DOCKET COPY

TERMINATION OF EXPLORATION PROJECT CONTRACT BY AGREEMENT
AFTER COMMENCEMENT BUT BEFORE COMPLETION OF THE WORK

It is agreed this 10th day of November, 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Yancey Mica Mines, Inc. Burnsville, N. C.

, hereinafter called the "Operator," parties to that certain Exploration Project Contract I-dm-E 373, Docket No. DMEA-2439, dated 29th July 1952, that the said contract shall be and is hereby terminated as of the first date above written.

Any work prosecuted or costs incurred by the Operator after the date first above written shall be for the sole account of the Operator, except for (a) such necessary and reasonable costs and expenses as may be incurred in preserving and disposing of any facilities, buildings, fixtures, equipment, or other items, to the cost of which the Government has contributed and in which the Government has an equity, and (b) the costs of any reports, accounts, and winding-up and settlement actions provided for in the contract.

The undersigned Operator hereby releases and agrees to save harmless the Government from all claims and demands under or arising out of said Exploration Project Contract, except as herein expressly otherwise provided.

Witness the following signatures as of the day and year first above written.

UNITED STATES OF AMERICA

By Robert A. Lawrence

Yancey Mica Mine Inc.
(Operator)

By Yates Bennett

Cor
11-25

18262-1

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 12 1952

MF-200 (A)
(February 1952)

DOCKET NO. DMEA 2439

COMMODITY Mica

Idm-E373

Docket Copy

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

EXPLORATION PROJECT CONTRACT[1]
(Short Form)

IT IS AGREED this 29th day of July, 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2]

Yancey Mica Mines, Inc., a corporation duly organized and existing under and by virtue of the laws of the State of North Carolina
Burnsville, 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 Yancey, described ~~as follows:~~ as set forth in Annex I

the Operator represents and undertakes:[4]

(a) [redacted]

(b) That the Operator is a lessee, in possession and entitled to possession pursuant to lease dated Dec. 10, 1951 between E. L. Briggs and Eloise Briggs as lessor and the Operator as lessee, and the Landlord's Subordination Agreement is attached.

[redacted]

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 45 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 five (5) 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. The work shall be performed by the Operator or by independent contractor or contractors efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for workmen's compensation and employers' liability insurance, with suitable and adequate equipment, materials, and labor, to bring the project to completion within the time fixed. 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 4. *Costs of the project.*—The agreed, estimated costs of performing the work, expressed in terms of units of work to be performed (per foot of drifting, per foot of drilling, per cubic yard of material to be moved, etc.) are set forth in Exhibit "A," attached hereto. The Government will pay 90 percent of these agreed, estimated costs, as they accrue, for units of work actually performed that conform with the description or specifications for the work set forth in this contract, in an aggregate total amount not in excess of $3,690.00, which is 90 percent of $4,100.00, 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 check or 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. The Government may, as it sees fit, make payments direct to the Operator's independent contractors, if any, for the account of the Operator, rather than to the Operator.

ARTICLE 5. *Reports, accounts, audits.*—(*a*) *Progress reports.* The Operator shall provide the Government with monthly reports of units of work performed 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 units of work performed 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.

[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*) *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 the units of work performed, which the Government may inspect and audit at any time. The Government may at any time require a check of the work performed and an audit of the Operator's records and accounts, by a certified public accountant or otherwise, 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 and statement of work performed to accompany his final report.

ARTICLE 6. *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 the 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 7. *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 8. *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.

ARTICLE 9. *Changes and added provisions* _____

_____

_____

_____

_____

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

YANCEY MICA MINES, INC.
(Operator)

By D M Robinson, Sec & Treas

By C D Mittendorf
Acting Administrator, Defense Minerals Exploration Administration
C E Tane
J A Hoffman by C E Tane
Hugh Chandler

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]

U. S. GOVERNMENT PRINTING OFFICE 16—66329-1

ANNEX I

BEGINNING on a forked chestnut on a ridge and runs East with the Joseph Parslet line crossing two brenches 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.

This area includes the Presnell Mine set forth on the map attached hereto and made a part hereof, entitled "DMEA-2439 - Plan Map, Presnell Mine, Yancey County, N. C."

EXPLORATION PROJECT CONTRACT
YANCEY MICA MINES, INC.
PRESNELL MINE
DOCKET NO. DMEA-2439

EXHIBIT "A"

Description of the Work

There is a 27 foot shaft at a point 32 feet N 30° W of the collar of drill hole No. 8 indicated on the attached map entitled "DMEA 2439 - Plan Map, Presnell Mine, Yancey County, N. C." This shaft is to be deepened 22 feet approximately 5' x 8' in cross section with a manway separated from the hoisting compartment. From the bottom of the shaft a drift is to be driven on the pegmatite approximately 30 feet northeast and 70 feet southwest.

All the work (including its quality, direction and extent) shall be performed in a manner approved by the Government.

Agreed Estimated Costs of the Project

Deepen shaft (including necessary timbering or rehabilitation required in existing 27-foot shaft) 22 feet at $50.00 per foot	$1,100.00
Drift 100 feet at $30.00 per foot	3,000.00
Total cost of the project	$4,100.00
Government participation at 90%	$3,690.00

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 [illegible], State of [illegible], 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 [illegible], 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

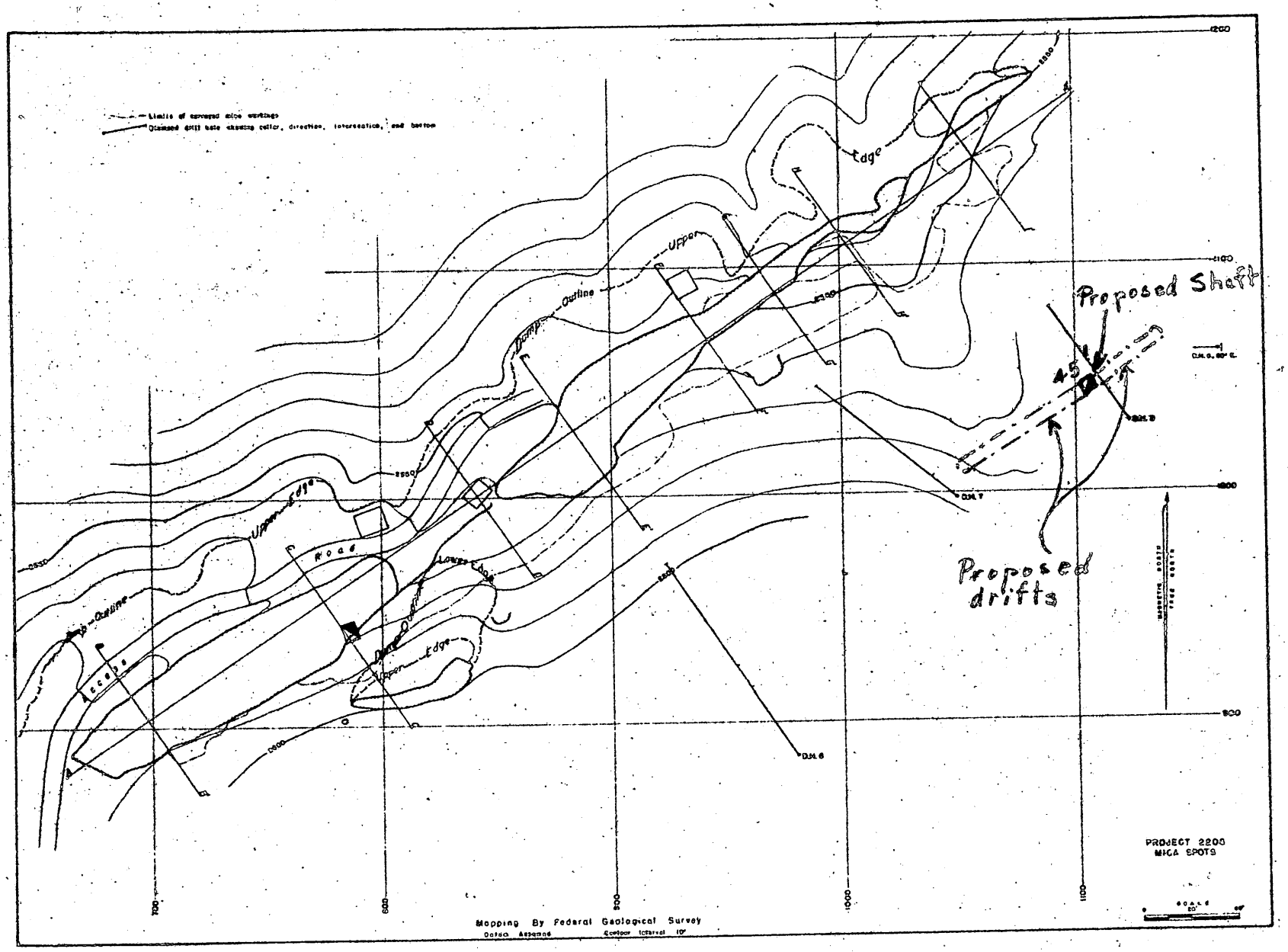
The undersigned agrees to commit no act, nor assert any claim under judicial process or otherwise that may contravene or conflict with the prior lien and claim of the United States of America under the provisions of said Exploration Project Contract.

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

Dated this [illegible] day of Dec, ..., 195.1

.....

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



DMEA 2439 ~~Figure 8~~. - Plan map, Presnell mine, Yancey County, N. C.

DMA Form 1

DEFENSE MINERALS ADMINISTRATION
Control Slip

CONTROLLED DOCUMENT

DMEA~~DMA~~ Docket No. 2439

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

EXPLORATION PROJECT

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.

Routing Slip

Copies to USBM, USGS.

To:	Code 600, Rm. 4637	Date	3-24-52
To:	Og Cone	Date	9-9-52
To:	Ogden Cone	Date	11-24-52
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DO NOT DETACH

CONTROLLED DOCUMENT

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

Room 13, Post Office Building
Knoxville 02, Tennessee

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 5 1953

January 2, 1953

Memorandum

To: Operating Committee, D M E A - Washington

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

Subject: Final Report on DMEA-2439, Idm-E373 (mica) Presnell Mine

Transmitted are four copies of the above subject final report.

Robert A. Laurence

Robert A. Laurence

zm

1-12-53

Reviewed by
DMEA OPERATING COMMITTEE
1-9-53
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT
By
FIELD TEAM, REGION VII

DMEA-2439, Idm-E373 (Mica)

PRESNELL MINE
Yancey County, N. C.

By

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

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

December 30, 1952

Reviewed by
DMEA OPERATING COMMITTEE

1-9-53
(date)

FINAL REPORT

on

PRESNELL MINE

DMEA Docket No. 2439, Imd-E373 (mica)

Operator: Yancey Mica Mines, Inc., Burnsville, N. C.

