Field Referrals - Applications

DMEA-2832
Mica
Region VII

H. R. H., INC., WAYNESVILLE, NORTH CAROLINA. Bear Pen Mine, Waynesville Township, Haywood County, North Carolina. 2-11-53

Letter to the Field requesting an examination and report, and enclosing copies of memoranda of the Bureau of Mines and Geological Survey. Letter to the applicant.

DMEA-2832
Mica
Region VII

H. R. H., INC., WAYNESVILLE, NORTH CAROLINA. Bear Pen Mine, Haywood County, North Carolina. 189 3-13-53

Field Report recommending approval. The report was referred to the Commodity Group.

DMEA-2832
Idm-E503
Mica
Region VII
(Terminated)

H.R.H., INC., WAYNESVILLE, NORTH CAROLINA. Bear Pen Mine, Waynesville Township, Haywood County, North Carolina. 273 9/28/53

Final Field Report recommending that no certification be made on the project. The report was referred to the Commodity Group.

DMEA-2832
(Idm-E503)
DMEA-2833
(Idm-E504)
DMEA-3088
Mica
Region VII

H. R. H., INC., WAYNESVILLE, NORTH CAROLINA. Bear Pen Mine and Bear Pen Mine No. 2, and Holt Nos. 1 and 2 Mines, all located in Yancey County, North Carolina.

Letter to the Field with reference to H.R.H., Inc., project now working and now pending. It was suggested to the Field that DMEA-3088 and the application for exploration assistance on Bear Pen No. 2 Mine be withdrawn. Field comment was requested.

Field Referrals - Contracts

No. 197 DMEA-2832
4-1-53
Mica
Region VII

H. R. H., INC., WAYNESVILLE, NORTH CAROLINA. Bear Pen Mine, Haywood County, North Carolina.

Letter to the Field forwarding a contract, signed by the Administrator, for execution. Approved for referral.

☑ Audited

☐ Certified

WORK ANALYSIS SHEET - DMEA PROJECT

Analysis as of 12-9-54
Incl. Voucher for July 1953

☐ Actual Cost

☑ Agreed Unit Costs

Name H. R. H. Inc

Docket No. 2832

State North Carolina

Commodity Mica

Idm-E No. 503

OPERATION	AUTHORIZED Units	AUTHORIZED Cost	COMPLETED Units	COMPLETED Cost	NET COST
Drifting & Crosscutting	60	2100.00	12	420.00	420.00
Raising					
Shafts	50	2500.00	50	2500.00	2500.00
Winzes					
Drilling (Specify)					
Surface Excavation		200.00		200.00	200.00
Underground Excavation					
Roads and Trails					
Operating Equipment Purchased					
Surface Rehabilitation & Repairs					
Underground Rehabilitation					
New Building, Improvements, etc.		300.00		300.00	300.00
Other (Specify)					
Totals		5100.00		3420.00	3420.00

Prepared by [signature]

71626

Division Copy

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 23 1953

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

It is agreed this 14th day of August, 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and H. R. H. Incorporated, c/o Vincent J. Holt, Route # 1, Box 368A, Waynesville, North Carolina, hereinafter called the "Operator," parties to that certain Exploration Project Contract I-dm-E 503, Docket No. DMEA-2832, dated 2nd April 1953, 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
Executive Officer, DMEA Region VII

Vincent J. Holt
(Operator) H. R. H. Inc.

By Vincent J. Holt Pres
Vincent J. Holt.

zm

18262-1

MF-200 (A)
(February 1952)

DOCKET NO. DMEA 2132

COMMODITY Mica

Division Copy

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

IDM-# 503

EXPLORATION PROJECT CONTRACT

(Short Form)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
4 21 7 1953

IT IS AGREED this 2nd day of April, 1953, between the United States of America, act through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Governmen and[2] H. R. H. Inc., a corporation duly organized and existing under and by virtue of the laws of the State of Florida
c/o Vincent J. Holt, President
Route #1 - Box 304
Waynesville, 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 Haywood, described in Annex I attached hereto and made a part hereof

the Operator represents and undertakes:[4]

(*a*) That the Operator is the owner, in possession and entitled to possession, and that the property is subject only to the following claims, liens, or encumbrances as to each of which the subordination agreement of the holder is attached: Deed of Trust dated 6th day of October 1951, to The First National Bank of Waynesville, N. C., recorded in Deed of Trust, Book 75, page 187, Haywood County Register, Waynesville, North Carolina

(*b*) [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 60 days from the date of this contract shall commence work on a project of exploration for[5] strategic mica

in or upon the described land; and shall bring the project to completion within a period of six (6) 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 $4,590.00, which is 90 percent of $5,100.00, 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 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

U. S. V. Inc.
(Operator)

By Vincent J. Kelly Pres

By O. Mitchell
Administrator, Defense Minerals Exploration Administration

Robert Hart Chamberlin

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

EXPLORATION PROJECT CONTRACT
H. R. H. INC.
DOCKET NO. DMEA-2832

ANNEX I

The property referred to in Article 2 is known as the Bear Pen Mine and is located on the Bear Pen Branch, Waynesville Township, Haywood County, North Carolina, and contains 150 acres more or less. It is more particularly described as follows:

"Lying and being in Waynesville Township, Haywood County on the Bear Pen Branch prong of Allens Creek, Haywood County, North Carolina, and more particularly described as follows: BEGINNING on a stake in wire fence, a corner of Bumgarner and Ernest Hooper, and H. R. H. Inc., and runs thence with the line of Ernest Hooper and others 17 calls as follows to a white oak stump on a ridge: S. 59° 45' E. 36.7 ft., S. 76° 45' E. 120.1 ft., N. 87° 30' E. 66 ft., N. 58° 45' E. 120.1 ft. N. 97° E. 330 ft., N. 88° 45' E. 122.76 ft. N. 84° E. 197.3 ft. N. 72° 20' E. 112.2 ft., N. 64° 132 ft., S. 80° E. 35.6 ft., N. 71° E. 114.1 ft., N. 82° 20' E. 218.4 ft., N. 86° 27' E. 256.7 ft., N. 33° 30' E. 129.3 ft., N. 41° 15' E. 165.60 ft., N. 59° 15' E. 93 ft., N. 73° E. 253.4 ft. to a white oak stump on top of ridge; thence with the top of a ridge running approximately S. 29° E. 1980 ft. to an oak on the ridge, the corner of H. R. H., Inc. property, and the Town of Waynesville water-shed property; thence with the line of the Town of Waynesville water-shed property S. 61° 30' W. 1382.7 ft., S. 72° W. 219.8 ft., S. 45° W. 179.5 ft. S. 52° W. 176.8 ft. S. 53° 30' W. 444.1 ft. S. 72° 30' W. 345.8 ft. S. 52° 30' W. 269.2 ft., N. 83° 20' W. 792 ft., a corner of H. R. H. property in the Town of Waynesville water-shed line; thence continuing with the Town of Waynesville water-shed line N. 2° 54' E. 1677 ft., a corner of Town of Waynesville water-shed and Bumgarner in H. R. H. Inc. property line; thence N. 2° E. with Bumgarner line 944.4 ft. to the BEGINNING corner containing approximately 150 acres more or less and being known as the Bear Pen section of the Lickstone Lodge property."

EXPLORATION PROJECT CONTRACT
H. R. H. INC.
DOCKET NO. DMEA-2832

EXHIBIT "A"

Description of the Work

As tentatively indicated on the map attached hereto and made a part hereof and entitled "Sketch of Bear Pen Mine Haywood Co., N.C.," the work shall consist of the following:

(1) Bulldoze a trench approximately 100 feet in length to cut about 75 feet west of an existing mica-pegmatite exposure.

(2) Sink 50 feet of 5' x 7' vertical shaft.

(3) Drive and/or crosscut 60 feet from the bottom of the shaft to explore the more favorable mica-pegmatite showings.

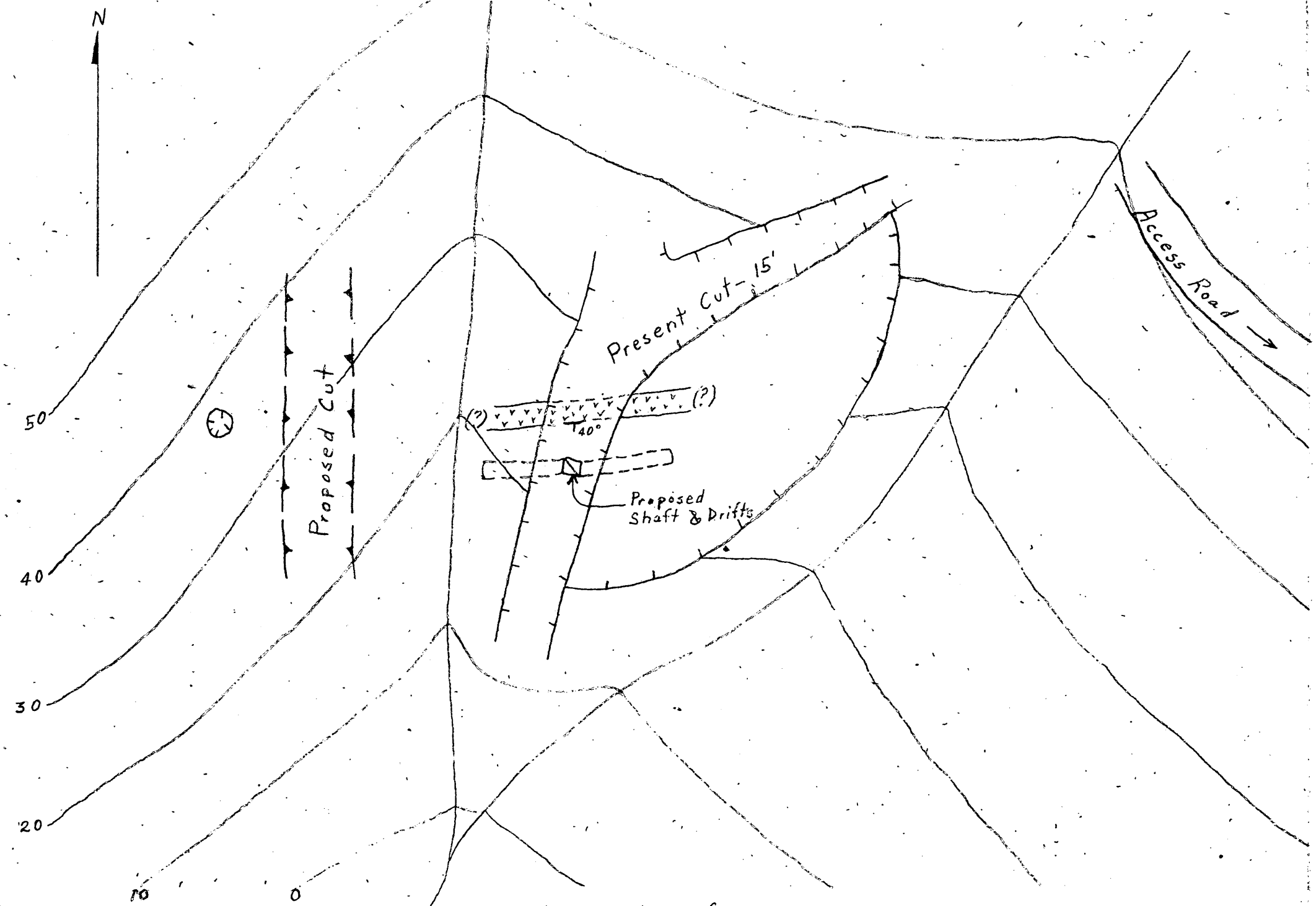
The exact location of the work is to be designated by the Government field engineers.

(4) The Operator shall erect a small toolhouse and a powder-exploder magazine for the storage of explosives.

Agreed Unit Costs

20 hours of bulldozing @ $10/hr.	$ 200.00	
50 feet of 5' x 7' shaft @ $50/ft.	2,500.00	
60 feet of drifts or crosscuts @ $35/ft.	2,100.00	
Toolhouse1/	200.00	
Powder magazine1/	50.00	
Exploder magazine1/	50.00	
Total Agreed Unit Costs		$5,100.00
Government Participation @ 90%		$4,590.00

1/ The unit here is the completed structure.



Sketch of
Bear Pen Mine
Haywood Co., N.C.

0 40' 80'
Scale

DMEA-2832 (mica)

MF-201
(June 1951)

C C
O O
P P
Y

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

C C
O O
P P
Y

SUBORDINATION AGREEMENT

Docket No. DMEA-2832
Bears Pen Mine
H. R. H. Inc.
Waynesville, N. C.

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the undersigned is the holder of a mortgage, claim, lien, or encumbrance identified and described as follows*:

Deed of Trust dated 8th day of October, 1951, recorded in Deed of Trust Book 76 at page 187, Haywood County Registry, Waynesville, North Carolina, upon that certain parcel of ground described in a certain Exploration Project Contract dated ....., 195..., between H. R. H. Inc., Route 1, Box 368-A, Waynesville, North Carolina, and the United States of America;

NOW, THEREFORE, the undersigned does by these presents subordinate all of his right, title, and interest in said mortgage, claim, lien, or encumbrance 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 under the provisions of said mortgage, claim, lien, or encumbrance; and

The undersigned agrees to commit no act nor assert any right, title, or interest under said mortgage, claim, lien, or encumbrance that might contravene or conflict with the prior lien and claim of the United States of America under the provisions of said Exploration Project Contract.

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

Dated this 26th day of February, 1953

THE FIRST NATIONAL BANK OF WAYNESVILLE, N. C.

BY: /s/ J. N. Moody

*Include date of the instrument, and if recorded, book, page, and county of record.

U. S. GOVERNMENT PRINTING OFFICE 16—64581-2

ATTEST:

/s/ S. H. Way
SECRETARY

MF-200 (A)
(February 1952)

DOCKET DMEA 2832

COMMODITY Mica

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

Extra Copy
IDM-E 503

EXPLORATION PROJECT CONTRACT[1]

(Short Form)

IT IS AGREED this 2nd day of April, 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] H. R. H. Inc., a corporation duly organized and existing under and by virtue of the laws of the State of Florida
c/o Vincent J. Holt, President
Route #1 - Box 368A
Waynesville, 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 Haywood, described[3] in Annex I attached hereto and made a part hereof

the Operator represents and undertakes:[4]

(*a*) That the Operator is the owner, in possession and entitled to possession, and that the property is subject only to the following claims, liens, or encumbrances as to each of which the subordination agreement of the holder is attached: Deed of Trust dated 8th day of October 1951, to The First National Bank of Waynesville, N. C., recorded in Deed of Trust, Book 76, page 187, Haywood County Register, Waynesville, North Carolina

(*b*) The Operator is in possession and entitled to possession and the Government is not a party to any contract or agreement affecting the property.
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 60 days from the date of this contract shall commence work on a project of exploration for[5] strategic mica

in or upon the described land; and shall bring the project to completion within a period of six (6) 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 $4,590.00, which is 90 percent of $5,100.00 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

H. R. H. Inc.
(Operator)

By _____

By _____
Administrator, Defense Minerals Exploration Administration

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

_____ [CORPORATE SEAL]

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

EXPLORATION PROJECT CONTRACT
H. R. H. INC.
DOCKET NO. DMEA-2832

ANNEX I

The property referred to in Article 2 is known as the Bear Pen Mine and is located on the Bear Pen Branch, Waynesville Township, Haywood County, North Carolina, and contains 150 acres more or less. It is more particularly described as follows:

"Lying and being in Waynesville Township, Haywood County on the Bear Pen Branch prong of Allens Creek, Haywood County, North Carolina, and more particularly described as follows: BEGINNING on a stake in wire fence, a corner of Bumgarner and Ernest Hooper, and H. R. H. Inc., and runs thence with the line of Ernest Hooper and others 17 calls as follows to a white oak stump on a ridge: S. 59° 45' E. 36.7 ft., S. 76° 45' E. 120.1 ft., N. 87° 30' E. 65 ft., N. 80° 45' E. 120.1 ft. N. 87° E. 330 ft., N. 88° 45' E. 122.76 ft. N. 84° E. 197.3 ft. N. 72° 20' E. 112.2 ft., N. 64° 132 ft., S. 80° E. 35.6 ft., N. 71° E. 114.1 ft., N. 82° 20' E. 218.4 ft., N. 86° 27' E. 256.7 ft., N. 33° 30' E. 129.3 ft., N. 41° 15' E. 165.66 ft., N. 59° 15' E. 93 ft., N. 73° E. 253.4 ft. to a white oak stump on top of ridge; thence with the top of a ridge running approximately S. 29° E. 1980 ft. to an oak on the ridge, the corner of H. R. H., Inc. property, and the Town of Waynesville water-shed property; thence with the line of the Town of Waynesville water-shed property S. 61° 30' W. 1382.7 ft., S. 72° W. 219.8 ft., S. 45° W. 179.5 ft. S. 52° W. 176.8 ft. S. 53° 30' W. 444.1 ft. S. 72° 30' W. 345.8 ft. S. 52° 30' W. 269.2 ft., N. 83° 20' W. 792 ft., a corner of H. R. H. property in the Town of Waynesville water-shed line; thence continuing with the Town of Waynesville water-shed line N. 2° 54' E. 1677 ft., a corner of Town of Waynesville water-shed and Bumgarner in H. R. H. Inc. property line; thence N. 2° E. with Bumgarner line 944.4 ft. to the BEGINNING corner containing approximately 150 acres more or less and being known as the Bear Pen section of the Lickstone Lodge property."

