DMA Form 1

DEFENSE MINERALS ADMINISTRATION
Control Slip

CONTROLLED DOCUMENT

D.M.S.A.
~~DMA~~ Docket No. 2313

DO NOT DETACH THIS SLIP

Action on this document is recorded and controlled in Reports and Records Branch. Any movement of this document between divisions or offices of DMA or movement outside DMA must be reported to the Reports and Records Branch. Actions taken that affect status of the case must also be reported.

This document has been recorded as

An Exploration Loan

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

One copy of MF-103 sent to U.S.G.S.

Routing Slip One copy to: Bureau of Mines

To: Nonmetallic Div Date 1/3/52
Rm. 4637

To: _____ Date _____

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INT.-DUP. SEC., WASH., D.C. 98868

This application was filed again under DMEA-2439

and contract approved Idm-E373 - 7/29/52 for $4,100.00

Yancey [redacted] Mines, Inc DMEA 2313
Presnell, [redacted] ine
Jesse McKinney, formerly an engineer for Colonial Mica, Hawk, N.C.
Sank the shaft on the Pegmatite found by Bar Mines DDH.

? source of above? Kupfer or Norton

Howard I. Young
Miss Brown

Margaret Warner, Secy

GSA - Freeman WMMB - 151 - 5128

IN REPLY REFER TO:
G-MD-DHK

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

February 12, 1952

Memorandum

To: S. A. Feitler, DMEA

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

Subject: Suggested rewording of second paragraph of DMEA-2313 denial letter.

According to our information, the "Blalock Heading" has been essentially mined out and diamond-drilling under the "Blalock Heading" failed to reveal any extensions. A shaft was sunk on the new pegmatite found during the drilling operation and this pegmatite was found to contain very little mica. Inasmuch as no workable pegmatite is now known to exist and past exploration has failed to find extensions or new deposits, we are unable to justify the expenditure of Government funds for this project.

Donald H. Kupfer

DHKupfer:hhp
G-2/12/52
cc: Director's Reading file, 4212
~~Division~~ Branch Reading file, 4212
DMEA
DHKupfer, G-228, GSA Bldg., USGS
extra

FILE COPY
SURNAME:

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

SAFeitler
Houk

FEB 15 1952

Mr. D. M. Robinson
Yancey Mica Mines, Inc.
Burnsville, North Carolina

Subject: Docket No. DMEA-2313 - Mica
Presnell Mine
Yancey County, North Carolina

Dear Mr. Robinson:

Your above application for exploration aid has been reviewed by the staff of the Defense Minerals Exploration Administration.

According to our information, the "Blalock Heading" has been essentially mined out and diamond-drilling under the "Blalock Heading" failed to reveal any extensions. A shaft was sunk on the new pegmatite found during the drilling operation and this pegmatite was found to contain very little mica. Inasmuch as no workable pegmatite is now known to exist and past exploration has failed to find extensions or new deposits, we are unable to justify the expenditure of Government funds for this project.

We appreciate your interest in the defense effort, and regret that your application must be denied.

Sincerely yours,

C. O. Mittendorf

Acting Administrator
Defense Minerals Exploration
Administration

SAFeitler:gad
2/13/52

Copy to: Region VII (2)
Mr. Dietrich, 3526
Mr. Norton, G-228, GSA Bldg.
Admin. Reading File
Docket File
Mr. Houk

PMEA 2313 2/4/52

conf. with Dr. Kupfer:

See Plan & Section - Pressell mine with Appl.

Kupfer: Cave referred to in app. was in the "Blalock Heading". Remaining mica was extracted by a lower drift PROBABLY from "No. 1 Opening".

The pegmatite found by the Bureau of Mines DDH was also worked out.

The only remaining mica would be insignificant amounts left along the keel.

Source: Letter from John M. Parker III U.S.G.S. (WAE) Jan 8, 1952

Oral commun. to J. Fiske

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

January 7, 1952

Memorandum

To: Defense Minerals Exploration Administration
Nonmetallic Minerals Division

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

Subject: DMEA - 2313

Four diamond drill holes were drilled on the Presnell by the Bureau of Mines during World War II (R. I. 4241). No workable mica pegmatite was discovered under the old workings, but at least two new dikes were cut, one of which may be of value. The Bureau reported that the owner (then E. L. Briggs) stated that the mine had produced $150,000 worth of mica up to late 1943.

We have no data on the extent of mining since the Bureau's war-time investigation and are unable to relate the abandoned workings shown on applicant's map with the former workings or the diamond drill holes.

The cost estimate of $8,000 for 85 feet of "tunnel" (inclined shaft) seems high, but may be sustained on field examination.

A field team examination is recommended to ascertain if the location and extent of the proposed exploration has a reasonable chance of disclosing minable strategic mica and to review the cost estimates. It is also pertinent to consider whether the proposal constitutes exploration rather than the development of inferred reserves.