The Presnell Mica Mine is located about two airline miles northeast of Micaville, Yancey County, North Carolina, along the east bank of South Toe River.

This project consisted of exploring a pegmatite found by diamond drilling southeast of the main Presnell pegmatite. An existing shaft was deepened to 55.5 feet and a drift 52 feet long was driven on the pegmatite. No mica of strategic grade was found by this project, thus no certification of discovery should be made.

Work on this project consisted of dewatering an existing 27-foot shaft, deepening the shaft to 55.5 feet and driving a 52-foot drift to the southwest along the pegmatite (see attached map). The shaft cut through the southeast dipping pegmatite at approximately the 25-foot level, thus it was bottomed in biotite gneiss. The drift was turned off at the 50 foot level and directed to intersect the pegmatite at about 20 feet from the shaft. After the drift cut the pegmatite, it was followed along the strike for approximately 30 feet.

Where the pegmatite is exposed in the shaft and drift, it ranges from four to eight feet in thickness. It is medium fine grained, unzoned, and composed of fine quartz, plagioclase feldspar, and fine scales of colorless muscovite. No muscovite in sizes sufficiently large to trim pattern was recovered from the pegmatite.

In general the pegmatite trends about N. 60° E, dipping from 60 to 70° SE. It appears to be parallel in both strike and dip to the main pegmatite which has been mined successfully at the Presnell Mine. The pegmatite explored varies considerably in thickness along both strike and dip. Some biotite gneiss wall rock inclusions occur.

This project began on August 25, 1952 and was terminated by mutual Consent on November 10, 1952.

Expenditures:

Total approved.....$4,100.00

Total cost of project..... 2,660.00

Government's share of cost 2,394.00

Government's share unexpended 1,296.00

Value of production during project..... none

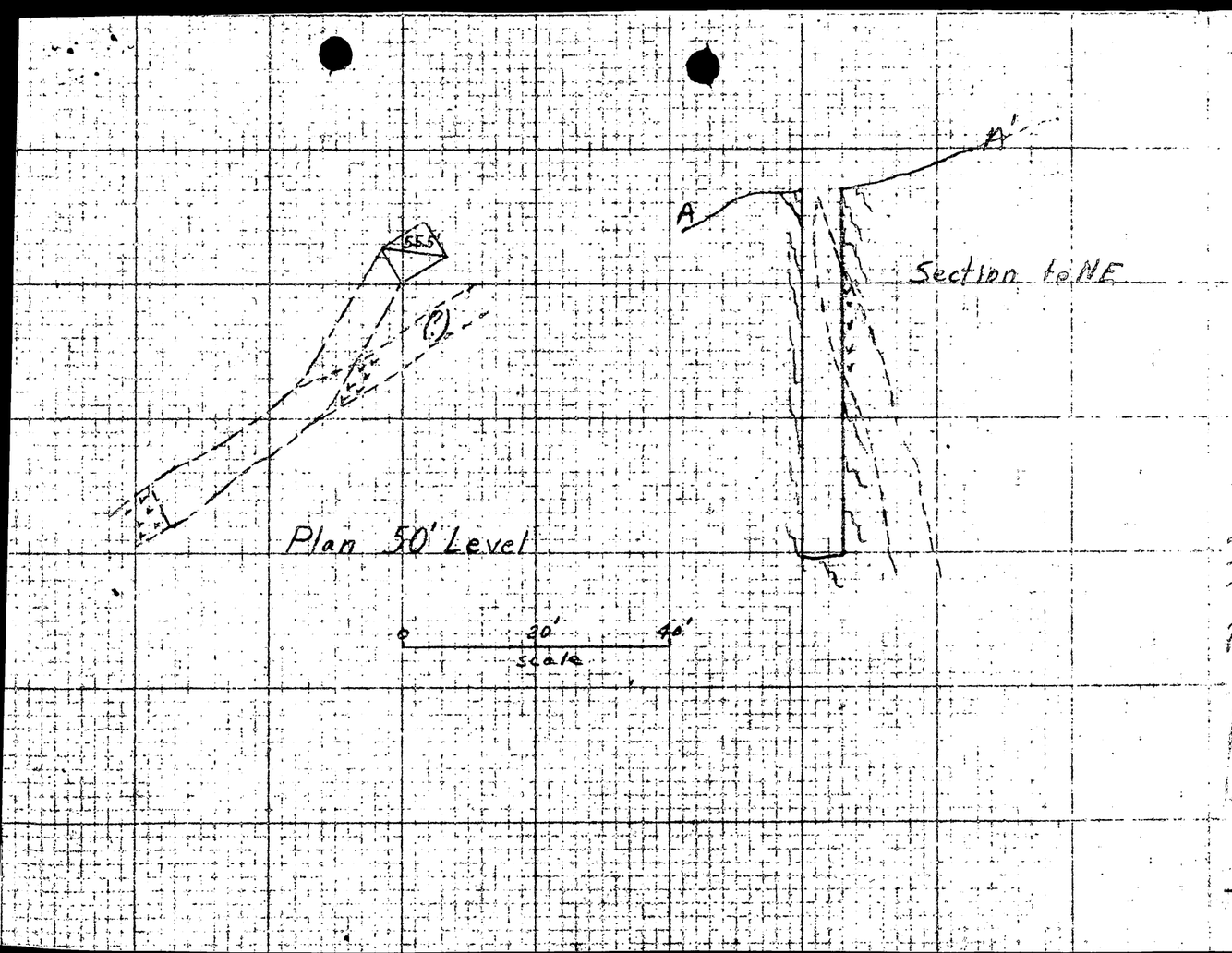
This project was conducted in an efficient and competent manner. The project was done on the short form contract, thus there was no equipment purchased under the contract of salvagable value.

December 30, 1952.

Kefton H. Teague, USGS

Shirley, L. E. USBM

zm



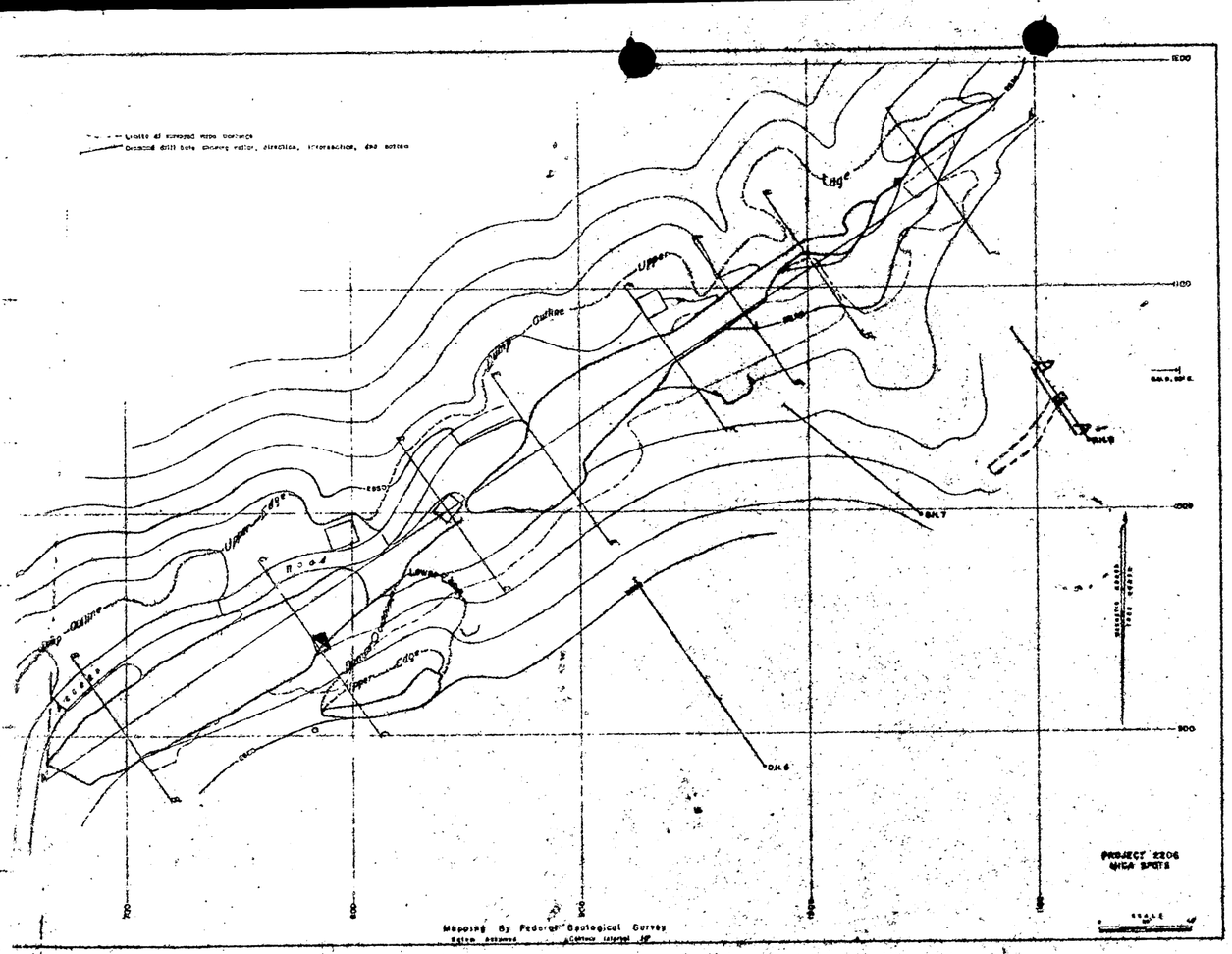


Figure 8. - Plan map, Presnell mine, Yancey County, N. C.

FILE COPY
SURNAME:

Feitler
Houk

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

NOV 24 1952

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

Subject: Docket No. DMEA-2439 - Mica
Yancey Mica Mines, Inc.
Presnell Mine
Yancey County, North Carolina
Contract No. Idm-8373

Dear Mr. Laurence:

Reference is made to the subject contract for exploration of the Presnell Mine in Yancey County, North Carolina.

The termination by mutual agreement has been received in this office.

A final review is prepared here for each contract after it is terminated. As the Operator's final report and the report of the field team supply part of the information for this review, we would appreciate receiving these final reports on the subject contract as soon as convenient.