EXPLORATION PROJECT CONTRACT
H. R. H. INC.
DOCKET NO. DMEA-2832

EXHIBIT "A"

Description of the Work

As tentatively indicated on the map attached hereto and made a part hereof and entitled "Sketch of Bear Pen Mine Haywood Co., N.C.," the work shall consist of the following:

(1) Bulldoze a trench approximately 100 feet in length to cut about 75 feet west of an existing mica-pegmatite exposure.

(2) Sink 50 feet of 5' x 7' vertical shaft.

(3) Drive and/or crosscut 60 feet from the bottom of the shaft to explore the more favorable mica-pegmatite showings.

The exact location of the work is to be designated by the Government field engineers.

(4) The Operator shall erect a small toolhouse and a powder-exploder magazine for the storage of explosives.

Agreed Unit Costs

20 hours of bulldozing @ $10/hr.	$ 200.00	
50 feet of 5' x 7' shaft @ $50/ft.	2,500.00	
60 feet of drifts or crosscuts @ $35/ft.	2,100.00	
Toolhouse1/	200.00	
Powder magazine1/	50.00	
Exploder magazine1/	50.00	
Total Agreed Unit Costs		$5,100.00
Government Participation @ 90%		$4,590.00

1/ The unit here is the completed structure.

600

JAN - 4 1954

Mr. Vincent J. Holt, President
H. R. H. Inc.
Route #1 - Box 368A
Waynesville, North Carolina

Re: Docket No. DMEA-2832 - Mica
Bear Pen Mine No. 1
Haywood County, North Carolina
Contract No. Idm-E503

Dear Mr. Holt:

This is with reference to the subject Exploration Contract between the H. R. H., Inc. and the Government.

The final audit of the contract expenditures and the final reports of the Operator and the Field Team have been received and accepted by this Administration. Of the total amount of $5,100 approved under the contract, the sum of $3,420 was expended, 90 percent of which, or $3,078.00, represented the Government's share. There were no unused materials, supplies or equipment to be disposed of for the joint account of the Operator and the Government.

Because the results of the exploration were unfavorable, it is not our intention to make a certification of discovery or development which would create a lien against the subject property. We are, therefore, closing our books and records with respect to this project. Your attention is called, however, to Article 5 (d) of the Contract which requires the Operator to "keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract".

Your interest in the Exploration Program of the Defense Minerals Exploration Administration and your willingness to participate therein are appreciated.

Sincerely yours,

C. O. Mittendorf

Administrator

JTRobertson:gad 12/30/53
Copy to: Admr. R. File
Docket File
Field Team, Region VII
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

Project Summary Report

By: Jasper T. Robertson December 30, 1953

1. DMEA Docket No. 2832 - Mica
   Contract No. Idm-E503
   Bear Pen Mine No. 1
   Bear Pen Mine No. 2
   Haywood County, North Carolina

   Operator - H. R. H. Incorporated
   c/o Vincent J. Holt, President
   Route #1, Box 368 A
   Waynesville, North Carolina

   Operator's property rights: Owner of land. (Approximately 150 acres). Encumbered by Trust Deed dated October 8, 1951, recorded in Deed of Trust, Book 76, Page 187, Haywood County, North Carolina. A subordination agreement is dated 2/26/53 signed by mortgagor.

2. Contract - dated April 2, 1953
   Work authorized:

20 hrs. of bulldozing @ $10.00/hr.	$ 200.00	
50 ft. of 5' x 7' shaft @ $50.00/ft.	2,500.00	
60 ft. of drifts or crosscuts @ $35.00/ft.	2,100.00	
Toolhouse, Powder and Explosive Magazines	300.00	
Total agreed unit cost		$5,100.00
Government participation @ 90%		$4,590.00

   Amendments to contract - none

   Terminated before completion by mutual consent August 14, 1953.

   Work started April 21, 1953. Completed July, 1953. All project work was done on Bear Pen Mine No. 1. Proposed project work on Bear Pen Mine No. 2 was denied.

Work completed:		
1100 cu. yds. surface bulldozing	$ 200.00	
Toolhouse, powder and explosive magazines	300.00	
50 ft. of shaft sinking @ $50.00/ft.	2,500.00	
12 ft. of drifts @ $35.00/ft.	420.00	
Total cost of project		$3,420.00
Government participation 90%		$3,078.00

(All above sums spent on the Bear Pen Mine No. 1)

3. **Audit** - Certificate issued 9/11/53 (No exceptions)

Accepted cost of project	$3,420.00
Government's share 90%	$3,078.00

4. Certificate of Discovery - none.

5. Comment:

The project work was conducted entirely on the Bear Pen Mine No. 1 and was performed in a competent and efficient manner. As the work was on a unit cost basis, there was no salvage of material or equipment to be taken into account.

A shaft was sunk to a depth of 50 feet encountering, at a depth between 34 feet and 42 feet, a small amount of pegmatite. The pegmatite consisted of a mixture of medium coarse plagioclase, glassy quartz, small mica books, and scattered red garnet. None of the mica recovered was larger than two inches in diameter. The pegmatite pinched out completely at the 42-foot level and the bottom eight feet of the shaft was entirely in biotite gneiss. Two short drifts were driven (six feet on each side of the shaft) at the 40-foot level and the pegmatite exposed was the same. The results of the work were negative and the Field Team recommended a termination of the contract before completion of the original approved amount of work.

The Operator asked to explore another prospect, the Bear Pen Mine No. 2, but after an examination by the Field Team, October 7, 1953, this too was decided to be unworthy of additional work. The project is, therefore, closed without the issuance of a certification of discovery or development.

JTRobertson:gad 12/30/53
Copy to: Admr. R. File
Docket File
Mr. Houk

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

December 9, 1953

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-2832, Mica

Contract Number: Idm-E503

Applicant: H. R. H., Inc.

Name and Location of Property: Bear Pen Mine, Haywood County, North Carolina

Date of Field Team Final Report: September 16, 1953

Field Team Recommendation: Denial of certification of discovery or development.

Comments:

1. Pegmatite explored 50 feet in depth and 19 feet on strike without discovery of commercial mica.

2. Contract terminated August 14, 1953, and application for additional exploration denied.

Recommendation:

I concur in the field team's recommendation to deny certification of discovery or development.

Signed

W. F. Dietrich

OCT 26 1953

Mr. Vincent J. Holt, President
H. R. H., Inc.
Route #1, Box 368-A
Waynesville, North Carolina

Re: Docket No. DMFA-2832 - Mica
Bear Pen Mine No. 2
Haywood County, North Carolina
Contract No. Idm-2503
(Amendment)

Dear Mr. Holt:

Reference is made to your application dated June 12, 1953, for exploration project work at the site of the Bear Pen Mine No. 2 in addition to that already provided for at the Bear Pen Mine No. 1 (Idm-2503, Docket No. DMFA-2832).

After an on-site examination of the deposit at the Bear Pen Mine No. 2 and careful consideration of all the factors, we find that new work in this area would not be warranted or justified.

We regret to advise that your application for exploratory work for the Bear Pen Mine No. 2 is denied.

Sincerely yours,

Frank E. Johnson

ACTING Administrator

JTRobertson:gad 10/20/53

Copy to: Admr. R. File
Docket File
Operating Committee
Field Team, Region VII
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

IN REPLY REFER TO: G-MD-JNM

Original to Brobst

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

October 22, 1953

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-2832 (mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: Donald A. Brobst, U. S. Geological Survey
Applicant: Mr. J. V. Holt
Name of property: Bear Pen #2.
Location of property: 3.5 miles southeast of Hazlewood, Haywood County, North Carolina.
Date of field team report: October 14, 1953.
Authorship of field team report: K. H. Teague and L. E. Shirley.
Field team's recommendation: Denial.
Comments: The property does not appear to be worth exploring, according to the field team's report.

Donald A. Brobst

Brobst:jeh
10/22/53
cc: Director's reading 4212
Branch reading 4212
DMEA 3
files G-232

C
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Y

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

DMEA Region VII
Knoxville, Tenn.

October 14, 1953

Memorandum

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

From: D. M. E. A. Field Team, Region 7

Subject: Field Team Examination Reports.

Transmitted herewith are four copies each of the following:

DMEA-3035, Fritzpatrick Property (mica)

DMEA-3088, Holt No. 2 Mine (mica)

DMEA-2832, Bear Pen No. 2 Mine (mica)

The Field Team concurs in the denial of the above applications.

/s/ Robert A. Laurence
Executive Officer, DMEA
Region 7

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

Reviewed by
DMEA OPERATING COMMITTEE

10-21-53
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 16 1953

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY THE FIELD TEAM, REGION VII

On

DMEA-2832, BEAR PEN MINE NO. 2
(mica) (Amended)
Haywood County, N. C.

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

and

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

October 14, 1953

Reviewed by
DMEA OPERATING COMMITTEE
10-21-53
(date)

Report of Examination by Field Team

DMEA Docket No. 2832, (mica)
BEAR PEN NO. 2 (amended)

This deposit is in the same general area as Bear Pen No. 1 Mine. Even though some mica of strategic grade is reported from the deposit as a result of previous work, there is insufficient pegmatite present to justify exploration. The application should be denied.

This deposit was examined on October 7, 1953. Mr. V. J. Holt accompanied the examiners on the inspection which required two hours.

The Bear Pen No. 2 mine is on the south side of Bear Pen Branch, 3.4 airline miles due south of Hazelwood, Haywood County, North Carolina. Access is possible at all times by jeep.

Previous operations on this deposit are adequately described in the application. The north-south bulldozer cut has exposed two pegmatites. The north pegmatite is about eight feet thick, trends east-west, and dips about 60° south. It contains no mica.

The south pegmatite is 40 feet south of the north one, parallel to the north one in strike, but dips steeper. The south pegmatite consists of a series of lens-like pods, whose maximum thickness is about three feet. No mica is showing in the exposures available for inspection; although reports are that some strategic mica was recovered during the previous bulldozing. It appears that the pegmatite is pod-like and has not lateral or vertical extent.

The application should be denied.

~~April~~
October 14, 1953

K. H. Teague, U.S.G.S.

L. E. Shirley, U.S.B.M.

zm

Original Docket

IN REPLY REFER TO:

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

September 28, 1953

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-2832 (Mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant: H. R. H. Inc., Waynesville, N. C.
Name of property: Bear Pen mine
Location of property: 3.5 mi. (by road) SE of Hazelwood, Haywood Co., North Carolina.
Date of field team report: September 16, 1953.
Authorship of field team report: K. H. Teague and L. E. Shirley.
Field team's recommendation: Termination of contract with no certification of discovery.

ACTION SUGGESTED: Follow field team's recommendation.

D. M. Larrabee

Copy to: DMEA (3)

eB

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

September 17, 1953

Memorandum

To: Chairman, Operating Committee

From: DMEA Field Team, Region 7

Subject: Final Reports.

Reviewed by
DMEA OPERATING COMMITTEE
9-28-53
(Date)

Transmitted herewith are the field examiners final reports on the following projects:

DMEA-2416, Idm-E 328, J. W. Autrey Mine (mica)

DMEA-2824, Idm-E 511, Hawkins Mine (mica)

DMEA-2832, Idm-E503 , Bear Pen Mine (mica)

DMEA-2561, Idm-E 420, Poston Prospects (mica)

DMEA-2375, Idm-E 349, Swannanoa Mine (mica)

DMEA-2524, Idm-E 430, Joe Stevenson Mine (mica)

Attached to the appropriate reports are also the Operator's final reports on the following:

DMEA-2832, Idm-E 503, Bear Pen
DMEA-2824, Idm-E 511, Hawkins Mine
DMEA-2416, Idm-E 328, J. W. Autrey

The operators final report on Poston Prospects, DMEA-2561, Idm-E 420 has oreviously been forwarded.

Final reports have not been received from the operator on the following:

Swannanoa, DMEA-2375, Idm-E 349 and J.W. Stevenson Mine, DMEA-2524, Idm-E 430. As soon as these reports are received they will be forwarded.

The Field Team is in agreement that none of the projects herein described warrant certification.

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

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

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UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT
ON

DMEA-2832, Idn-E503, BEAR PEN MINE (mica)
Haywood County, North Carolina

BY

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

and

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

September 16, 1953

Reviewed by
DMEA OPERATING COMMITTEE
9-28-53
(date)

DEFENSE MINERALS EXPLORATION
ADMINISTRATION

FINAL REPORT
ON
DMEA-2832, Idm-2503, BEAR PEN MINE
(Mica)

Operator: H. R. H. Inc. c/o V. J. Holt, Rfl, Box368A, Waynesville, N. C.

The Bear Pen Mine is on the north side of Bear Pen Branch about 3.5 miles by road southeast of Hazelwood, Haywood County, North Carolina.

No discovery of commercial minerals was made by this project, thus no certification of discovery should be issued.

This project began on April 21, 1953 and was terminated by mutual consent on August 14, 1953. Work accomplished consisted of cutting a trench west of the pegmatite outcrop, sinking a 50-foot shaft, and driving 12 feet of drift on pegmatite from the 40-foot level.

No pegmatite was exposed in the trench west of the pegmatite outcrop. In the shaft pegmatite was encountered about 34 feet from the collar and existed to about the 42-foot level. The shaft bottomed in unweathered biotite gneiss. The pegmatite strikes east-west, dipping from 60° south to vertical. At the 42-foot level it pinches out completely. Maximum thickness exposed is three feet and it is unzoned. The pegmatite consisted of a mixture of medium coarse plagioclase feldspar, glassy quartz, small muscovite books, and scattered red garnet. None of the mica recovered from the shaft is large than two inches in diameter.

In the drifts(6 feet on each side of the shaft) at the 40-foot level, there was no apparent change in the character of the pegmatite.

This work, which explored the pegmatite to a depth of 50 feet, and 19 feet on the strike, seems to show that there is no possibility of discovering a worthwhile deposit of mica at this place.

Expenditures:

(a)	Total approved	$5,100.00
(b)	Total cost of project	3,420.00
(c)	Government's share of cost	3,078.00
(d)	Government's share unexpended	1,912.00
(e)	Value of production during Opration-none/	

The project was conducted in a competent and efficient manner. No equipment was purchased for the project as it was on a unit basis.

Sept. 16, 1953

Reviewed by
DMEA Geological Committee
9-28-53
(Date)

K. H. Teague, USGS

L. E. Shirley, USBM

Dmea-
v83v

FINAL ENGINEER AND GEOLOGICAL REPORT

Bear Pen Mine

April 2, 1953 to August 14, 1953

H. R. H. Inc.

By: Vincent J. Holt, President

Before applying for assistance from the Department of the Interior, Defense Minerals, I, V. J. Holt did some exploring on my own. Expense about $2,000.

1st, I built a road to this project, about 1 1/2 miles from end of old road.

Why? Because some few years back some prospector found this Mica croup out, dug a hole about 12 feet deep, from all indications received some fine books of Mica. The imprints of the Mica books showed in the rock. Upon doing a little digging I discovered the Mica to be of a very fine Ruby Grade, free of mineral spots and mineral stain, some vegetable stain. All Ribon and Rule Mica, some books had perfect pieces up to 2" by 5" long. But all books of Mica had clay and vegetable stain. This is why I hired a bulldozer and made the cut following the vein shown on the Sketch in the Exploration Project Contract. At the beginning of the dozer cut, it looked very promising, lots of Mica but too small for sale other than scrap. The Pegmetite consisted of Kaolin, Flint and Spar. Most of the Mica was laying loose in Kaolin, located along south wall. I continued this cut to a depth of about 25 feet from top of ridge at starting point, vein went almost straight down. I was cutting about 45 degree across vein, discovered vein run East and West. So sight off shaft was suggested by Field Team, at about 10 feet south of vein wall in bulldozer cut. That was when Field team made their investigation for the Exploration Contract. This was all done before the Exploration Project Contract was approved.

BEGINNING OF PROJECT

First work done April 21, 1953

The first was the building that was approved in the contract. Tool and Compressor House, Exploder Magazine and Powder Magazine. Then the shaft and the entrance to the shaft - Timbering was done with 2 x 6 notched 2" back and 3" across, which gave an interlocking joint., which pressure from the outside would only tend to tighten the joint. See drawing for detail of timber cut. Then a stairway was built. This was staggered 12 feet off ladder, then a landing, then another 12 feet and another landing. This staggering effect is for safety. The opening in stairway was 2 feet by 5 feet, opening off shaft after stairway was 5 x 5. Timbering was only necessary for 26 feet, rock was solid enough that timbering was unnecessary. All timbering and buildings was approved by the Engineer, Mr. Lawerence E. Shirley.

Now the dozer cut made about 75 feet West off shaft sight did not show that vein continued West. If so it had to dip. There was a Flint and Spar formation in the branch about 50 feet West of shaft sight. This must be the end in the Westward direction. It is definite the vein continues East and has a slight pitch down about 10 degrees angle. In this dozer cut there was no sign of Pegmetite anywhere. This cut was made according to Sketch in Project Contract.

Now the rock formation in shaft - I hit large boulders from 17 feet until it become hard at about 25 feet. This rock was surrounded by clay. The hard rock was Granit formation with little veins of Mica, veins from 1/2" to 2" thick, Felspar and Fine Mica.