W. F. Dietrich

W. F. DIETRICH

IN REPLY REFER TO:

G-MD-DHK

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

January 10, 1952

Memorandum

REVIEW OF APPLICATION DMEA-2313

To: Non-metallic Minerals Division, DMEA
From: Donald H. Kupfer, U. S. Geological Survey
Commodity: Mica.
Applicant: Yancey Mines, Inc., Burnsville, North Carolina.
Name of Property: Presnell (Presley) Mica Mine.
Location of Property: 2 miles N. 33° E. of Micaville, on south bank of Toe River, Yancey Co., North Carolina.
Applicant's requests: 90% of $8,000.00.
Summary of applicant's proposal: Sink an inclined shaft at 11½ degrees under the main workings.

Sources of information on applicant's property:
J. J. Page and V. C. Fryklund's unpublished report, U.S.G.S., Sept. 1943.
U. S. B. M. R.I. 4241, April 1948.
John M. Parker III, letter dated Jan. 8, 1952.

Brief description of deposit:
Several parallel, interconnecting, irregular pegmatites of generally N.55E. strike and 60 SE dip. (Note: applicants map incorrectly shows a NW dip). The clear ruby mica was removed from both the "main" and "footwall" pegmatites. John Parker, who visited the mine a few years ago and who logged the cores for the U. S. Bureau of Mines, states: "the main pegmatite seemed to have been just about worked out and the upper parts of the workings were so badly caved that it would be difficult to operate at deeper levels." The USBM drill holes explored for extensions of the deposit at depth, but did not cut any significant pegmatite bodies. A small pegmatite was found by the U. S. Bureau of Mines drilling 100 feet southeast of the main pegmatite and was later explored by a shaft, but practically no mica was obtained.

DEFENSE MINERALS ADMINISTRATION WASHINGTON, D.C.
JAN 11 9 55 AM '52

Additional information: Yancey Mica Mines, Inc. applied for a loan (DMA-1293X) that was turned down and for a second (DMA-1876X) that was approved.

RECOMMENDATION: Denial.

Reasons for recommendation: The productive pegmatites have been mined out and drilling by the U. S. Bureau of Mines failed to find extensions.

Donald H. Kupfer

Donald H. Kupfer

Subject: DMEA-2313
Re: Exploration Loan

Mr. D. M. Robinson
Yancey Mica Mines, Inc.
Burnsville, North Carolina

This will acknowledge receipt of your application dated December 29, 1951 for a loan under the Defense Production Act of 1950.

Your application was assigned Docket Number DMEA-2313 and referred to the Non-Metallic Minerals Division.

Kindly refer to DMEA-2313 in any future correspondence relating to your application.

Sincerely yours,

Robert E. Adams,
Acting Administrative Officer

7862

French Broad Electric Membership Corporation

Dmea-2313

N. C. 46 MADISON

REA

BRANCH OFFICES:
BURNSVILLE, N. C.
BAKERSVILLE, N. C.

Marshall, North Carolina

December 29, 1951

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 2 - 1952

Defence Minerals Administration
Department of Interior
Washington 25, D. C.

Gentlemen:

You will find enclosed an Application For Aid For Exploration Project filed on Form MF-103 with the supporting data attached. We shall appreciate you examining this applecation, and I hope that you will feel free to notify us if there is any additional information that you would like us to furnish on the Presnell Mine in Yancey County.

Yours very truly,

YANCEY MICA MINES, INC.

D M Robinson

D. M. Robinson, Sec. & Treas.

DMR:h
Encl.

Form MF-103
(April 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

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

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

DO NOT FILL IN THIS BLOCK

Docket No. Dmea-2313

Date received 1/2/52

Participation

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 2 - 1952

YANCEY MICA MINES, INC.
BURNSVILLE, NORTH CAROLINA

Name and address of applicant

Date December 29, 1951

FILL IN THIS BLOCK

Date of application December 29, 1951

Estimated cost $8,000.00

Mineral or metal Mica

Percentage of Government participation 90%

Location of mine Yancey County, North Carolina

Date of filing MF-100

DMA Docket Number, if available

INSTRUCTIONS

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

THE APPLICANT

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

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

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

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

16—64067-1

THE PROPERTY

10. (*a*) Give a description of the real property that will be in any way involved in the exploration project, including any existing mine or operating property.
    (*b*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

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

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

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

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

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

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

*16. History:
    (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for any past suspensions of operations.
    (*b*) State briefly the known history and production of adjoining and neighboring properties.
    (*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

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

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

*18. Ore or mineral reserves: (If property is or has been operating.)
    (*a*) Describe the ore or mineral deposits briefly.
    (*b*) Submit available maps and assay data.
    (*c*) Give estimated tonnage and grade of each class of ore reserves.

