DMEA Form 9
Rev. 6/57

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE — Idm-E NO. 665 — DMEA NO. 3216

Application
- [ ] Denied
- [ ] Withdrawn

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

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

Folder No. 1:

Left Side

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

Right Side

- [x] Project summary (final)
- [x] Work Completed analysis (final)

All other material filed in chronological order including the following reports if checked:

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

Additional Folders:

Left Side

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

Right Side

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

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

Folders No. _____: Settlement Sheets

Folders No. _____: Drill Logs

Folders No. _____: Royalty material

17963

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Washington office pertaining to Contract Idm-E665, Docket DMEA-3216 (mica), dated March 22, 1954, with

Roy Sparks, Dave Parsley, and Sam Parsley
d/b/a Hector Mining Company
Newdale, North Carolina

for the purpose of determining the amount of royalty payable to the U. S. Government on sales of minerals from property referred to as the Hector Mine, Hector No. 1 Mine, and Sparks Mine located in Yancey County, North Carolina, during the period February 20, 1958, through June 15, 1960.

A certification of discovery or development was issued on September 15, 1954, and, in accordance with Annex I of the contract, royalty is payable on all minerals produced from the land described in Article 2 of the contract for a period of 10 years from the date of the contract or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first. A Report of Review dated August 11, 1954, indicated accepted costs under the exploration contract amounting to $5,325.00 with the Government's contribution on a 75 percent basis being $3,993.75.

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

This review established no sales subject to the Government's royalty subsequent to the period covered by a prior Report of Royalty Review which found the sales subject to the Government's royalty through February 19, 1958, to be $6,729.52. The royalty account as of February 19, 1958, was:

Total Royalty Payable	$336.47
Total Royalty Paid	336.47
Balance of Royalty Due	$ -0-

As of June 15, 1960, the royalty account of this project was found to be:

Total Royalty Payable	$336.47
Total Royalty Paid	336.47
Balance of Royalty Due	$ -0-

January 2, 1962

E. D. Talbert, OME Auditor

Idm-8665 Hector Mining Co. DMEA-3216

STATUS OF PROJECT, SCOPE OF REVIEW
AND REASONS THEREFOR

At the time the exploration project contract was executed, the Operators were in possession of the property under the contract by virtue of an October 20, 1953, lease from Ed Sparks and Mary Sparks, Booneford, North Carolina. Shortly after completion of the exploration work on June 30, 1954, the Operators abandoned the property, which remained idle until about October 1955 when it was leased to Edward Kraftsow and Robert Keifer, both of Philadelphia, Pennsylvania, and operated by K. & K. Corporation, 111 Lakeside Avenue, Philadelphia, Pennsylvania. This latter lease was breached and declared void during the early part of 1956. Thereafter, during the last part of 1956 and the first part of 1957, the property was operated by B. G. Thomas, Jr., R. C. Thomas, Jim Cox, and Howard Sparks, also doing business as Hector Mining Company, Spruce Pine, North Carolina. During 1959 the property was leased by Fred Young, but a field team inspection on November 12, 1959, established that none of the lessee's production was made from the area under the contract.

The files disclose sales of production in the following names during the indicated periods:

Sam L. Phillips	6/2/54 - 7/29/54	$2,011.34
Robert Keifer	11/16/55 - 11/29/55	677.13
K. & K. Corporation	12/6/55 - 4/26/56	2,601.75
Ola Mae Sparks	10/2/56 - 11/19/56	332.44
Hector Mining Co.	3/6/57 - 4/5/57	1,106.86
Total	6/2/54 - 4/5/57	$6,729.52

As stated in prior Reports of Royalty Review, all royalty due on these sales has been paid. Furthermore, inspections of the property and checks (the last during June 1960) of the records of the G.S.A. Mica Purchase Depot in Spruce Pine, North Carolina, have confirmed that all sales of production through June 15, 1960, have been accounted for.

This contract contains the so-called "abandonment" provision. Furthermore, the Owner's Consent to Lien, which was executed on the same day as the Operator's lease, merely secures payment of the royalty "provided for under the terms of said exploration project contract". The landowners, however, apparently have recognized the Government's lien by suitable provisions in the subsequent leases.

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

(1) No mineral production has been made since 1957 from the area under the contract;

(2) All sales of production through June 15, 1960, have been accounted for and proper royalty thereon paid; and

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

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the records of the Executive Officer, DMEA Field Team, Region V, Knoxville, Tennessee, pertaining to Contract Idm-1665, Docket No. DMEA-3216 (Mica), dated March 22, 1954, with

Roy Sparks, Dave Parsley and Sam Parsley
d/b/a The Hector Mining Co.
Newdale, North Carolina

for the purpose of determining the amount of royalty due the U. S. Government on sales of mica from property referred to as Hector Mine, located in Yancey County, North Carolina, during the period March 10, 1955, to February 19, 1958.

A certificate of discovery or development was issued on September 15, 1954, and, in accordance with the contract, royalty is payable on the net proceeds realized from production as a result of such discovery or development during a period of 10 years from the date of the contract or until the amount of the Government's contribution to exploration costs has been repaid, without interest, whichever occurs first. A report of review in lieu of final audit dated August 11, 1954, indicated accepted costs under the exploration contract amounting to $5,325.00 with the Government's contribution, on a 75 percent basis, being $3,993.75. The scope of the present royalty review and the reasons therefor are stated on Schedule "A" attached.

My review established the total sales of mica for this period to be $4,718.18. Royalty due the Government at the contract rate of 5 percent is $235.91. A prior royalty review for the period March 22, 1954, to March 9, 1955, stated the sales to be $2,011.34 for that period and the status of the royalty account to be:

Total Royalty Due	$100.56
Total Royalty Paid	100.56
Balance of Royalty Due	$ -0-

As of February 19, 1958, the royalty account of this project was found to be:

Total Royalty Due	$336.47
Total Royalty Paid	336.47
Balance of Royalty Due	$ -0-

C. E. Fisher

March 19, 1958

C. E. Fisher, Auditor

Schedule "A"

Contract Idm-1665, Docket No. DMEA-3216 (Mica)

Report of Royalty Review

This review was limited to the listing of sales of sheet and hand-cobbed mica to the Mica Purchase Depot, Spruce Pine, North Carolina, shown by the records of the DMEA Region V office in connection with production from Hector Mine on which royalty was received during the period under review. This list, which is filed with my audit work papers, was also checked with the purchase records of the Depot. A summary of the indicated production, sales, and royalty paid to the Government follows:

Item	Production (Pounds)	Sales	Royalty Paid
March 22, 1954, to March 9, 1955			
Sheet mica	215.66	$1,861.66	
Scrap mica	4,350.00	$ 48.93	
Punch mica	1,485.00	$ 100.75	
Totals - Prior Review		$2,011.34	$100.56
March 10, 1955, to February 19, 1958			
Sheet mica	313.05	$3,206.03	
Hand-cobbed mica	18,745.00	$1,512.15	
Totals - Present Review		$4,718.18	$235.91
Grand Totals	25,108.71	$6,729.52	$336.47

It is recommended that the DMEA Region V office ascertain what sales of scrap or punch mica were made during the period covered by this review and the amount of any royalty that may be due to the Government on such sales.

An on-site royalty audit was not made at this time because the administrative cost to the Government would be excessive in relation to the amount of possible additional royalty which might be disclosed.

Check Sheet of Examining Engineer

Operator's Name Roy Sparks, Dave Sparks and Sam Parsley, d/b/a

Address Hector Mining Company, Newdale, North Carolina

Exploration Contract No. Idm-E665 DMEA Docket No. 3216

	Check One Yes	No
1. (a) Does the Operator stockpile ore subject to royalty repayment?		X
(b) If so, is segregation and identification procedure adequate?		
2. (a) Does Operator commingle production subject to DMEA royalties with exempt production?		X
(b) If so, do you consider the allocation of the commingled production equitable?		
3. (a) Does the Operator stockpile mine or mill rejects (low grade ore, tailing, middlings, etc.) that may have potential value within the royalty payment period?	X	
(b) If so, are adequate records maintained on such material to protect the Government's interest?	X	
4. Do you consider the assay controls in effect are adequate?	X	
5. Do you consider that the manner of disposing of production gives the Government its fair royalty returns?	X	
6. Do your periodic examinations of operations indicate the Operator is properly reporting his production of ores subject to DMEA royalties?	X	
7. Does the Operator buy from or sell to other Operators?		X

8. Comment on any item 2 (b) to 6 if answer is No.

3.(a) Operator stockpiles mica scrap until a sufficient amount is obtained to make a sale.

W. A. Beck
Mining Engineer

Date 2-20-58

82448

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed all copies of settlement sheets on file with the Executive Officer, DMEA Field Team, Region V, applicable to royalties collected on the sales of mica for the period March 22, 1954, to March 9, 1955, by:

Roy Sparks, Dave Parsley and Sam Parsley
d/b/a The Hector Mining Company
Newdale, North Carolina

produced from property referred to as the Hector Mine located in Yancey County, North Carolina, under terms of Contract Idm-E665, Docket No. DMEA-3216.

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

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

(1) The production involved was incidental to the exploration operations;

(2) A review of the records of General Services Administration Mica Purchase Depot, Spruce Pine, North Carolina, did not disclose any other sales of mica from this mine since the effective date of the exploration contract; and

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

The audit established the total sales of mica for this period to be $2,011.34. Royalty due the U. S. Government at the contract rate of 5 percent is $100.56. The royalty paid and balance due are as follows:

Total Royalties Due	$100.56
Total Royalties Paid	$100.56
Balance of Royalties Unpaid	$ -0-

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

March 21, 1955

Docket Copy
Surname:
Anderson
Rubin
Hofflund
Chambers
Kiilsgaard
Hedges
Selfridge
Chamberlin

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

600

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

To: Mary Sparks, Dave Barsley, and Jan Barsley, Partnership doing business as The Nestor Mining Co.
Kendale, North Carolina

Pursuant to the provisions of Exploration Project Contract No. Idm-2665, dated March 22, 1954 (Docket No. [illegible]), hereinafter called the "contract" between you and the United States of America, hereinafter called the "Government"; to establish and fix the Government's percentage royalty on production and its lien thereon and on the land described in the contract, the Government considers and therefore certifies that discovery or development from which production may be made has resulted from the exploration work.

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

A shaft and drifts from its bottom explored a conformable zoned pegmatite in mica gneiss. Strategic mica reserves (inferred and indicated) were found near the shaft bottom and along the drifts.

THE UNITED STATES OF AMERICA

By Frank E. Johnson
ACTING Administrator, Defense Minerals
Exploration Administration

Dated: SEP 1 5 1954

WCAnderson:gad 9/15/54
Copy to: Mrs. Mary Sparks (Attached to Field Team's copy for forwarding).
Mr. Ed Sparks " " " " "
Mr. Irving Gumbel, EPS, GSA
Docket File
Admr. R. File
Mr. Hedges, 4604
Mr. Chambers
Mr. Johnson
Field Team, Region VII
Mr. Kiilsgaard, Rm. 5227
Operating Committee
Finance Office
Mr. Houk

Docket Copy
Surname:
Anderson
Houk
Parker
Hoffmann
Chamberlain

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

[illegible]

[illegible] Mary Sparks, Dave Barsley, and Sam Barsley, partnership doing business as The Master Mining Co.
[illegible], North Carolina

Pursuant to the provisions of exploration project Contract No. [illegible] dated March 23, 1954 (DMEA No. [illegible]), hereinafter called the "contract" between you and the United States of America, hereinafter called the "Government", to establish and fix the Government's percentage royalty on production [illegible] from and on the land described in the contract, the Government [illegible] and therefore certifies that discovery or development from which production may be made has resulted from the exploration work.

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

[illegible] drift from the [illegible] explored a [illegible] pegmatite in mica schist and indicated and inferred reserves of strategic mica were located.