Sincerely yours,

(signed) FRANK E. JOHNSON (JB)

Chairman, Operating Committee

11-24-52

Approved:

J. H. Hedges (JB)
Member, Bureau of Mines

A. R. Kinkel, Jr. (JB)
Member, Geological Survey

SAFeitler:gad 11/24/52

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.~~

Room 13, Post Office Building
Knoxville 2, Tennessee

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 12 1952

November 10, 1952

Memorandum

To: Operating Committee, DMEA - Washington

From: Field Team, DMEA - Region 7

Subject: DMEA-2439, Idm-E373 (mica) Yancey Mica Mines, Inc.
Termination of Contract

Enclosed herewith are ~~4~~ 3-signed copies of form 18262-1, for termination of the subject contract. Inspection of the deposit by Mr. Teague and Mr. Shirley indicated that there is no longer probability of discovering a significant deposit of strategic mica. The Operator is in agreement with this conclusion, and has already ceased work on the project.

Robert A. Laurence
Robert A. Laurence, Executive Officer
DMEA- Region 7

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

RECEIVED
NOV 17 1952
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

cse
11-12-52

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
OCT 30 1952

October 28, 1952

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region VII

Subject: Operator's Narrative Reports.

Your letter of October 23, concerning Operator's narrative reports in general, and the reports for DMEA-2439, Yancey Mica Mines, Inc., in particular has been received.

The Field Team agrees with your suggestion for sending each contractor a copy of the sample narrative, and we are now sending one to the active contractors, except those who have been submitting satisfactory reports. It is difficult to get most of the small operators to write a useable report, but this should help to get the kind of information needed by your office.

The sample report and a covering letter will also be given to each new contractor at the time the contract is signed.

Robert A. Laurence

Robert A. Laurence

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 6 1952

INTERIM REPORT

DMEA-2439 Idm-E373 (mica) PRESNELL MINE

OPERATORS: Yancey Mica Mines, Inc.
Burnsville, North Carolina.

LOCATION: 2 miles airline northeast of Burnsville, North Carolina, along the east bank of the South Toe River.

The Field Team was accompanied on this visit by Mark Bennett and Douglas Robinson of Yancey Mica Mines, Inc. Present heading in the S 20° W drift is at 45 feet. Material encountered consists mainly of feldspar, garnetiferous biotite schist and a few small pieces of muscovite mica. From all indications the pegmatite is apparently rolling in the present heading.

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

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

October 24, 1952

FILE COPY
SURNAME:

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

OCT 23 1952

Houk
Mittenbergs

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

Subject: Docket No. DMEA-2439 - Mica
Presnell Mine
Yancey Mica Mines, Inc.
Yancey County, North Carolina
Contract No. Idm-K373

Dear Mr. Laurence:

Reference is made to the subject Contract (Idm-K373) for mica exploration on the Presnell Mine in Yancey County, North Carolina.

Please note in Memorandum No. 11 from the Operating Committee to all field teams, paragraph (2), the narrative statement is a required part of the contract and may be reason for withholding payment if not received. Please request the Operator to supply copies of narrative of work accomplished during the month. This narrative may take the form of a simple diary describing progress of work, reasons for delay, employees and circumstances affecting progress of the work.

Enclosed is a diary type of report, received from a New England operator simplified. While it is more detailed than necessary, it gives information of value to this office. It is being enclosed to get your reaction to sending each contractor a copy with a view to having this office better informed of the progress at the mines.

Your comments on this approach will be appreciated.

10-23

Sincerely yours,

(signed) FRANK E. JOHNSON (GHS)
Chairman, Operating Committee

Approved:

Charles N. Murrell (GHS)
Member, Bureau of Mines

A. R. Kinkel Jr. (GHS)
Member, Geological Survey

Enclosure

LGHouk:gad 10/21/52
Copy to: Adm. R. File
Docket File
Operating Committee (2)
Mr. Dietrich, 3526
Mr. Norton, G-232 GSA Bldg.
Mr. Houk

Gas

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 15 1952

INTERIM REPORT

DMEA-2439 Idm-2373 (Mica) PRESNELL MINE

OPERATOR: Yancey Mica Mines, Inc., Burnsville, North Carolina

LOCATION: Approximately 2 miles airline northeast of Micaville, North Carolina.

Progress on this project is satisfactory. The northeast drift, as proposed in the contract, has been driven about 15 feet. No mica has been recovered from this drift to date.

L. E. Shirley, Mining Engineer
U. S. Bureau of Mines
Mining Branch
Minerals Technology Division
Region VII

October 7, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 3 1952

INTERIM REPORT

DMEA-2439, Idm-E373 (mica)

Operator: Yancey Mica Mines, Inc. Burnsville, N. C.

Mine: Presnell Mine, located on South Toe River, 3 miles north of Micaville, Yancey County, North Carolina.

Shaft at this mine has been completed at a depth of 55.5 feet and point selected on September 26, 1952 for turning off drift. Progress of this project has been good.

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

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

September 30, 1952

zm

Docket Copy.

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

Room 13, Post Office Building
Knoxville, Tennessee

August 11, 1952

Memorandum

To: Operating Committee, DMEA- Washington

From: Acting Executive Officer, DMEA, Region VII

Subject: DMEA-2439. Contract. Presnell Mine.

Attached are original and 2 copies of the above subject signed contract. One copy was retained by the applicant, one sent to Regional Finance Officer, and one retained by this office.

Wm. A. Beck

Wm. A. Beck, Acting Executive Officer

[illegible]
[illegible] 12 [illegible]

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON

July 29, 1952

Memorandum

To: Executive Officer, Region VII

From: DMEA Operating Committee

Subject: DMEA-2439, Yancey Mica Mines, Inc. contract.

Upon execution of the attached contract, the Field Team will make distribution in accordance with instructions contained in Memorandum No. 10, dated July 24, 1952.

FILE COPY
SURNAME:

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

SAFeitler
Houk

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

Subject: Docket No. DMEA-2439 - Mica
Presnell Mine
Yancey Mica Mines, Inc.
Burnsville, 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.

After the starting time has been inserted and the contract signed, one copy is to be given to the Operator, one copy retained for your files, and the remaining copies, including the original, are to be returned to this office as soon as possible.

A copy of the contract required by the Regional Finance Office will be forwarded directly by the Washington Finance Section.

Sincerely yours,

(signed) FRANK E. JOHNSON
(JHB)

7/29

Chairman, Operating Committee
Defense Minerals Exploration
Administration

Approved:

J. H. Hedges (JHB)
Member, Bureau of Mines

(JHB)
Member, Geological Survey

Enclosures 6

SAFeitler: GAD 7/7/52
Copy to: Admin. Reading File
Docket File
Operating Committee (2)
Mr. Dietrich, 3526
Mr. Norton, G-232 GSA Bldg.
Mr. Houk

FILE COPY
SURNAME:

FEJohnson

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

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

Re: DMEA-2439 (mica)
Yancey Mica Mines, Inc.

Dear Mr. Laurence:

This will acknowledge receipt of your letter of July 21, 1952 concerning the subject contract which you noted in the Operating Committee Minutes No. 87 of July 9 as having been referred to the Field for execution.

Please be advised that this contract as well as all others approved by the Operating Committee since July 9 are being held in this office pending release of funds. DPA has approved funds to cover contracts for the fiscal year of 1953. However, since these funds have not yet been made available to us, execution of contracts are being held up.

It is expected that the necessary funds will be available shortly, at which time all contracts for your Region, which have been approved by the Operating Committee, will be forwarded to you.

Sincerely yours,

7/24

(signed) FRANK E. JOHNSON

Acting Administrator

(B.J.H.)

FEJohnson/pa 7-24-52

cc: Admin. Reading File
Mails & Files
Mr. Houk
F. E. Johnson

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

Room 13, Post Office Building
Knoxville 2, Tennessee

July 21, 1952

Mr. Frank E. Johnson
Chairman, Operating Committee
Defense Minerals Exploration Admin.
Washington 25, D. C.

Re: DMEA-2439 (mica)
Yancey Mica Mines, Inc.

Dear Mr. Johnson:

I note, in Operating Committee Minutes No. 87, dated July 9, a statement that a letter to the Field referred a contract on the subject docket for execution.

No such letter or contract has been received here. Please investigate and if it has been lost in the mails a new one should be sent to us.

Sincerely,

Robert A. Laurence

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

RECEIVED
JUL 23 1952
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

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

July 7, 1952

Memorandum

To: Chairman, Operating Committee, DMEA

From: S. A. Feitler, Non-Metallic Minerals Division

Subject: Resume, Docket No. DMEA-2439 - Mica
Yancey Mica Miners, Inc. - Presnell Mine
Burnsville, North Carolina

History

Application (DMEA-2313) dated December 29, 1951, proposed exploration below the old workings by sinking a low angle winze.

The application was denied without a field examination on February 15, 1952. The basis for the denial was a Survey memo dated January 10, 1952, which recommended denial as the mine was worked out. "The productive pegmatites have been worked out and drilling by the U. S. Bureau of Mines failed to find extensions." Also - "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."

Application (DMEA-2439) was submitted under date of March 18, 1952. The proposed program was for a 274 foot crosscut below the old workings to intersect the new pegmatite discovered by the Bureau of Mines drilling and was estimated to cost $7,500.00.

The Survey recommended denial (Memo dated March 27, 1952). It was pointed out that three drill holes penetrated 8', 7½', and 13' of pegmatite width, and 200 feet of probable strike length. It was also learned that the "shaft" on the new pegmatite was a pit 20 to 25 feet deep.

The field report received May 21, 1952, recommended the the test pit be deepened to 47 feet and 100 feet of drifting be done from the bottom. The cost estimate was $5,304.00.

A contract was written setting up the recommended work on a unit basis as follows:

Deepen shaft (including necessary timbering or rehabilitation required in existing 27 foot shaft) 22 feet at $50.00 per foot	$1,100.00
Drift 100 feet at $30.00 per foot	3,000.00
Total cost	$4,100.00

This was submitted to the Operating Committee for the meeting of July 9, 1952.

S. A. Feitler
Non-Metallic Minerals Division

FILE COPY
SURNAME:

S. Feitler
Hunh

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

July 7, 1952

Memorandum

To: Chairman, Operating Committee, DMEA

From: S. A. Feitler, Non-Metallic Minerals Division

Subject: Resume, Docket No. DMEA-2439 - Mica
Yancey Mica Miners, Inc. - Presnell Mine
Burnsville, North Carolina

ce 7/29

History

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Total cost	$4,100.00

This was submitted to the Operating Committee for the meeting of July 9, 1952.

S. A. Feitler
Non-Metallic Minerals Division

SAFeitler:gad 7/7/52

Copy to: Admin. Reading File
Docket File
Mr. Houk

FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR 140
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

Action

July 1, 1952

Memorandum

To: Acting Administrator

Through: Lawrence G. Houk

From: Chief Counsel

Subject: Yancey Mica Mines, Inc. — Docket No. DMEA-2439

There is attached, in satisfactory legal form for execution, a contract covering the above-described project, subject to:

(1) The insertion of the date of the contract on the Landlord's Subordination Agreement.