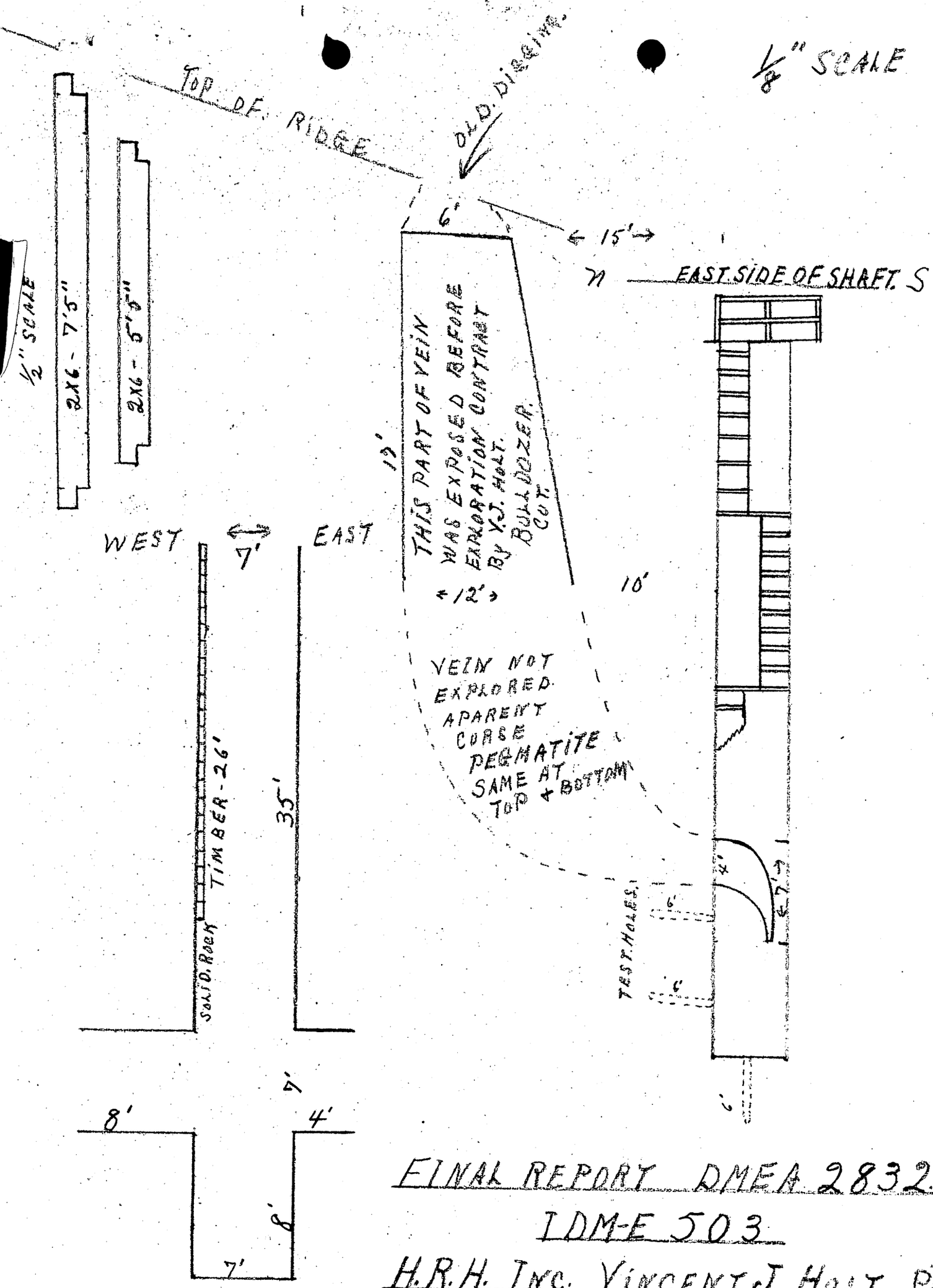
This continued until we come to the vein at a depth of 35 feet. The vein pinched off in about 7 feet. It pinched out within the shaft, about 1 foot from the south wall. The shaft could not have been more properly located to explore the bottom. It was disheartening, the Mica was less and smaller, the Pegmetite was the same as above in the dozer cut. After I went apast the bottom of the vein to the 50 feet depth, there was no promise of Pegmetite. I drilled 3 test holes 6 feet, nothing showed. Upon a regular check by the Field Team, The Geologist, Mr. Kefton H. Teague, and the Engineer, Mr. Lawerence E. Shirley, they suggested to pull a 4 feet head to the East and an 8 foot head to the West. Then if it didn't show more promising, we would have to quit the project. So I did as requested and no improvement, so the project comes to a close. I might add, in this mine we had a problem. Water, 3 nice springs supplied a 2" stream of water, I had to keep pumps going all the time. The water come in at the rate of 55 gallon per minute. Temperature at the bottom of this shaft - 47 degrees. I supplied my miners with rubber suits and boots. Impossible to keep dry and warm. I had a time with labor, in the 4 months I have employed 26 men. I pay top wages in this locality, $1.00 and $1.25 per hour. Common labor is $.50 and $.75 per hour here. This was a miserable condition, we had to work under.

Trusting I have given you the information you desire.

Vincent J. Holt

Vincent J. Holt

H. R. H. Inc.



FINAL REPORT DMEA 2832

IDM-E 503

H.R.H. INC. VINCENT J. HOLT PRES.

APRIL 2-1953 - AUG 14-1953

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
SOUTHEASTERN REGION
REGION VII
HAMILTON BANK BUILDING

OFFICE OF
REGIONAL DIRECTOR

POST OFFICE BOX 1909
KNOXVILLE, TENNESSEE

August 17, 1953

Memorandum

To: J. L. Chambers, Defense Minerals Exploration Administration, Interior Building, Washington 25, D. C.

From: Administrative Officer, Region VII, Knoxville, Tennessee

Subject:- Monthly reports and vouchers

We are enclosing two copies each of the following monthly reports and vouchers:

Idm-E-435 Gregg and West
DMEA Docket No. 2677
5th payment - month of July
Amount $843.75

Idm-E-503 Vincent J. Holt
DMEA Docket No. 2832
4th payment - month of July
Amount $828.00

Idm-E-515 Howell and Anderson Mining Company
DMEA Docket No. 2914
3rd payment - month of July
Amount $540.00

Idm-E-516 Goodmica Mining Company
DMEA Docket No. 2926
3rd payment - month of July
Amount $1291.50

Idm-E-561 Roy Herbert Fouts
DMEA Docket No. 2917
1st payment - month of July
Amount $594.00
Starting Date: 7/20/53

Idm-E-563 American Mica Corporation
DMEA Docket No. 2961
1st payment - month of July
Amount $819.00
Starting Date: 7/22/53

Idm-E-594 Richard C. Engel
DMEA Docket No. 2974
1st payment - month of July
Amount $967.50
Starting Date: 7/6/53

Idm-E-534 Blue Ridge Mica Co., Inc.
DMEA Docket No. 2870
2nd payment - month of July
Amount $1785.60

Idm-E-364 Sink Hole Miners
DMEA Docket No. 2379
8th payment - months of May-June-July
Amount $900.00

Idm-E-469 Macon Mica Miners
DMEA Docket No. 2467
3rd payment - month of July
Amount $966.60

Idm-E-459 Mica Industries, Inc.
DMEA Docket No. 2579
4th payment - month of July
Amount $216.00

Idm-E-512 B. O. Thomas, Mark Hall, and Charlie Hall
DMEA Docket No. 2790
3rd payment - month of July
Amount $1831.50

Idm-E-542 Dave Wise, Ray Wise and Sam L. Phillips
DMEA Docket No. 2861
2nd payment - month of July
Amount $1485.00

Idm-E-535 Bowman Bros. Mine
DMEA Docket No. 2882
2nd payment - month of July
Amount $1008.00

Idm-E-527 Duncan Mining Company
DMEA Docket No. 2886
1st payment - month of July
Amount $874.80
Starting Date: 7/14/53

Idm-E-524 Hooper Brothers
DMEA Docket No. 2909
2nd payment - month of July
Amount $1530.00

Idm-E-553 Ray E. Bennett
DMEA Docket No. 2988
1st payment - month of July
Amount $540.00
Starting Date: 7/11/53

Idm-E-560 Murphy Mining Company
DMEA Docket No. 3008
1st payment - month of July
Amount $540.00
Starting Date: 7/28/53

Idm-E-518 B & R Mica Company
DMEA Docket No. 2785
2nd payment - month of July
Amount $1300.50

Idm-E-525 Bennett & Johnson
DMEA Docket No. 2859
2nd payment - month of July
Amount $1575.00

Idm-E-454 Schroeder Company
DMEA Docket No. 2634
8th payment - month of July
Amount $2238.25

Also attached in duplicate are amended January and February monthly reports and vouchers for the Burke John Mica Miners, DMEA Docket No. 2277, Contract Idm-E-412.

Helen R. Miller

Enclosures 46

HRMiller:hbm
CC: R. A. Laurence
W. A. Beck
Region Files
Day Files

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

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

Defense Minerals Administration

27

FINAL REPORT

PAID ON VOUCHER & SCHEDULE OF PAYMENTS AUG 18 1953

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

Month of July, 1953 Docket No. DMEA 2832 Contract No. IDM-E 503
Operator's Name Vincent J. Holt Minerals Mica
Address Rt.1, Box 368 A, Waynesville, N. C.
Contract Amount, $ 5100.00 Government Participation: 90 % Amount, $ 4590.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing		$200.00	$200.00		200.00	200.00
Crosscutting						
Drifting	$420.00		$420.00	420.00		420.00
Shaft	$500.00	$2000.00	$2500.00	500.00	2000.00	2500.00
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Powder M.		$50.00	$50.00		50.00	50.00
Exploder M.		$50.00	$50.00		50.00	50.00
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.		$200.00	$200.00		200.00	200.00
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$920.00	$2500.00	$3420.00	920.00	2500.00	3420.00

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

Date Aug 3/53 *Payee Vincent J Holt

Per _____ Title President H.R.H. INC.

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

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

(Instructions on reverse)

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

$ 828.00

Signature Cora A. Piper
(Authorized Certifying Officer)

Date AUG 13 1953 Vou. No. 27
(See other side)

4

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E503 in accordance with the terms of the contract.

Signature Laurence E. Shirley Title Mining Engr. U.S.B.M. Date Aug. 6, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Laurence Title Executive Officer DMEA Region 7 Date AUG 10 1953

AUG 10 1953

MONTHLY REPORT OF OPERATOR

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

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

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

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

DEPARTMENT OF THE INTERIOR
Budget Bureau No. 42-R1151
Bureau Approval expires 6-30-53
RECEIVED
AUG 19 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of July 1953 Docket No. DMEA 2832 Contract No. IDM-E503
Operator's Name Vincent J. Holt Minerals Mica
Address Rt. 1 Box 368A Waynesville, N. C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	Ft.	$420.00	12'	$420.00	12'	$35.00	60'	$35.00
Crosscutting		$						
Raising								
Shafts	Ft.	$500.00	10'	$2500.00	50'	$50.00	50'	$50.00
Winzes								
Drilling: Core								
Churn								
Auger B. Dozer-cu. yds.				$200.00	1100	.18	1100	.18
~~Stripping~~ Powder-M				$50.00	1	$50.00	1	$50.00
~~Trenching~~ Exploder-M				$50.00	1	$50.00	1	$50.00
~~Test Pits~~ Tool House				$200.00	1	$200.00	1	$200.00
Roads and Trails								
TOTAL DISTRIBUTED COSTS		$920.00		$3420.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS								

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

Date Aug. 3/ 53 Operator Vincent J Holt.
H. R. H. INC.
Per Title President

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

REMARKS:

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

DEPARTMENT OF THE INTERIOR
Bureau of Mines Administration
Received
AUG 10 1953

FINAL MONTHLY REPORT DMEA-2832 Idm-E503
JULY, 1953

July 6 Pumped out shaft drilled and shot around. Started pumps, burnt out bearing in pumps. Worked 5½ hours today. No pumps in stock will be delayed for repairing.

July 9 Received pumps at noon, went to mine and pumped out water, left pumps running all night. Will start to work early Friday.

July 10 Removed muck that was shot out the 6th. drilled and shot another round.

July 13 More water than usual didn't get it dry until noon. Started pumps at 4 A.M. Cleaned up shaft.

July 14 Drilled one round shot and removed muck.

July 15 Drilled one round shot and removed muck. Had trouble with drill stems will have to close down and make trip to Spruce Pine.

July 20 Drilled one round shot and removed muck.

July 21 Drilled and shot, we are on hard rock below the vein.

July 22 Pumped out shaft, drilled and shot some trimmers and removed the muck.

July 23 Finished drilling and shot around. Called the engineer, Mr. Shirly asked for an inspection. Hoped to have50' when mucked.

July 24 Worked all day, cleaning out muck and washing down shaft for inspection

July 25 Have an appointment with Mr. Shirly for 9 a.m. He inspected the shaft and discussed the future work to be done. Start a drift 10' from the bottom of the shaft heading east. Drilled and shot out 4' 5 x 7. on vein.

July 26 Inspection made by Mr. Shirly and Mr. Teague. Requested 8' of drift heading west on vein.

July 27 Shot out 8' requested and called Mr. Shirly for inspection.

Aug. Mr. Shirly made inspection and requested the closing down of the BEARS PEN MINE DMEA. 2832.
I am removing mining equipment to HOLT MINE # 1 DMEA. 2833.

Vernent J Holt.

12

DMEA

2971 4637

14X3923.970 Working Fund, Interior, Defense Minerals Exploration Administration
August 14, 1953
2145 P. M.

Mr. Robert A. Laurence, Executive Officer, DMEA Field Team, Region VII,
Room 13, Post Office Bldg., Knoxville 2, Tennessee
Docket No. DMEA-2832 - Mica, Bear Pen Mine, Contract No. Idm-8503,
H. E. E. Inc., Haywood County, North Carolina.

You are authorized to terminate Contract Idm-8503 by mutual agreement.

C. O. Mittendorf

C. O. Mittendorf, Administrator
Defense Minerals Exploration Administration

LGHouk:gad 8/14/53

Copy to: Admr. R. File
Docket File
Confirmation Copy
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

INTERIM REPORT

DMA-2832 Idm-2803 (mica) BEAR PEN MINE

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 12 1953

OPERATOR: K. K. C., Inc., c/o V. Jack Holt, Route #1, Box 460A, Waynesville, N. C.

LOCATION: On the northside of Bear Pen Branch about 3.5 miles by road southeast of Hazelwood, Haywood County, N. C.

This mine was visited on July 25, July 28, and August 4, 1953. Each of these visits represented completion of or start of some phase of the operation. Shaft sinking has been completed to 50 feet and was bottomed in fresh biotite schist, containing numerous stringers of pegmatite material not exceeding 2" in width and composed of quartz, feldspar, biotite and small flakes of muscovite. Test holes 6 feet long were made in the bottom, in the north side and to the east for exploration purposes. No pegmatite was encountered in any of these holes.

During shafting a pegmatite body was encountered at about 32 feet from the shaft collar and was exposed on the east end of the shaft for about 4 feet. About 8 feet of this same material was exposed on the west end of the shaft. Drifting began on the eastward extension July 25, 1953 and consisted of pulling one 4 ft. heading in pegmatite and country rock. This heading did not appear to have possibilities for producing mica of any size or quantity. Most of the mica was of good ruby color but was mostly of scrap and punch sizes. Drifting to the east was discontinued and operator was advised to pull at least two 4 ft. headings to the west. This work was completed Aug. 3 and examined the following day. Material encountered in the west drift was the same as that examined in the east drift and it was suggested that operator discontinue this project for obvious reasons.

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

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

August 4, 1953

JAMES H. HOWELL, JR.
ATTORNEY-AT-LAW
P. O. BOX 24
WAYNESVILLE, N. C.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 29 1953

July 28th, 1953

Mr. Lawrence G. Houk, Chief
Non Metallic Minerals Division
Defense Minerals Exploration Administration,
Department of the Interior,
Washington 25, D. C.

Re: Docket No. DMEA 2832, Mica.
Bear Pen Mine No. 1, (admendment)
Haywood County, North Carolina.
Contract No. Idm-E503

Dear Mr. Houk:

Reference is made to your letter of July 23rd in regard to the above named project, and companion applications for aid in exploration by H. R. H. Inc.

Mr. Vincent J. Holt, President of H. R. H. Inc., applicant corporation, consulted with me yesterday regarding the question asked in paragraph three of your letter of the 23rd. In order that he may continue close personal supervision of operations, concentration of attention and personnel on one project at a time, the necessity for allowance of time to deal with unforeseen contingencies and events, and economy of investment in equipment, he desires that the starting dates on the new H. R. H. Inc. exploration projects be deferred and that they be lined up in the following order with present projects:

Present projects under contract	1. Bear Pen Mine No. 1, - now underway, expected to be completed within the month of August 1953.
	2. Holt Mine No. 1, -contract awarded, work to commence on or before September 1st,- with present rate of progress Mr. Holt expects definitely to be working onf this one by September 1st.
New Applications	3. Bear Pen Mine No. 2, to be commenced on the completion of Holt #1 above.
	4. Holt Mine No. 2, to be commenced on the completion of Bear Pen Mine No. 2.

I might point out to you these facts: of the two new applications, Mr. Holt considers the one designated Bear Pen No. 2 the most important but is highly desirous that a field team look at both prospects; also, in the event that Bear Pen No. 1, or Holt No. 1, proved to be a producer, he would continue to use present equipment in production on those sites and acquire new equipment to carry on the new projects.

He has also found time has to be allowed for dealing with unforeseen events, such as for instance, Bear Pen #1 turning out to be a very wet mine,

JAMES H. HOWELL, JR.
ATTORNEY-AT-LAW
P. O. BOX 24
WAYNESVILLE, N. C.

sickness in his crew and resultant turnover in crew, to-gether with some breakdowns in equipment, all of which operated to delay him on Bear Pen No. 1, but which have now largely been overcome to the extent he fully expects to complete that project in time to commence Holt No. 1, by September 1st.