[illegible]

By _____
Administrator, Defense Minerals Exploration Administration

Dated _____

L.C.Hoffmann:gad 8/16/54
Copy to: Mrs. Mary Sparks (Attached to Field Team's copy for forwarding).
Mr. Ed Sparks
Mr. Irving Dunkel, [illegible]
Docket file
Admr. [illegible] File
Mr. Andres, [illegible]
Mr. Chambers
Mr. Johnson

Field Team, Region VII
Mr. Kiilsgaard, Rm. 5227
Operating Committee
Finance Office
M. Houk

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Roy Sparks, Dave Parsley, and Sam Parsley
d/b/a The Hester Mining Company
Newdale, North Carolina

pertaining to Exploration Project Contract No. Idm-E665, Docket No. DMEA-3216, for the months of April 1954, to June 1954, inclusive, covering a project for the exploration of mica on property, known as the Hester Mine, located in Yancey County, North Carolina.

My review included an examination of the Monthly Reports (Forms MF-104) and supporting documents attached thereto, comparison of the costs claimed with the contract and pertinent schedules, verification of work performed by reference to Regional Field Team reports, and a determination of the reasonableness and propriety of the costs.

This review was made in lieu of a final audit of the Operator's accounts and records for the following reason:

all of the costs incurred were under a contract provision for payment by the Government on the basis of agreed estimated costs of units of work actually performed.

The review disclosed the following facts in regard to the amount paid or to be paid the contractor:

Total cost as billed by Contractor		$5,325.00
Exceptions:		
By DMEA Finance Officer	$ - 0 -	
Herewith	- 0 -	-0-
Total Accepted Cost		$5,325.00

The contract calls for a 75 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Three thousand nine hundred ninety-three and 75/100 Dollars,

$3,993.75

is considered valid and proper, provided that the Regional Executive Officer, the Administrator, or other competent official has accepted or will accept the project as having otherwise met the terms of the contract.

E. D. Talbert
(E. D. Talbert, Auditor

August 11, 1954

Docket copy

MT-200 (A)
(February 1952)

DOCKET NO. DMEA 3216

COMMODITY Mica

IDM - 665

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

EXPLORATION PROJECT CONTRACT[1]

(Short Form)

IT IS AGREED this 22 day of March, 1954, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] Roy Sparks, Dave Parsley, and Sam Parsley, a partnership, doing business as The Hector Mining Co., Newdale, North Carolina,

hereinafter called the "Operator," as follows: and as set forth in Annex I, attached hereto and made a part hereof:

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

ARTICLE 2. *Operator's property rights.*—With respect to that certain land situated in the State of North Carolina, County of Yancey, described as follows:[3] Being the property leased by Ed and Mary Sparks in a lease dated October 20, 1953, and described as follows: Beginning at an opening known as the Hector Mine; thence 100' N.; thence 200' E.; thence 400' S.; thence 400' W.; thence 400' N.; thence 200' E.

the Operator represents and undertakes:[4]

(*a*) ~~[illegible]~~ only to the following claims, liens, or encumbrances as to each of which the subordination agreement of the holder is attached:

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

The Operator shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of the exploration project without any allowance for the use, rental value, depreciation, depletion, or other cost of acquiring, owning, or holding possession thereof.

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

in or upon the described land; and shall bring the project to completion within a period of 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 75 percent of these agreed, estimated costs, as they accrue, for units of work actually performed that conform with the description or specifications for the work set forth in this contract, in an aggregate total amount not in excess of $3,993.75, which is 75 percent of $5,325.00, 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. **See Annex I, substituted for Article 6.**

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

By C. M. Mitteudorf
Administrator, Defense Minerals Exploration Administration

THE HECTOR MINING CO.
(Operator)

By Roy Sparks (Partner)
By Lance Parsley (Partner)
By Sam Parsley (Partner)

Robert Hoch
Chamber

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

_____ [CORPORATE SEAL]

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

ANNEX [illegible]

The following provisions are in lieu of Article [illegible]:

Repayment by Operator.--a. Certification.--If at any time the Government considers that a discovery or development from which production may be made has resulted from the exploration work, the Government, at any time not later than six months after the Operator has rendered the final report and final account, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

b. Percentage royalty.--The Operator, or his successor in interest, shall pay to the Government a royalty on all minerals mined or produced from the land described in Article 2,--(1) regardless of any certification of discovery or development, from the date of the contract until the lapse of the time within which the Government may make such certification of discovery or development, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first, unless the Government waives its right to a royalty; or (2) if the Government makes a certification of discovery or development, for a period of ten years (or other period fixed by this contract) from the date of the contract, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first. Said royalty shall be a percentage of the net smelter returns, the net concentrator returns, or other amounts realized from the sale or other disposition of any such production (including any bonuses, premiums, allowances, or other benefits), in whatever form disposed of, including ore, concentrates, or metal, as follows:

(a) One and one-half ($1\frac{1}{2}$) percent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(b) One and one-half ($1\frac{1}{2}$) percent of any such net amounts, plus one-half ($\frac{1}{2}$) 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 ($1\frac{1}{2}$) percent; on a net amount of ten dollars ($10.00) per ton, three and one-half ($3\frac{1}{2}$) percent.)

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

d. Lien for Payment.--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.

e. Notice to Purchasers.--The Operator shall notify any purchaser of the production of the Government's royalty interest, and shall authorize and direct the purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets; but failure or refusal by the purchaser to comply shall not relieve the Operator of liability to pay any royalty falling due.

f. No Obligation to Produce.--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.

EXPLORATION PROJECT CONTRACT
THE HECTOR MINING CO.
DOCKET NO. DMEA-3216

EXHIBIT "A"

Description of the Work

The work, as approximately indicated on the attached map entitled "Sketch of Hector Mine, Yancey Co., N. C.," consists of sinking not to exceed 50 feet of two-compartment shaft on the pegmatite, with dimension 5 feet by 7 feet, and then drifting and/or crosscutting not to exceed 80 feet. The location, direction, and extent of all work, are subject to prior approval of the Government. The work shall include bulldozing a shaft site and constructing a toolhouse, 10 feet by 12 feet, a powder magazine, and an exploder magazine.

Agreed Unit Costs

Bulldozing shaft site[1]	$ 50.00
Constructing toolhouse[1]	150.00
Constructing powder magazine[1]	50.00
Constructing exploder magazine[1]	25.00
Sinking shaft, 50 feet @ $45.00/ft.	2,250.00
Drifting and/or crosscutting 80 feet @ $35.00/ft.	2,800.00
Agreed Estimated Total Cost of Project	$5,325.00
Government's Participation @ 75%	$3,993.75

[1] The completed work, or structure, is the unit.

MF-203
(Revised July 1, 1953)

OWNER'S CONSENT TO LIEN

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

Beginning at an opening which is known as Hector Mine; thence 100' N.; thence 200' E.; thence 400' S.; thence 400' W. ; thence 400' N.; thence 200' E.

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

2/ Roy Sparks of Booneford, N. C. and Dave Parsley and Sam Parsley of Newdale, N. C. doing business The Hector Mining Co.

hereinafter called the "Operator"; and

WHEREAS, under the provisions of said contract the Government is entitled to a percentage royalty on production (as set forth on the reverse side hereof) and to other rights and equities which do or may conflict with or be adverse to the rights of the undersigned:

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

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

2. To secure the payment to the Government of the percentage royalty on production3/ provided for under the terms of said exploration project contract, or any amendment thereof, there is hereby granted to the Government a lien upon the land above referred to and upon any production of minerals therefrom, until said royalty is fully paid or ten years have elapsed from the date of the contract, whichever occurs first.

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

4. Changes and added provisions _____

Dated this 20 day of October, 1953.

/s/ Ed Sparks [Seal]

/s/ Mary Sparks [Seal]

_____ [Seal]

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

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

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

Repayment by Operator.--a. Certification.--If at any time the Government considers that a discovery or development from which production may be made has resulted from the exploration work, the Government, at any time not later than six months after the Operator has rendered the final report and final account, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

b. Percentage royalty.--The Operator, or his successor in interest, shall pay to the Government a royalty on all minerals mined or produced from the land described in Article 2,--(1) regardless of any certification of discovery or development, from the date of the contract until the lapse of the time within which the Government may make such certification of discovery or development, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first, unless the Government waives its right to a royalty; or (2) if the Government makes a certification of discovery or development, for a period of ten years (or other period fixed by the contract) from the date of the contract, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first. Said royalty shall be a percentage of 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, as follows:

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

(b) One and one-half (1½) per cent of any such net amounts, plus one-half (½) per cent 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) per cent of such net amounts.

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

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

d. Lien for Payment.--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.

e. Notice to Purchasers.--The Operator shall notify any purchaser of the production of the Government's royalty interest, and shall authorize and direct the purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets; but failure or refusal by the purchaser to comply shall not relieve the Operator of liability to pay any royalty falling due.

f. No Obligation to Produce.--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.

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 ADMINISTRATION
RECEIVED
DEC 3 - 1953

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-3216
Metal or Mineral
Date Received 12-4-53
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: Roy Sparks of Booneford, N. C. and Dave Parsley and Sam Parsley of Newdale, 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 This is lease property (Lease is attached in 3 (d) below.

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

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

(*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 Not owner

(*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 December 1, 1953

Roy Sparks
(Applicant)

By .....

.....

.....

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

MF 103

1. (a) Roy Sparks, Dave Parsley and Sam Parsley all of Newdale, N. C.

   (b) Partnership

2. No Answer

3. (a) This is lease property (Lease is attached in 3 (d) below.)

   (b) Hector Mine.

   (c) Lessee

   (d) Lease is attached as Exhibit A.

   (e) Not owner.

   (f) Land is held by Landlord. No land patents involved.

4. (a) Physical works set forth on map attached as Exhibit B.

   (b) The best report that seems to be available as to the past history of this mine is found in the Geological Survey Bulletin Number 225, page 69.

   (c) The last operators were Richard Pitman and Will Gouge and they ceased operations because they didnot have sufficient capital to place the necessary equipment needed for operation.

   (d) This mine is located near Booneford, N. C . across the Rebels Creek on the property of Edd Sparks.

   (e) There is ample experience manpower available. Electricty is within x 500 feet. No difficulty is contemplated in obtaining equipment and supplies.

5. (a) It is anticipated that the pegmatite contains additional quantities of green mica of stockpile grade.

   (b)

   It is proposed to sink a 5 x 7 shaft 75 feet deep. Then it is proposed to drift 100 feet, 50 feet in each direction.

   (c) The work will be started as soon as the contract is approved by the Government and the work should be concluded within 6 months.

   (d) Attached as Exhibit C.

6. Estimate of Costs:

   (a) Independent Contracts-None.

   (b through h)

   (1) Shafting - 5 x 7 - 75 feet @ $50.00 $3750.00

(2)	Drifting - 100 feet	@ $35.00	$3500.00
		Total	$7250.00

7. (a) Applicant will pay in money 10% required by regulation.

MINING LEASE

State of North Carolina Yancey County:

This indenture made this 20 day of October, 1953, between Mrs. Mary Sparks and Edd Sparks of Yancey County and State of North Carolina as party of the first part, and known as lessors, and Roy Sparks, Dave Parsley and Sam Parsley of Yancey County and State of North Carolina, party of the second part and known as lessee.

WITNESSETH, That the parties of the first part in consideration of One Dollar in hand received and hereby acknowledged by the lessors, and in consideration of the agreements hereinafter contained, on the part of the party of the second part to be performed, hereby bargains, leases and grants to the party of the second part, and his heirs and assigns, for the period of five years from the date of this agreement, the following described real property, for mining purposes, in the County and State first above written to wit:

Beginning at an opening which is known as Hector Mine; thence 100' N.; thence 200' E.; thence 400' S.; thence 400' W.; thence 400' N.; thence 200' E.;.