(2) The insertion in Article 3 of the contract form of the number of days from date of contract in which work shall begin on the project of exploration.

J. L. Hofflund

J. L. Hofflund
Chief Counsel
by AEKane

N.S
R+R

Attachments

AEKane/bjl

Copy to: Mails & Files
J. L. Hofflund
L. G. Houk
A. E. Kane
Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR 140
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

July 1, 1952

Memorandum

To: Acting Administrator

Through: Lawrence G. Houk

From: Chief Counsel

Subject: Yancey Mica Mines, Inc. — Docket No. DMEA-2439

There is attached, in satisfactory legal form for execution, a contract covering the above-described project, subject to:

(1) The insertion of the date of the contract in the Landlord's Subordination Agreement.

(2) The insertion in Article 3 of the contract form of the number of days from date of contract in which work shall begin on the project of exploration.

J. L. Hoffmund
J. L. Hoffmund
Chief Counsel
by D E Kane

Attachments

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

June 17, 1952

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-2439, Yancey Mica Mines, Inc. (mica) Presnell Mine, Field Examination Report.

I concur in the field team's recommendation for an exploration program in the amount of $5,304.

W. F. Dietrich

W. F. Dietrich

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 17 1952

IN REPLY REFER TO:

G-MD-JJN

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

S.A.F.

June 6, 1952

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-2439 (Mica).

To: L. G. Houk, Non-Metallic Minerals Division, DMEA.
From: J. J. Norton, U. S. Geological Survey.
Applicant: Yancey Mica Mines, Inc.
Name of property: Presnell.
Location of property: Yancey County, North Carolina.
Field team's recommendation:
Shaft and drifts to explore the new mica pegmatite cut by Bureau of Mines drill holes in World War II. Estimated cost $ 5,304.
Comments: None.

ACTION SUGGESTED:
Follow field team's recommendation.

J J Norton

J. J. Norton

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 6 1952

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

Room 13, Post Office Building
Knoxville, Tennessee

May 19, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 21 1952

Memorandum

To: Operating Committee, DMEA

From: Field Team, DMEA Region VII

Subject: DMEA-2439, Yancey Mica Mines, Inc. (mica) Presnell Mine, Field Examination Report.

Transmitted herewith are 4 copies of the Field Examination Report on the Presnell Mine, and 6 extra copies of the map. The Field Team agrees with the findings of this report.

Robert A. Laurence

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

Wm A. Beck

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

THE UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM, REGION VII

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 21 1952

DMEA-2439, PRESNELL MINE
(mica)
Yancey County, North Carolina

By

A. L. Peyton, Mining Engineer
U. S. Bureau of Mines

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

May 19, 1952

Reviewed by
DMEA OPERATING COMMITTEE
5-26-52
(date)

Report of Field Examination on

DMEA-2439, PRESNELL MINE, (mica) Yancey County, North Carolina

The Presnell Mine is located about two miles airline northeast of Micaville, North Carolina, along the east bank of the South Toe River.

No mining has been conducted at this deposit since the U. S. Bureau of Mines concluded its drilling program in 1945. As indicated in Parkers letter concerning this loan application a shallow test pit has been sunk in pegmatite northeast of drill hole 8. This opening is now filled with water, but sounding by the Field Team indicated that it is approximately 27 feet deep. The opening is in hard rock and untimbered.

The Field Team does not believe that the possibility for finding additional mica at deeper levels at the Presnell Mine justifies the cost involved to explore for it. However, the drilling results have shown that an unexplored pegmatite occurs approximately 100 feet southeast of the Presnell deposit. The 27-foot test pit apparently bottomed in pegmatite as indicated from the dump material. Small pieces of mica similar to the Presnell mica occur in the dump.

The Field team believes that the pegmatite discovered by the core drilling program has merit for exploration. It is recommended that the 27-foot test shaft be deepened 20 feet and drifts run in both directions along the pegmatite. This shaft is 32 feet N. 30° W. of the collar of drill hole No. 8. As drill hole No. 9 did not cut the pegmatite it is recommended that the drift from the shaft in that direction be driven only 30 feet. The drift to the southwest from the shaft should be approximately 70 feet long.

The map, dated March 8, 1952, submitted with the application shows the eastern line of the property. The western boundary is approximately parallel to the eastern one, and occurs at about the "graveled road" at the western end of the deposit. The north boundary is the river, and the south line is beyond the southern limits of the map.

(Work estimates next page).

Estimated costs are as follows:

Work to consist of 20 feet of shaft-sinking @ $6520/ft. = $1304.00 and 100 feet of drifting @ $40/ft. = $4,000. Total Cost of project estimated to be $5,304.00.

Fixtures and Improvements		
10 x 12 tool house	$ 150.00	150.00
Dynamite and explorder magazine @ $50 ea.	100.00	100.00
Operating Equipment		
To be rented:		
1 - 105 cu. ft. air compressor, 2 mos. @ $200/mo.	400.00 X	400.00
1 - Jackhammer drill with column & arm, 2 mos. @ $60/mo.	120.00	120.00
100 ft. air hose, 2 mos. @ $5/mo.	10.00	10.00
1 - Gasoline hoist, 2 mos. @ $75/mo.	150.00	150.00
1 - Air operated sump pump, 2 mos. @ $40/mo.	80.00 X	40.00
To be purchased:		
150 ft. of 2-inch pipe @ 60¢ per ft. 1½" - 36¢	90.00	54.00
Hand tools	100.00	100.00
Dynamite & Explorders $2/ft - 120'	500.00	250.00
Gasoline and oil	160.00	160.00
Drill steel and bits 1.25/ft - 120'	300.00	150.00
Miscellaneous supplies, etc.	250.00	125.00
Timber To be furnished by Operator:		
1 - Ventilating fan, 2 mos. @ $10/mo.	20.00	20.00
1 - Light plant, 2 mos. @ $12/mo.	24.00	24.00
Labor and Supervision		
1 - Working foreman and hoistman, 50 shifts @ $2.00 per hour @ 1.50	800.00	600.00
1 - Miner, 50 shifts @ $1.50/hr. 1.25	600.00	500.00
1 - Miner's helper, 50 shifts @ $1/hr.	400.00	400.00
2 - Muckers, 50 shifts @ $1/hr.	800.00	800.00
Insurance, etc.	250.00	250.00
Rehabilitation and Repairs None		
Estimated total cost of project.....	$5,304.00	4404.00

100' drift @ 30 = 3000.
20' shaft 50 = 1000
4000

May 8, 1952

A. L. Peyton, USBM
K.H. Teague, USGS

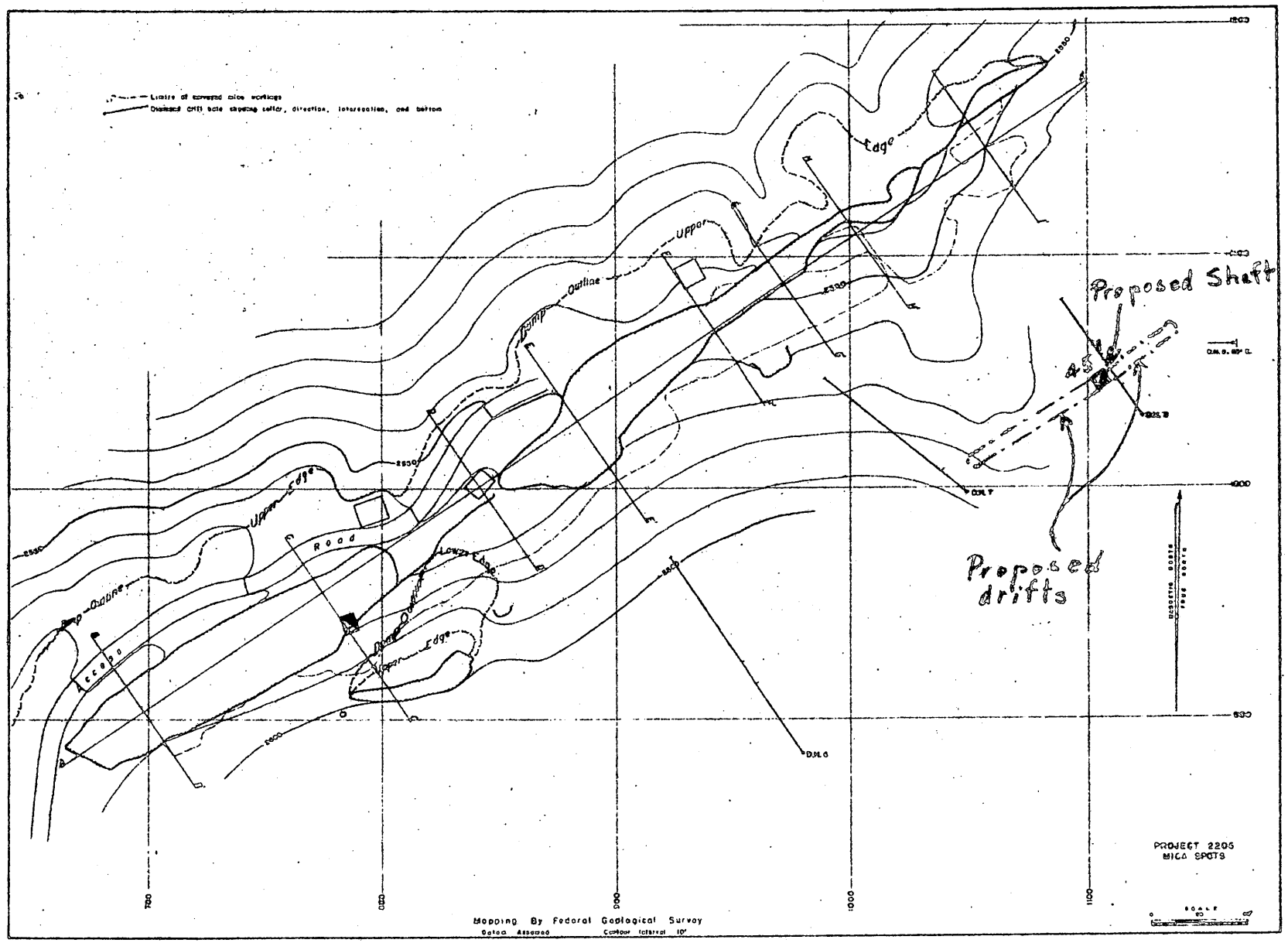


Figure 8. - Plan map, Presnell mine, Yancey County, N. C.