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

THE EXPLORATION

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

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

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

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

THE REQUIREMENTS AND COSTS

23. Tabulate in the form of an itemized statement with a sum for each item the estimated requirements and costs of the project so that the total will give the estimated cost of the project in which the Government will participate, as follows:
    (*a*) Labor, by numbers and classes (miners, muckers, millmen, etc.), with wages of each.
    (*b*) Supervisors, by numbers and positions, with salaries of each.
    (*c*) Cost of necessary repairs to existing facilities, structures, and buildings.
    (*d*) Cost of necessary installation or construction of additional facilities, structures, and buildings.
    (*e*) Cost of items of equipment, not now owned by the applicant which must be purchased for operations at a cost of $50 or more each.
    (*f*) Cost of rental for equipment which the operator proposes to rent.
    (*g*) Rental value of items of equipment which the operator now owns and which will be devoted to the work.
    (*h*) Cost of materials and supplies, including items of equipment costing less than $50 each.
    (*i*) Cost of power, water, utilities, and any other items not provided for above.

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

CERTIFICATION

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

Yancey Mica Mines, Inc.
(Name of company)

By D M Robinson
(Signature of authorized official)

December 29, 1951
(Date)

Secretary and Treasurer
(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

YANCEY MICA MINES INC., BURNSVILLE, N. C.

PRESNELL MINES, YANCEY COUNTY

The Applicant

1. Yancey Mica Mines, Inc. is a corporation incorporated under the laws in the state of North Carolina.

2. Not applicable.

3. Yates Bennett, President, Burnsville, North Carolina
W. J. Godfrey, Vice President, Burnsville, North Carolina
Mark W. Bennett, Vice President, Burnsville, North Carolina
D. M. Robinson, Secretary and Tres., Mars Hill, North Carolina
The above named officers being of the named officials and share holders of said corporation.

4. (a) Applicant is a newly formed corporation, by virtue of the laws of the state of North Carolina, as contained in Chapter 55 of the General Statutes and the amendments thereto, on the 16th day of May, 1951. Therefore, the applicant as such has had no experience in the mining of strategic minerals, with the exception of the opening up of the Cattail Mine in Yancey County.

(b) The project will be under the management of W. J. Godfrey of Burnsville, N. C. Since 1921 Mr. Godfrey has had experience with heavy dirt moving equipment. 1930-1934 he was Heavy Equipment Operator with the U. S. E. D., Jacksonville, Florida; 1934-1941 Superintendent and Heavy Duty Operator for C. J. Landenfelder & Son, General Contractor; 1941-1948 Owner and operator of surface and deep coal mining in Pennsylvania and Virginia; 1948-1951 Owner and operator of Mica and Felsbar Mining in Western North Carolina, and local contractor for dirt moving.

5. The property is under lease, and the lease is properly recorded and registered among the records of Yancey County. The recordings being in Book 108, page 601, dated on December 12, 1951.

6. Not applicable.

7. A copy of the lease that is in good standing and the landlord subordination agreement is attached.

8. Assets:

Current Assets:	
Cash in bank or on hand	$ 5,000.00
Share Subscribers-payable on call	4,000.00
	9,000.00
Fixed Assets:	
Mining property at book value	32,000.00
	41,000.00

Liabilities:
Accounts Payable 1,200.00

9. $1,000.00

10. (a) See lease attached to original Form MF-103.
(b) Both areas are in the same tract. The property is described in a deed dated July 22, 1920, and recorded in the office of the Register of Deeds of Yancey County, North Carolina, on page 304, in book 57.

11. The mine and property is generally known as the Presnell Mine.

12. The property lies three (3) miles in a north westerly direction from Newdale, North Carolina; lying south of the Toe River that joins the property; and 500 yards south of the C C & O Railroad; five (5) miles northease of the town of Micaville and railroad station; the state maintenance road leads to the edge of property.

13. (a) Property forms the banks of the Toe River, and there is a sufficiency of water at all seasons.
(b) Electricity will be furnished for lighting purposes, and suction fan by a Motor-generator Plant furnished by operators.

14. None

15. Mica can be shipped by truck or rail to Micaville or Spruce Pine.

16. (a) Property has been operated as a mine by E. L. Briggs and associates of Burnsville, North Carolina, having produced an excess of $150,000 worth of mica. The property was operated during the last World War, but was closed when the hanging wall collapsed making any further operation dangerous should operations have continued along the plan then in operation. The mine has never been operated again due to the fact that it was recommended by the leading authorities on mining operations in the locality that the only successful way of reopening the mine would be via adit-tunnel.
(b) The applicant does not have available an accurate history and production of the adjoining and neighboring properties.
(c) The applicant has a copy of R. I. 4241 dated April, 1948 and published by the United States Department of Interior.

17. Not applicable

18. Not applicable

19. None

20. Strategic or critical mica

21. This project involves the exploration of the pegmatite for mica mineralization known as the Presnell Mine in Yancey County. It is estimated that the entire work can be completed within sixty days.