TO HAVE AND TO HOLD the said lands to him, for mining purposes, the said lessee and his heirs and assigns for the aforesaid period of five years in compliance with the condition of this instrument, for the purpose and with the right to dig, quarry, search, explore for, obtain, and remove any kind of minerals, metals or fossils, and particularly mica, and to conduct the same to any extent the said party of the second part, the lessee, may desire. And it is hereby agreed between the parties to this agreement that the party of the second part is to have the use of any unoccupied buildings on said lands for mining purposes, and that he shall have the right to erect such buildings as he needs to carry on such mining operatins during the period of this lease, and that the party of the second part shall keep the same in as good condition as when received, unavoidable accidents excepted. And it is also agreed by the party of the second part that no unnecessary damage is to be done to the lands herein leased during the period of this lease and the continuance of said lease, but the said party of the second part shall have the right to take from said lands leased to the party of the second part any wood or timber the party of the second part may need to carry on said mining operations or which may be needed to carry on the addition to existing buildings or to erect new buildings or sheds on said lands. (Timber of high or special market value is excepted and shall not be used by the lessee.) And it is hereby agreed that the party of the second part, the lessee, is to have right-of-way of ingress and egress to said mines or land upon which exploration is being conducted.

AND IT IS FURTHER AGREED That the party of the second part, the lessee hereby agrees to pay to the said parties of the first part, or his or their heirs or assigns, a rental royalty of 1/8

on the minerals taken and sold from said mines which shall be for the use of the said lands for the aforesaid period of five years. The said amounts shall be payable on the computation of selling bills on the tenth day of each month covering sales made during the previous month. Any minerals other than those set forth above which may be taken and sold shall be paid for and at the usual royalty rate of the minerals taken.

AND IT IS FURTHER AGREED That the lessee, the party of the second part, his heirs or assigns, shall have the option to renew this lease and to extend the period of its running for an additional five years from the date of its present termination. The option shall be exercised by giving formal written notice to the party of the first part or by the continuation of any mining operations then being conducted. The lessor reserve the right to use the land, or convey the same not conflicting with this lease, but under any conveyance the terms of this lease must be recognized by the grantee, purchaser, or assigns thereof. And it is agreed that the lessee may assign this mining lease or any part thereof and that he may sublease.

AND IT IS FURTHER AGREED That the lessee, the party of the second part, his heirs or assigns, is hereby given an option to purchase all the right, title and interest, legal and equitable to and in the real estate described and set forth in this lease for a total purchase price of _____, said purchase price to be paid in full within three years from the date of this instrument and it is agreed that all rental royalties paid to the party of the first part shall apply toward and be a part of the total purchase price above set forth, and that at such time that the total purchase price is paid in the form of royalties or a lump sum payment or a combination of both, the party of the first part will execute a special warranty deed to the party of the second part and that a tender of the remaining purchase price at any time within the next three years shall entitle the party of the second part to specific performance of this option contract.

BUT IT IS EXPRESSLY AGREED That unless mineral or fossil material of practical value for mining purposes shall be found within a period of two years from the date of this instrument, the lease may be terminated by the lessee at any time thereafter on thirty days notice to the lessor. The lessee agrees that during the period of this lease or the continuance of this lease work in said mines or exploration for new mines within the area leased shall not cease longer than ninety days at any one time, unavoidable accidents excepted.

WITNESS our hands and seals the day and year first above written.

Witness: Joe Griffith

Edd Sparks (Seal)

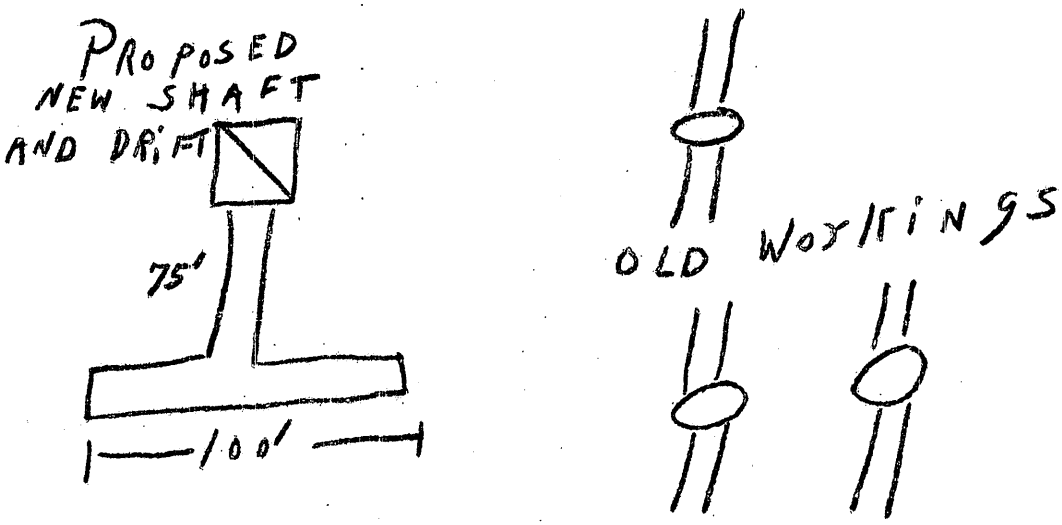
Mary Sparks (Seal)

_____ (Seal)

My Comm. Expires 8/11/55

Kenneth R McKinney
Notary Public

Hector Prospect



[illegible]

ROY SPARKS

Roy Sparks was borned in Yancey County in the year of 1912. He lives at Booneford, North Carolina, where he has lived all his life. He has been in the mining business all his life. He has worked in feldspar and mica mining. Some of the places he has worked are:

For references write:

Mr. John Phillips

Spruce Pine, N. C.

Mr. Fred Deneen

Newdale, N. C.

Mr. Roy Welds

Spruce Pine, N. C.

RECEIVED
1953

DAVE PARSLEY

Dave Parsley was borned in Erwin, Tennessee in the year of 1914. In his teens he moved to Newdale, North Carolina, where he has lived ever since. He has been a miner all his life. Mining for feldspar and mica.

For references write:

Mr. Wise McKinney
Route I
Spruce Pine, N. C.

Mr. J. F. Hollborn
Spruce Pine
N. C.

Mr. Grady McKinney
Route I
Spruce Pine, N. C.

DEPARTMENT OF THE INTERIOR
Bureau of Mines Information
RECEIVED
MAR 23 1953

Sam Parsley

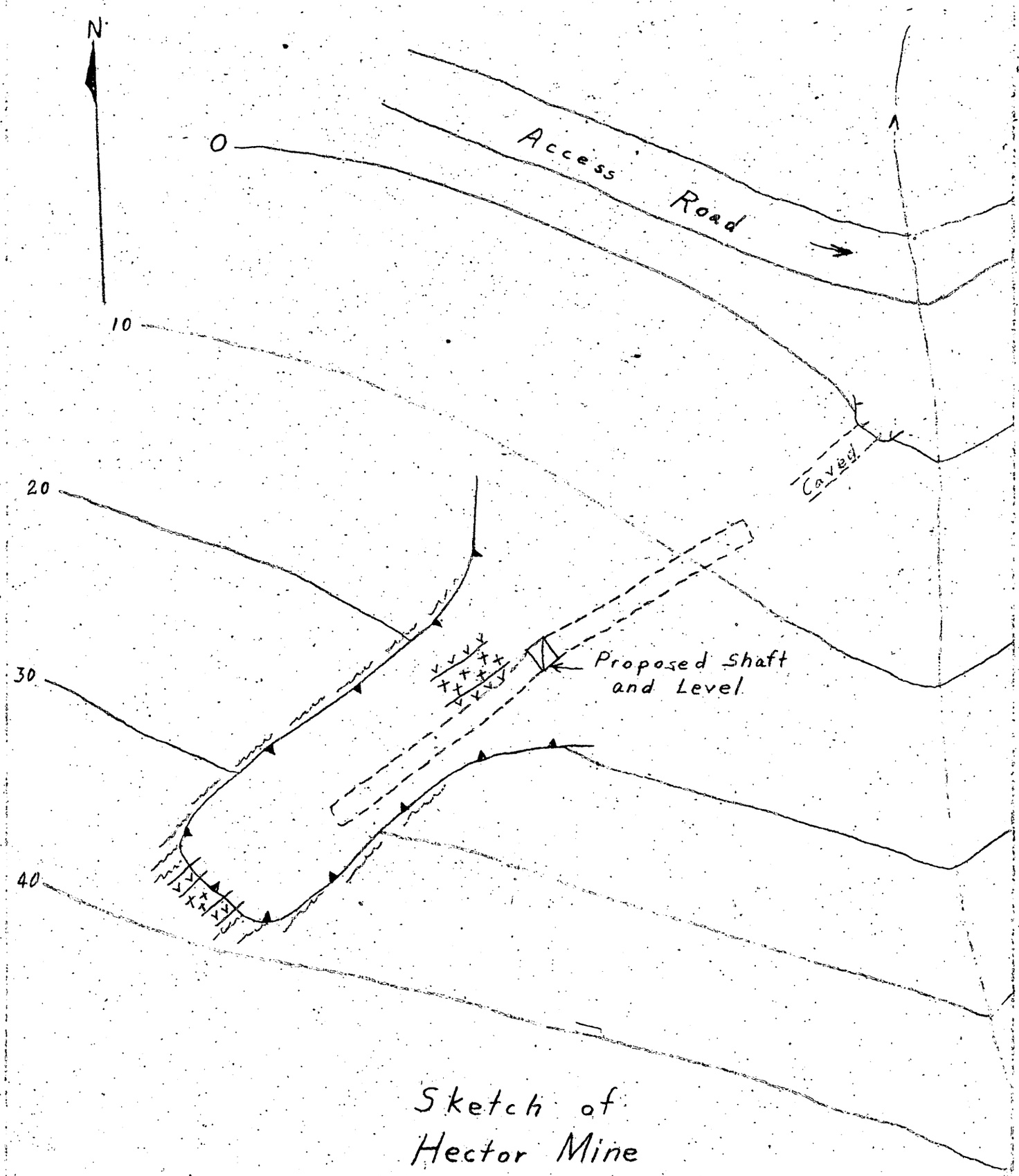
Sam Parsley was borned in Erwin, Tennessee in the year of 1917. In the year of 1927 he moved to Spruce Pine, North Carolina, then moving to Newdale where he has lived ever since except for three years that he served in the U. S. Army. He has mined all his life. Some of the mines that he has help work are: McKinney Mines, No. 20, Wildcat Mine, and Gems Mines.

For references write:

Mr. Grady McKinney
Route I
Spruce Pine, N. C.

Mr. Nelie Willis
Route I
Spruce Pine, N. C.

Mr. Burdette Thomas
Route I
Spruce Pine, N. C.



Sketch of
Hector Mine
Yancey Co., N.C.

0 20' 40'
Scale

DMEA-3216 (mica)

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

Project Summary Report

By: Walter C. Anderson August 16, 1954

1. Docket No. DMEA-3216 - Mica
Contract No. Idm-E665
The Hector Mine
Yancey County, North Carolina

Operators: Roy Sparks, Dave Parsley and Sam Parsley, Partnership
d/b/a The Hector Mining Company
Newdale, North Carolina

Operator's property rights:
Lease for five years dated October 20, 1953
Owner's Consent to Lien dated October 20, 1953

2. Contract - dated March 22, 1954

Work authorized:

Bulldozing shaft site	$50.00
Constructing toolhouse, powder and exploder magazines	225.00
Shaft sinking - 50 feet @ $45.00/ft.	2,250.00
Drifting and/or crosscutting - 80 feet @ $35.00/ft.	2,800.00
Total agreed unit costs	$5,325.00
Government participation @ 75%	$3,993.75

Amendments - None.

Work completed: Same as authorized.

Work began on April 13, 1954, and was completed on June 30, 1954. About 4,000 lbs. of "mine run" mica recovered during project, from which crude and scrap mica and 110.30 lbs. sheet mica has been sold, totaling $898.86. Mica is non-ruby.
Field Team Final Report received July 14, 1954.
Operator's Final Report received July 22, 1954.