FILE COPY
SURNAME:

S. Fritzler
Hark

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

APR 21 1952

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

Subject: Docket No. DMEA-2439
Mica
Presnell Mine
Yancey County, North Carolina

Dear Mr. Laurence:

The above application by Yancey Mica Miners, Inc., is a revision of the program for the Presnell Mine presented in Docket DMEA-2313. You retained one copy of this present application. We are enclosing a copy of Docket DMEA-2313 and the additional correspondence on DMEA-2439.

We also enclose for your convenience a photostat of a map on which are plotted diamond drill holes 6, 7 and 8 on their nearest cross section. This data with the pegmatite intersections is from A. I. 4241, North Carolina Mica Spots. The three holes appear to have intersected a parallel northeast trending pegmatite 100 to 120 feet southeast of the ones previously worked.

In the light of past experience with this operator, it might be well to set up as much of the work as possible on the basis of a fixed price per unit of work.

Four holes - number 6, 7, 8 and 9 were drilled at the Presnell Mine. Holes 6 and 7 were drilled under the old workings to investigate possibilities at greater depth. Holes 8 and 9 were not intended to cross the strike of the old workings. It appears that no exploration has yet been done to the northeast along the strike of the old workings. Possibilities in this direction should be investigated.

Please arrange to have this property examined when it fits the Field Team itinerary. If exploration is warranted, the Field Team should work out a suitable program with the applicant as the work proposed by the Operator is more suitable for getting under the old workings than for exploring either the new dike or a possible northeast extension of the old workings.

The Field Team should also determine the approximate location of the mine with respect to the 58 acres under lease.

Sincerely yours,

(signed) FRANK E. JOHNSON

Chairman, Operating Committee
Defense Minerals Exploration
Administration

S.N.
4-21-52

Enclosures - 10

Approved:

W. E. Hedges

Member, Bureau of Mines

T. P. Thayer

Member, Geological Survey

SAFeitler:mp 4/16/52
cc: Docket File
Adm. Reading File
Operating Committee
Mr. Deitrich, 3526
Mr. Norton, G-232, GSA Bldg.
Mr. Houk

FILE COPY
SURNAME:

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

APR 21 1952

SAFeitler
Frank
Hedges
Hayes
F. Johnson

Yancey Mica Miners, Inc.
Burnsville
North Carolina

Subject: Docket DMA-2439 - Mica
Fresnell Mine
Yancey County, N. C.

Gentlemen:

Your application is being referred to Mr. Robert A. Laurence, Executive Officer, DMA Field Team, Region VII, Room 13, Post Office Building, Knoxville 01, Tennessee, for further information.

Sincerely yours,

C. O. Mittendorf (for) S.N. 4-21-52

Acting Administrator
Defense Minerals Exploration
Administration

SAFeitler: mp 4/16/52
cc: Docket File
Adm. Reading File
Field Team, Region VII (2)
Mr. Dietrich, 3526
Mr. Norton, G-232, GSA Bldg.
Mr. Houk

YANCEY MICA MINES, Inc.

Burnsville, N. C.

April 21, 1952

Mr. Lawrence G. Houk, Chief
Non-Metallic Minerals Division
Defense Minerals Administration
Washington 25, D. C.

Subject: Docket No. DMEA-2439-Mica
Presnell Mine

Dear Mr. Houk:

In regard to your letter of April 17, I am enclosing herewith Landlord's Subordination Agreement properly executed by both Mr. E. L. Briggs and wife Eloise Briggs.

Thanking you very much, I remain

Yours very truly,

YANCEY MICA MINES, INC.

D M Robinson

D. M. Robinson, Sec. & Treas.

DMR:mh
Enclosure

Subordination
For reproduction 6/13/52

Defense Minerals Administration
RECEIVED
APR 23 1952

FILE COPY
SURNAME:

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

Steitler
Houk

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

Subject: Docket No. DMEA-2439 - Mica
Presnell Mine
Yancey County, North Carolina

Dear Mr. Robinson:

In reference to the above application, the enclosed Landlord's Subordination Agreement is signed by E. L. Briggs but not by his wife.

Please have Mrs. Briggs sign it as she signed the lease, then return it to this office.

Sincerely yours,

4/17

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

Enclosure

SAFeitler:gad 4/16/52

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

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

600

Memorandum

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

From: Stanley A. Feitler

Subject: Docket DMEA-2439 - Mica
Presnell Mine
Yancey County, North Carolina

According to this Division's ideas about diamond drilling being good for no more than determining structure, or conversely, of slight value for sampling mica or beryl, the Bureau of Mines found excellent pegmatite to explore for mica on this property.

Possibilities to the northeast along the strike of the old workings should be investigated. If the prospects are promising, the owner of the neighboring property might be interested in exploration.

In any case the Bureau of Mines drilling penetrated pegmatite 8 feet, 7½ feet and 13½ feet thick in holes 6, 7 and 8 over a strike length of 200 feet. This might be explored by drifting 75 or 100 feet each way on the 50 foot level from a shaft near hole number 7. Another possible program would depend on conditions on the ground along Section G - G' of the attached large map. If the hole can be filled and the northwest wall cut down to approximately the 2520 elevation, less than 100 feet of cross cut would reach the same point as 60 to 70 feet of shaft. This cut and fill work may be done with a bulldozer even if some blasting is necessary. If this method is feasible the cost of drifting would be less as hoisting and pumping could be eliminated.

S Feitler

Stanley A. Feitler

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.

DMEA 2939

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

April 1, 1952

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

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

Subject: DMEA-2439: Yancey Mica Mines, Inc., (Presnell Mine), North Carolina.

The Bureau of Mines diamond drilled subject property during World War II, and discovered strategic mica in an unmined pegmatite parallel to the older workings. (See R. I. 4241, holes 6, 7, 8, and 9). There is no evidence that this discovery has been explored further. Applicant's proposal to explore the discovery appears worthy of consideration. A field investigation is recommended. The proposed program apparently involves excessive risk, but a more conservative plan of exploration may be developed by entering the deposit at a higher elevation.

W. F. Dietrich

W. F. DIETRICH

IN REPLY REFER TO:

G-MD-JJN

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

March 27, 1952

Memorandum

REVIEW OF APPLICATION DMEA-2439 (Mica).

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

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

Subject: Yancey Mica Mines, Inc., application (DMEA-2439) for aid in exploring the Pressnell mine for mica.

Location of mine: Yancey County, North Carolina, about 5 miles west of Spruce Pine.

Summary of applicant's proposal: Adit 274 feet long to "cut the pegmatite indicated by Drill Hole No. 9" and "to locate strategic mica indicated by D.D.H. No. 9 made by the U. S. Bureau of Mines on Project No. 2206."

Estimated cost: $7,500.

RECOMMENDATION: Reaffirm denial of DMEA-2313.

Reasons for recommendation: U. S. Bureau of Mines Rept. Inv. 4241, page 4, states, in reference to this mine: "Results of drilling indicate that the dikes formerly mined have been worked out." The log on pages 14-15 shows pegmatite in three places: (1) 2 feet of weathered pegmatite with scrap mica; (2) 0.7 feet of pegmatite with scrap mica; and (3) 3.1 feet of fine-grained quartzose pegmatite with no mica.

J J Norton
J. J. Norton

IN REPLY REFER TO:

G-MD-JJN

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

April 10, 1952

Memorandum

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

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

Subject: Yancey Mica Mines, Inc., application DMPA-2439, Pressnell Mica Mine, Yancey County, North Carolina.

I have written Jack Parker on the subject of our problems with the Pressnell mine. He has sent me a copy of the letter of January 8 to Kupfer to replace the one that was lost, and he also has written a letter to me that clarifies the problem.

The letter of January 8 from Parker to Kupfer follows:

> I am afraid that I shall not be able to give you the sort of information which you requested in your letter of January 5 concerning the Presnell mica mine in Yancey county, North Carolina. I have not been to the mine in several years, and have here no notes or maps of the property. Consequently, I can only depend on my recollections.
>
> I recall that the main pegmatite seemed to have been just about worked out, and that the upper parts of the workings were so badly caved that it would be difficult to operate at deeper levels. The exploration that the Bureau of Mines carried on did indicate another pegmatite did exist to the southeast, and I recall that later a short shaft was sunk on this pegmatite, but practically no mica was obtained. I believe that work was done by Mr. Jesse McKinney of Hawk, North Carolina, who had formerly been an engineer for Colonial Mica Corporation. It is possible that he might be able to supply some details of his experience there. In any case, his workings, I believe, were too small to constitute a final test of the economic possibilities.

On April 2 Parker wrote me as follows:

> . . . The term "shaft" which I used in referring to the shallow workings made about 1945 by Jesse McKinney (I think) is perhaps over-dignified and this may account for the Yancey Mica Mines people's insisting that it does not exist. The pit was, as I recall it, sunk perhaps 20 or 25 feet and was located practically along the axis of a draw which crosses the mine towards its northeast end. It may have been back-filled and of course must be flooded and perhaps slumped in. As I stated in my previous letter, it was not large enough to really test the possibilities. The mine had a good record of production in the early part of World War II from several closely spaced lenticular pegmatites, as I recall it, so that it seems reasonable that other mica-rich bodies lie nearby.
>
> As you probably realize from the reports you have, I did not study this deposit in detail but only cooperated with the Bureau in its drilling. From what I do know of it, however, it seems to me it might be a reasonable location for further exploration.

Under these circumstances I suggest that you write the applicant as follows:

> In considering your new application for work at the Pressnell mine, we have decided that exploration of the southeast pegmatite by the most economical method is justified. We have learned that the shaft sunk on this deposit during World War II was a pit 20 to 25 feet deep that is on the axis of the draw crossing the northeast end of the mine. This pit probably has since caved in, thus accounting for your belief that it does not exist. We understand that the man who sunk this pit may have been Mr. Jesse McKinney of Hawk, North Carolina, who perhaps can provide information on results of this work.
>
> Inasmuch as the pit sunk in World War II may not have been adequate to explore the southeast pegmatite, we would be willing to enter into negotiations with you to write a contract for sinking a shaft in the vicinity of U. S. Bureau of Mines Drill Hole No. 8. If you are willing to

explore the deposit in this way, we will instruct the field team to examine the property and come to an agreement with you on an adequate program for doing this work.

If this general plan is suitable from your standpoint, please reply to that effect, and we will transmit the docket to the field team for further action.

J. J. Norton

J. J. Norton

EXPLORATION

Subject: DMEA-2439
Re: Exploration Loan
Pressnell Mine
March 24, 1952

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

My dear Mr. Robinson:

This will acknowledge receipt of your application dated March 18, 1952 for a loan under the Defense Production Act of 1950.

Your application was assigned Docket Number DMEA-2439 and referred to the Non-Metallics Division.

Kindly refer to DMEA-2439 in any future correspondence relating to your application.

