file 4212 " "
DMEA
Kupfer G-228, GS Bldg.

DIXIE MINERALS, INC. DMEA-2295 BL

Rec.'d. 7/3/52, 4 copies of memo. of 7/1/52 to Operating Committee from field team, subject supplemental report. Memorandum states that "we recommend that this application be reconsidered and that a contract prepared along the outline given in the original field team's report". Three copies of memorandum to Oper. Committee and 1 copy of memo. to Non-Metallic Minerals Division 7/7/52. DMEA-2295 was denied on 4/21/52. Mr. Feitler, Non-Metallic Minerals Div., on 7/8/52, requested that a new number be given to DMEA-2295 and treated as a new application. All material in DMEA-2295 transferred to DMEA-2610.