22. A drawing is attached to Form MF-103 describing the methods of approach.

23.	(a)	4 Muckers	40-8 Hr. shifts	@ $ .90/hr.	$1,152.00
		2 Laborors	40-8 Hr. shifts	@ .85/hr.	544.00
		2 Miners	40-8 Hr. shifts	@ 1.50/hr.	960.00
	(b)	Mine Superintendent	2 Months	@ $300.00/month	600.00
		Engineer	2 Days	@ 25.00/day	50.00
	(c)	None			
	(d)	Facilities in shed and tool house (15' x 20') (15 x 10) compressor.			250.00
		Road Approach			360.00
	(e)	Mine car			150.00
		200 ft. 16-lb. rail W/ties, spikes and splice bars		@ 1.25/ft.	250.00
		100 ft. 2" air pipe		@ .50/ft.	50.00
		2-#75 Thor jack hammers with water heads		@ 365.00	730.00
		Column, arm and universal joint			300.00
	(f)	Bulldozer with blade	50 Hrs.	@ 12.00/hr.	600.00
		Air Compressor	2 Months	@ 300.00/month	600.00
		Pick up turck	60 Days	@ 5.00/day	300.00
	(g)	None			
	(h)	Dynamite and supplies			225.00
		Hand tools and bits			225.00
	(i)	Miscellaneous small items, insurance, taxes			654.00
		Total Cost Requirements			$8,000.00

24. Project should be explored within two months after contract is signed and $8,000.00 made available.

MF-202

LANDLORD'S SUBORDINATION AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the undersigned is the owner in fee simple of that certain parcel of ground in the county of Yancey, State of N.C., described in a certain Exploration Project Contract dated _____, 195__, between _____, the Lessee of said property, and the United States of America;

NOW, THEREFORE, the undersigned, as Lessor of said property under lease dated Dec. 10th, 1951, does by these presents subordinate all of his right, title, and interest under the provisions of said lease to the right, title, and interest of the United States of America under the provisions of said Exploration Project Contract, and agrees that the lien and claim of the United States of America under the provisions of said contract shall be prior to the undersigned's rights to rentals or royalties under the terms of said lease; and

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

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

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

Dated this 10th day of Dec., 195 1

E. L. Smith

U. S. GOVERNMENT PRINTING OFFICE 16—64582-1

STATE OF NORTH CAROLINA

COUNTY OF YANCEY

THIS MINING LEASE made and entered into this the 10th day of December, 1951 by and between E. L. Briggs and wife, Eloise Briggs, of Yancey County and State of North Carolina, hereinafter called parties of the first part, and the Yancey Mica Mines, Incorporated, a North Carolina Corporation consisting of Mark Garnett, Yates Garnett, Joe Godfrey and D. W. Robinson of Yancey County, North Carolina, hereinafter called the party of the second part and hereinafter referred to as the Lessee.

W I T N E S S E T H:

That the Lessors for and in consideration of the performance conditions and agreements ~~in~~ And the payments of royalties as hereinafter set forth have bargained and leased, and by these presents do bargain, lease and grant unto the Lessee, its heirs and assigns, for a period of five years from the date of this lease with the privilege of renewing the same for an additional five years upon the full compliance of all the terms and conditions as set out in this lease and to be complied with in the lease for an additional five years, that certain tract or parcel of land known as the Fresnell tract upon which is located a mica mine known as the Fresnell Mine. said mine being located on South Toe River about three miles southeast of Micaville, North Carolina, and being located in Crabtree Township, Yancey County, North Carolina and described as follows:

BEGINNING on a forked chestnut on a ridge and runs East with the Joseph Parslet line crossing two branches 124 poles to a stake on a ridge; thence North with said Parsley line 108 poles to a white oak near the top of the ridge; thence 52 poles with a marked line to South Toe River; thence Southerly and Southwesterly up and with the meanders of South Toe River to a stake at a point due North from said BEGINNING, thence South 40 poles to the BEGINNING, containing 58 acres more or less.Being the lands and property described in that certain Deed of July 22,1920,by Gould and Watson Company to the American Mica Co. and recorded in the office of the Register of Deeds for Yancey County, N.C. at page No.304 in Book No.57.

TO HAVE AND TO HOLD the said Fredrell Mine or Mines for mining purposes only unto the Lessee, its heirs and assigns, for the aforesaid term of five years upon full compliance with each and all of the following stipulation and agreements:

1. MINING RIGHTS

The Lessee shall have the right to dig, quarry, search for and obtain mica and feldspar from the veins of mica and feldspar located upon said property and known as the Fredrell Mica Mine, with the right to follow said vein or veins in any direction which they may lead upon the above described property. Also the right to mine for any other minerals that may be found while mining for mica. The Lessee shall have the right of ingress and egress to said mine or mines and the right to use roads and ways over the premises of the Lessors for the purpose of operating said mine and removing mica and other minerals therefrom, together with a right to use a bulldozer or any other mining equipment they may deem necessary to mine said property or to build roads over said property for mining purposes.

The Lessee shall have the right to dump the waste from the said mine or mines on the land of the Lessors.

The Lessee shall have the right to build and maintain buildings upon said property for mining purposes; also the right to build power lines over said property to the mine or mines for mining purposes.

2. MANNER OF WORK

The Lessee shall use sufficient machinery, equipment and labor so as to operate said mine in a workmanlike manner and shall keep said mines clean and workable and in a safe condition.

That the Lessee shall leave the mine or mines in a safe, clean and workable condition when they shall cease to operate same. The lessee is to run a tunnel from near the east bank of Smith Creek River so as to strike the vein if possible under the old workings that now exist in the Fredrell Mine.