Sincerely yours,

ROBERT E. ADAMS

Robert E. Adams
Acting Administrative Officer

7862

DMEA-2439

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

Room 13, Post Office Building
Knoxville, Tennessee

March 21, 1952

Memorandum

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

From: R. A. Laurence, Executive Officer, DMEA

Subject: Forms MF-103. Yancey Mica Mines, Inc. Presnell Mine, Yancey County, North Carolina

Transmitted herewith are 3 copies of form MF-103 submitted by Yancey Mines Mines, Inc. The fourth copy is being held here according to current procedure.

Robert A. Laurence

Robert A. Laurence

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 24 1952

March 18, 1952

RECEIVED
MAR 20 1952

Mr. Robert A. Laurence
U. S. Bureau of Mines
P. O. Bldg. Room 13
Knoxville, Tennessee

Dear Mr. Laurence:

Subject: Presnell Mines, Yancey County

You will find enclosed Form MF-103 in quadruplicate wherein we are filing a revised application for aid for an exploration project at the Presnell Mines located in Yancey County. An original application was filed with the U. S. Department of Interior and has been given an assignment of Docket No. DMEA-2313.

If there is any additional information that you will need in processing this application, we will be more than glad to cooperate with you.

Yours very truly,

YANCEY MICA MINES, INC.

D. M. Robinson

D. M. Robinson, Sec. & Treas.

DMR:mh
Enclosures

Department of Conservation
Science Library & Information
Division
MAR 24 1952

COPY

Form MF-103
(Revised June 1951)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.1.

MF-103 Should Be Filed With General Technical Data Form MF-100

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

Not To Be Filled in by Applicant

Docket No. DMEA-2439
Metal or Mineral
Date Received 3-24-52
Amount $
Participation (Government %)

YANCEY MICA MINES, INC.
BURNSVILLE, NORTH CAROLINA

(Revised - PRESSNELL MINE)

Name and address of applicant

Date March 18, 1952

If you have already filed MF-100, give date filed _____, type of assistance requested _____,

DMA Docket Number (if available) _____

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four copies each, of the signed application form, General Technical Data Form MF-100, and answers to questions as specified, to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive office thereof, with your name and address on each sheet of the application and all accompanying papers. If you have previously filed MF-100, it is not necessary to file it again. However, you should indicate in space provided above the type of assistance previously applied for (loans, procurement contracts, etc.) and DMA Docket Number, if available. *When a question is inapplicable it should be so stated in the form.* Additional sheets should be attached in answering any questions or in supplying additional information. IF YOU CANNOT ANSWER A QUESTION, SO STATE.

1. (*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*) If you are not the owner of the property, submit a copy of the lease, purchase option, or other agreements under which you are authorized to operate the property with each copy of your application.

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

   NOTE: (1) 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 (*c*) 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.

   (2) If applicant is not the owner of the property or if there are any liens or encumbrances against the property, copy of agreements of claimants, lienors, encumbrances, and lessors subordinating their interests in the property to the interest of the Government under the Exploration Project Contract will be required for attachment to the Contract.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 24 1952

2. (*a*) What metals or minerals do you expect to find?

   (*b*) Furnish statement of the geologic features of your property, giving type of ore deposit and reasons for expecting to find commercial ore bodies. Illustrate with maps or sketches. If you have a geologic or engineering report, or assay maps showing width and grade, please send them with application, stating whether or not you wish to have them returned.

The information requested in questions 3, 4, 5, 6, 7, 8, and 9 below should be answered specifically and in detail, as this information will be attached to and incorporated as part of the Exploration Project Contract, if such contract is entered into with you by the Government.

ANSWER EACH QUESTION ON SEPARATE SHEETS OF PAPER AND SUBMIT A COPY OF EACH ANSWER FOR EACH COPY OF YOUR APPLICATION.

3. (*a*) Describe fully the proposed work and give the total cost of the project.

   (*b*) State the time required to start the project and to complete it.

4. Submit a map or sketch of the property involved showing a plan (and cross section, if needed) of the present mine workings and the *location of the proposed exploration work* as related to geologic features, such as contacts, veins, ore-bearing beds, etc.

5. Furnish an itemized list of existing facilities, buildings, installations, and fixtures with a statement of the cost of any necessary rehabilitation or repairs to put into useful and operable condition.

6. Furnish a detailed list of additional facilities, buildings, and fixtures to be purchased, installed, or erected by you, with the estimated cost of each item.

7. Furnish a detailed list of operating equipment, separated into items to be—

   (*a*) Rented

   (*b*) Purchased

   (*c*) Furnished by you

   with the rental, purchase price, or depreciation of each item, as the case may be, to be charged as a cost of the project.

8. Furnish an itemized schedule of labor, by numbers and classes (miners, muckers, etc.) and of supervisors by numbers and positions, with the maximum wages or salaries to be paid to each.

9. Furnish a detailed list with estimated cost of each item for materials, supplies, engineering, assaying, accounting, power, water, utilities, and any other items not provided for above.

10. (*a*) How much are you prepared to invest in the proposed project?

    (*b*) Is this amount sufficient to pay your part of the cost of the project, in accordance with the regulations on Government participation (Sec. 9 of MO–5)?

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

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)

March 18, 1952
(Date)

Sec. & Treas.
(Title)

Title 18, U. S. Code (Crimes), Section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

U. S. GOVERNMENT PRINTING OFFICE 16—64067-2

Form MF-103 Exhibit 1

APPLICATION FOR AID FOR AN EXPLORATION PROJECT

YANCEY MICA MINES, INC. (PRESNELL MINES)

1. (a) Property known as the Presnell Mine is located three miles in a Northwesterly direction from Newdale and lies on the South Toe River. A description of the property is contained in a lease covering the property that is filed with the U. S. Department of Interior, Docket No. DMEA-2313.

(b) See Packet DMEA-2313.

(c) See Packet DMEA-2313.

2. (a) Strategic mica.

(b) The property has been operated as a mine by E. L. Briggs and associates at various times in the past, and an application has been previously submitted to reopen the old workings including the Blalock Heading. Reconsideration was given to the proposed undertaking so as to revise the application so that the exploration would be to locate strategic mica indicated by D. D. H. No. 9 made by the U. S. Bureau of Mines on Project No. 2206. A map is attached to indicate the cross cut to be made for this pegmatite.

Form MF-103 Exhibit 2

APPLICATION FOR AID FOR AN EXPLORATION PROJECT

YANCEY MICA MINES, INC. (PRESNELL MINES)

3. (a) It is proposed to drive an adit for a distance of approximately 274 feet so as to cross cut the pegmatite indicated by Drill Hole No. 9 made some years ago. It is also proposed to go under the old workings of this mine; and it is estimated that the excavation in the side of the hill will be approximately 64 feet deep to reach a set port entrance, thus leaving approximately 210 feet of a 5 x 7 tunnel. The total cost of this undertaking will be $7,500.00.

(b) Work can be started within 10 days after the contracts have been signed, and can be completed within 90 days.

Form MF-103 Exhibit 3

APPLICATION FOR AID FOR AN EXPLORATION PROJECT

YANCEY MICA MINES, INC. (PRESNELL MINES)

4. When the previous application DMEA-2313 was filed, all the existing maps of the Presnell Mine, known to the applicant, was filed with this application. A map made by D. M. Sholl, engineer with Yancey Mica Mines, Inc., of the present undertakings, indicating the scope of the work to be done, is attached to this application.

Form MF-103

Exhibit 4

APPLICATION FOR AID FOR AN EXPLORATION PROJECT

YANCEY MICA MINES, INC. (PRESNELL MINES)

5. There are no existing facility buildings and installations at the present time located at or near the mine that can be used for mining purposes.

Form MF-103 Exhibit 5

APPLICATION FOR AID FOR AN EXPLORATION PROJECT

YANCEY MICA MINES, INC. (PRESNELL MINES)

6. The only buildings that will be necessary will be one (1) tool house (10 x 12), and magazines to store dynamite and explosives. The total cost will be approximately $150.00.

Form MF-103 Exhibit 6

APPLICATION FOR AID FOR AN EXPLORATION PROJECT

YANCEY MICA MINES, INC. (PRESNELL MINES)

7. (a) Equipment to be rented

(1)	Bulldozer with blade	24 hrs.	@	$12.50	$ 300.00	
(2)	Two air compressors	2 mos.	@	500.00	1000.00	
(3)	Air hose (100')	2½ mos.	@	5.00	12.50	
(4)	Two air hammers	2½ mos.	@	25.00	125.00	
						$1,437.50

(b) Purchased

(1)	Hand tools and drill steel	$ 300.00	
(2)	Dynamite, exploders, and supplies	1735.00	
(3)	Tool house and magazine	150.00	
(4)	Small tools and miscellaneous items	225.00	
			$2,410.00

(c) Items furnished by operator

(1)	Fan 2 mos.	$ 18.29	
(2)	Light plant 2 mos.	21.67	
			$ 39.96

Form MF-103 Exhibit 7

APPLICATION FOR AID FOR AN EXPLORATION PROJECT

YANCEY MICA MINES, INC. (PRESNELL MINES)

8.	1- engineer	4 days	@ $ 25.00/day	$ 100.00	
	1- supervisor	2 mos.	@ 300.00/mo.	600.00	
	1- miner	50-8 hr. days	@ $ 1.50/hr.	600.00	
	1- driller	60-8 Hr. days	@ 1.35/hr.	648.00	
	1- chucker	50-8 hr. days	@ 1.50/hr.	440.00	
	2- muckers	55-8 hr. days	@ .90/hr.	396.00	
	1- laborer	20-8 hr. days	@ .85/hr.	136.00	
	Payroll, taxes, insurance, and contingencies			692.50	$3,612.50

Form MF-103

Exhibit 8

APPLICATION FOR AID FOR AN EXPLORATION PROJECT

YANCEY MICA MINES, INC. (PRESNELL MINES)

9. Miscellaneous items of material and supplies, additional engineering, accounting, power, and water will be furnished and cost of the same borne by the operator.

Form MF-103 Exhibit 9

APPLICATION FOR AID FOR AN EXPLORATION PROJECT

YANCEY MICA MINES, INC. (PRESNELL MINES)

10. (a) $1,000.00

(b) Yes

Form MF-103 Exhibit 10

APPLICATION FOR AID FOR AN EXPLORATION PROJECT

YANCEY MICA MINES, INC. (PRESNELL MINES)

11. This application is a revision of an application previously filed and carrying Docket No. DMEA-2313. A revision has been made in the exploration of this mine due to the unfavorable report of the old workings, and a very favorable report of D. D. H. No. 9.