3. Audit - Certificate issued **August 11, 1954 (no exceptions).**

Accepted cost	**$5,325.00**
Government participation	**$3,993.75**

4. Certification of discovery issued _____.
Estimate of ore reserves - pounds "mine run mica.

Indicated (above 62-ft. level)	25,000
Inferred (62-100 ft. level)	25,000

#1-INSTRUCTIONS TO DELI RING EMPLOYEE

☐ Deliver *ONLY* to addressee

☐ Show address where delivered

(Additional charges required for these services)

RETURN RECEIPT

Received the numbered article described on other side.

SIGNATURE OR NAME OF ADDRESSEE *(must always be filled in)*

Mrs Ed Sparks

SIGNATURE OF ADDRESSEE'S AGENT, IF ANY

Alamar Sparks

DATE DELIVERED	ADDRESS WHERE DELIVERED *(only if requested in item #1)*
2-24-64	

C55—16—71548-4 GPO

5. Comments:

How conducted - Carried out the work on schedule as authorized in the contract in a workmanlike manner.

Operation - good. Successful.

Engineering - Planning was good. Reporting by the Operator was very satisfactory.

Geological premise -

The premise that the pegmatite containing green mica of strategic grade would continue proved correct, since it is exposed throughout both the shaft and the drifts.

Geological criteria upon which work was based:

1. Zoned conformable pegmatite.
2. Quartz core 7 to 8 feet thick.
3. Feldspathic wall zones 2-3 feet thick.
4. Green mica occurrence adjacent to quartz and in both wall zones.
5. Past production.

Criteria developed during project:

1. Conformable zoned pegmatite 5-14 feet thick.
2. Concentration of green mica near the walls.
3. Sales of mica during operation.

Future possibilities: Good for production of green mica. Operators planning future operations.

Recommendation: The Nonmetallic Minerals Division concurs with the field team that the project was successful and a certification should be issued. The Geological Survey and the Bureau of Mines are in agreement.

DMEA Form 18
Feb. 58

DEFENSE MINERALS EXPLORATION ADMINISTRATION

ANALYSIS OF SEMIANNUAL REPORT OF CERTIFIED PROJECT

Prepare in duplicate. File original in Official Docket. Send copy

To: Statistics Branch (Code 210)

Report Period 10/23/57 - 2/3/58

From: Division of **Nonmetallic Minerals**

DMEA No.	Operator	Contract No.
3216	**The Hector Mining Co.**	**Idm-E665**

ORE ESTIMATES

	Tons	Analysis	
DMEA	25 tons	@ $600	$15,000
Operator to date			
Total			
Production to date	11		$ 6,685
Ore in ground	14 tons		

INVESTMENT

Type	Size		Feet	Cost
Shafts				
Winzes				
Drifts and Crosscuts				
Raises				
Drilling	Type			
Rehabilitation	Description			

FACILITIES

Mine Plant		
Mill		
Roads		

REMARKS

Prepared by Lawrence G. Houk Date

31398

$3,994 $5,325 $3,994

ANALYSIS Mica MR

ORE	DMEA	OPERATOR	TOTAL	PRODUCTION	AVAILABLE
MINERAL					
Mica	50,000 lbs.		50,000	22,000	28,000

See top of sheet

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
3/23	Murphy	500
	Disrwold	500
3/23	Talbutt	800
	Sellards	120
3/25	[illegible]	110
	[illegible]	100
		220

MAR 24 1964

Mrs. Ed Sparks
Route 2
Burnsville, North Carolina

Re: DMEA-3216 (Mica)
Hector Mining Company
Hector Mine
Yancey County, North Carolina
Contract Idm-E665

Dear Mrs. Sparks:

Thank you for returning the two completed copies of MME Form 63 which were mailed to you February 20, 1964.

By the terms of the subject Exploration Project Contract and the certification of discovery or development dated September 15, 1954, all minerals mined or produced from March 22, 1954, to March 22, 1964, were subject to the Government's royalty as set forth in said contract.

As the period during which production was subject to royalty has now expired, the Government according to its present records retains no claim or lien against the property subject to the contract or any future production therefrom.

Sincerely yours,

George Fumich, Jr.

Acting Director

FMMurphy/mm (3/22/64)
cc: Director's Reading File
CA&A Division
R. A. Laurence, Knoxville, Tenn. w/cy of Form 63 dated 2/20/64
Docket
Code 500

23263

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

February 20, 1964

Re: DMEA-3216 (Mica)
Hector Mining Company
Hector Mine
Yancey County, N. C.
Contract Idm-E665

REGISTERED MAIL
RETURN RECEIPT REQUESTED

Mr. and Mrs. Ed Sparks
Route 2
Burnsville, North Carolina

Dear Mr. and Mrs. Sparks:

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

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

Sincerely yours,

F. M. Murphy

F. M. Murphy, Acting Chief
Division of Minerals

OFFICIAL FILE COPY
O. M. E
RECEIVED FEB 26 1964

DATE	INITIALS	COMM
2/26		800
		~~120~~
		100
2/26		~~110~~
	F. M. Murphy	~~500~~
		320

MME Form 63
Revised 3-62

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since September 17, 1962 , has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☒

2. Since September 17, 1962 , has there been any production from the land subject to the contract? Yes ☐ No ☒

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

	Quantity	Value

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

Type	Quantity		Estimated Grade	Location
Ore		Tons		
Concentrates		Tons		
Other		Tons		

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

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

Disposition of Material	Quantity	Value

Submitted by:

Name Mrs E L Sparks Title

Address Rt. 2, Burnsville, N. C. Date February 25, 1964

Mr. Ed. Sparks died September, 1962

4511

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

October 22, 1963

Re: DMEA-3216 (Hica)
Hector Mining Company
Hector Mine
Yancey County, N. C.
Contract Idm-E663

Mr. and Mrs. Ed Sparks
Route 2
Burnsville, North Carolina

send 63 by Registered Mail same address.

Dear Mr. and Mrs. Sparks:

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

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

Sincerely yours,

s/F. M. Murphy

F. M. Murphy, Acting Chief
Division of Minerals

MME Form 63
Revised 3-62

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since September 17, 1962, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☐

2. Since September 17, 1962, has there been any production from the land subject to the contract? Yes ☐ No ☐

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

	Quantity	Value
_____	_____	_____
_____	_____	_____

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

Type	Quantity		Estimated Grade	Location
Ore	_____	Tons	_____	_____
Concentrates	_____	Tons	_____	_____
Other	_____	Tons	_____	_____

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

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

Disposition of Material	Quantity	Value
_____	_____	_____

Submitted by:

Name _____ Title _____

Address _____ Date _____

4511

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

August 15, 1962

Re: DMEA-3216 (Mica)
Hector Mining Company
Hector Mine
Yancey County, N. C.
Contract Idm-E665

Mr. and Mrs. Ed Sparks
Boonford, Mitchell County
Spruce Pine, North Carolina

Dear Mr. and Mrs. Sparks:

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

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

Sincerely yours,

W. R. Griswold, Chief
Division of Minerals

OFFICIAL FILE COPY
O. M. E
RECEIVED SEP 18 1962

DATE		
9/18	Talbot	800
"	JCJ	110
9/19	Griswold	500
9/20	Hazlett S.P.H	500
		220

MME Form 63
Revised 3-62

DMEA-3216
Idm-E665

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since June 15, 1960, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☑

2. Since June 15, 1960, has there been any production from the land subject to the contract? Yes ☐ No ☑

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

	Quantity	Value

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

Type	Quantity	Estimated Grade	Location
Ore	Tons		
Concentrates	Tons	None	
Other	Tons		

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

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

Disposition of Material	Quantity	Value
None	None	None

Submitted by:

Name Mr & Mrs. Ed. Sparks Title Owners of Property

Address Rt. 2 Burnsville, Nc. Date 9-17-62

4511

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
7/27	Talbert	800
	Frumel	500
7/27	Selbridge	120
"	Albert	110
7/27	Fumich	100
		220
8/15	Mr. Hoff S.T.H.	500

JUL 27 1962

Mr. Dan Allen
Route 2
Burnsville, North Carolina

Re: DMEA-3216 (Mica)
Hector Mining Company
Hector Mine
Yancey County, North Carolina
Contract Idm-8665

Dear Mr. Allen:

Thanks for your recent letter explaining that the production, which was the subject of my July 3 letter to Mr. and Mrs. Ed Sparks, did not come from the property under the referenced DMEA contract.

The inconvenience to you and Mr. and Mrs. Sparks is regretted. For your information, however, both the settlements on the two September 1960 sales of mica and the records of the Mica Purchase Depot at Spruce Pine indicate the production as being from the "Hector Mine" rather than the "Old Hector Mine".

Sincerely yours,

George Fumich, Jr.

Director

EDTalbert/ama 7-27-62

cc:
Docket
Director's Reading File
CA & A Division
Region IV Files (w/2 cys of incoming ltr.)
Mr. and Mrs. Ed Sparks
Boonford, Mitchell County
Spruce Pine, North Carolina

43683

OFFICIAL FILE COPY
O. M. E
RECEIVED JUL 25 1962

DATE		MADE
7/24	1957	800
		500

Dear Sirs-

In regard to this letter you sent to Mr & Mrs Ed Sparks, that I mined mica on their property sold by the Hector mining Co. Hector Mine.

I did not mine this mica on the Sparks property.

I mined on the Old Hector mine which is on the Asheville Mica Co. property. If you will check with the Government Mica Depot at Spruce Pine, you will find my contract no. as being sold. property owner

Asheville Mica Co
C/o Arthur Buchanan
Spruce Pine N.C.

This is the way it is at spruce pine Depot.

The property you refer to in this letter joins the Asheville Mica Co. and the oldest mine is on the Asheville Mica Co. property so I for one, see no use of the Government any thing on this matter.

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUL 25 1962

Mr Sparks came to see me about this matter so I am writing you to let you know some one is mistaken about this. If you want to check go to the Mica Depot at Spruce Pine. Or check with Arthur Buckhannon Agent for the Asheville Mica Co.

I think some one ought to check books a little closer before they accuse some one of mining on property they have not mined on.

Hoping some one will straighten this out

Yours Truly

Van Allen
R-2
Burnsville
N.C.

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

JUL 8 1962

Mr. and Mrs. Ed Sparks
Booneford, North Carolina

Re: DMEA-3216 (Mica)
Hector Mining Company
Hector Mine
Yancey County, North Carolina
Contract Idm-E665

Dear Mr. and Mrs. Sparks:

An Owner's Consent to Lien executed by you as an inducement to the Government to enter into the referenced exploration project contract granted to the Government a lien for its percentage royalty provided by the contract for a period of 10 years from the date of the contract, March 22, 1954, or until the entire amount of the Government's contribution to exploration costs have been repaid. The Government's contribution amounted to $3,993.75 of which $336.47 has been repaid to date.

Our files disclose that two purchases of trimmed mica have been made by the G.S.A. Mica Purchase Depot, Spruce Pine, North Carolina, of production from this property on which the Government is entitled to receive, but has not received, royalty amounting to $16.84. The sales were made by Dan Allen, Route 2, Burnsville, North Carolina, as listed below:

Lot No.	Pounds	Payments	Date approved by the Depot
SPAO-10 (a)	29.31	$195.70	Sept. 7, 1960
" -14 (a)	15.01	141.11	"
	Total Payments	$336.81	
	Royalty @ 5%	$ 16.84	

Please promptly remit the amount of this past due royalty, together with any additional amount which may be due for royalty on value of scrap or punch mica or other sales of minerals from the property. Your remittance should be made by check or money order payable to the Office of Minerals Exploration.

Sincerely yours,

George Fumich, Jr.

Director

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
ROOM 11 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUL 11 1962

DATE	INITIALS	
7/11	EW	800
		500

July 9, 1962

Memorandum

To: W. R. Griswold, Acting Chief
Division of Field Operations, OME, Washington, D. C.

From: Robert A. Laurence

Subject: DMEA-3216 (Mica)
Hector Mining Company
Hector Mine
Yancey County, North Carolina
Contract Idm-E665

Reference: Your memo of July 5, 1962

Boonford post office was discontinued some time in the middle 1950's. The Knoxville Post Office suggests that you address the correspondence to:

Mr. and Mrs. Ed Sparks
Boonford, Mitchell County
Spruce Pine, North Carolina

Newdale post office (address of Hector Mining Co.) also has been discontinued and its former patrons may be addressed through Spruce Pine.