Accordingly, it seems advisable that the starting dates be deferred and he therefore requests that that be done as outlined on the previous page.

Sincerely yours,

James H. Howell, Jr.

James H. Howell, Jr.

JUL 2 3 1953

Mr. James H. Howell, Jr.
M. R. H. Inc.
P. O. Box 24
Waynesville, North Carolina

Re: Docket No. DMEA-2832 - Mica
Bear Pen Mine No. 1 (Amendment)
Haywood County, North Carolina
Contract No. Idm-E503

Dear Mr. Howell:

Reference is made to your letter of July 18, 1953, inquiring into the status of your application designated Bear Pen Mine No. 2.

The Bear Pen Mine No. 2 application has been received and will be processed as an amendment to your existing contract, Bear Pen No. 1, Idm-E503.

We wish to inquire whether the applicant has the machinery and personnel to complete your work proposal under the two new applications, should a contract be recommended by the field team or will it be necessary to defer the starting dates as has been the case in the Holt No. 1 Mine?

Sincerely yours,

Lawrence G. Houk, Chief
Nonmetallic Minerals Division

LGHouk:gad 7/22/53

Copy to: Admr. R. File
Docket File
Field Team, Region VII
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

JAMES H. HOWELL, JR.
Attorney-At-Law
P. O. Box 24
Waynesville, N. C.

COPY

July 18th, 1953

Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.

Re: Application of H. R. H. Inc.
Route 1, Box 368 A,
Waynesville, N. C.
for Aid in Exploration on
Bear Pen Mine No. 2.

Gentlemen:

On June 19th, 1953, I mailed separately and by registered mail in each case, to you two applications on behalf of H. R. H. Inc., for aid in exploring for mica (strategic), one of which was upon what was designated "Holt Mine No. 2", and the other upon what was designated as "Bear Pen Mine No. 2".

We have received acknowledgement of the application upon what was designated "Holt Mine #2.", it being designated upon your docket as DMEA-3088.

But to-date, we have not received any acknowledgement of receipt of the separate application upon what was designated as "Bear Pen Mine No. 2," nor any designation of docket number with your department. We therefore wish to inquire of you and to be advised as promptly as possible, whether or not you have, or did receive the second application referred to as "Bear Pen Mine No. 2", what docket number was assigned it, and what is the status of said application at the present time. If you do not find the application please advise promptly in order that tracing may be commenced with the Post Office Department.

For information and cross-checking, "Bear Pen Mine No. 1" was given docket Number DMEA-2832 by your department. It might be that the application on "Bear Pen Mine No. 2" has become confused with No. 1 under which an exploration project is under way now.

Your prompt reply will be appreciated.

Very truly yours,

James H. Howell, Jr.

COPY

JUL 3 1953

600

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

Subject: Dockets Nos. DMEA-2832, 2833,3088 Mica
Bear Pen Mine and Bear Pen No. 2 Mine
Holt No. 1 Mine and Holt No. 2 Mine
Haywood County, North Carolina
Contracts Idm-E503 and Idm-E504

Dear Mr. Laurence:

Reference is made to the H. R. H., Inc., projects now working and now pending.

(1) DMEA-2832, Idm-E503. Bear Pen Mine
Exploration project now working.

(2) DMEA-2833, Idm-E504. Holt No. 1 Mine
Starting date deferred by amendment to contract for period of three additional months to permit the use of machinery on the second job after completion of the first. No project work being done.

(3) A new application is made for a project on Bear Pen No. 2 Mine. The land involved is the same as in the Contract Idm-E503 and normally would be processed as an amendment to DMEA-2832.

(4) A new application is made for a project on Holt No. 2 Mine. This is a separately described tract and, therefore, was assigned a new docket number, DMEA-3088.

Obviously, there is inconsistancy on the part of the Operator in applying for a third and fourth project while unable to proceed on schedule with the work of the second project. We are, therefore, of the opinion that the last two applications (Bear Pen No. 2 Mine and Holt No. 2 Mine) should be withdrawn by the Operator, or we can hold them in abeyance for a time. Before taking any action, we would like to receive your views and comment.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee

Approved:

J. H. Hedges
Member, Bureau of Mines

A. R. Kinkel, Jr.
Member, Geological Survey

JTRobertson:gad 7/8/53
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

IN REPLY REFER TO:

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

June 26, 1953

Memorandum

SERVICE OF APPLICATION DMEA-2832 (amendment) (mica)

To: L. C. Houk, Defense Minerals Exploration Administration
From: E. H. Larrabee, U. S. Geological Survey
Applicant's name and address: H.H.H. Mining Co., Route 1, Box 362-A
Waynesville, North Carolina

Name of property: Bearpen #2
Location of property: Near Bear Pen #1
Summary of applicant's proposal: strip surface
100' drift
$7,050

Comments:

1. Applicant now has 2 projects approved, 2831 and 2833.
2. Applicant requests working time of 1 year from completion of 2832.
3. There is no sound reason for expecting the 3 properties to join at depth, in fact, they probably will not.
4. Applicant recently requested still a 4th project approval, to run a year, for which this office recommended denial.
5. This is some distance from the working at 2832 and should be classed as a new docket to avoid confusion.
6. It appears to me that this applicant is primarily setting up projects to insure employment for self and equipment over the next year or so, rather than mining mica for the present war effort.

RECOMMENDATION:

This application should be denied, and some notice given the applicant that he is to complete his present projects before applying for further help.

E. H. Larrabee

cc: DMEA (3)

IN REPLY REFER TO:

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

June 26, 1953

Memorandum

REVIEW OF APPLICATION DMEA-2832 (amendment) (mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant's name and address: H.R.H. Mining Co., Route 1, Box 368-A
Waynesville, North Carolina

Name of property: Bearpen #2
Location of property: Near Bear Pen #1
Summary of applicant's proposal: strip surface
100' drift
$7,050

Comments:

1. Applicant now has 2 projects approved, 2832 and 2833.
2. Applicant requests working time of 1 year from completion of 2833.
3. There is no sound reason for expecting the 3 pegmatites to join at depth, in fact they probably will not.
4. Applicant recently requested still a 4th project approval, to run a year, for which this office recommended denial.
5. This is some distance from the working at 2832 and should be classed as a new docket to avoid confusion.
6. It appears to me that this applicant is primarily setting up projects to insure employment for self and equipment over the next year or so, rather than mining mica for the present war effort.

RECOMMENDATION:

This application should be denied, and some notice given the applicant that he is to complete his present projects before applying for further help.

D. M. Larrabee

cc: DMEA (3)

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

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

PAID ON VOUCHER AND SCHEDULE 15 K-3

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

Month of June, 1953 Docket No. DMEA 2832 Contract No. IDM-E 503
Operator's Name Vincent J Holt Pres HRH Inc. Minerals Mica.
Address Rt. Box 368A Waynesville NC.
Contract Amount, $ 5100.00 Government Participation: 90 % Amount, $ 4590.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing		200.00	200.00			
Crosscutting						
Drifting						
SHAFT	225.00	1775.00	2000.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
POWDER M		50.00	50.00			
EXPLODER M.		50.00	50.00			
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.		200.00	200.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	225.00	2275.00	2500.00	225.00	2275.00	2,500.00

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

Date July 6/53 *Payee Vincent J Holt.

Per _____ Title President HRH Inc

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

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

(Instructions on reverse)

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

$ 202.50

Signature Cora A. Piper
(Authorized Certifying Officer)

Date JUL 15 1953 Vou. No. 15

(See other side)

3

22.50

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E503 in accordance with the terms of the contract.

Signature Lawrence E. Shirley Title Mining Engr. U.S.B.M. Date July 9, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION VII Date JUL 13 1953

MONTHLY REPORT OF OPERATOR

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

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

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

(*c*) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

rm MF-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of June 1953 Docket No. DMEA 2832 Contract No. IDM-E 503
Operator's Name Vincent J Holt H.R.H. Inc. Pres. Minerals Mica
Address Rt. Box 368A Waynesville NC

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts	FT	225.00	4½	2000.00	40'	50.00	50'	50.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping Bull Dozer Cu Yrds				200.00	1100	.18	1100	.18
Trenching Powder M-1				50.00	1	50.00	1	50.00
Test Pits Exploder M-1				50.00	1	50.00	1	50.00
Roads and Trails								
Tool House	1			200.00	1	200.00	1	200.00
TOTAL DISTRIBUTED COSTS		225.00		2500.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS								

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

Date July 6 Operator Vincent J Holt

Per _____ Title H.R.H. Inc. President

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

OPERATORS DMEA-2832.

Monthly Progress Report
for Month
June 1953

June 24 Recieved & Installed Pumps. Have been all month trying to get 2 pumps Capeable off taking care off water 22 gal per min Have 2 Sump Pumbs. 1 on top Pulling + 1 on bottom Pushing. Operated by 120V Generator AC. Powered by Jeep with Power Take off.

June 25 Pumps working nice Pumped out shaft + finished Timbering Solid Rock no more timbering 34' of Timber

June 26 Pumped out Drilled + Shot about 3' today.

June 29 Trouble opened another spring in solid rock increased water to 30 gal per min but all pumps can handle. Drilled shot trimming shaft. Mica Vein going straight down, about 2" thick.

June 30 This water is going to be very permanent checked today about 35 gal per min I must change my operation Will check with Carolina Power + get price for installing 1 mile off 3 Phase Current. so I can install a bigger Pump My Generator is loaded to its capacity now, 4½" this month. disgusting isn't it But beyond my controlle.

Vincent J Holt.

IN REPLY REFER TO:

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

June 26, 1953

Memorandum

REVIEW OF APPLICATION DMEA-2832 (amendment) (mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant's name and address: H.R.H. Mining Co., Route 1, Box 368-A
Waynesville, North Carolina

Name of property: Bearpen #2
Location of property: Near Bear Pen #1
Summary of applicant's proposal: strip surface
100' drift
$7,050

Comments:

1. Applicant now has 2 projects approved, 2832 and 2833.
2. Applicant requests working time of 1 year from completion of 2832.
3. There is no sound reason for expecting the 3 pegmatites to join at depth, in fact they probably will not.
4. Applicant recently requested still a 4th project approval, to run a year, for which this office recommended denial.
5. This is some distance from the working at 2832 and should be classed as a new docket to avoid confusion.
6. It appears to me that this applicant is primarily setting up projects to insure employment for self and equipment over the next year or so, rather than mining mica for the present war effort.

RECOMMENDATION:

This application should be denied, and some notice given the applicant that he is to complete his present projects before applying for further help.

D. M. Larrabee

cc: DMEA (3)

[illegible]

[illegible]

[illegible] Inc., c/o [illegible], [illegible] 1, [illegible],
[illegible]ayneswille, [illegible]orth Carolina.

[illegible] the sinking of [illegible] shaft and 3.6 miles by road [illegible] east of [illegible], [illegible], [illegible].

Shaft sinking continues slowly on this contract and is now at 60 feet. The mine is beginning to make water, which has caused loss of [illegible] time in pumping, which is necessary each [illegible] before the shaft can be [illegible]. [illegible] pump, [illegible] small electric pump has been used recently for removing this water. The operator has indicated that a power line will be run to the mine [illegible] and that an electric pump of sufficient [illegible] will be obtained, if cost are not out of reason.

A pegmatite body was picked up at 34 feet on the NW side of the shaft, and extends across the shaft to the [illegible]. Indications in the bottom shows the body narrowing downward. Vein material consists of quartz, feldspar and small ruby mica exhibiting well defined crystal faces.

L. B. Shirley, Mining engineer
U. S. Bureau of Mines

A. E. Teague, Geologist
U. S. Geological Survey

July 1, 1953

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Form Approved.
Budget Bureau No. 42-R1035.2.

DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

APPLICATION FOR AID IN AN EXPLORATION PROJECT, PURSUANT TO DMEA ORDER 1, UNDER THE DEFENSE PRODUCTION ACT OF 1950, AS AMENDED

Not to be filled in by applicant

Docket No. 12,
Metal or Mineral
Date Received
Estimated Cost
Participation (Government %)

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address:

H. R. H. Inc.
Route #1 - Box 368-A
Waynesville, N. C.

Bear Pen Mine #2
Haywood County, N. C.

(*b*) If other than an individual, add to your name above whether a corporation, partnership, etc., and the name of the State in which incorporated or otherwise organized.

(*c*) If a corporation, add to above statement, titles, names and addresses of officers.

(*d*) If a partnership, add to the above statement the names and addresses of all partners.

2. *General.*—Read DMEA Order 1, "Government Aid in Defense Exploration Projects," before completing this application. Submit this application and all accompanying papers in quadruplicate (four copies), with your name and address on each sheet of the application and on all accompanying papers. Where sufficient space is not provided on the form for all required information, state it on an accompanying paper, with a reference in each case to the instruction to which it refers by number. Comply with all applicable instructions; or, if not applicable, so state. File the application with Defense Minerals Exploration Administration, Department of the Interior, Washington 25, D. C., or with the nearest field executive officer thereof.

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract

SEE ATTACHED SHEETS

(*b*) State any mine name by which the property is known.

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise

(*d*) If you are not the owner, submit with this application a copy of the lease, contract, or other document under which you control the property.

(*e*) If you own the land, describe any liens or encumbrances on it

(*f*) If the land consists of unpatented claims, add to the description above, the book and page numbers for each recorded location notice.

4. *Physical description.*—(*a*) Describe in detail any mining or exploration operations which have been or now are being conducted upon the land, including existing mine workings and production facilities. State your interest, if any, in such operations. Also describe accessibility of mine workings for examination purposes.

(*b*) State past and current production, and ore reserves, if any, giving quantities and grades.

(*c*) Describe the geologic features of the property, including mineralization, type of deposit (vein, bedded, etc.), and your reasons for wishing to explore. Illustrate with maps or sketches. Send with your application (but not necessarily as a part of it) any geologic or engineering report, assay maps, or other technologic information you may have, indicating on each whether you require its return to you.

(*d*) State the facts with respect to the accessibility of the project: Access roads, distances to shipping, supply and residence points.

(*e*) State the availability of manpower, materials, supplies, equipment, water, and power.

5. *The exploration project.*—(*a*) State the mineral or minerals for which you wish to explore .....

.....

(*b*) Describe fully the proposed work, including a map or sketch of the property showing a plan (and cross sections if needed) of any present mine workings, and the location of the proposed exploration work as related to such features as contacts, veins, ore-bearing beds, etc.

(*c*) The work will start within ..... days and be completed within ..... months from the date of an exploration project contract.

(*d*) State the operating experience and background of the applicant with relation to the ability to carry out such exploration project, and also that of the person or persons who will supervise the operations.

6. *Estimate of costs.*—Furnish a detailed estimate of the costs of the proposed work (you will have to use a separate sheet), under the following headings. Add the totals under all headings to give the estimated total cost of the project:

(*a*) *Independent contracts.*—(Note.—If the applicant does not intend to let any of the work to contractors, write "none" after this item. To the extent that the work is to be contracted, do not repeat the cost of the contract-work in subsequent items.) State the cost of any proposed independent contracts for the performance of all or any part of the work, expressed in terms of units of work (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved, etc.).

(*b*) *Labor, supervision, consultants.*—Include an itemized schedule of numbers, classes and rates of wages, salaries or fees for necessary labor, supervision and engineering and geological consultants.

(*c*) *Operating materials and supplies.*—Furnish an itemized list, including items of equipment costing less than $50 each, and power, water and fuel.

(*d*) *Operating equipment.*—Furnish an itemized list of any operating equipment to be rented, purchased, or which is owned and will be furnished by the Operator, with the estimated rental, purchase price, or suggested use-allowance based on present value, as the case may be.

(*e*) *Rehabilitation and repairs.*—Furnish a detailed list showing the cost of any necessary initial rehabilitation or repairs of existing buildings, installations, fixtures, and movable operating equipment, now owned by the Operator and which will be devoted to the exploration project.

(*f*) *New buildings, improvements, installations.*—Furnish a detailed list showing the cost of any necessary buildings, fixed improvements, or installations to be purchased, installed or constructed for the benefit of the exploration project.

(*g*) *Miscellaneous.*—Furnish a detailed list showing the cost of repairs to and maintenance of operating equipment (not including initial rehabilitation or repairs of the Operator's equipment), analytical work, accounting, workmen's compensation and employers' liability insurance, and payroll taxes.

(*h*) *Contingencies.*—Give an estimate of any necessary allowances for contingencies not included in the costs stated above.

NOTE.—No items of general overhead, corporate management, interest, taxes (other than payroll and sales taxes), or any other indirect costs, or work performed or costs incurred before the date of the contract, should be included in the estimate of costs.

7. (*a*) Are you prepared to furnish your share of the cost of the proposed project in accordance with the regulations on Government participation (Sec. 7, DMEA No. 1)?

(*b*) How do you propose to furnish your share of the costs?

☐ Money ☐ Use of equipment owned by you ☐ Other

Explain in detail on acompanying paper.

CERTIFICATION

The undersigned, whether as an individual, corporate officer, partner, or otherwise, both in his own behalf and acting for the applicant, certifies that the information set forth in this form and accompanying papers is correct and complete, to the best of his knowledge and belief.

Dated June 12th, 1953

H. R. H. Inc.
(Applicant)

By Vincent J. Holt Pres

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—66551-1

1. (a) H. R. H. INC.
Route #1 - Box 360-A
Waynesville, North Carolina

Bear Pen Mine #2 (New)
Haywood County, N. C.