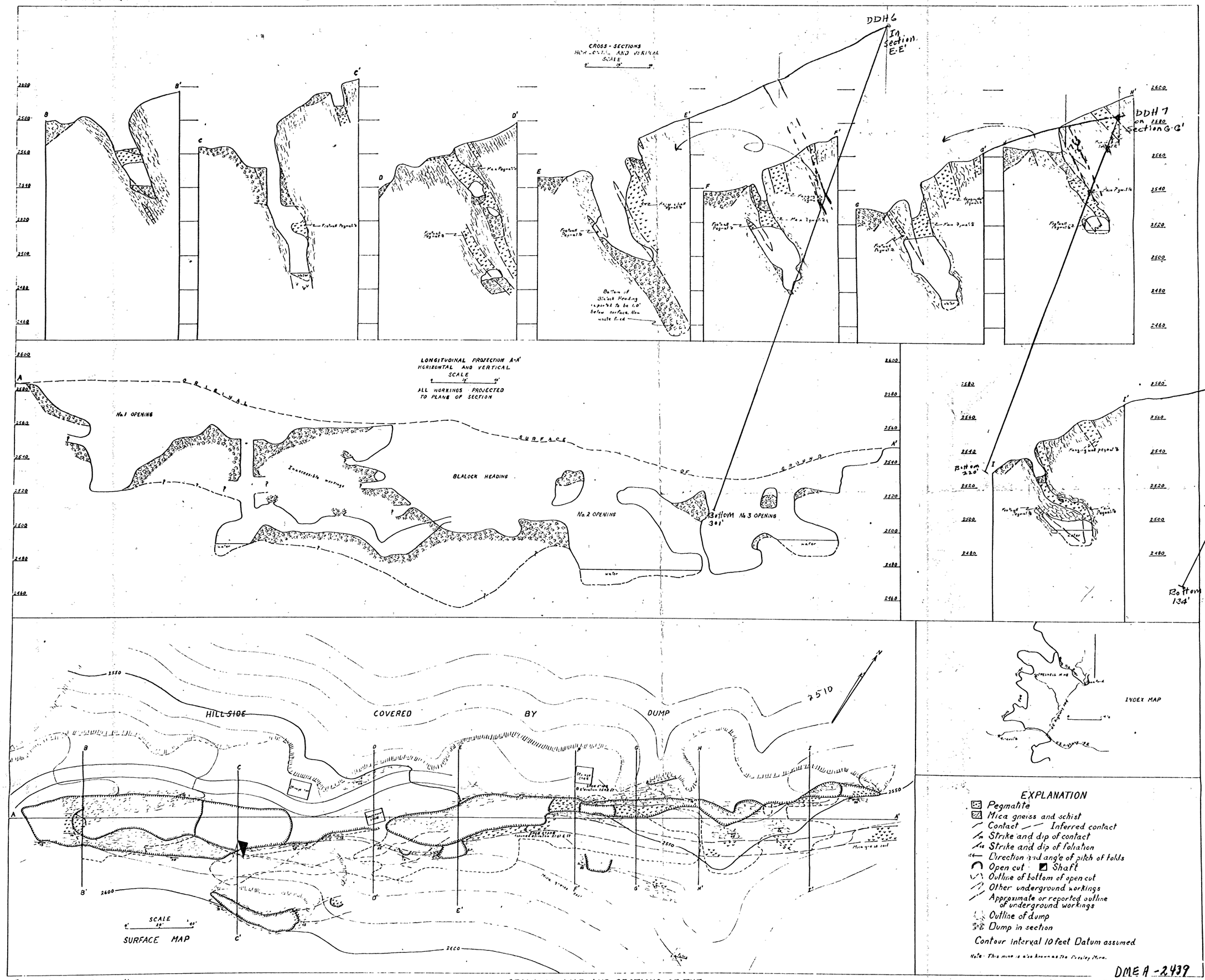
~~UNITED STATES~~
~~DEPARTMENT OF THE INTERIOR~~
OFFICE OF THE SECRETARY
WASHINGTON 25, D. C.

OFFICIAL BUSINESS

~~PENALTY FOR PRIVATE USE TO AVOID~~
~~PAYMENT OF POSTAGE $300.~~
(PMGC)

~~Mr. Verner~~

~~R. 4525~~



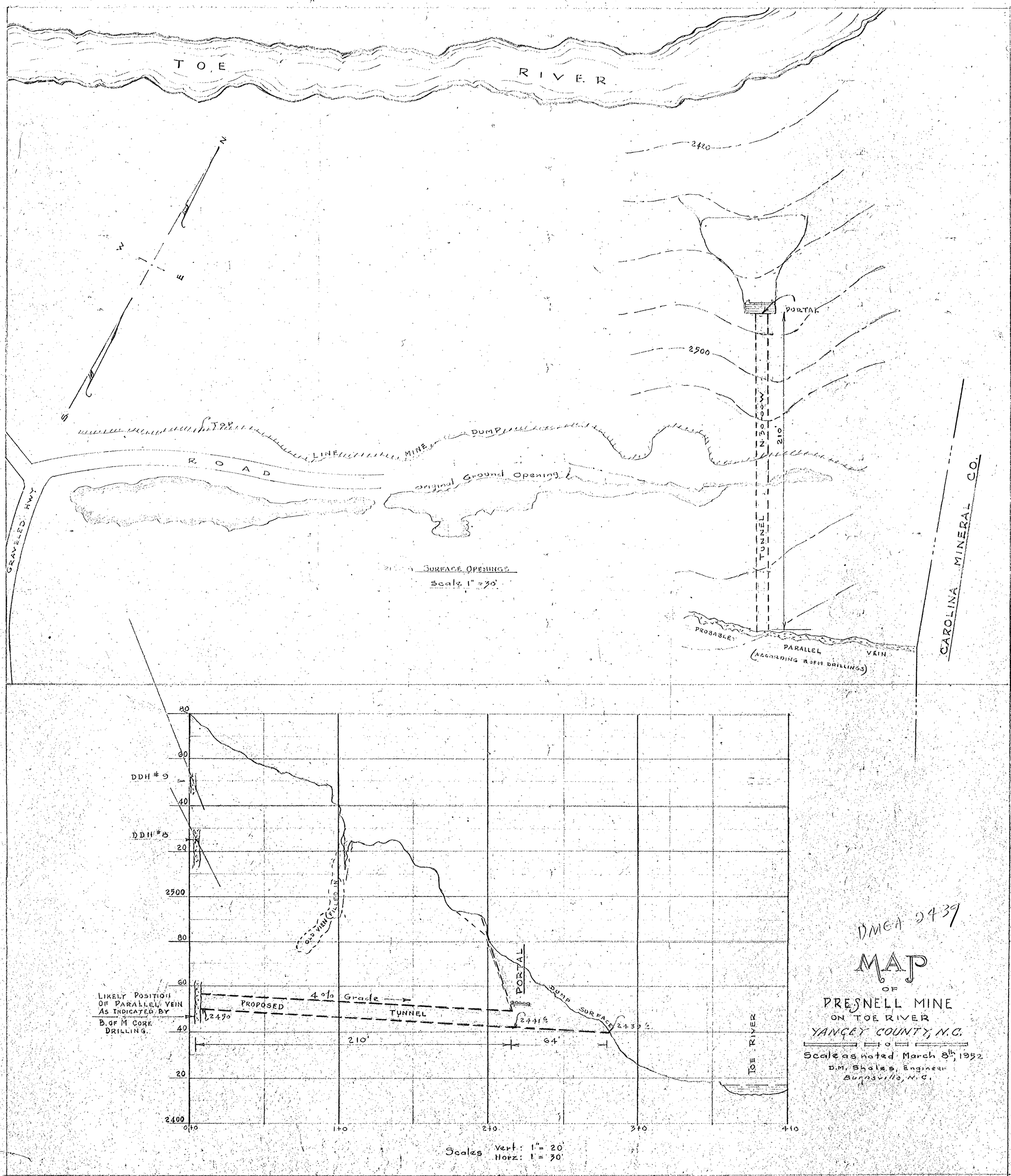
DME A-2439

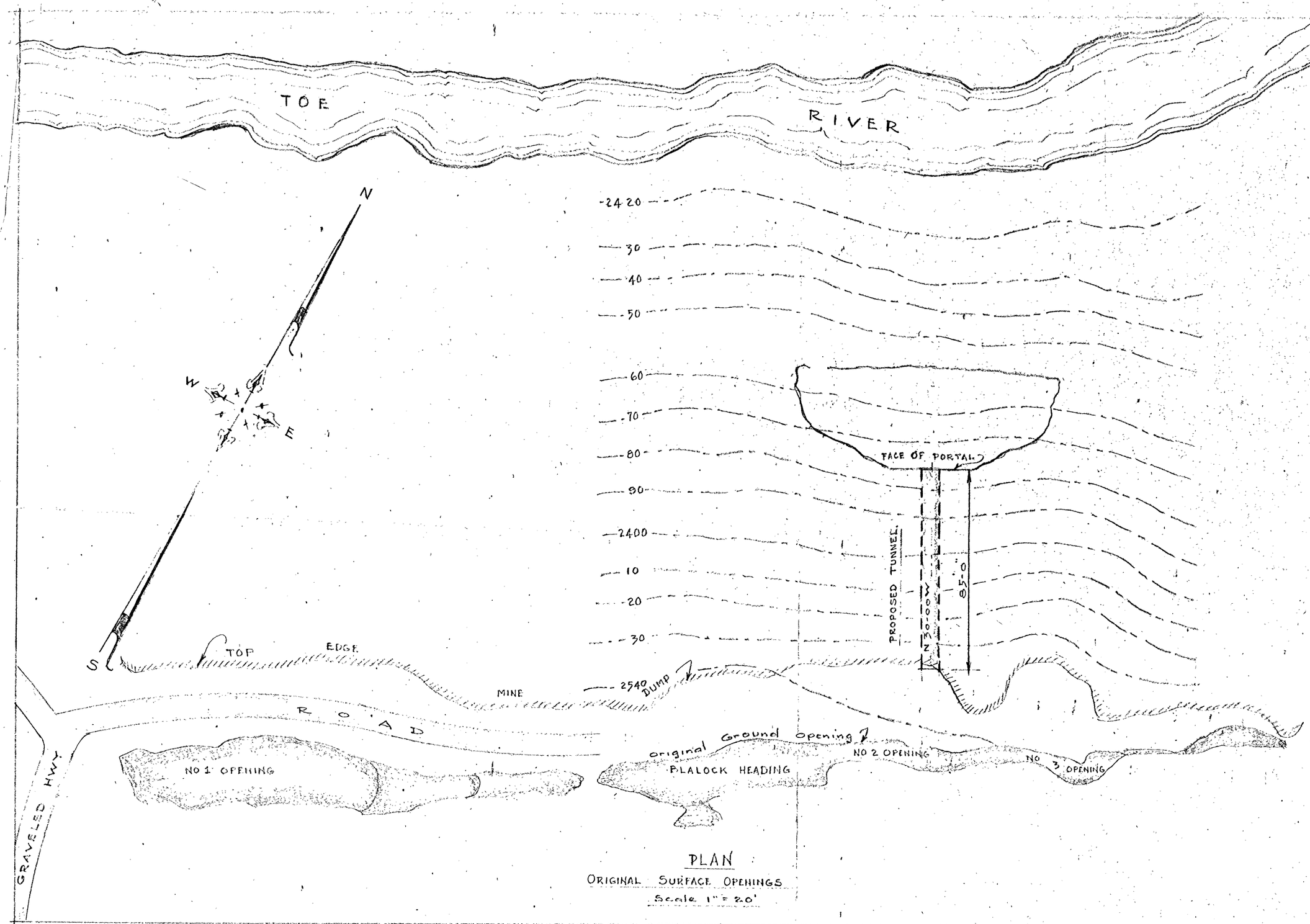
Prepared in cooperation with the North Carolina Department of Conservation and Development