Robert A. Laurence

Robert A. Laurence

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

OFFICIAL BUSINESS

WASH
11 30 PM
GREENSBORO, N. C.
JUL 4
9 30AM
1962

POSTAGE AND FEES PAID
U. S. DEPARTMENT OF INTERIOR
P. T. S. TERMINAL

RETURNED TO WRITER

Mr. and Mrs. Ed Sparks
Booneford, North Carolina

REASON CHECKED
Unclaimed
Refused.....
Unknown
.....
Insufficient address .....
Moved, Left no address.....
No such office in state .....
Do not remail in this envelope

GREENSBORO,
JUL 4
9 30AM
1962
N.C.

P.T.S. TERMINAL

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
7/5	Talbert	800
	Griswold	500
	Dobson	130
7/5	Johnson	110
		~~100~~
		220

JUL 5 1962

Memorandum

To: Robert A. Laurence, U. S. Geological Survey

From: Acting Chief, Division of Field Operations

From: DMRA-3216 (Mica)
Hector Mining Company
Hector Mine
Yancey County, North Carolina
Contract Idm-3665

On July 3 a letter was addressed to Mr. and Mrs. Ed Sparks, who executed an Owner's Consent to Lien in connection with the subject contract. This letter, which was addressed to Booneford, North Carolina, the only address of record in the docket files, was returned by the Greensboro Post Office with the notation "No such office in state".

The docket indicates that copies of the certification of discovery were sent to the DMRA Field Team for forwarding to Ed and Mary Sparks. Accordingly, your advice as to their correct post office address will be appreciated.

W. R. Griswold

(GHB)

EDTalbert/ama 7-5-62

cc:
Docket
Director's Reading File
CA & A Division
Review Committee

43683

MME Form 7
(10-58)

JUL 3 1962

OFFICIAL FILE COPY

Date	Surname	Code
7/2	Talbut	800
"	Holt	500
	[illegible]	600
7/3	Selfridge	120
"	Johnson	110
7/3	[illegible]	100
		220

Mr. and Mrs. Ed Sparks
Booneford, North Carolina

Re: DMEA-3216 (Mica)
Hector Mining Company
Hector Mine
Yancey County, North Carolina
Contract Idm-8665

Dear Mr. and Mrs. Sparks:

An Owner's Consent to Lien executed by you as an inducement to the Government to enter into the referenced exploration project contract granted to the Government a lien for its percentage royalty provided by the contract for a period of 10 years from the date of the contract, March 22, 1954, or until the entire amount of the Government's contribution to exploration costs have been repaid. The Government's contribution amounted to $3,993.75 of which $336.47 has been repaid to date.

Our files disclose that two purchases of trimmed mica have been made by the G.S.A. Mica Purchase Depot, Spruce Pine, North Carolina, of production from this property on which the Government is entitled to receive, but has not received, royalty amounting to $16.84. The sales were made by Dan Allen, Route 2, Burnsville, North Carolina, as listed below:

Lot No.	Pounds	Payments	Date approved by the Depot
SPAO-10 (a)	29.31	$195.70	Sept. 7, 1960
" -14 (a)	15.01	141.11	"
	Total Payments	$336.81	
	Royalty @ 5%	$ 16.84	

Please promptly remit the amount of this past due royalty, together with any additional amount which may be due for royalty on value of scrap or punch mica or other sales of minerals from the property. Your remittance should be made by check or money order payable to the Office of Minerals Exploration.

Sincerely yours,

George Fumich, Jr.

Director

(GHB)

CEFisher/ama 7-2-62

cc:
Docket
Director's Reading File
CA & A Division
Region IV Files (2)

43683

OFFICIAL FILE COPY

Date	Symbol	Code
		500
		120
		110
		100
		220

DMEA-3216

Form 7 (10-58)

June 27, 1962

Memorandum

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

From: C. E. Fisher, OME Auditor

Subject: Audit Trip to Spruce Pine, North Carolina

I left Washington, D. C., via Southern Railway train No. 47 at 9:00 p.m., EST, June 17, 1962. Arrival in Asheville, N. C., was about 10:00 a.m., June 18. There I secured an automobile from Avis Rent-A-Car and drove to Spruce Pine, N. C. Left Spruce Pine at 10:00 a.m., June 23, and arrived back in Washington at 5:10 a.m., June 24, via Southern Railway train No. 16.

Most of the time in Spruce Pine was spent in reviewing the purchase records of the G.S.A. Mica Purchase Depot for the purpose of determining whether any unreported purchases had been made by that Depot of production from mines on which DMEA had entered into exploration project contracts. A total of 57 contracts were assigned for this investigation.

The last purchase by the Depot under the Mica Purchase Program was made on June 7, 1962. Mr. J. P. McKinney, Depot Superintendent, stated that processing the mica on hand and making final settlements with vendors will take another 60 to 90 days before the Depot is finally closed. Mr. McKinney also advised that 2,972 Participation Certificates were issued and 21,609 lots of mica were purchased during the program. At June 15 the yield of strategic mica amounted to 1,516,755.75 pounds. This will increase some when all processing is completed. As of June 1 the total payments to vendors amounted to $20,526,000. This amount will be increased when final settlements have been completed.

My review of the Depot records disclosed 13 contracts under which the Government may be entitled to royalty as hereinafter discussed. The investigation failed to disclose any purchases of production from the properties covered by the remaining 44 contracts. Memoranda for the files have been prepared for this latter group of contracts.

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Mr. [illegible] were
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...ther... [illegible] afford
to ... [illegible] ...ing
expense [illegible] cost [illegible]
For example, [illegible]
was cost [illegible]
Phillips [illegible] the
explora... [illegible]

My rev... [illegible] in
connection wit... [illegible] ...tracts as [illegible]

Contract [illegible]

I secure... [illegible] for
lot No. [illegible] from

Frank [illegible] [illegible] [illegible] 71.74 pounds of [illegible] [illegible] [illegible] $394.50. A Report of Royalty [illegible] dated April 23, [illegible], indicated $19.73 unpaid royalty [illegible] this sale. [illegible] the document was obtained to complete the [illegible] files. This sale was made from production subsequent to abandonment by the original operators under the contract. [illegible] ruling by the Solicitor's office royalty is not collectible unless the original operators should again mine the property during the relevant period.

Contract Idm-[illegible], [illegible]-2375, Douglas [illegible] & H. Cline West

Final settlement statement for lot No. [illegible], approved July 20, 1956, under which Robert H. Redus, Jr., [illegible] Street, Asheville, N. C., received [illegible] settlement of $[illegible], shows the mine name as "Summer" [illegible] does not give the location [illegible] mine. This contract covered [illegible] the Swannanoa [illegible]. According to the contract [illegible] Subordination [illegible] I. B. Summer, that mine is located in [illegible] Asheville is the county seat of Buncombe County. It [illegible] that the sale by Mr. Redus covered production from Swannanoa [illegible], reported by him under the mine owner's name, and erroneously shown as Summer Mine on the settlement sheet.

On March 11, 1955, Mr. Beck and I called [illegible] Summer whose address is Summer Theater, Inc., Haywood Building, Asheville, N. C., and found him to be very cooperative in furnishing information about sales from the Swannanoa Mine on which he had received royalty as owner of the property. I suggest that [illegible] contacted regarding the sale by [illegible] if there is any [illegible] production on which the Government is entitled to royalty [illegible] was certified because of [illegible] of feldspar.

Contract [illegible]-[illegible], [illegible]-2611, [illegible]

Final settlement statement was obtained [illegible] lot No. SPAR-229(a), approved August 6, 1956, under which [illegible] Mining Company, Box 962, Sylva, N. C., received payments aggregating $[illegible].12. This settlement statement shows the mine name as [illegible], but does not give the location of the mine. Contract [illegible] covered exploration at the Shell Ridge Mine located in Jackson County, N. C., of which Sylva is the county seat.

Contract [illegible]-459, [illegible]-2579, Mica Industries, Inc.

Final settlement sheets SPBR-47(a), approved December 2, 1960, and SPBR-68(a), approved December 23, 1960, covered payments aggregating

Contract Idm-E619, DMEA-5132, Dixie Mines, Inc.

Royalty has not been paid to the Government in connection with the following settlement statements:

Lot No.	Date Approved	Seller	Amount
SPAR-257(a)	11/5/58	S. P. Lett, Rt. 3, Linville, Ala.	$2,019.20
" -270(a)	12-30/58	" " " "	455.57
" -333(a)	12/19/58	" " " "	861.37
" -414(a)	3/16/59	L. T. Rounds, Rt. 2, Columbiana, Ala.	157.82
" -511(a)	3/25/59	" " "	649.37
" -780(a)	6/23/59	" " "	356.95

Contract Idm-E664, DMEA-5247, Newland Buchanan, et al.

Final settlement sheet for lot No. SPBR-163(a), approved August 24, 1960, covered payments aggregating $854.94 to M. S. Burleson & Frank W. Phillips Co., c/o Mitchell Lumber Co., Spruce Pine, N. C. The name and location of the mine are shown as Johnson Mine, Mitchell County, N. C., which is in agreement with the description of the mine in which exploration was performed.

Contract Idm-E814, DMEA-3740, Roy Grindstaff, et al.

Final settlement sheet for lot No. SPAO-154(a), approved January 27, 1960, covered payments aggregating $153.65 to Bersley & Grindstaff, Route 3, c/o Roy Grindstaff, Bakersville, N. C. The name and location of the mine are shown as Conley, Mitchell County, N. C., which is in agreement with the description of the mine in which exploration was performed.

Contract Idm-E977, DMEA-4337, Hawk Mining Company

Royalty has not been paid to the Government in connection with the following settlement statements:

Lot No.	Date Approved	Seller	Amount
SPAO-475(a)	4/18/59	J. E. Wilson, c/o Mitchell Lumber Co., Spruce Pine, N.C.	$ 114.80
" - 12(a)	7/24/59	" " " "	594.62
" - 51(a)	8/24/59	" " " "	1,070.75*
" - 89(a)	1/9/62	" " " "	302.37*

* Includes production from various mines. Amounts applicable to Hawk Mine are $195.57 and $9.48, respectively.

Contract Idm-5605, DMEA-5216, Hector Mining Company

Final settlement sheets for lots SPAO-10(a) and SPAO-14(a), approved September 7, 1960, covered payments aggregating $195.70 and $141.11, respectively, to Dan Allen, Route 2, Burnsville, N. C. The name and location of the mine are shown as Hector Mine, Yancey County, N. C., which is in agreement with the description of the mine in which exploration was performed.

Contract Idm-5734, DMEA-5452, Howard Boone & John Jarrett

Final settlement sheet for lot SPAR-359(a), approved December 1, 1959, covered payments aggregating $101.31 to Persley & Grindstaff, c/o Roy Grindstaff, Route 3, Bakersville, N. C. The name and location of the mine are shown as Putman, Mitchell County, N. C., which is in agreement with the description of the mine in which exploration was performed.

The following is furnished for your use in the unlikely event you may find it necessary to secure additional information regarding purchases by the Spruce Pine Depot.

Mr. McKinney stated that he does not know what is to become of the Spruce Pine Depot records when the Depot is finally closed. We are recommending that the copies of settlement statements and supporting papers maintained at the Depot be destroyed as they are duplicates of original documents on which disbursements were made. The original documents are in the custody of:

General Services Administration, Region 3
Office of Regional Comptroller
Document Control and Collections Section
Room 6238, Regional Office Building
7th and D Streets, S. W.
Washington 25, D. C.

During the purchase program it was the practice to furnish copies of all settlement sheets to:

Mr. Avery H. Reed, Jr., Chief
Knoxville Field Office
Division of Mineral Industries
Bureau of Mines
404 Hamilton Bank Building
Knoxville 2, Tennessee

I understand that these copies were used by the Bureau of Mines to compile statistical data relating to production from the various mines. I do not have any information regarding the ultimate disposition made of these copies.