(b) Organization is a corporation incorporated in the State of Florida with the home office: H. R. H. INC.
436 Monroe Drive
West Palm Beach, Florida

(c) 1 - Vincent J. Holt, President
c/o H. R. H. Inc.
Lickstone Lodge
Rt. 1 - Box 360-A
Waynesville, N. C.

2 - Mrs. Helen R. Holt, Secretary and Treasurer
H. R. H. Inc.
Rt. 1 - Box 360-A
Waynesville, N. C., or
436 Monroe Drive
West Palm Beach, Florida

3 - Mr. Albert L. Ingham, Vice President
H. R. H. Inc.
Rt. 1 - Box 360-A
Waynesville, N. C.

(d) Not applicable.

2. Complied with.

3. (a) 1- The legal description of the land involved in this exploration loan application is as follows:

Lying and being in Waynesville Township, Haywood County on the Bear Pen Branch prong of Allens Creek, Haywood County, North Carolina, and more particularly described as follows: BEGINNING on a stake in wire fence, a corner of Bumgarner and Ernest Hooper, and H. R. H. Inc., and runs thence with the line of Ernest Hooper and others 17 calls as follows to a white oak stump on a ridge: S. 59° 45' E. 36.7 ft., S. 76° 45' E. 120.1 ft., N. 87° 30' E. 66 ft., N. 80° 45' E. 120.1 ft. N. 87° E. 330 ft., N. 88° 45' E. 122.76 ft. N. 84° E. 197.3 ft. N. 72° 20' E. 112.2 ft., N. 64° 132 ft., S. 80° E. 35.6 ft., N. 71° E. 114.1 ft., N. 82° 20' E. 218.4 ft., N. 86° 27' E. 256.7 ft., N. 33° 30' E. 129.3 ft., N. 41° 15' E. 163.66 ft., N. 39° 15' E. 93 ft., N. 73° E. 253.4 ft. to a white oak stump on top of ridge; thence with the top of a ridge running approximately S. 20° E. 1980 ft. to an oak on the ridge, the corner of H. R. H., Inc. property, and the Town of Waynesville water-shed property; thence with the line of the Town of Waynesville water-shed property S. 61° 30' W. 1362.7 ft., S. 72° W. 219.8 ft., S. 45° W. 179.5 ft. S. 52° W. 176.8 ft. S. 53° 30' W. 444.1 ft. S. 72° 30' W. 343.8 ft. S. 52° 30' W. 269.2 ft., N. 83° 20' W. 792 ft., a corner of H. R. H. property in the Town of Waynesville water-shed line; thence continuing with the Town of Waynesville water-shed line N. 2° 54' E. 1677 ft., a corner of Town of Waynesville water-shed and Bumgarner in H. R. H. Inc. property line; thence N. 2° E. with Bumgarner line 944.4 ft. to the BEGINNING corner containing approximately 150 acres more or less and being known as the Bear Pen section of the Lickstone Lodge property.

The tract of land described in 3.(a) 1 - above is a portion of a 536 acre tract of land owned by H. R. H. Inc. known as Limestone Lodge Property which it is not deemed necessary, for the purpose of this application, to describe in full inasmuch as this contemplated mining operation is to be conducted on the 150 acre tract thereof above described.

The prospect mine designated herein as Bear Pen Mine #2 is located in the southwest corner of the tract of land herein above described being 600 ft. north of the southwest corner and 300 ft. east of the north south property line as indicated upon attached geographical and topographical overlay.

NOTE: This prospect designated as Bear Pen Mine #2 is upon the same tract of land covered by DMEA docket #2632 (Bear Pen Mine, Haywood Co.) for which an exploration project is under way at this time. Cross reference is made to DMEA docket #2632 for further information not included in this application.

(b) No name has heretofore been given to any mine nor has one worked on the property described in 3. (a) 1 - above; however, applicants wish to give name to the proposed mine as follows: "Bear Pen Mine #2, Waynesville Township, Haywood County, North Carolina".

(c) Applicant's interest in land is that of owner in fee simple.

(d) Not applicable.

(e) The land described in 3. (a) 1 - above is subject to the following lien upon which there remains two installments due: That certain deed of trust executed and delivered by H. R. H. Inc. to A. T. Ward, Trustee for David Underwood in the principal sum of $8760.00 upon 536 acres more or less, said deed of trust being dated the 8th day of October, 1951 and recorded in deed of trust Book No. 76 at page 187, Haywood County Registry.

NOTE: Subordination of lien agreement by mortgagee has been signed and filed in DMEA #2632. If an additional such consent to lien is necessary please advise.

(f) Not applicable.

4. (a) Present exploration operations consist of the following work having been done: A road, which connects with the road from the present entry into the property to the Bear Pen Mine, has been built at a cost of $300.00, a distance of approximately one-half mile to the mine which is the subject of this application. The work at the site of the prospect mine consists of a bulldozer cut 100 ft. long and 15 ft. deep across the end of the ridge from northeast to southwest; then another bulldozer cut intersecting with the above mentioned cut on the center of the ridge running east and west 75 ft. long and 15 ft. deep at the intersection. The work that has been done at this mine which is illustrated upon the attached sketches graphically show this work. On the cut running east and west is a vein which is producing a small amount of mica of the pegmatite type. On the cut running northeast to southwest three small veins were cut into by the bulldozer and all of them are pitching at a degree and angle into the ridge which the applicant feels will bring them together and make one large vein at a depth of about 30 ft. below the present bulldozer cut and approximately 100 ft. east of the present bulldozer cut.

H. R. H. Inc.
Rt. #1 - Box 368-A
Waynesville, N. C.

(Bear Pen Mine #2)

This one vein in the cut running northwest to southwest is 4 ft. thick and 10 ft. wide, pegmatite made up of feldspar, flint, and some kaolin on a 45° angle pitching into the hill about 15°. Another vein about 15 ft. to the south of this vein 2 ft. wide of unknown depth also pitches into the hill at 15° and about 20 ft. south of that is a vein of which the top was cut off by the bulldozer, also pitching at about 15° into the hill, and at an angle at which they are going applicant believes they will intersect at about 100 ft. See attached sketch. The opening is easily accessible for examination. There are no other existing facilities at this location. Interest in the present exploration operation is that of owning corporation.

(b) This prospect has no past history other than the work described above which was done last year, at which time 35 pounds of full trimmed strategic mica was removed and processed and sold at Spruce Pine, N. C. at an average price of $12.00 per pound. This was mostly surface mica, but at that was a very good grade of mica. Other miners who have looked at it believe it to be and have advised applicant that this is a good prospect. This ridge has numerous outcrops of mica. Surface type of scrap mica is plentiful, but mica of the strategic type is not sufficient as yet to pay prospecting costs.

(c) The geographical features of the property, mineralization type of deposit and reasons for wishing to explore may be explained as follows: This prospect is in the near vicinity of numerous outcroppings in addition to the veins mentioned as uncovered and cut into. It is one-half mile from Bear Pen Mine and (DMRA #2632: now in the process of being prospected), and is also approximately one mile northwest across the bridge from the Big Ridge Mine of the Raymond Mining and Lumber Company which is one of the largest and best known mines in the South with a seventy-five year production record. The rock and mineral formation at the subject prospect is very similar to that found at Big Ridge Mine and very similar to that found at Bear Pen Mine (DMRA #2632) and consists of kaolin, feldspar, flint and quartz together with granite rock found in the formation around the veins. The mica taken from this prospect is not ruled as is Bear Pen Mine mica one-half mile away (DMRA #2632). Another difference between the original Bear Pen Mine and this mine is that this is a dry mine so far.

(d) Accessibility: This mine is easily accessible from Waynesville, N. C. To reach the mine from Waynesville the traveler would proceed West on Highway 19-23A from Waynesville toward Sylva to the Allens Creek road, a distance of approximately two miles from the center of Waynesville at the post-office and turn left on to the Allens Creek road, and would thence proceed a short distance to the Browning Branch road, thence proceed up the Browning Branch road to the Lickstone Lodge, a distance of one and a half miles. After entering the Lickstone Lodge property the traveler would take the left hand dirt road and follow it three-quarters of a mile to a road fork and then take the right hand road over the ridge into the Bear Pen Cove passing Bear Pen Mine #1 and continuing on a distance of one-half mile for a total distance from Waynesville to the subject prospect of approximately four and three-quarter miles.

The Waynesville-Hazelwood area is a shipping point, supply point, and residence point.

(c) Manpower, materials, supplies, equipment, water and gasoline power are easily and readily available within the Waynesville-Hazelwood area in ample and sufficient quantities.

5. (a) The mineral for which exploration is to be conducted is mica, sheet or pattern of strategic quality in commercial quantities and scrap mica with by-products of feldspar and kaolin.

(b) The proposed work consists of deepening by means of a bulldozer cut at the intersecting points of the two cuts already made to a depth of 20 ft. below the bottom of the present cut. In this work an estimated 3000 cubic yards of dirt and rock will have to be moved. This is necessary in order to get proper entrance for a drift running back into the ridge and also to give a proper dumping ground. It is estimated that the cost per yard of moving this will be 25 cts. per yard due to the fact that there will have to be some drilling and blasting done along with the bulldozer work, for a total cost of approximately $750.00. Applicant feels that it would be considerably cheaper to move this 3000 cubic yards than to sink a shift. It is necessary to get down approximately a total depth of 35 ft. from the surface. Having gotten down 35 ft. from the surface the applicant proposes to run a 5 by 7 ft. drift 100 ft. toward the intersecting point of the veins with 50 ft. of lateral drift. In the drift and lateral work applicant estimates that he cannot do the job for less than $40.00 per foot because it will be necessary to timber a considerable amount of the drift and because of additional factor of transportation of workers to and from the mine.

For a clearer picture of purposed work see attached sketch.

(c) Applicant already has two projects upon which he is working, reference being made to DMEA #2632 and DMEA #2633. He therefore proposes to start work on this prospect immediately upon the completion of work upon project DMEA #2633 - Halt Mine #1, and requests a year therefrom within which to complete.

(d) Operating experience and background of applicant is as follows: Three years corporate existence and business experience in Florida and North Carolina. Personnel of said corporation, principally Mr. Vincent J. Halt, has had long and successful experience as a general contractor for fifteen years in the State of Florida and one year's experience (1951-52) in mica mining. Mine working crews used in this operation are men of twenty to thirty years experience. Mr. Halt is in the process of supervising the work being done on the Bear Pen Mine and Halt Mine #1 to which reference has already been made.

6. (a) Independent Contracts:

Removal of 3000 cubic yards of dirt and rock at an estimated cost of 25 cts. per yard	$ 750.00
Drilling a 7' x 5' x 100' drift at $40. per ft.	4000.00
Drilling lateral drifts 7' x 5' x 50' at $40. per ft.	2000.00

NOTE: This includes all drift work.
Items 6. (b), (c), (e), (g), and (h) are all included in the $40. per ft. estimate above.

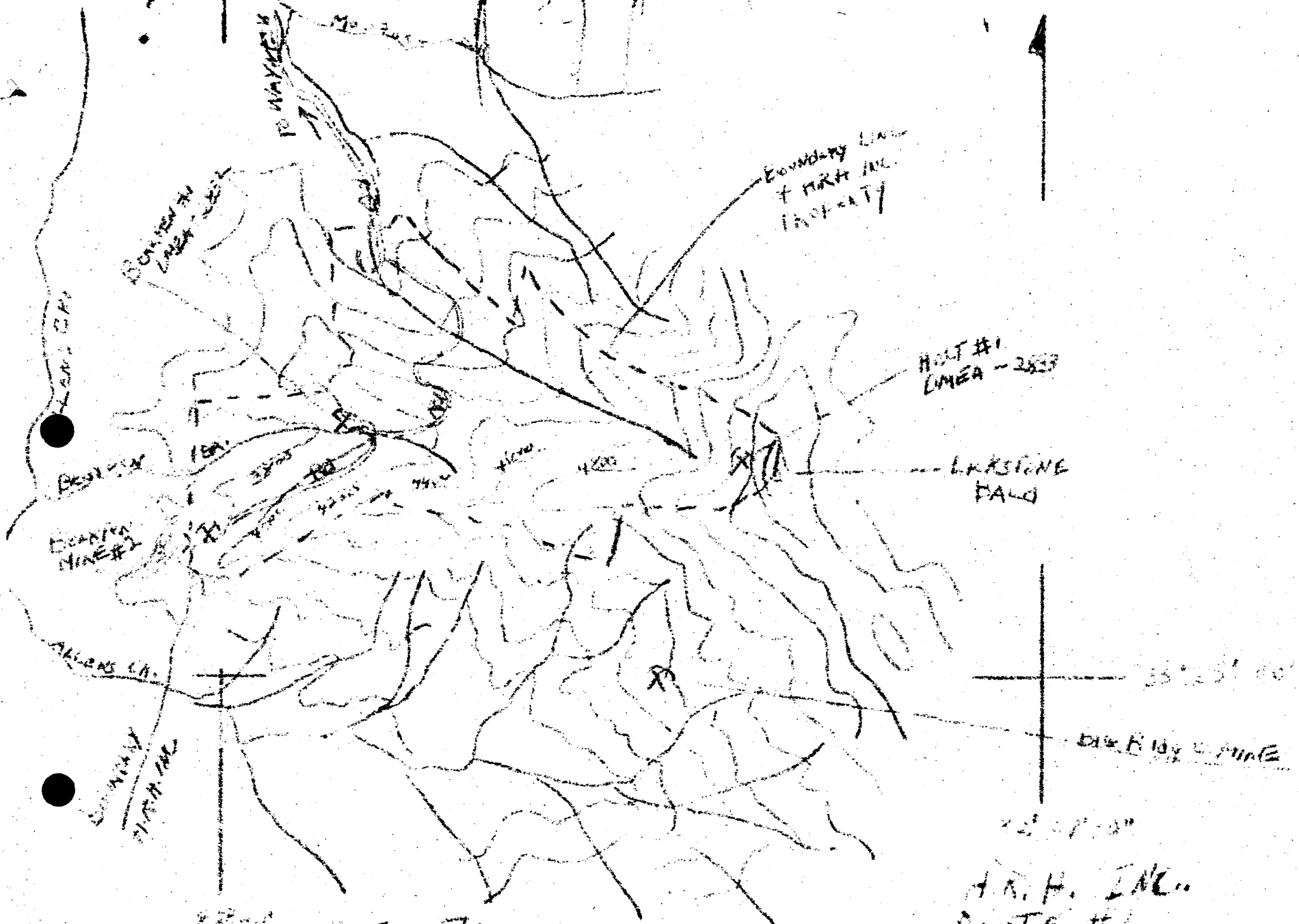
(d) Operating equipment: The H. R. N. Corporation will furnish all equipment including compressor, jack hammer, hose, pump, pipe, hite, winch, mine cars and track, and all working tools, the same to be furnished as its 10% part; use-allowance suggested to be not less than $500.00 per month.

(f) New Buildings: It will be necessary to build a tool and compressor house of minimum size of 10' x 12' at an estimated cost of $200.00. In addition thereto it will be necessary to build or construct a powder bunker and a cap bunker at a cost of approximately $50.00 each.

Summary of estimated costs:

Bulldozer work, drilling and shooting to remove estimated 3000 cubic yards at entrance	$ 750.00
Drilling 5' x 7' x 100' drift at $40.00 per ft.	4000.00
Lateral drifts 50 ft.	2000.00
Tool and compressor shed	200.00
Powder bunker	50.00
Cap bunker	50.00
TOTAL ESTIMATED COST - - - -	$ 7050.00

7. (a) Yes.
(b) The H. R. N. Inc. will furnish all equipment used in the operation. The use of equipment owned or rented by H. R. N. Inc. will furnish considerably more than its share of the cost. It is the intention of H. R. N. Inc. to sub-contract the actual drill work.



DATA FROM WAYNESVILLE
QUADRANGLE + HAZELWOOD QUADRANGLE,
HAYWOOD COUNTY, N.C. U.S. GEOLOGICAL
SURVEY, EDITION OF 1942

H.R.H. INC.
ROUTE #1
WAYNESVILLE, N.C.

DICKENS MINE #2 (NEW)

MF-201
(June 1951)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Docket No. _____
Beans Pan Mine No. 2
H. R. M. INC.
Waynesville, N. C.

SUBORDINATION AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the undersigned is the holder of a mortgage, claim, lien, or encumbrance identified and described as follows:

Deed of Trust dated the 8th day of October, 1951, recorded in Deed of Trust Book 76, at page 187, Haywood County Registry, Waynesville, North Carolina,

upon that certain parcel of ground described in a certain Exploration Project Contract, consisting of 150 acres more or less, dated the _____, 1953, between H. R. M. Inc., Route 1, Box 368-A, Waynesville, North Carolina, and the United States of America;

NOW, THEREFORE, the undersigned does by these presents subordinate all his right, title, and interest in said mortgage, claim, lien, or encumbrance 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 under the provisions of said mortgage, claim, lien, or encumbrance; and,

The undersigned agrees to commit no act nor assert any right, title, or interest under said mortgage, claim, lien, or encumbrance that might 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 19 day of June 1953.

THE FIRST NATIONAL BANK OF WAYNESVILLE, N. C.

BY: J. A. Woody President.

SEAL

Attest:

Secretary.

[illegible] REPORT

[illegible]A-2332 [illegible] (mica) [illegible]

OPERATOR: H. R. M., Inc., c/o V. Jack Holt, Route #1, Box 368A, Waynesville, North Carolina

LOCATION: On the northside of Bear Pen Branch about 3.5 miles by road southeast of Hazelwood, Haywood County, N. C.