If the Lessee shall fail to work said mine or mines in a workmanlike manner, or mines should be reasonably worked

and in such event the Lessors may, at their option, declare this Lease null and void and of no further effect and thereupon the Lessors shall have the right of re-entry without further notice to the Lessee.

Unavoidable accidents and Acts of God shall be taken into consideration and not be held as any time barrier in this lease.

Work in said mine or mines shall be in within ninety (90) days from the date of this lease.

3. ROYALTY

The Lessee shall and hereby expressly agree to pay to the Lessors a royalty of 1/8 on all moneys received from sale of mica from the above described tract, mine or mines; 50¢ per long/ton on all Feldspar sold from said property; the usual and customary royalty prevailing in this section on any other minerals mined and sold from the above described mines. All royalties due under this lease shall be paid immediately after each and every sale made of any minerals mined from the above described property and and a duplicate bill of each sale made shall be furnished to the parties of the first part when the royalty is paid by the parties of the second part.

4. RIGHTS

The parties of the first part, their agents or assigns, shall have the right to visit the mine or mines hereinafter described at any time they may see fit to do so; also to visit and inspect any mica or any other minerals mined from said property at any place it may be stored by the party of the second part or where the same may be prepared for the market. The parties of the first part shall have the right to inspect the books of the party of the second part in regard to any records kept pertaining to the above described mine or mines, or minerals mined from same at any time they may want to do so.

All mica mined from this mine or mines or property is to be worked and prepared for market in Yancey County and is to be stored in a warehouse or mica house and is to be weighed when said mica is brought in to said house from the mines and a record kept of all mica mined from said mine or mines as to weight each day it is mined, or each day that it is brought from the mines to the mica house.

All mica is to be prepared for the market by capable workers so as to bring the best price. A record of these weights shall be kept by the party of the second part, and shall be subject to inspection by the parties of the first part at any time they may so desire.

5. ASSIGNMENT

This lease shall not be transferred, assigned, sold or sub-let by the party of the second part, its heirs or assigns, without first obtaining the written consent of the parties of the first part to such a transaction except that in case the party of the second part shall secure a loan from the United States Government with which to explore and open up and operate the above described mine or mines, then the parties of the first part will waive this right in order that the lease may conform to the contract which the party of the second part has entered into with the United States Government.

6. COVENANTS

IN WITNESS WHEREOF, the lessors and the lessee have each hereunto signed their names and affixed their seals the day and year first above written. Yates Bennett, President of the Vance Mica Mines, Incorporated, and D. M. Robinson, Secretary and Treasurer of said Corporation, and Mark Bennett, Vice President of said Corporation, and Joe Godfrey, Vice President, all have signed here as officials of the above named Corporation.

Yates Bennett
PRESIDENT

VICE PRESIDENT

Mark W Bennett
VICE PRESIDENT

D M Robinson
SECRETARY AND TREASURER

LESSEE

E L Briggs
Eloise Briggs
WITNESS

NORTH CAROLINA
YANCEY COUNTY

Personally came before me this day P. L. Briggs and wife, Eloise Briggs, Yates Bennett, President, D. W. Robinson, Secretary and Treasurer, Mark Bennett, Vice President, and Joe Godfrey, Vice President, being all the officers of the Yancey Mica Mines, Incorporated, to me well known to be the persons who signed the foregoing mining lease, and who acknowledged the due execution of said instrument by themselves and for the Corporation for the purposes therein expressed.

Witness my hand and seal this the 12 day of December, 1951.

G M Angel
Notary Public

My commission expires: 4-5-1953

Form MF-103
(April 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

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

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

DO NOT FILL IN THIS BLOCK

Docket No. Dmea-2313

Date received 1/2/52

Participation

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 2 - 1952

YANCEY MICA MINES, INC.
BURNSVILLE, NORTH CAROLINA

Name and address of applicant

Date December 29, 1951

FILL IN THIS BLOCK

Date of application December 29, 1951

Estimated cost 88,000.00

Mineral or metal Mica

Percentage of Government participation 90%

Location of mine Yancey County, North Carolina

Date of filing MF-100

DMA Docket Number, if available

INSTRUCTIONS

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

THE APPLICANT

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

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

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

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

16—64067-1

THE PROPERTY

10. (*a*) Give a description of the real property that will be in any way involved in the exploration project, including any existing mine or operating property.
    (*b*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

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

*11. State the present and former names of the property, if any.
*12. State, in detail, the location of the property with reference to towns, railroads, roads, shipping points, including distances and directions and kinds and conditions of roads.
*13. State source and quantity of water available for operations and its sufficiency at all seasons.
State amount of power to be used, rate per hour or other cost, and source.
*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work.
15. State in detail how the ore could be shipped and how and where milled.
*16. History:
    (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for any past suspensions of operations.
    (*b*) State briefly the known history and production of adjoining and neighboring properties.
    (*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.
*17. Production:
    (*a*) If mine is in production, furnish the following information:

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

*18. Ore or mineral reserves: (If property is or has been operating.)
    (*a*) Describe the ore or mineral deposits briefly.
    (*b*) Submit available maps and assay data.
    (*c*) Give estimated tonnage and grade of each class of ore reserves.
19. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

THE EXPLORATION

20. For what mineral or minerals and for what types of deposits and ores will the exploration be conducted?
21. Describe briefly, but concisely, the proposed work and the estimated time required to complete it.