CEFisher/ama 6-27-62

cc:
Mails and Files
Director's Reading File
CA & A Division
Region IV Files (2)

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
1/17	[illegible]	120
		220

JAN 17 1962

Memorandum

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

From: Chief, Division of Field Operations, OMK

Subject: DMEA-3216 (Mica)
Hector Mining Company
Hector Mine
Yancey County, North Carolina
Contract Idm-E665

Enclosed for your files is the original of a Report of Royalty Review on the subject contract.

/s/ George C. Selfridge

Enclosure

GCSelfridge/hb (1/17/62)

cc: Docket DMEA-3216
Director's Reading File
CA & A Division
G. C. Selfridge
R. A. Laurence, Region IV, w/cy of Report of Royalty Review dtd 1/2/62 and copy of memo dtd 1/16/62 by CA& A Division to Division of Field Operations.
V. J. Lynch, Region IV, w/cy of ea. item sent to Mr. Laurence

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
		220

JAN 16 1962

Memorandum

To: Chief, Division of Field Operations

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

Subject: IMEA-3216 (Mica)
Hector Mining Company
Hector Mine
Yancey County, North Carolina
Contract Idm-E665

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

(a) Original to the Fiscal Section, Division of Administrative Services, Office of the Secretary; and

(b) Two copies to Region IV files.

This report is for OME record purposes only; therefore, no copy has been provided for the Operator.

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

Enclosures

EDTalbert/ama 1-16-62

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

43683

DMEA No.	Item	[illegible]	Date Inspected
2793	[illegible]	[illegible]	June 13 thru 15, [illegible]
2921		[illegible]	
2926	[illegible]	[illegible]	
3000	[illegible]	[illegible] Mining Co.) (Dream Mine)	
3008	[illegible]	[illegible] Mining Co. (Benn[illegible]ed)	
3154	636	[illegible] Windstaff (Fyn[illegible])	
3216	[illegible]	[illegible]	Inactive ?
3229	659	[illegible] Sayder [illegible]	
3199	[illegible]	[illegible] (Mast[illegible] Mine)	
3247	664	[illegible] & Shook [illegible]	
3255	662	Non-Metallic Minerals (White Rock Mine)	
3256	[illegible]	[illegible] Buchner (Ro[illegible])	
3260	[illegible]	[illegible] & Carpenter (W[illegible] McKinney Mine)	
3282	675	[illegible] & [illegible] Toone (Imperial Mine)	
3287	674	[illegible] & Carpenter (Ma[illegible] Mine)	
3410	[illegible]	[illegible]	

OFFICIAL FILE COPY
O. M. E.
RECEIVED NOV 23 1959

DATE	INITIALS	CODE
11-23	[illegible]	[illegible]
"	[illegible]	[illegible]
		[illegible]

DMEA SEMI-ANNUAL REPORT ON CERTIFIED

Projects Inactive since last Inspection

Reporting Period: January 1, 1959 to July 1, 1959

	DMEA No.	Idaho	Operator	Date of Inspection
act	2886	547	Duncan Mining Co. (Connolly Mine)	Nov. 4, 1959
act	2921	548	Taylor, Greene & Greene (Gem Camp Mine)	Nov. 4, 1959
act	*3216	665	Sparks & Parsley (Hector Mine)	Nov. 12, 1959
act	3260	692	John Phillips, et al (McKinney Mine)	Nov. 4, 1959
act	3262	675	J. R. Beam & H. Boone (Ingram Mine)	Nov. 5, 1959
act	3813	835	T. B. Vance (Shuffle Vance Mine)	Nov. 5, 1959
act	3860	865	Ed Boone (Goog Rock Mine)	Nov. 12, 1959
act	**3942	900	Sam Smith (Doe Hill Mine)	Nov. 3, 1959
act	4239	1005	John Phillips (Roby Mine)	November 3, 1959
act	[illegible]	1008	John Phillips (John Prospect)	November 5, 1959
act	[illegible]	1042	Clifton D. Buchanan (Banner Prospect)	Nov. 5, 1959

* During an inspection of this property on November 12, it was definitely established that all production by the present lessee, Mr. Fred Young, is not coming from any part of the Contract area.

** There has been no production from this property since the last inspection. The Operator was again requested to pay up the royalties due on past production. He agreed to do this but to-date he has not complied.

V. J. Lynch, Mining Engineer
Bureau of Mines

OFFICIAL FILE COPY

Date	Surname	Code
3/20	Fisher	800
3/21	C	220
		600

MAR 21 1958

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

Re: Docket No. DMEA-3216 (Mica)
The Hector Mining Company
Hector Mine
Yancey County, North Carolina
Contract No. Idm-F665

Dear Mr. Laurence:

I am enclosing the original and two copies of Mr. Fisher's report of royalty review dated March 19, 1958, pertaining to the subject contract.

If you concur with the findings, the original should be forwarded to the Regional Finance Officer, a copy should be retained in your files, and a copy should be sent to the landowner.

Sincerely yours,

~~(Signed) J. L. Chambers~~

for Jay L. Chambers, Director
Contract Administration
and Audit Division

Enclosures

CEFisher/ama
March 20, 1958

Copy to: Docket
Admr. Reading File
Helen R. Miller
Mr. Chambers

8623

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

OFFICIAL FILE COPY
DMEA
RECEIVED JAN 16 1958

DATE		CODE
1/16		
17		220
1/20		100
		600

January 14, 1958

Memorandum

To: Operating Committee, DMEA - Washington

From: DMEA Field Team, Region V - Knoxville, Tennessee

Subject: DMEA-3216, Idm-E665(mica) Hector Mining Co., Newdale, N. C. Hector Mine, Yancey County, N.C.

Reference is made to the latest semi-annual report on the subject certified property. The $55.34 royalty shown to be due was received on October 28, 1957. Therefore, no unpaid royalty was due at the end of 1957, to the best of our knowledge.

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

V. J. Lynch
V. J. Lynch, Member
Bureau of Mines

DMEA
RECEIVED DEC 10 1957
DATE | | CODE
12/18 | 98 | 220
19 | Com | 100
23 | Mia | 600

DMEA EXPLORATION PROJECT

SEMI-ANNUAL REPORT OF CERTIFIED PROJECT

Reporting Period: 1-1-57 to 7-1-57. Date Examined: October 23, 1957.

Operators: Roy Sparks, Dave Parsley and Sam Parsley, Ptnrs.
d/b/a The Hector Mining Co., Newdale, North Carolina

Mine Name: Hector. County: Yancey. State: North Carolina. Commodity: Mica

Docket No. DMEA-3216. Contract: Idm-E665. Date Certified: 9-16-54

Date of Contract: March 22, 1954. Expiration of Royalty Pay't: March 22, 1964

Total Amount of Contract: $5,325.00/ Total Expended: $5,325.00

Amount of Gov't Participation: at 75%.....$3,993.75

Royalty Pay't this Period: $23.74. Previously Paid: $257.39.

Total Royalty Paid todate: $281.13. Percent Gov't Participation Repaid: 7.04%

Royalty due on production todate: $55.34.

Royalty Remarks: Royalty is due on 5 sales of hand cobbed mica for which $1,106.86 was obtained. These sales were made by B. G. Thomas, Jr. et al operating under the name of Hector Mining Co. It was previously reported a sale of sheet mica was made by this Company, but this was found to have been produced from the Hector No.2 Mine, which is not on the property covered by the contract.

Original Estimate of DMEA Reserves (Field TEam Final Report)
Indicated (above 62 ft). 25,000 lbs of "mine-run" mica

Inferred (62-100 ft level) 25,000 lbs of "mine-run" mica.

	Type	Pounds	Amount
Production-DMEA ore (this period)	Hand cobbed	15,465.00	$1,106.86
	Total	15,465.00	$1,106.86
Previous DMEA Production:	Sheet	528.71	5,067.69
	Hand cobbed	3,280.00	410.29
	Punch	1,485.00	100.75
	Scrap	4,350.00	48.93
		9,643.71	$5,627.66
Production DMEA ore(todate)	Sheet	528.71	5,067.69
	Hand cobbed	18,745.00	1,517.15
	Punch	1,485.00	100.75
	Scrap	4,350.00	48.93
	Total	25,108.71	$6,734.52

Remarks: This property was visited October 23, 1957. When examined, no one was working the mine. The shaft was measured and found to be 30 feet deep. There was 13 feet of water in it , so it is not known whether any drifting had been done. A hoist and compressor were on the property.

Junior Thomas, one of the last Operators stated they had not worked there since last spring, but planned to return. He showed the writer the final settlement sheets of five sales of hand cobbed mica on which he had to repay the Government $901.51 as he had been overpaid on each of the five sales. When final settlement was made he only received $1,106.86 for 15,465 lbs. Mr. Thomas stated he would pay the Government's royalty in the amount of $55.34 within the month.

Wm. A. Beck, Mining Engineer
Bureau of Mines

December 16, 1957

zm.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1 POST OFFICE BLDG.
KNOXVILLE 2, TENNESSEE

January 14, 1957

RECEIVED
JAN 16 1957
D.M.E.A.

Memorandum

To: Finance Officer, Region V - (DMEA)

From: Executive Officer, DMEA - Region V - Knoxville, Tennessee

Subject: Royalty Payment - Idm-E665, DMEA-3216, Roy Sparks and Dave Parsley, Hector Mining Company, Newdale, N.C.

Transmitted are bills-of-sale in the amount of $332.44, and a check for $16.62 for royalty on the sale to be credited to the subject contract.

Robert A. Laurence

zm
Mittendorf
Lynch
Shirley
Files

Copy

RECEIVED JAN 16 1957 D.M.E.A.

GENERAL SERVICES ADMINISTRATION
FINAL SETTLEMENT

Mica Purchasing Depot, Spruce Pine, N. C.

Date Purchased 10-2-56

Acceptance No. 340(a)

Certificate Authorization No. 1912A LOT No. SP- 340(a)

VOUCHER No.

	TOTAL Wt. Lb	Lbs-G.S.	Lbs-Stained	Lbs-Hy-Stained	Total Value
Processed for Payment	15.29	6.32	8.26	.71	206.12
No Processed Pay't					
THINS					
BLACK Dots Spots Stains					
Undersized					
Process-~~Gain~~ Loss	02				
Total Lbs Purchased	15.31				

Less: Initial Payment - Voucher No. Sch. No. 139.11

Balance Due: Government: Seller: 67.01

Seller's Name
Address: Ola Mae Sparks
Rt 2 Burnsville, N.C

NAME OF MINE: Hector Mine

DMEA No. 3216 Idm-E 665

County: Yancey State: N.C

APR 16 1957

GENERAL SERVICES ADMINISTRATION FINAL SETTLEMENT Mica Purchasing Depot, Spruce Pine, N. C.	Date Purchased 11-19-56 Acceptance No. 529(a)
Certificate Authorization No. 1912A LOT No. SP- 529(a)	VOUCHER No.

	TOTAL Wt. Lb	Lbs-G.S.	Lbs-Stained	Lbs-Hy-Stained	Total Value
Processed for Payment	12.70	3.63	6.81	2.26	126.32
No Processed Pay't					
THINS					
BLACK Dots Spots Stains					
Undersized					
Process-~~Gain~~ Loss	.11				
Total Lbs Purchased	12.81				

Less: Initial Payment - Voucher No.		Sch. No.	86.63
Balance Due:	Government:	Seller: X	39.69

Seller's Name
Address: Ola Mae Sparks
Burnsville, N. C.
(Roy Sparks + Paraley)

NAME OF MINE: Hector
DMEA No. 3216 Idm-E 665
County: Yancey State: N.C.

Semi-Annual Reports of Certified Projects

Reporting Period: 1/1/56 to 1/1/57 Date of Examination: April 9, 1957

Operator: Roy Sparks, Dave Parsley and Sam Parsley, a partnership d/b/a The Hector Mining Co., Newdale, North Carolina.