GEOLOGIC MAP AND SECTIONS OF THE

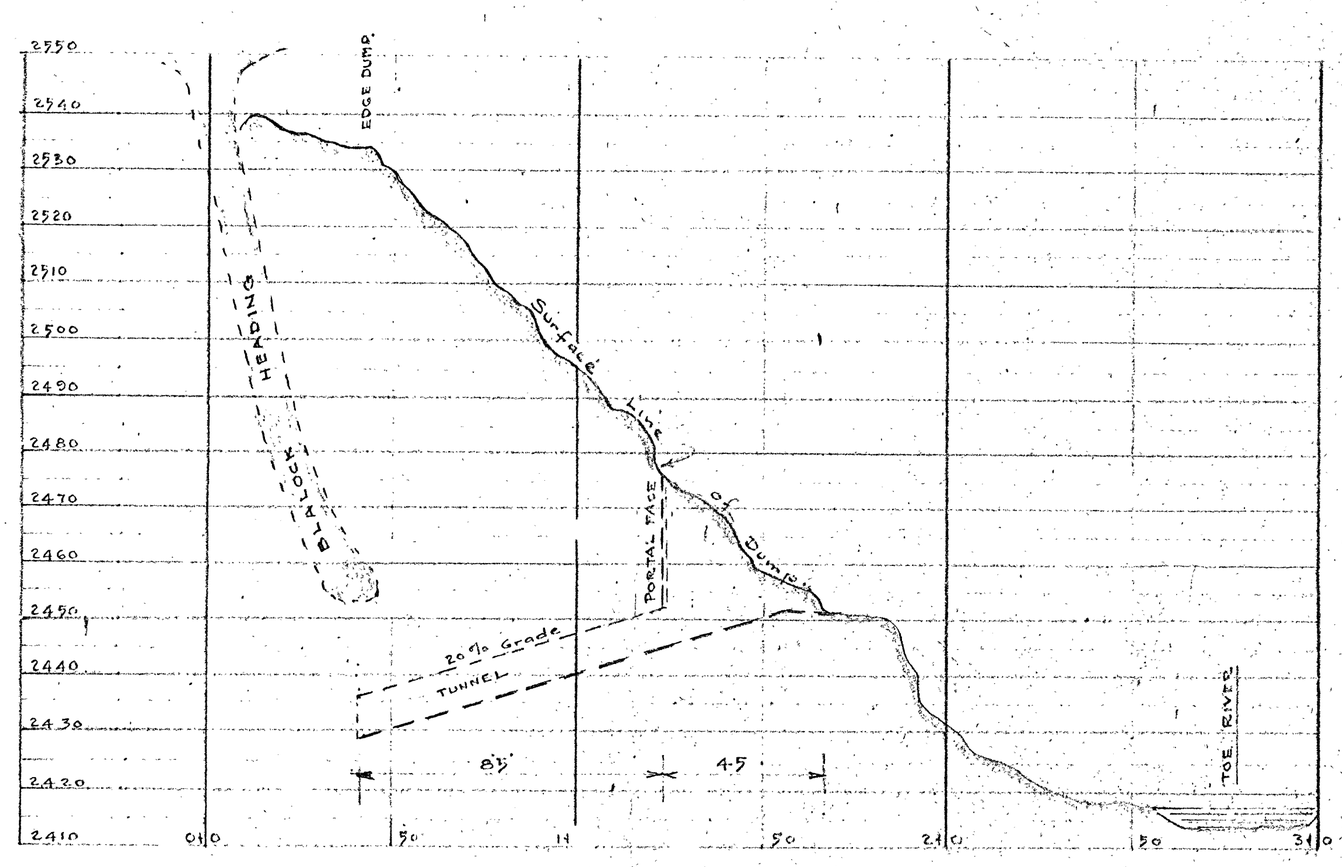
PRESNELL MINE, YANCEY COUNTY, NORTH CAROLINA

Mapped by J.J. Page and V.C. Fryklund, Jr.
August-September 1943


TOE RIVER
N
W
E
S
2420
2500
PORTAL
TUNNEL N 30° W
210'
TOP LINE MINE DUMP
ROAD
Original Ground Opening
GRAVELED HWY
SURFACE OPENINGS
Scale 1" = 30'
PROBABLE PARALLEL VEIN
(ACCORDING B.OF M. DRILLINGS)
CAROLINA MINERAL CO.
80
60
DDH #9
40
DDH #8
20
2500
80
60
40
20
2400
OLD VEIN (FILLED IN)
PORTAL
DUMP SURFACE
LIKELY POSITION OF PARALLEL VEIN AS INDICATED BY B. OF M CORE DRILLING.
4% Grade
PROPOSED TUNNEL
2450
2441.6
2439.6
210'
64'
TOE RIVER
0+0
1+0
2+0
3+0
4+0
Scales Vert: 1" = 20'
Horz: 1" = 30'
DNEA 2439
MAP
OF
PRESNELL MINE
ON TOE RIVER
YANCEY COUNTY, N.C.
Scale as noted March 8th, 1952
D.M. Shales, Engineer
Burnsville, N.C.



PLAN
ORIGINAL SURFACE OPENINGS
Scale 1" = 20'

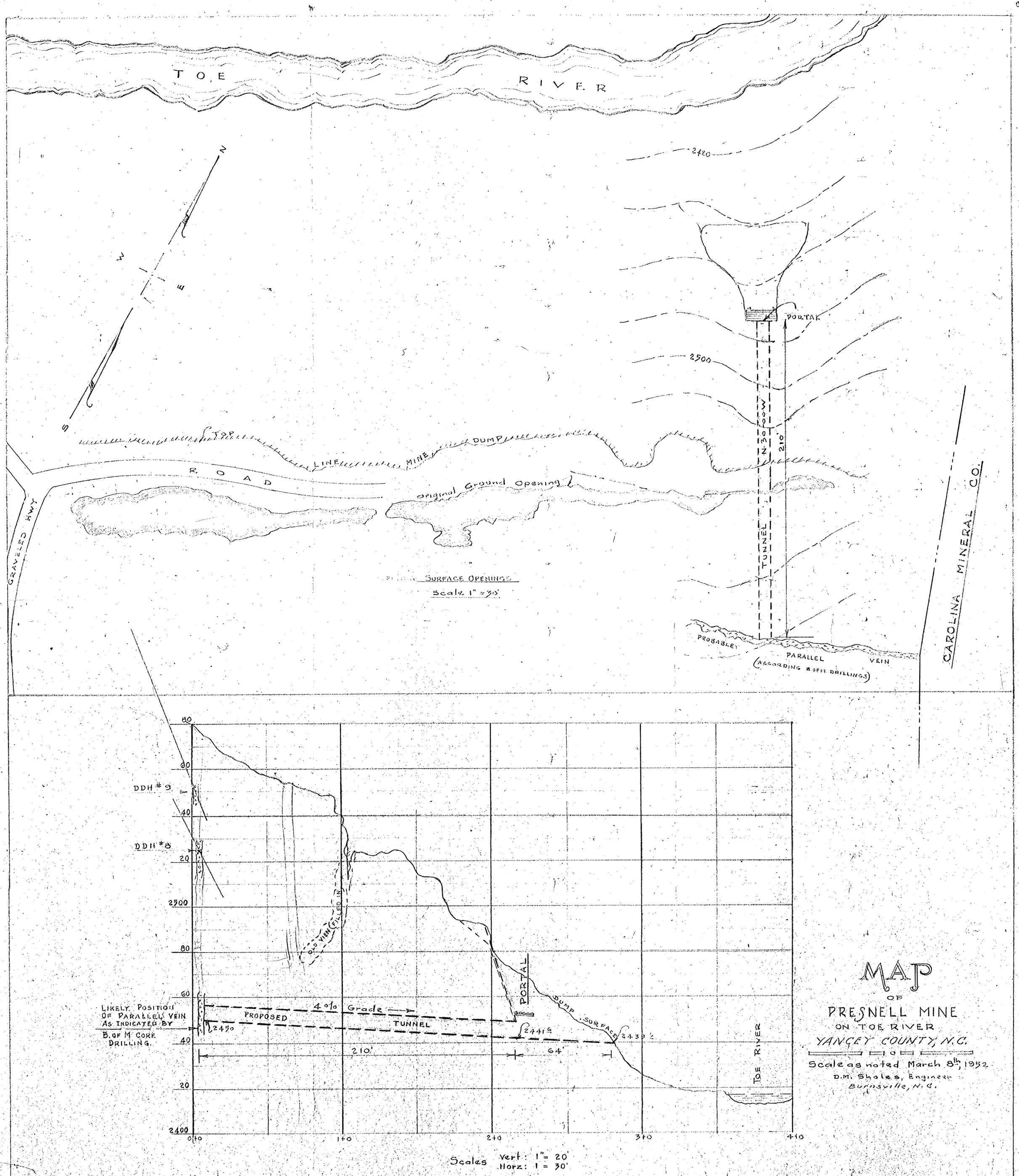


Scales Vertical 1" = 20'
Horz. 1" = 30'

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

Scale as noted Dec. 12th, 1951
D.M. Sholes, Engineer
Burnsville, N.C.

DMEA 2313


TOE RIVER
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Scale 1" = 30'
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2439.2
210'
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TOE RIVER
0+0
1+0
2+0
3+0
4+0
Scales Vert: 1" = 20'
Horz: 1 = 30'
MAP
OF
PRESNELL MINE
ON TOE RIVER
YANCEY COUNTY, N.C.
Scale as noted March 8th, 1952
D.M. Sholes, Engineer
Burnsville, N.C.