    NOTE.—The Government will not participate in a project that will require more than 2 years to complete.
22. Furnish statement of the geological basis of the project with particular emphasis on factors leading the operator to expect the finding of commercial ore bodies. This statement should be accompanied by supporting maps such as geological maps, maps of the proposed openings and assay maps, sample lists, and other pertinent data.

THE REQUIREMENTS AND COSTS

23. Tabulate in the form of an itemized statement with a sum for each item the estimated requirements and costs of the project so that the total will give the estimated cost of the project in which the Government will participate, as follows:
    (*a*) Labor, by numbers and classes (miners, muckers, millmen, etc.), with wages of each.
    (*b*) Supervisors, by numbers and positions, with salaries of each.
    (*c*) Cost of necessary repairs to existing facilities, structures, and buildings.
    (*d*) Cost of necessary installation or construction of additional facilities, structures, and buildings.
    (*e*) Cost of items of equipment, not now owned by the applicant which must be purchased for operations at a cost of $50 or more each.
    (*f*) Cost of rental for equipment which the operator proposes to rent.
    (*g*) Rental value of items of equipment which the operator now owns and which will be devoted to the work.
    (*h*) Cost of materials and supplies, including items of equipment costing less than $50 each.
    (*i*) Cost of power, water, utilities, and any other items not provided for above.
24. Furnish a time schedule of the project, stated in terms of months after project is approved, showing progress expected to be accomplished and the money expected to be spent.

CERTIFICATION

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

Yancey Iron Mines, Inc. (Name of company)

By D M Robinson (Signature of authorized official)

December 29, 1951 (Date)

Secretary and Treasurer (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

YANCEY MICA MINES INC., BURNSVILLE, N. C.

PRESSELL MINES, YANCEY COUNTY

The Applicant

1. Yancey Mica Mines, Inc. is a corporation incorporated under the laws in the state of North Carolina.

2. Not applicable.

3. Yates Bennett, President, Burnsville, North Carolina
W. J. Godfrey, Vice President, Burnsville, North Carolina
Mark H. Bennett, Vice President, Burnsville, North Carolina
D. H. Robinson, Secretary and Treas., Mars Hill, North Carolina
The above named officers being of the named officials and share holders of said corporation.

4. (a) Applicant is a newly formed corporation, by virtue of the laws of the state of North Carolina, as contained in Chapter 55 of the General Statutes and the amendments thereto, on the 16th day of May, 1951. Therefore, the applicant as such has had no experience in the mining of strategic minerals, with the exception of the opening up of the Cattail Mine in Yancey County.

(b) The project will be under the management of W. J. Godfrey of Burnsville, N. C. Since 1921 Mr. Godfrey has had experience with heavy dirt moving equipment. 1930-1934 he was Heavy Equipment Operator with the U. S. E. B., Jacksonville, Florida; 1934-1941 Superintendent and Heavy Duty Operator for C. J. Landenfolder & Son, General Contractor; 1941-1948 Owner and operator of surface and deep coal mining in Pennsylvania and Virginia; 1948-1951 Owner and operator of Mica and Feldspar Mining in Western North Carolina, and local contractor for dirt moving.

5. The property is under lease, and the lease is properly recorded and registered among the records of Yancey County. The recordings being in Book 108, page 501, dated on December 12, 1951.

6. Not applicable.

7. A copy of the lease that is in good standing and the landlord subordination agreement is attached.

8. Assets

Current Assets:	
Cash in bank or on hand	$ 5,000.00
Share Subscribers-payable on call	4,000.00
	9,000.00
Fixed Assets:	
Mining property at book value	32,500.00
	41,500.00

Liabilities
Accounts Payable 1,200.00

9. $1,000.00

10. (a) See lease attached to original Form MP-103.
(b) Both areas are in the same tract. The property is described in a deed dated July 22, 1920, and recorded in the office of the Register of Deeds of Yancey County, North Carolina, on page 304, in book 57.

11. The mine and property is generally known as the Presnell Mine.

12. The property lies three (3) miles in a north westerly direction from Newdale, North Carolina; lying south of the Toe River that joins the property; and 500 yards south of the C C & O Railroad; five (5) miles northeast of the town of Micaville and railroad station; the state maintenance road leads to the edge of property.

13. (a) Property forms the banks of the Toe River, and there is a sufficiency of water at all seasons.
(b) Electricity will be furnished for lighting purposes, and suction fan by a Motor-generator Plant furnished by operators.