Mine Name: Hector Mine Yancey County, North Carolina

Docket Number DMEA-3216 Commodity: Mica Contract No. Idm-E665

Date of Contract: March 22, 1954 Date of Certification: September 16, 1954 15 amr

Expiration Date of Royalty Payments: March 22, 1964

Total Amount of Contract: $5,325.00 Total Expenditures under Contract: $5,325.00

Amount of Government Participation at 75% $3,993.75

Royalty Payments this Period: $122.97 Previous Royalty Payments: $134.42

Total Royalty Payments to Date: $257.39 Percent Government Participation Repaid: 6.44% Royalty Due on Production to Date: $7.12

Royalty Remarks: The K & K Corporation mined on the property after the Hector Mining Company gave up their lease. They paid royalty regularly but failed to pay $7.02 on the preliminary payments on two lots of hand cobbed mica. A letter has been written requesting this payment and also 10¢ that they were short in their last payment.

Original Estimate of DMEA Reserves (Field Team Final Report)

Indicated (above 62 ft. level)

25,000 pounds of "mine-run" mica

Inferred (62 - 100 ft. level)

25,000 pounds of "mine-run" mica

OFFICIAL FILE COPY
DMEA
RECEIVED APR 22 1957

DATE	INITIALS	CODE
4/23	Cow	100

Production DMEA Ore (this period)

Type	Pounds	Amount
Sheet	119.59	$1160.37
Hand cobbed	3280.00	410.29
Punch		
Scrap		
	3399.59	$1570.66

Previous DMEA Production

Type	Pounds	Amount
Sheet	409.12	$3,907.32
Punch	1485.00	100.75
Scrap	4350.00	48.93
	6244.12	$4,057.00

Production DMEA Ore (to date)

Type	Pounds	Amount
Sheet	528.71	$5,067.69
Hand Cobbed	3280.00	410.29
Punch	1485.00	100.75
Scrap	4350.00	48.93
	9643.71	$5,627.66

Production Remarks:

After the original Operators completed their contract with DMEA they ceased operations. The mine was idle from July 1954 until the fall of 1955 when it was leased to the K & K Corporation who operated it until the spring of 1956. No underground work was done. All the work was in the open cuts both above and below the DMEA shaft. A total of 284.93 pounds of sheet mica having a value of $2,873.59 and 3280 pounds of hand cobbed mica valued at $410.29 was produced by this company.

When the property was visited on April 9, 1957, operations were being carried on by a group also using the name of Hector Mining Company.

This group is composed of B. G. Thomas, Jr., R. C. Thomas and Jim Cox all of Spruce Pine, N. C., and Howard Sparks of Burnsville, N. C. They were excavating in the upper cut with a TD-9 International Harvester Company Diesel Crawler equipped with a Front End Loader Attachment. The material was being pushed into the lower cut which had already been excavated to the level of the drift that had been driven from the 62 foot DMEA shaft. Part of the timber from the DMEA shaft was visible in the cut.

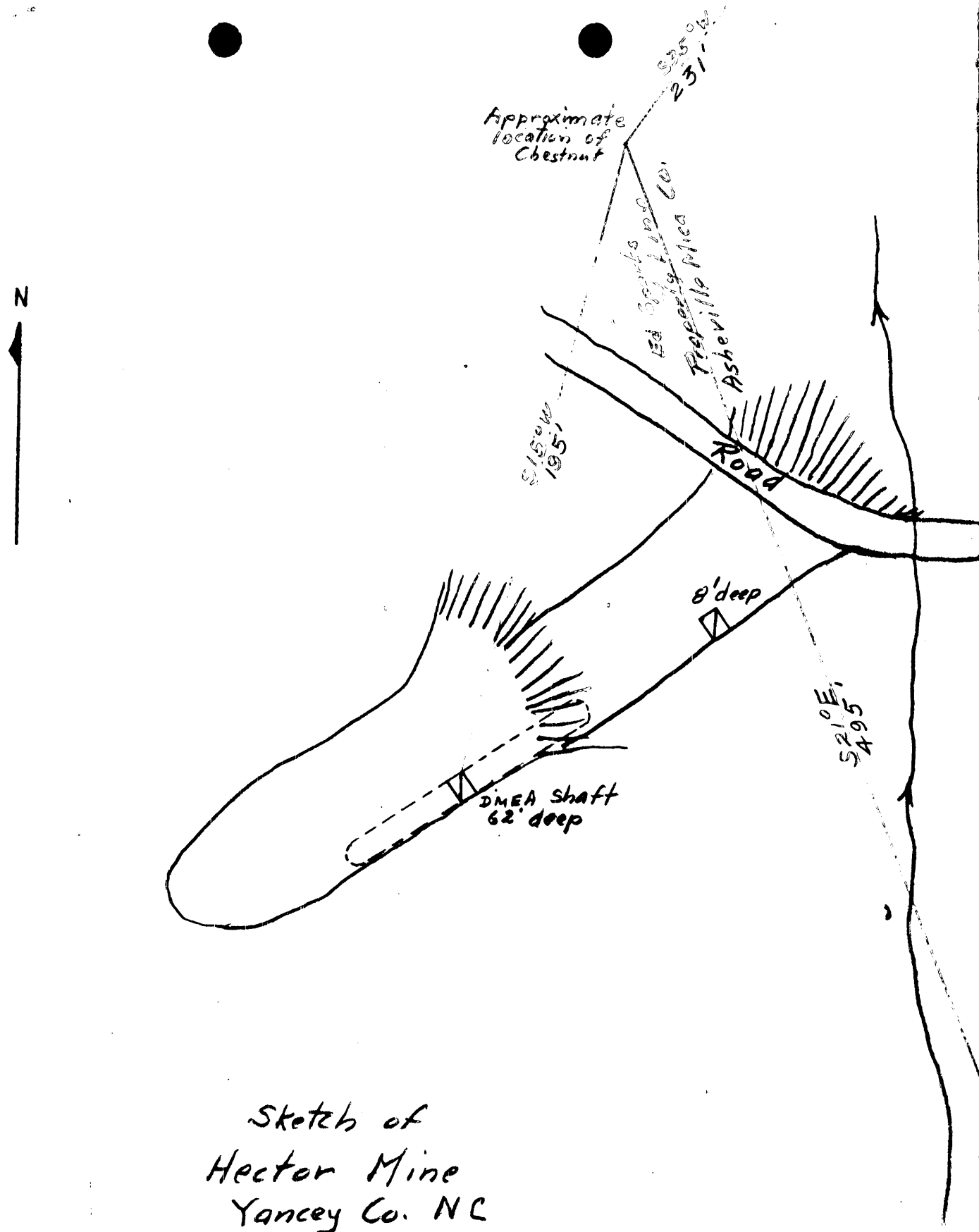
In the Northern end of the lower cut the Operators are sinking a new shaft on the pegmatite. It was about 8 feet deep when seen and in a semi-hard formation which had to be drilled and blasted before removal.

Approximately 1800 cubic yards of material had been moved from the upper or southwestern cut and about 1250 cubic yards from the lower or northeastern cut. No mica was on hand but one sale of sheet mica and 5 sales of hand cobbed mica has been sold to the Government Buying Depot. Final settlement has not been made on any of these sales. The Operators are cognizant of the Government's lien on the property.

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

April 9, 1957

s



Sketch of
Hector Mine
Yancey Co. NC
4-9-57

0' 40' 80'
Scale

DMEA-3216 (mica)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 13 POST OFFICE BLDG.
KNOXVILLE 2, TENN.
October 28, 1957

OFFICIAL FILE COPY
DMEA
RECEIVED OCT 30 1957

DATE	INITIALS	CODE
10/30	gb	220
		600

Memorandum

To: Finance Officer - Region V (DMEA)

From: Acting Executive Officer, DMEA - Region V -

Subject: Royalty Payment - DMEA-3216, Idm-E665-mica
The Hector Mining Co. Spruce Pine, N. C.
Hector Mine, Yancey County, N.C.

Transmitted are bills of sale totalling $1,106.86, and a check for 5% royalty No.101, dated Oct.26, 1957 in the amount of $55.34 to be credited to the subject contract.

V. J. Lynch

zm.
cc
Mittendorf
Lynch
Files

DMEA-3216
FdME-665

							*
							*
		2	0	6	3	3	
		2	2	9	8	3	
Trimming		-	1	8	6	3	-
		4	5	6	9	0	
Trimming		-	8	4	0	2	-
		2	3	3	3	0	
Trimming		-	4	0	8	5	-
		1	2	4	0	0	
	1	1	0	6	8	6	*

OFFICIAL FILE COPY
DMEA
RECEIVED [illegible]

GENERAL SERVICES ADMINISTRATION

FINAL SETTLEMENT

MICA PURCHASING DEPOT, SPRUCE PINE, N. C. B

DATE PURCHASED: 4-3-57

ACCEPTANCE NO.: [illegible]

VOUCHER NO.:

CERTIFICATE AUTHORIZATION NO.: [illegible]-4-357 B

LOT NO.: SP [illegible]-134 (a)

	TOTAL WGT (LBS)	LBS. - G. S.	LBS. - STAINED	LBS.-HVY.STAINED	TOTAL VALUE
PROCESSED FOR PAYMENT	20.35	5.19	3.87	2.30	206.33
PROCESSED - NO PAYMENT					
THINS					
BLACK - DOTS SPOTS STAIN					
UNDERSIZED					
PROCESS - GAIN LOSS					
TOTAL LBS. PURCHASED	2270.00				

FOR USE OF CERTIFYING OFFICER

LESS: INITIAL PAYMENT - VOUCHER NO. SCH. NO. [illegible]

BALANCE DUE - GOVERNMENT X [ ] SELLER [ ] 60.32

SELLER'S NAME AND ADDRESS

Hector Mining Co.
Spruce Pine, N. C.

NAME OF MINE AND LOCATION

Hector - Yancey County, N. C.

APPROVED

DEPOT SUPERINTENDENT 4-3-57 DATE

Form R4-736, May 1956

GENERAL SERVICES ADMINISTRATION

FINAL SETTLEMENT

MICA PURCHASING DEPOT, SPRUCE PINE, N. C. B

DATE PURCHASED: 3-8-37

ACCEPTANCE NO.: Max. 6540. B04-110 (a)

CERTIFICATE AUTHORIZATION NO. [illegible]-4-357 B

LOT NO. SF 80-110 (a)

VOUCHER NO.

	TOTAL WGT (LBS)	LBS. - G. S.	LBS. - STAINED	LBS. - HVY. STAINED	TOTAL VALUE
PROCESSED FOR PAYMENT	27.16	6.44	11.91	8.31	229.83
PROCESSED - NO PAYMENT					
THINS					
BLACK - DOTS SPOTS STAIN					
UNDERSIZED					
PROCESS - GAIN LOSS					
TOTAL LBS. PURCHASED	2600.00				

FOR USE OF CERTIFYING OFFICER

LESS: INITIAL PAYMENT - VOUCHER NO. Cost of Mining & Trimming SCH. NO. 25.63 466.72

BALANCE DUE GOVERNMENT [X] SELLER [ ] 25552

SELLER'S NAME AND ADDRESS

Hester Mining Company
Spruce Pine, N. C.

NAME OF MINE AND LOCATION

Hester-Ramsey County, N. C.

APPROVED

[illegible] 6-7-37

DEPOT SUPERINTENDENT DATE

Form R4-T36, May 1956

GENERAL SERVICES ADMINISTRATION

FINAL SETTLEMENT

MICA PURCHASING DEPOT, SPRUCE PINE, N. C. B

DATE PURCHASED: 3-13-57

ACCEPTANCE NO.: Max. 8340. 204-115 (a)

CERTIFICATE AUTHORIZATION NO.: [illegible]-4-137 B

LOT NO.: SP 20-115 (a)

VOUCHER NO.:

	TOTAL WGT (LBS)	LBS. - G. S.	LBS. - STAINED	LBS. - HY. STAINED	TOTAL VALUE
PROCESSED FOR PAYMENT	56.72	12.02	26.50	18.19	436.90
PROCESSED - NO PAYMENT					
THINS					
BLACK - DOTS, SPOTS, STAIN					
UNDERSIZED					
PROCESS - GAIN / LOSS					
TOTAL LBS. PURCHASED	447.00				

FOR USE OF CERTIFYING OFFICER

LESS: INITIAL PAYMENT - VOUCHER NO. Cost of Mining & Trimming SCH. NO. [illegible]

BALANCE DUE GOVERNMENT [X] SELLER [ ] 608.31

= 235.43

SELLER'S NAME AND ADDRESS

Rector Mining Co.
Spruce Pine, N. C.