Progress on this project is satisfactory. Shaft sinking continues and is now down to 35.5 ft. Material encountered to 34 ft. was weathered mica schist and the remaining footage has been in pegmatite. Material to date has been soft and has not required shooting. The pegmatite consists principally of feldspar and quartz and no mica has been recovered. A straight leg and boom pole have been constructed and, with minor changes, will be satisfactory for hoisting. An exploder magazine has been constructed recently.

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

N. M. Teague, Geologist
U. S. Geological Survey

June 3, 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR
~~DEFENSE MINERALS EXPLORATION ADMINISTRATION~~
~~WASHINGTON 25, D.C.~~
BUREAU OF MINES
SOUTHEASTERN REGION
REGION VII
HAMILTON BANK BUILDING

June 10, 1953

Memorandum

To: J. L. Chambers, Defense Minerals Exploration Administration, Interior Building, Washington, D. C.

From: Administrative Officer, Region VII, Knoxville, Tennessee

Subject: Monthly reports and vouchers

We are enclosing two copies each of the following monthly reports and vouchers:

Idm-E-420 Everette L. Poston and R. W. Poston
DMEA Docket No. 2561
4th payment - month of May
Amount $270.00

Idm-E-435 Grigg and West
DMEA Docket No. 2677
2nd payment - month of May
Amount $891.00

Idm-E-461 Zeb Angel
DMEA Docket No. 2582
5th payment - month of May
Amount $578.70

Idm-E-469 Macon Mica Miners
DMEA Docket No. 2467
1st payment - month of May
Amount $576.00
Starting Date: 5/11/53

Idm-E-503 HRH, Inc.
DMEA Docket No. 2832
2nd payment - month of May
Amount $877.50

Idm-E-512 B. G. Thomas, Mark Hall, Charlie Hall
DMEA Docket No. 2790
1st payment - month of May
Amount $1957.50
Starting Date: 5/13/53

Enclosures

Helen R. Miller

MF 704 (Rev.)
(April 1952)

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration

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

PAID ON VOUCHER AND SCHEDULE OF PAYMENTS NOR - 63

169

Month of May, 1953 Docket No. DMEA 2832 Contract No. IDM-E503
Operator's Name Vincent J. Holt, President, H.R.H, Inc. Minerals Mica
Address R#1 Box 368A, Waynesville, North Carolina
Contract Amount, $ 5100.00 Government Participation: 90% Amount, $ 4590.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing		200.00	200.00			
Crosscutting						
Drifting						
Shaft.	925.00	850.00	1775.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.		200.00	200.00			
(7) ~~Miscellaneous~~ Powder. M		50.00	50.00			
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Exploder. M.	50.00		50.00			
(8) Contingencies (specify):						
TOTALS	975.00	1300.00	2275.00	975.00	1,300.00	2,275.00

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

Date June 3/53 *Payee Vincent J. Holt
Vincent J. Holt
Per Title President, HRH, Inc.

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

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

(Instructions on reverse)

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

$ 877.50

Signature Cora A. Piper
(Authorized Certifying Officer)

Date JUN 9 1953 Vou. No. 169
(See other side)

97.50

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E503 in accordance with the terms of the contract.

Signature Lawrence E. Shirley Title Mining Engr. U.S.B.M. Date June 5, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Laurino Title EXECUTIVE OFFICER DMEA REGION VII Date JUN 8 1953

MONTHLY REPORT OF OPERATOR

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

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

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

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of May 1953 Docket No. DMEA 2832 Contract No. IDM-D503
Operator's Name Vincent J. Holt, President, HRH, Inc. Minerals Mica
Address R#1 Box 368A, Waynesville, North Carolina

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts	Ft.	925.00	18½	1775.00	35½	50.00	50	50.00
Winzes								
Drilling: Core								
Churn								
Auger								
~~Stripping~~ Bulldozing	Cu.yds.			200.00	1100	18	1100	.18
~~Trenching~~ Powder M.	1			50.00	1	50.00	1	50.00
~~Test Pits~~ Exploder M.	1	50.00	1	50.00	1	50.00	1	50.00
Roads and Trails								
Tool House				200.00	1	200.00	1	200.00
Total Distributed Costs		975.00		2275.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs								

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

Date June 3/53 Operator Vincent J. Holt
Vincent J. Holt
Per Title President, H.R.H. Inc.

Remarks:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

DMEA No. 2532

OPERATORS
MONTHLY PROGRESS REPORT
for the
Month of May, 1953

Daily Notes:

May 4	Set up compresser and installed pipe line. 3 men.
May 5	Started rigging hoist and boom pole.
May 6	Finished setting up compresser and hoist. Tried it out. Works O. K.
May 7	Moved muck all day. Plenty water. Used air pump about 25% of the time.
May 8	Timbered shaft and mucked.
May 11	Labor trouble. My miners said it is too wet. All quit. Well I don't figure I lost much. I am going to scout around for some real men.
May 21	Found 2 good men. I think they are dependable. Willing to work and plan to be with me,--$1.00 per hour, but the 75¢ per hour they were getting did fine the first day.
May 22	Lots of water -- opened a new spring. Got about 3' and timbered all in good shape.
May 25	Put 1 man on a 9 hour day. He arrives 1 hour before crew gets there and starts pump. Has shaft pumped out by work time. Proud of these fellows. Good workers.
May 26	Just dirt and loose rock. No shooting, just digging.
May 27	Good digging today -- about 5'.
May 28	Here it is. Just what I was looking for. Big white rock, Flint, and Spar,---at about 34' -- figured to hit this vein at 30' to 35'.
May 29	Mica vein, Flint, and Spar, a few small blocks of mica. Looks promising. Depth 35½' .

Vincent J. Holt

Vincent J. Holt,
President, M R H, Inc.

Mr. Robertson

Department of the Interior
Defense Minerals Exploration
Administration
MAY 18 1953

INTERIM REPORT

DMEA-2832 Idm-5503 (mica) BEAR PEN MINE

OPERATOR: R. P. C., Inc., c/o V. Jack Holt, Route #1, Box 358a, Waynesville, North Carolina

LOCATION: On the northside of Bear Pen Branch about 3.5 miles by road southeast of Hazelwood, Haywood County, N. C.

This project began work on April 21, 1953. A trench has been cut approximately as described in Exhibit "A" of the contract, and necessitated 20 hours of machine work. This trench did not reveal an extension of the pegmatite to the west. A tool house and an exploder magazine has been constructed. Shaft work has begun and is now down to 17 feet, collared and cribbed with 2" x 6" timbers, solid to this depth. A gasoline hoist, a 28 sump pump and an air compressor with accessories are on the site. A straight leg and bumpole for hoisting will be set up soon. Material encountered during sinking consisted principally of biotite gneiss.

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

F. P. Teague, Geologist
U. S. Geological Survey

May 6, 1953

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

Mr Rousseau

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 11 1953

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

Month of April, 1953 Docket No. DMEA 2832 Contract No. IDM-E503
Operator's Name Vincent J. Holt, President, H R H, Incorporated Minerals Mica
Address R#1 Box 3688, Waynesville, North Carolina
Contract Amount, $ 5100.00 Government Participation: 90 % Amount, $ 4590 00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing	200 00		200 00			
Crosscutting						
Drifting						
Shaft	850 00		850 00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.	200 00		200 00			
Powder Magazine	50 00		50 00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	1 300 00		1 300 00	1,300.00		1,300.00

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

Date April 30, 1953 *Payee Vincent J. Holt
Vincent J. Holt

Per _____ Title President, H R H, Inc.

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

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

(Instructions on reverse)

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

$ 1,170.00

Signature Cora A. Piper
(Authorized Certifying Officer)

Date MAY 7 1953 Vou. No. 156
(See other side)

1st S - 4/21

130.00

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E503 in accordance with the terms of the contract.

Signature Lawrence E. Shirley Title Mining Engr. U.S.B.M. Date May 1, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION VII Date MAY 5 1958

MONTHLY REPORT OF OPERATOR

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

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

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

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 11 1953

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of April 1953 Docket No. DMEA 2832 Contract No. EDM-E503
Operator's Name Vincent J. Holt, President, H R H Incorporated Minerals Mica
Address R#1 Box 3688, Waynesville, North Carolina

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts	Ft	850.00	17	850.00	17	50.00	50	50.00
Winzes								
Drilling: Core								
Churn								
Auger								
~~Stripping~~ Bulldozing	Cu yds	200.00	1100	200.00	1100	.18	1100	.18
Trenching								
~~Explos~~ Powder Magazine	ea	50.00	1	50.00	1	50.00	1	50.00
Roads and Trails								
Tool House	ea	200.00	1	200.00	1	200.00	1	200.00
TOTAL DISTRIBUTED COSTS		1 300.00		1 300.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		1 300.00		1 300.00				

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

Date April 30, 1953 Operator Vincent J. Holt
Vincent J. Holt
Per Title President, H R H, Inc.

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

DMEA No. 2832

OPERATORS
MONTHLY PROGRESS REPORT
for the
Month of April, 1953

Work Accomplished

Hired Bulldozer, 4 carpenters and 4 miners, making 9 workmen and dozer operator ; sank a shaft 17 feet. Built Powder Magazine. Built Tool Shed to be used as Compressor House.

Daily Notes:

April 21. We made a cut with dozer at shaft site. Removed about 10 feet of fill from this cut. Carpenters built Tool Shed 10 x 12 - consisting of 2 x 4 frame with tin sides and tin roof. one day

April 22. Made cut with dozer running north and south about 100 ft west of Shaft site. This cut consisted of removing 555 cu yds . Carpenters built shaft 17 ft 6 in. with a guard rail around same, working 11 hours this day. The miners dug the shaft approximately 5 ft below the dozer cut. We had to stop because of the water as my pumping facilities was not set up.

April 23. The dozer filled the cut around the shaft and leveled out the site for making a better working place.

April 24. Dozer completed the shaft site and did some road work.

Note: Discontinued operation on April 24 until my operation is covered by Workmens Compensation.

Vincent J. Holt
Vincent J. Holt
President, H R H, Inc.

APR 2 1953

600

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

Subject: Docket No. DMEA-2832 - Mica
Bear Pen Mine
Waynesville Township
Haywood County, North Carolina

Dear Mr. Laurence:

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

If the contract meets with your approval, present it to the operator for his approval and signature. Please explain to the operator that when the contract is executed, it is a firm commitment under the terms of which he is obligated to complete the work outlined at the agreed unit cost for the work. If any part of this contract does not have either your approval or that of the operator and cannot be amended within your delegated authority, then the original and all copies of the contract are to be returned to this office, together with the proposed changes for consideration.

After execution of the contract, the copies are to be distributed in the usual manner.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

J. H. Hedges

Member, Bureau of Mines

A. R. Kinkel, Jr.

Member, Geological Survey

JTRobertson:gad 3/31/53
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

Enclosures 6

IN REPLY REFER TO:

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

March 18, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
MAR 19 1953

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-2832 (mica)

To: L. G. Houk, Defense Minerals Exploration Administration.
From: J. J. Norton, U. S. Geological Survey.
Applicant: H.R.H. Inc., c/o V. J. Holt, Route #1, Waynesville, N. C.
Name of property: Bear Pen.
Location of property: North side of Bearpen Branch, 3.5 miles southeast of Hazelwood, Haywood County, N. C.
Date of field team report: March 3, 1953.
Authorship of field team report: X. H. Teague and L. E. Shirley.
Field team's recommendation:
Trench.
50-foot shaft.
60 feet of drifts.

Comments: None

ACTION SUGGESTED:
Follow field team's recommendation.

J. J. Norton

JJN:lmc
Copy to: Director's Reading, 4212
Branch Reading, 4212
DMEA (3)
Mr. Norton-G-228

IN REPLY REFER TO:

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

March 18, 1953

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From: J. J. Norton, U. S. Geological Survey.
Applicant: H.R.H. Inc., c/o V. J. Holt, Route #1, Waynesville, N. C.
Name of property: Bear Pen.
Location of property: North side of Bearpen Branch, 3.5 miles southeast of Haselwood, Haywood County, N. C.
Date of field team report: March 3, 1953.
Authorship of field team report: K. H. Teague and L. E. Shirley.
Field team's recommendation:
Trench.
50-foot shaft.
60 feet of drifts.

Comments: None

ACTION SUGGESTED:
Follow field team's recommendation.

J. J. Norton

JJN:lmc
Copy to: Director's Reading, 4212
Branch Reading, 4212
DMEA (3)
Mr. Norton-G-228

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 19 1953

March 18, 1953

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-2832, mica, Bear Pen Mine, Haywood County
North Carolina

I concur in the field team's recommendation for an exploration program in the amount of $5,100.00.

Signed
W. F. Dietrich

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

March 18, 1953

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-2832, mica, Bear Pen Mine, Haywood County
North Carolina

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Signed

W. F. Dietrich

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 19 1953

March 18, 1953

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-2832, mica, Bear Pen Mine, Haywood County
North Carolina

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Signed

W. F. Dietrich

IN REPLY REFER TO:

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

March 18, 1953

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-2832 (mica)

To: L. G. Houk, Defense Minerals Exploration Administration.
From: J. J. Norton, U. S. Geological Survey.
Applicant: H.R.H. Inc., c/o V. J. Holt, Route #1, Waynesville, N. C.
Name of property: Bear Pen.
Location of property: North side of Bearpen Branch, 3.5 miles southeast of Hazelwood, Haywood County, N. C.
Date of field team report: March 3, 1953.
Authorship of field team report: K. H. Teague and L. E. Shirley.
Field team's recommendation:
Trench.
50-foot shaft.
60 feet of drifts.

Comments: None

ACTION SUGGESTED:
Follow field team's recommendation.

J. J. Norton

JJN:lmc
Copy to: Director's Reading, 4212
Branch Reading, 4212
DMEA (3)
Mr. Norton-G-228

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM, REGION VII

BEAR PEN MINE...DMEA-2832 (mica)
~~Haywood~~ County, N. C.
Haywood County,

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
(DMEA)
MAR 3 1953

Kefton H. Teague, Geologist
U. S. Geological Survey
-
Lawrence E. Shirley, Mining Engineer
U. S. Bureau of Mines

March 3, 1953

Reviewed by
DMEA OPERATING COMMITTEE
3-13-53
(date)

Field Examination Report
on
DMEA-2832 (mica) BEAR PEN MINE

Applicant: H. R. H. Inc., c/o Vincent J. Holt
Route # 1, Box 368 A, Waynesville, N. C.

During the summer of 1952 the applicant prospected this pegmatite by stripping it with a bulldozer and cutting one trench about 15 feet deep across the pegmatite. A pegmatite 6 to 10 feet thick is exposed. The mica is of good quality. This deposit appears to justify exploration for strategic mica.

This deposit was examined on February 24, 1953. Mr. Vincent J. Holt accompanied the field examiners and the examination required two hours.

The Bear Pen mine is a recently discovered deposit. It is on the north side of Bearpen Branch about 3.5 miles by road southeast of Haze~~l~~- wood County, North Carolina. A new bulldozer road extends to the mine and the road is passable most of the time in a 4-wheel drive jeep. Haywood

The applicant owns the property; however, there is a small mortgage held by the Frist National Bank of Waynesville, N. C., on the property. Necessary forms were given the applicant to be executed and as soon as these are received they will be sent to Washington.

Existing workings at this place consist of a stripped area about 50-feet in diameter and a cut 100' x 15' with a depth of 15 feet. Only in the cut is the pegmatite well exposed. There are no facilities at the mine.

The stripping and trench has exposed a semi-weathered pegmatite 6 to 10 feet thick which strikes east-west, dipping 30-45° to the south. The pegmatite is zoned, consisting of a medial quartz core bounded on both walls by feldspathic pegmatite. The core is of variable thickness, but in general is about three feet thick. The hanging wall zone appears to contain more mica than the footwall zone. The pegmatite is emplaced conformably in semi-weathered biotite gneiss. In addition to the pegmatite exposed in the cut massive quartz has been found in an old pit about 100-feet west of the cut. There are no exposures here, thus the origin of the quartz is unknown.

The mica is clear, hard, flat, splits well, and is ruby colored. Some of the books are somewhat ribboned. Books which will trim 2" x 2" pattern have been recovered from the pegmatite.

The exploration program as proposed by the applicant and that recommended by the field examiners is similar. However, the field examiners believe that the shaft should not be deeper than 50 feet and that some drifts should be driven on the pegmatite.

The field examiners recommend that a trench be cut about 75 feet west of the existing one to determine the possibility of the westward continuation of the pegmatite. Also, the existing trench should be cleaned out to better expose the pegmatite. After the bulldozer work is completed a 50-foot 5'x 7'-foot shaft should be sunk at the more promising exposure and approximately 60 feet of drifts driven in both directions on the pegmatite from the shaft.

Estimated Cost:

20 hrs. of bulldozing @ $10/hr.	$ 200.00
50-foot 5' x7' shaft @ $50/ft.	2,500.00
60 feet of drifts @ $35/ft.	2,100.00
Tool house	200.00
Powder Magazine	50.00
Explorder Magazine	50.00
Estimated Total Cost	$5,100.00

Estimated time required 65 shifts.