14. None

15. Mica can be shipped by truck or rail to Micaville or Spruce Pine.

16. (a) Property has been operated as a mine by S. L. Briggs and associates of Burnsville, North Carolina, having produced an excess of $150,000 worth of mica. The property was operated during the last World War, but was closed when the hanging wall collapsed making any further operation dangerous should operations have continued along the plan then in operation. The mine has never been operated again due to the fact that it was recommended by the leading authorities on mining operations in the locality that the only successful way of reopening the mine would be via adit-tunnel.
(b) The applicant does not have available an accurate History and production of the adjoining and neighboring properties.
(c) The applicant has a copy of R. I. 4241 dated April, 1948 and published by the United States Department of Interior.

17. Not applicable

18. Not applicable

19. None

20. Strategic or critical mica

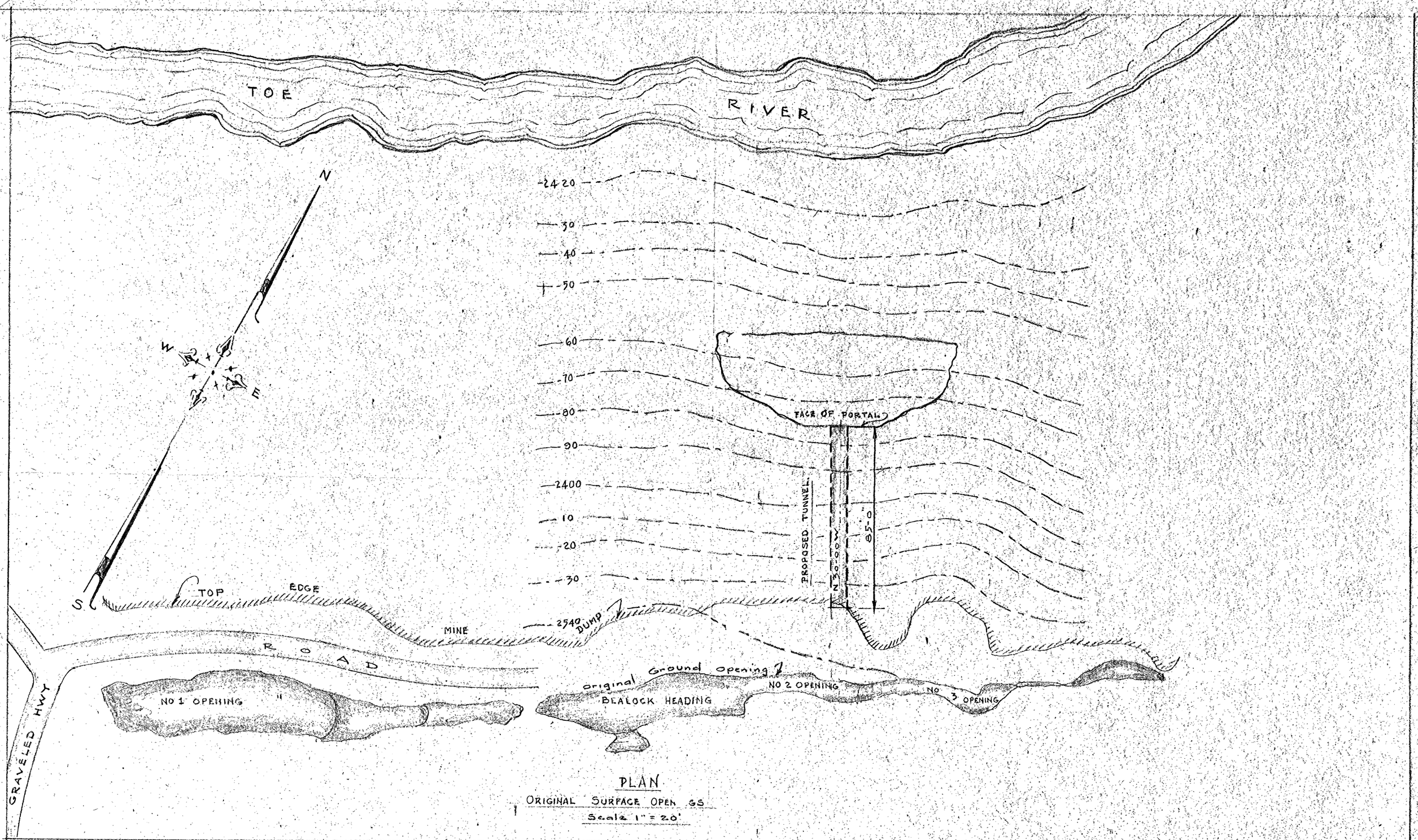
21. This project involves the exploration of the pegmatite for mica mineralization known as the Presnell Mine in Yancey County. It is estimated that the entire work can be completed within sixty days.

22. A drawing is attached to Form MF-103 describing the methods of approach.

23.

(a)	4 Muckers	40-8 Hr. shifts	@ $ .90/hr.	$1,152.00
	2 Laborers	40-8 Hr. shifts	@ .85/hr.	544.00
	2 Miners	40-8 Hr. shifts	@ 1.50/hr.	960.00
(b)	Mine Superintendent	2 Months	@ $300.00/month	600.00
	Engineer	2 Days	@ 25.00/day	50.00
(c)	None			
(d)	Facilities in shed and tool house			250.00
	Road Approach			350.00
(e)	Mine car			150.00
	200 ft. 16-lb. rail W/ties, spikes and splice bars		@ 1.25/ft.	250.00
	100 ft. 2" air pipe		@ .50/ft.	50.00
	2-#75 Thor jack hammers with water heads		@ 365.00	730.00
	Column, arm and universal joint			300.00
(f)	Bulldozer with blade	50 Hrs.	@ 12.00/hr.	600.00
	Air Compressor	2 Months	@ 300.00/month	600.00
	Pick up truck	60 Days	@ 5.00/day	300.00
(g)	None			
(h)	Dynamite and supplies			225.00
	Hand tools and bits			225.00
(i)	Miscellaneous small items, insurance, taxes			654.00
	Total Cost Requirements			$8,000.00

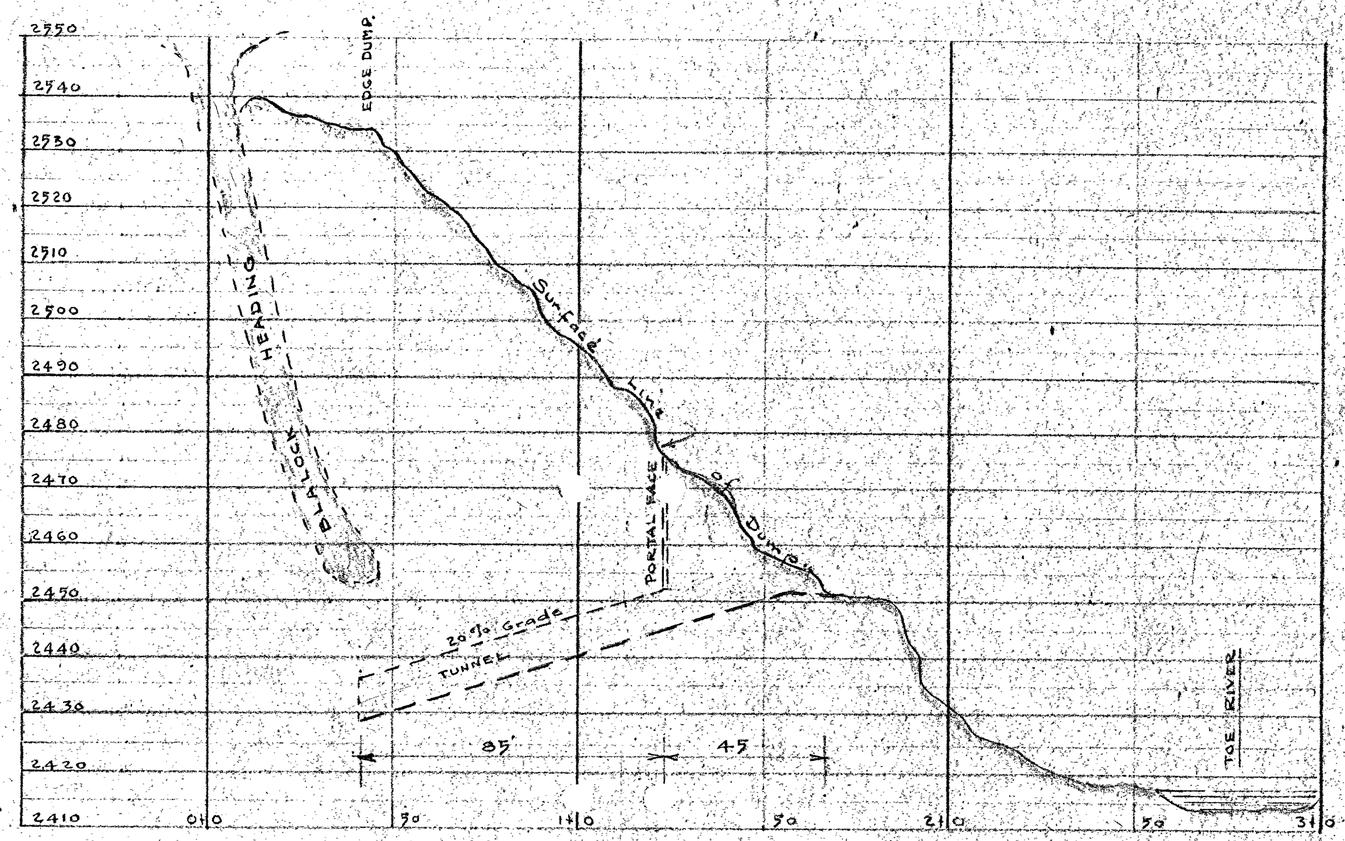
24. Project should be explored within two months after contract is signed and $8,000.00 made available.



PLAN

ORIGINAL SURFACE OPENINGS

Scale 1" = 20'



Scales Vertical 1" = 20'
Horz. 1" = 30'

MAP
OF
PRESNELL MINE
ON TOE RIVER
YANCEY COUNTY, N.C.

Scale as noted Dec. 12th, 1951

D.M. Sholes, Engineer
Burnsville, N.C.