K. H. Teague, Geologist
USGS.

March 3, 1953

L. E. Shirley, Mining Engineer
USBM.

zm

600

FEB 12 1953

Mr. Vincent J. Holt, President
[illegible] Inc.,
Route [illegible], Box 368-A
Waynesville, North Carolina

Subject: Docket No. [illegible] - Mica
Bear Pen Mine
Waynesville Township,
Haywood County, North Carolina

Dear Mr. Holt:

Your application for assistance in exploring the Bear Pen Mine property has been reviewed by the Domestic Minerals Division of the Defense Minerals Exploration Administration and has been referred to Mr. Robert H. Lawrence, Executive Officer, DMEA Field Team, Region VII, Room 15, Post Office Building, Knoxville 2, Tennessee, for examination.

The Regional Office will contact you at an early date in regard to examination of your property. Any assistance that you may render the members of the field team in the examination will be appreciated.

Sincerely yours,

C. O. Mittendorf

Administrator

JTR:bertmayer 2/[illegible]/53

Copy to: Admr. [illegible] File
Docket File
Operating Committee
Field Team, Region VII
Mr. Martin, [illegible] DMA Bldg.
Mr. Dietrich, 3526
Mr. Houk

630

FEB 12 1953

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

Subject: Docket No. [illegible]-2832 - Mica
Bear Den Mine
Waynesville Township,
Haywood County, North Carolina

Dear Mr. Laurence:

A field team examination is requested for the subject exploration assistance application.

Your particular attention is called to the letter of transmittal that accompanied the application, dated December 23, 1952, referring to a mortgage held by the First National Bank of Waynesville, North Carolina. It will be necessary for the field team to inquire into, and secure subordination of, any outstanding mortgage claims or encumbrances.

Also enclosed, for your information and file, are copies of memoranda from the Bureau of Mines and the Geological Survey.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

E. H. Hedges

Member, Bureau of Mines

S. M. Lemmon

Member, Geological Survey

JTRobertson:gad 2/9/53

Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Norton, G-232 GSA Bldg.
Mr. Dietrich, 3526
Mr. Houk

Enclosures 3

G-MD-CNM

UNITED STATES
DEPARTMENT OF THE INTERIOR

~~DEFENSE MINERALS ADMINISTRATION~~

WASHINGTON 25, D. C.
GEOLOGICAL SURVEY

C
O
P
Y

January 7, 1953

Memorandum

REVIEW OF APPLICATION DMEA-2832 (mica)

To: L. G. Houk, Defense Minerals Exploration Administration.
From: J. J. Norton, U. S. Geological Survey.
Applicant: Vincent J. Holt, H.R.H.Inc., Route #1, Box 368-A, Waynesville, North Carolina.
Name of property: Bear Pen Mine.
Location of Property: Waynesville Township, Haywood County on the Bear Pen Branch of Allen's Creek. Applicant shows location on a topographic map.
Estimated cost of project: $5300 ($100.00, bulldozer; $5000.00, shaft; $200.00, shed)
Summary of applicant's proposal: 100-foot shaft

Sources of information on applicant's property: None

Comments:

(1) See DMEA-2833

(2) Applicant says he has sold 3 tons of scrap mica and has 10 pounds of sheet mica on hand.

RECOMMENDATION:

Field examination

/s/ J. J. Norton

J. J. Norton

C
O
P
Y

JAMES H. HOWELL, JR.

P. O. Box 24
Waynesville, N. C.

December 23, 1952

Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.

Gentlemen:

There is submitted herewith on behalf of the H.R.H. Inc., Route #1, Box 368-A, Waynesville, N. C. two separate applications for aid in an Exploration Project. One is upon what the owner chooses to name the "Bear Pen Mine", and the second upon what is named the "Holt Mine No. 1." It is expected each will be given a separate docket number.

In each instance there is attached a sketch showing present and proposed work, together with mica samples.

Both mines are located upon a large tract owned by H.R.H. Inc., but since it was feasible to describe the smaller subdivision of the parent tract upon which the mines are located, that was done in each instance, and the description of the large parent tract omitted to avoid confusion.

There is a mortgage lien covering the entire parent tract, however, which is held by the First National Bank of Waynesville, N. C. The Bank as agreed to subordinate its lien upon the tracts described in the applications, subordination not to affect its lien upon any of the remainder which is covered by its lien. However, the Bank wishes to know the exact terms of such lien agreements and pertinent contract terms. In this connection will you please send me at least 16 copies of the present form used for the purpose of "Mortgagee's Subordination of Lien", together with at least 6 blank copies of the present form of Exploration Contract setting forth the lien provision thereof. Presently the forms signed by mortgagees refer to the provisions of exploration contracts regarding subordination of liens which I understand to be set forth in a standard form contract. I shall need blank copies of these documents to show attorneys for the Bank in addition to the number required to be executed of the subordination agreement in order to explain to them just what the subordination of lien will provide in exact terms and also in order that copies of the terms thereof may be filed with its records pertaining to its mortgage.

It will be appreciated also if you will forward to me a sufficient number of Form 103, as revised, for use in connection with four more contemplated Aid in Exploration applications.

Your kind attention and co-operation will be appreciated.

Very truly yours,

/s/ James H. Howell, Jr.

James H. Howell, Jr.

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Form Approved
Budget Bureau No. 42-R1035.2.

APPLICATION FOR AID IN AN EXPLORATION PROJECT, PURSUANT TO DMEA ORDER 1, UNDER THE DEFENSE PRODUCTION ACT OF 1950, AS AMENDED

Not to be filled in by applicant

Docket No. DMEA-2832
Metal or Mineral
Date Received 12/29/52
Estimated Cost
Participation (Government %)

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address: B. R. H. INC. Route #1 - Box 369-A Waynesville North Carolina Bear Pen Mine

(*b*) If other than an individual, add to your name above whether a corporation, partnership, etc., and the name of the State in which incorporated or otherwise organized.

(*c*) If a corporation, add to above statement, titles, names and addresses of officers.

(*d*) If a partnership, add to the above statement the names and addresses of all partners.

2. *General.*—Read DMEA Order 1, "Government Aid in Defense Exploration Projects," before completing this application. Submit this application and all accompanying papers in quadruplicate (four copies), with your name and address on each sheet of the application and on all accompanying papers. Where sufficient space is not provided on the form for all required information, state it on an accompanying paper, with a reference in each case to the instruction to which it refers by number. Comply with all applicable instructions; or, if not applicable, so state. File the application with Defense Minerals Exploration Administration, Department of the Interior, Washington 25, D. C., or with the nearest field executive officer thereof.

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract

(*b*) State any mine name by which the property is known.

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise

(*d*) If you are not the owner, submit with this application a copy of the lease, contract, or other document under which you control the property.

(*e*) If you own the land, describe any liens or encumbrances on it

(*f*) If the land consists of unpatented claims, add to the description above, the book and page numbers for each recorded location notice.

4. *Physical description.*—(*a*) Describe in detail any mining or exploration operations which have been or now are being conducted upon the land, including existing mine workings and production facilities. State your interest, if any, in such operations. Also describe accessibility of mine workings for examination purposes.

(*b*) State past and current production, and ore reserves, if any, giving quantities and grades.

(*c*) Describe the geologic features of the property, including mineralization, type of deposit (vein, bedded, etc.), and your reasons for wishing to explore. Illustrate with maps or sketches. Send with your application (but not necessarily as a part of it) any geologic or engineering report, assay maps, or other technologic information you may have, indicating on each whether you require its return to you.

(*d*) State the facts with respect to the accessibility of the project: Access roads, distances to shipping, supply and residence points.

(*e*) State the availability of manpower, materials, supplies, equipment, water, and power.

Defense Minerals Exploration Administration
DEC 30 1952

5. *The exploration project.*—(*a*) State the mineral or minerals for which you wish to explore .....

.....

(*b*) Describe fully the proposed work, including a map or sketch of the property showing a plan (and cross sections if needed) of any present mine workings, and the location of the proposed exploration work as related to such features as contacts, veins, ore-bearing beds, etc.

(*c*) The work will start within ..... days and be completed within ..... months from the date of an exploration project contract.

(*d*) State the operating experience and background of the applicant with relation to the ability to carry out such exploration project, and also that of the person or persons who will supervise the operations.

6. *Estimate of costs.*—Furnish a detailed estimate of the costs of the proposed work (you will have to use a separate sheet), under the following headings. Add the totals under all headings to give the estimated total cost of the project:

(*a*) *Independent contracts.*—(Note.—If the applicant does not intend to let any of the work to contractors, write "none" after this item. To the extent that the work is to be contracted, do not repeat the cost of the contract-work in subsequent items.) State the cost of any proposed independent contracts for the performance of all or any part of the work, expressed in terms of units of work (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved, etc.).

(*b*) *Labor, supervision, consultants.*—Include an itemized schedule of numbers, classes and rates of wages, salaries or fees for necessary labor, supervision and engineering and geological consultants.

(*c*) *Operating materials and supplies.*—Furnish an itemized list, including items of equipment costing less than $50 each, and power, water and fuel.

(*d*) *Operating equipment.*—Furnish an itemized list of any operating equipment to be rented, purchased, or which is owned and will be furnished by the Operator, with the estimated rental, purchase price, or suggested use-allowance based on present value, as the case may be.

(*e*) *Rehabilitation and repairs.*—Furnish a detailed list showing the cost of any necessary initial rehabilitation or repairs of existing buildings, installations, fixtures, and movable operating equipment, now owned by the Operator and which will be devoted to the exploration project.

(*f*) *New buildings, improvements, installations.*—Furnish a detailed list showing the cost of any necessary buildings, fixed improvements, or installations to be purchased, installed or constructed for the benefit of the exploration project.

(*g*) *Miscellaneous.*—Furnish a detailed list showing the cost of repairs to and maintenance of operating equipment (not including initial rehabilitation or repairs of the Operator's equipment), analytical work, accounting, workmen's compensation and employers' liability insurance, and payroll taxes.

(*h*) *Contingencies.*—Give an estimate of any necessary allowances for contingencies not included in the costs stated above.

NOTE.—No items of general overhead, corporate management, interest, taxes (other than payroll and sales taxes), or any other indirect costs, or work performed or costs incurred before the date of the contract, should be included in the estimate of costs.

7. (*a*) Are you prepared to furnish your share of the cost of the proposed project in accordance with the regulations on Government participation (Sec. 7, DMEA No. 1)?

(*b*) How do you propose to furnish your share of the costs?

☐ Money ☐ Use of equipment owned by you ☐ Other

Explain in detail on acompanying paper.

CERTIFICATION

The undersigned, whether as an individual, corporate officer, partner, or otherwise, both in his own behalf and acting for the applicant, certifies that the information set forth in this form and accompanying papers is correct and complete, to the best of his knowledge and belief.

Dated ....., 195...

17 December, 1952

(Applicant)

M. H. H. INC.

By Vincent J. Holt

Vincent J. Holt, President

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—66551-1

1. (a)

H. R. H. INC.
Route #1 - Box 368-A
Waynesville, North Carolina

Bear Pen Mine (New)
Haywood County, N. C.

(b) Organization is a corporation incorporated in the State of Florida with the home office: H. R. H. INC.
436 Monroe Drive
West Palm Beach, Florida

(c) 1 -Vincent J. Holt, President
c/o H. R. H. Inc.
Lickstone Lodge
Rt. 1 - Box 368-A
Waynesville, N. C.

2 - Mrs. Helen R. Holt, Secretary and Treasuser
H. R. H. Inc.
Rt. 1 - Box 368-A
Waynesville, N. C., or
436 Monroe Drive
West Palm Beach, Florida

3 - Mr. Albert L. Ingham, Vice President
H. R. H. Inc.
Rt. 1 - Box 368-A
Waynesville, N. C.

(d) Not applicable.

2. - -

3.(a) 1- The legal description of the land involved in this exploration loan application is as follows:

Lying and being in Waynesville Township, Haywood County on the Bear Pen Branch prong of Allens Creek, Haywood County, North Carolina, and more particularly described as follows: BEGINNING on a stake in wire fence, a corner of Bumgarner and Ernest Hooper, and H. R. H. Inc., and runs thence with the line of Ernest Hooper and others 17 calls as follows to a white oak stump on a ridge: S. 59° 45' E. 36.7 ft., S. 76° 45' E. 120.1 ft., N. 87° 30' E. 66 ft., N. 80° 45' E. 120.1 ft. N. 87° E. 330 ft., N. 88° 45' E. 122.76 ft. N. 84° E. 197.3 ft. N. 72° 20' E. 112.2 ft., N. 64° 132 ft., S. 80° E. 35.6 ft., N. 71° E. 114.1 ft., N. 82° 20' E. 218.4 ft., N. 86° 27' E. 256.7 ft., N. 33° 30' E. 129.3 ft., N. 41° 15' E. 165.66 ft., N. 59° 15' E. 93 ft., N. 73° E. 253.4 ft. to a white oak stump on top of ridge; thence with the top of a ridge running approximately S. 29° E. 1980 ft. to an oak on the ridge, the corner of H. R. H., Inc. property, and the Town of Waynesville water-shed property; thence with the line of the Town of Waynesville water-shed property S. 61° 30' W. 1382.7 ft., S. 72° W. 219.8 ft., S. 45° W. 179.5 ft. S. 52° W. 176.8 ft. S. 53° 30' W. 444.1 ft. S. 72° 30' W. 345.8 ft. S. 52° 30' W. 269.2 ft., N. 83° 20' W. 792 ft., a corner of H. R. H. property in the Town of Waynesville water-shed line; thence continuing with the Town of Waynesville water-shed line N. 2° 54' E. 1677 ft., a corner of Town of Waynesville water-shed and Bumgarner in H. R. H. Inc. property line; thence N. 2° E. with Bumgarner line 944.4 ft. to the BEGINNING corner containing approximately 150 acres more or less and being known as the Bear Pen section of the Lickstone Lodge property.

~~(Description outlined in red on attached plat of Watt Justice, Surveyor, dated Oct. 1951)~~

2 - The tract of land described in 3. (a) 1 - above is a portion of a 538 acre tract of land owned by H. R. H. Inc. known as Lickstone Lodge

Property which it is not deemed necessary, for the purpose of this application, to describe in full inasmuch as this contemplated mining operation is to be conducted on the 150 acre tract thereof above described.

(b) No name has heretofore been given to any mine nor has one existed on the property described in 3. (a) 1 - above; however, applicants wish to give name to the proposed mine as follows: "Bear Pen Mine, Waynesville Township, Haywood County, North Carolina".

(c) Applicant's interest in land is that of owner in fee simple.

(d) Not applicable.

(e) The land described in 3. (a) 1 - above is subject to the following lien upon which there remains two installments due: That certain deed of trust executed and delivered by H. R. H. Inc. to A. T. Ward, Trustee for David Underwood in the principal sum of $8760.00 upon 538 acres more or less, said deed of trust being dated the 8th day of October 1951 and recorded in deed of trust Book No. 76 at page 187, Haywood County registry.

(f) Not applicable.

4. (a) Present exploration operations consist of the following work having been done: a road built to the mine from the present entry into the property at a cost of $1000.00; a bulldozer cut 14 feet in width and 24 feet deep across the vein uncovering and exposing the vein as is illustrated upon the attached sketch. The opening is easily accessible for examination. A dynamite and powder storage dump has been built at the suggestion of the State of North Carolina at a cost of $60.00. There are no other existing facilities at this location. Interest in present exploration operation has been that of owning corporation.

(b) Three tons of scrap mica have been mined, processed, and sold to the Asheville Mica Company from this mine bringing a return of approximately $20.00 per ton. There is sheeted and on hand, fully trimmed, 10 lbs. of No. 1 Ruby mica taken from this mine, examination of which is invited. There is also 5 lbs. of stained Ruby mica processed and on hand. Existing stain is of a vegetable character and not of a mineral character. The samples of mica were shown to Messrs. Flint and Buchanan, government purchasing agents at Spruce Pine, N. C., who informed applicant all that was needed for sale was for applicant to work out 45 lbs. of the quality of mica equivalent to the 10 lbs. of No. 1 clear Ruby mica on hand. The largest block of book mica weighed 8 lbs. The largest piece of trim mica was 2" x 4". This is an entirely new prospect and has not heretofore been worked and has no past production record other than herein stated. Further information may be had by reference to attached sketch.

(c) The geologic features of the property, mineralization, type of deposit and reasons for wishing to explore may be explained as follows: There are in the near vicinity of the present open cut made by applicant six outcroppings of mica in addition to the one at which the open cut was made; there are other mines in the near vicinity of this operation, the largest and best known being the Big Ridge Mica Mine with a 75 year production record approximately two miles to the southeast; and in the near vicinity of the present mine is located what is known as the " Putnam Mines". The rock and mineral formation at the subject mine are very similar to that found at the Big Ridge Mine and consists of kaolin, feldspar, flint, and quartz, together with granite rock found in the formation around the vein as it now appears. Attached sketch gives a better visual picture of what has been found by applicant to date.

H. R. H. Inc.
Route #1 - Box 368-A
Waynesville, North Carolina

It is worth note that the vein is getting bigger and better as one goes down into it. It appears that the south side of the vein runs straight down, and that on the north side the vein pitches a little, getting wider. The vein runs almost due east and west. Samples of the mica (full trim) taken from the mine, are attached. The samples attached are of the best and the worst of the full trimmed mica that has been taken from this mine.

(d) Accessibility: This mine is easily accessible from Waynesville, N. C. To reach the mine from Waynesville the traveler would proceed West on Highway 19-23A from Waynesville toward Sylva to the Allens Creek road, a distance of approximately two miles from the center of Waynesville at the post-office and turn left on to the Allens Creek road, and would thence proceed a short distance to the Browning Branch road, thence proceed up the Browning Branch road to the Lickstone Lodge, a distance of one and a half miles. After entering the Lickstone Lodge property the traveler would take the left hand dirt road and follow it three-quarters of a mile to a road fork and then take the right hand road over the ridge into the Bear Pen Cove to the mine, a total distance from Waynesville to the mine of approximately four and one quarter miles. The Waynesville-Hazelwood area is a shipping point, supply point, and residence point.

(e) Manpower, materials, supplies, equipment, water and gasoline power are easily and readily available within the Waynesville-Hazelwood area in ample and sufficient quantities.

5. (a) The mineral for which exploration is to be conducted is mica, sheet or pattern of strategic quality in commercial quantities and scrap mica with by-products of feldspar and kaolin.

(b) Proposed work consists of sinking of a 100' shaft 7' x 7' in size at the present open cross cut made by bulldozer. See attached sketch.

(c) The work will start immediately upon the letting of exploration contract or within thirty days thereafter and will be completed within six months from date of exploration contract.

(d) Operating experience and background of applicant is as follows: Three years corporate existence and business experience in Florida and North Carolina. Personnel of said corporation, principally Mr. Vincent J. Holt, has had long and successful experience as a general contractor for fifteen years in the State of Florida and one year's experience (1951-52) in mica mining. Mine working crews used in this operation are men of twenty to thirty years experience. Mr. Holt is in the process of driving 100' drift under subcontract at the present time on another location.

6. (a) Independent Contracts:

10 hours of bulldozer work at $10.00 per hour	$100.00
Drilling a 7' x 7' x 100' shaft at $50. per foot	5000.00
Subtotal - - - -	$5100.00

Note: This includes all shaft work.

(b) (c) (e) (g) (h) All of these items are included in the $50.00 per foot estimate above.

H. R. H. Inc.
Route #1, Box 368-A
Waynesville, N. C.
Bear Pen Mine

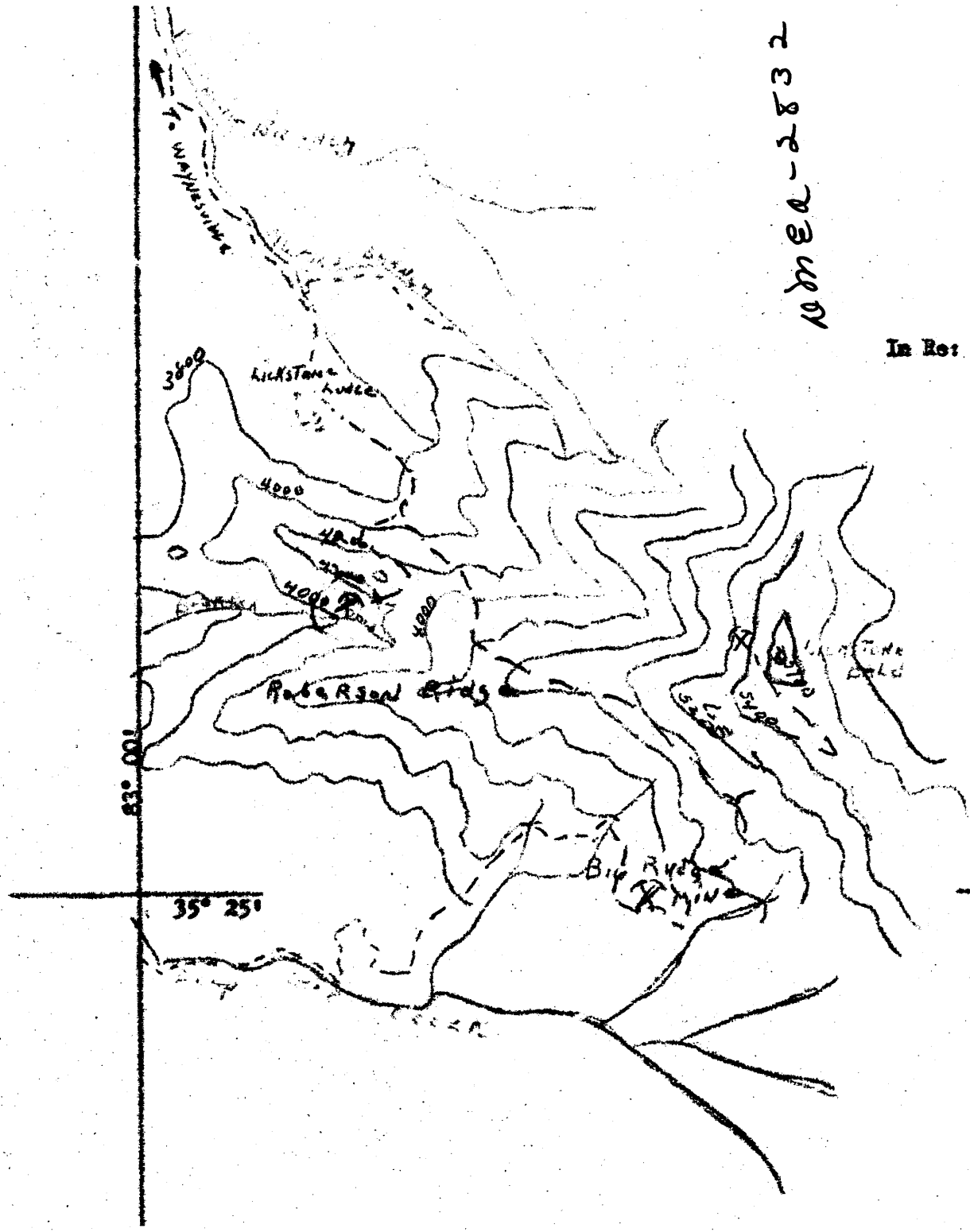
(d) Operating Equipment: the H. R. H. Corporation will furnish all equipment including compressor, jack Hammer, hose, pump, pipe, bits, winch, mine cars and track, and all working tools, the same to be furnished as its 10% part, use-allowance suggested to be not less than $500.00 per month.

(f) New Buildings: It will be necessary to build a tool and compressor house of minimum size of 10' x 12' at an estimated cost of $200.00.

Summary of estimated costs:

Bulldozer work @ $10.00 per hour - - - - - - - - - -	$100.00
Drilling a 7' x 7' x 100' shaft at $50 per foot, -	5000.00
Tool and compressor shed or house - - - - - - -	200.00
TOTAL ESTIMATED COSTS - - - - - - - -	$5300.00

7. (a) Yes.
(b) The H. R. H. Inc. will furnish all equipment used in the operation. The use of equipment owned or rented by H. R. H. Inc. will furnish considerably more than its share of the cost. It is the intention of H. R. H. Inc. to sub-contract the actual drill work.



NORTH CAROLINA,
Haywood County,
Waynesville Quadrangle, 184- NW

In Re: Application of N. R. M. Inc. for DMRA exploration Lean on BEARPEN BRANCH MINE, Waynesville Township, Haywood County, N. C.

82° 57' 30"

35° 25'

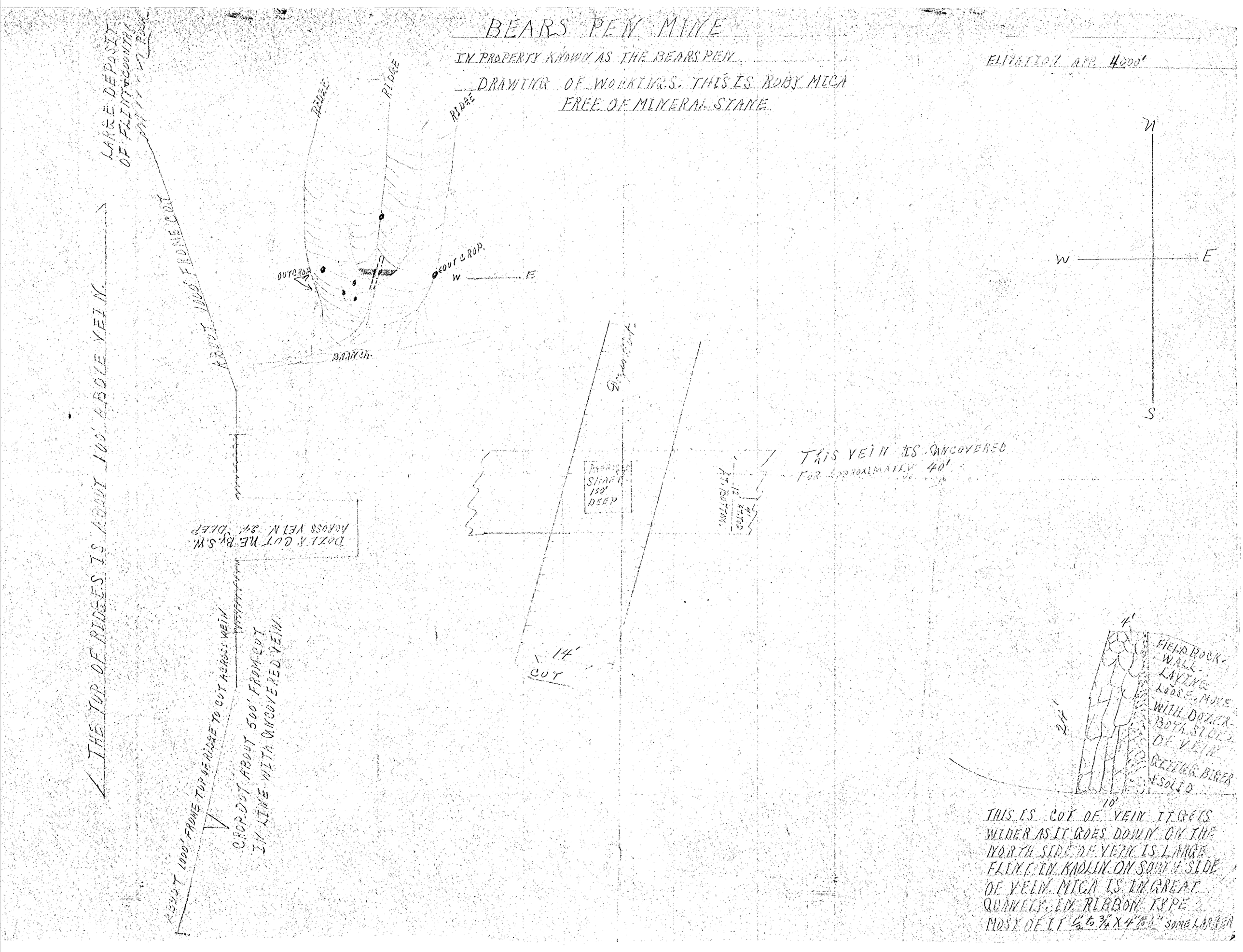
NORTH CAROLINA,
Haywood County,
Waynesville Quadrangle, 184- NW
U. S. Geological Survey, Ed. 1942

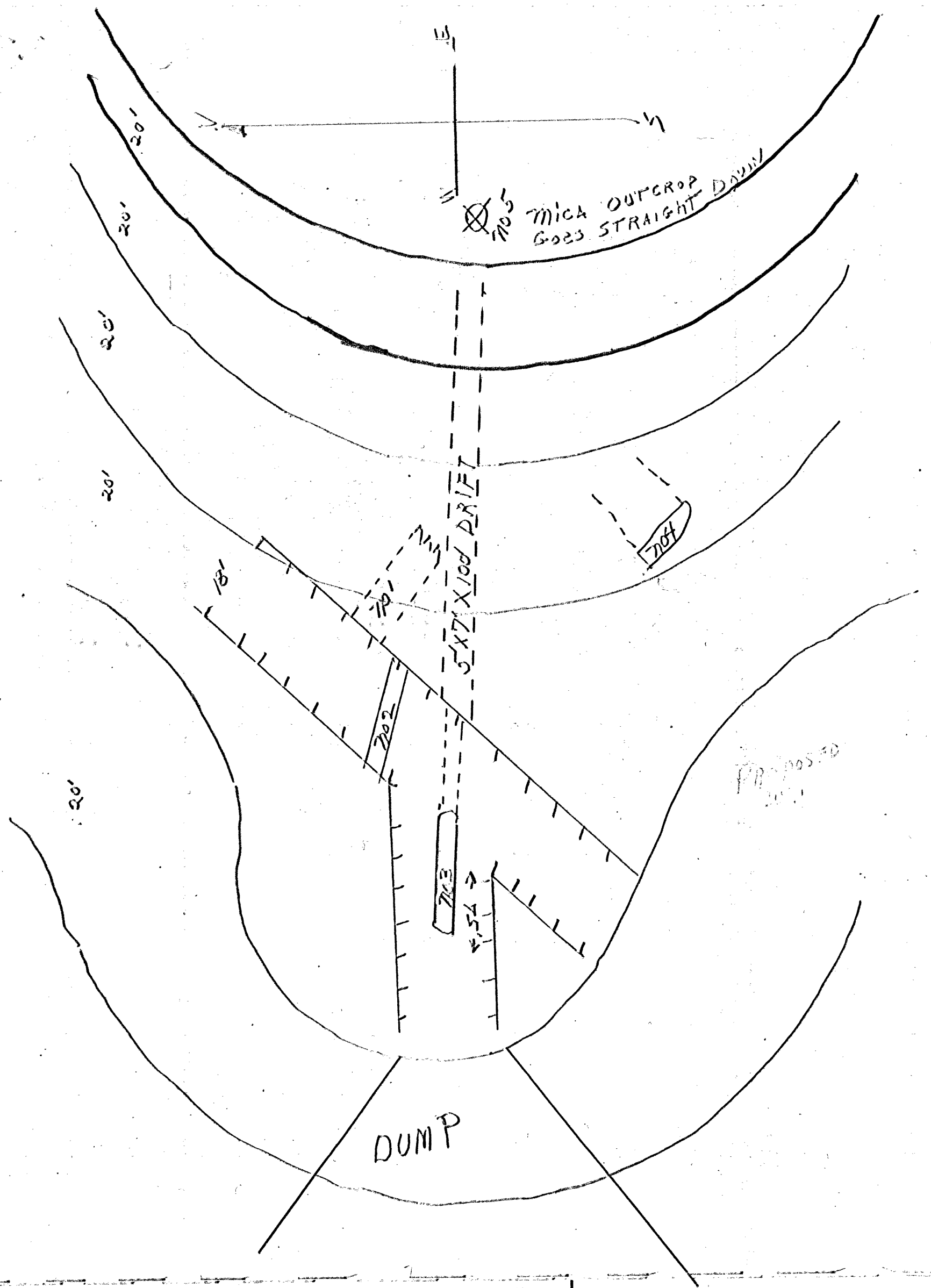
BEARS PEN MINE

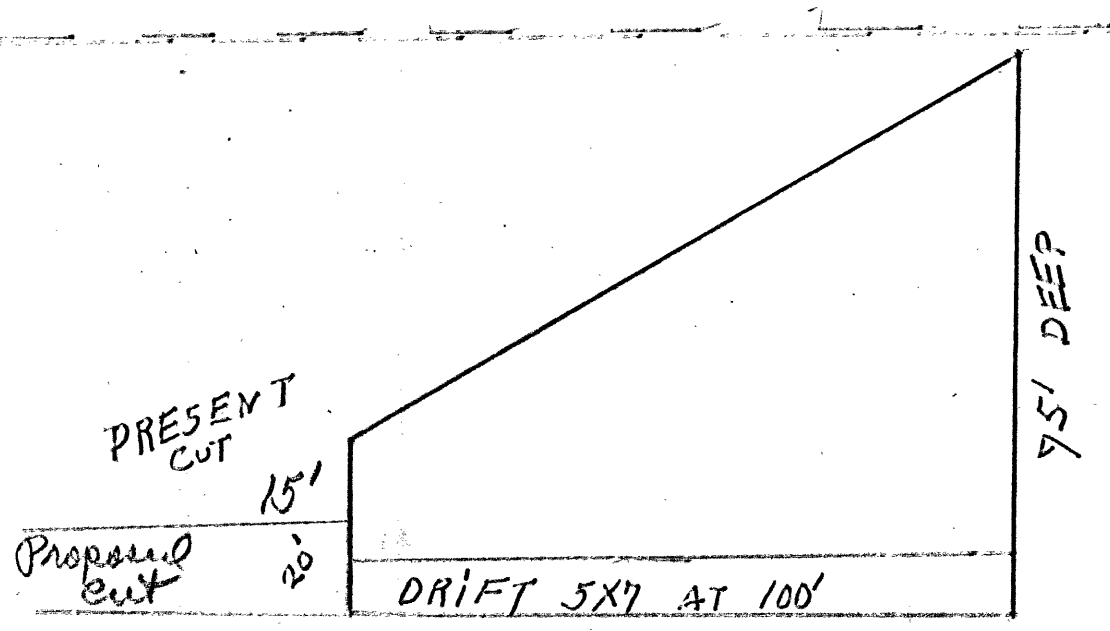
IN PROPERTY KNOWN AS THE BEARS PEN

DRAWING OF WORKINGS. THIS IS ROBY MICA FREE OF MINERAL STAINE

ELEVATION APP. 4000'







H. R. H. INC. (LICKSTONE LODGE)
SKETCHES TO ACCOMPANY APPLICATION
FOR AID IN EXPLORATION FOR STRATEGIC MICA

BEAR PEN MINE # 2
Waynesville Township, Haywood County, N. C.

Vein No1, 5' thick, 12' Wide, pitches down and toward center of ridge.

Vein No 2, -have just hit top of vein, which also angles toward center of ridge.
Vein No 3, is headed straight into ridge and pitches down at about 5 deg. angle.
Vein No. 4 is of same vein material,-down and toward center of ridge.
Vein No. 5 is on top of ridge, going down.
In No. 1 and No. 3, Good Mica, but not enough to pay exploratory costs.