NAME OF MINE AND LOCATION

Rector No. 1-Mitchell County, N. C.

APPROVED

DEPOT SUPERINTENDENT 6-7-57 DATE

Form R4-T36, May 1956

GENERAL SERVICES ADMINISTRATION

FINAL SETTLEMENT

MICA PURCHASING DEPOT, SPRUCE PINE, N. C. B

DATE PURCHASED: 2-26-57

ACCEPTANCE NO.: Max. $540. Bo4-106 (a)

CERTIFICATE AUTHORIZATION NO.: [illegible]-4-357 B

LOT NO. SP BO-106 (a)

VOUCHER NO.:

	TOTAL WGT (LBS)	LBS. - G. S.	LBS. - STAINED	LBS.-HY. STAINED	TOTAL VALUE
PROCESSED FOR PAYMENT	[illegible]	6.06	13.64	20.62	233.30
PROCESSED - NO PAYMENT					
THINS					
BLACK - DOTS SPOTS STAIN					
UNDERSIZED					
PROCESS - GAIN LOSS					
TOTAL LBS. PURCHASED	2835.00				

FOR USE OF CERTIFYING OFFICER

LESS: INITIAL PAYMENT - VOUCHER NO. Cost of Hifting & Trimming SCH. NO. 40.89 466.67

BALANCE DUE GOVERNMENT [X] SELLER [ ] 274.22

SELLER'S NAME AND ADDRESS

Hector Mining Co.
Spruce Pine, N. C.

NAME OF MINE AND LOCATION

Hector No. 1, Yancey County, N. C.

APPROVED 3-24-57

DEPOT SUPERINTENDENT DATE

Form R4-T36, May 1956

GENERAL SERVICES ADMINISTRATION

FINAL SETTLEMENT

MICA PURCHASING DEPOT, SPRUCE PINE, N. C.

DATE PURCHASED: 3-28-57

ACCEPTANCE NO.: Max. 6340. 204-125 (a)

CERTIFICATE AUTHORIZATION NO.: DMS-4-377 B

LOT NO.: B

SP: 20-125 (a)

VOUCHER NO.:

	TOTAL NET LBS.	LBS. - G. P.	LBS. - STAINED	LBS. - HVY. STAINED	TOTAL VALUE
PROCESSED FOR PAYMENT	17.38	3.72	3.62	10.24	124.00
PROCESSED - NO PAYMENT					
THINS					
BLACK - DOTS SPOTS STAIN					
UNDERSIZED					
PROCESS - GAIN LOSS					
TOTAL LBS. PURCHASED	3285.00				

FOR USE OF CERTIFYING OFFICER

LESS: INITIAL PAYMENT - VOUCHER NO. STR NO. 200.02

BALANCE DUE GOVERNMENT X SELLER -76.02

SELLER'S NAME AND ADDRESS

Hester Mining Co.
Spruce Pine, N. C.

NAME OF MINE AND LOCATION

Hester No. 1-Mancy County, N. C.

CERTIFIED

6-27-57

DEPOT SUPERINTENDENT DATE

Form R4-T36, May 1956

OFFICIAL FILE COPY DMEA RECEIVED APR 26 1957		
DATE	INITIALS	CODE
4/26	C	220
		600

April 24, 1957

Memorandum

To: Finance Officer, DMEA, Region V

From: Executive Officer, DMEA, Region V

Subject: Royalty Payment, DMEA-3216, Idm-E665
The Hector Mining Company - Edward Kraftsow
Hector Mine (mica), Yancey County, North Carolina

Enclosed is a check in the amount of $7.12 for payment of royalty on sales of mica from the Hector Mine. No sales slips were submitted with the check.

Robert A. Laurence

mg
cc
Lynch
Mittendorf
Laurence

4009

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

OFFICIAL FILE COPY
DMEA
RECEIVED APR 18 1957

DATE	INITIALS	CODE
4/18	C	220
4/22	EEF	800
		225

April 16, 1957

Mr. Edward Kraftsow
1111 Lakeside Avenue
Philadelphia 26, Pennsylvania

Re: DMEA-3216, Idm-E665 (Mica)
Hector Mine, Yancey Co., N. C.

Dear Mr. Kraftsow:

A recent check on the mica sales and Government royalty payments on production from the subject mine disclosed that the hand cobbed mica listed below was sold by the K & K Corporation.

Date of Sale	Lot No.	Pounds	Initial Payment	Final Payment
12/30/55	150	2030	$108.32	$183.34
1/12/56	152	1250	32.12	81.51
Totals			$140.44	$264.85

Our records show that in May 1956 you sent this office a check in the amount of $13.14 as royalty on the final payments on the two sales. We can find no record of ever having received royalty on the $140.44 paid as initial payments. The Governments royalty due on these sales is $7.02. We also would like to point out that the royalty on the Final settlements should have been $13.24 instead of $13.14.

Please favor us with your check in the amount of $7.12 in settlement of this account.

Very truly yours,

Robert A. Laurence
Executive Officer, DMEA
Region V

WAB/as
cc
Opr. Com. 2
Lynch
Finance Officer
Files

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

RECEIVED
MAY 25 1956

Memorandum

To: Ass't Administrative Officer, Region V - Norris

From: Executive Officer, DMEA - Region V

Subject: Royalty Payment; Idm-E665, DMEA-3216, K. & K. Corporation, Assignee. Hector Mine, Yancey County, N. C.

Transmitted are bills-of-sale in the amount of $264.85 and a check for 5% royalty in the amount of $13.14 to be credited to the subject contract.

Robert A. Laurence

ZM.
cc:
Lynch
Laurence
Mittendorf

GENERAL SERVICES ADMINISTRATION
MICA PURCHASING DEPOT, SPRUCE PINE, N. C.

DATE: 4-26-56

Acceptance No. Mapi 540/Ton
B04-150(a)

Certificate of Authorization No.

LOT No. 150 (a)

RUBY [ ] NON-RUBY [X]	TOTAL LBS.	Lbs of G.S. & Better	Lbs. Stained Mica	TOTAL VALUE
TOTAL PAYMENT	2030.00	8.75	12.12	291.66
LESS INITIAL PAYMENT		3.25	40.00	108.32
AMT DUE Gov [ ] SELLER [ ]				183.34

DMEA-3216 IDm-E 665

Seller: K + K Corp
Address 1111 Lakeside Ave
Philadelphia Pa

MINE: Hector
Yancey County, N.C

Seller: K + K Corp. (assignee)
Address, 1111 Lakeside Ave
Philadelphia 26, Pa.

MINE: Hector
Yancey County, N.C

RECEIVED
MAY 25 1956

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 205 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

RECEIVED
MAR 21 1956

March 16, 1956

Mr. Dover R. Fouts
Fouts & Watson, Attorneys
Burnsville, North Carolina

Re: Docket No. DMEA-3216 - Mica
Roy Sparks, Dave Parsley & Sam Parsley
The Hector Mine, Yancey County, N. C.
Idm-2665

Dear Mr. Fouts:

Thank you for your letter of March 15, 1956, advising us that Edward Kraftsow no longer has a lease on the mining property in Y ancey County owned by your clients, Mr & Mrs. Edd Sparks.

It is our understanding that the mine was last operated by the K & K Corporation of which Mr. Kraftsow evidently was a member. We have been receiving the Government's 5% royalty on all sales of trimmed mica made by this Corporation to the Government Depot. The last sale made by them was January 24, 1956. No royalty has been paid on two sales of hand cobbed mica for which they have not received their final settlement. These were 2030 pounds sold December 30, 1955, in Lot No. 150 and for which they received an initial payment of $108.32, and a sale of 1250 pounds made January 12, 1956 in Lot No. 152 and for which they received $37.12. We feel that when the final settlement on these sales is made by the Government, the Corporation will pay their royalties.

This office has no authority to demand payment from the K & K Corporation for royalty on production from the mine because the Government has not entered into any contract or agreement with them. When the original contractors, Roy Sparks, Dave Parsley and Sam Parsley gave up their lease on the property the obligation for repayment of the Government's Exploration aid reverted to the land owners, Mr. & Mrs. Edd Sparks. They should be sure to advise all lessees of the Government's Lien on the property. This they no doubt did when they leased to Mr. Kraftsow as the K & K Corporation was aware of their obligation.

As for the mica stored at the mine the Government is entitled to its 5% royalty when it is sold, even though it may be sold as scrap or punch.

For your information the total contributions by the Government under this contract amounted to $3,993.75 and an aggregate of $244.25 has been repaid. Therefore, a balance of $3749.50 is repayable under the terms of the contract.

Very truly yours,

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

WAB/sm
cc:
Opr. Com.
Files
Lynch
Shirley

Fouts & Watson
Attorneys at Law
Marion, North Carolina

RECEIVED
MAR 21 1956

March 15th, 1956

Mr. Robert A. Lawrence, Executive Officer
BMM Region 5
Post Office Building
Knoxville, Tennessee

Dear Mr. Lawrence:

Our Firm represents Mr. and Mrs. Edd Sparks who own some mining property in Yancey County. At one time a loan was obtained through the Department of the Interior by Roy Sparks, Dave Parsley and S. L. Phillips. The Contract No. was IDM - E665. The borrowers ceased to operate the property and another Lease was executed to Edward Kraftsow. This latter Lease is now void, Mr. and Mrs. Sparks having elected to declare the same void by reason of breach of the conditions in the Lease.

Mr. Edd Sparks wanted us to advise you that there is now some mica stored at the mine and some at the Government Warehouse at Spruce Pine, North Carolina, and on which I understand the 5% has not yet been paid to the Government. Neither has the royalty on this mica been paid to Mr. and Mrs. Sparks.

We felt that you should have this information in order that you might take such steps as you thought proper and Mr. and Mrs. Sparks desire to cooperate fully.

Very truly yours,

FOUTS & WATSON, ATTORNEYS

By [signature]

DRF:wg

RECEIVED
MAR 16 1956

RECEIVED
FEB 13 1956

February 9, 1956

Memorandum

To: Helen Miller, Ass't Administrative Officer, Region V

From: Executive Officer, DMEA - Region V - Knoxville, Tenn

Subject: Royalty payment - Idm-E665, DMEA-3216, Hector Mine
K & K Corporation, Assignee, Spruce Pine, N. C.

Transmitted are bills-of-sale in the amount of $1104.73, and a check for 5% royalty on the sales in the amount of $55.24 to be credited to the subject contract.

Robert A. Laurence

ZM.

cc:

Lynch

Mittendorf

Files

182.15
94.65
467.35
95.60
136.74
128.24
1,104.73

opy

GENERAL SERVICES ADMINISTRATION
MICA PURCHASING DEPOT, SPRUCE PINE, N.C.

DATE: 4-26-56

ACCEPTANCE 152(a)

Certificate Authorization No. 264B

LOT No. 152(a)

VOUCHER

RUBY [ ] NON-RUBY [X]

	TOTAL LBS.	LBS OF G. S. & Better	LBS. STAINED Mica	TOTAL VALUE
TOTAL PAYMENT	125.00	6.94	8.14 - S 2.18 - H.S	143.73
LESS INITIAL PAYMENT			1.00 - S 15.00 - H.S.	37.12 25.10
AMT. DUE GOV. [ ] SELLER: [X]	~~Less cost of shipping & trimming~~			81.51

Seller: K + K Corp. (assignee)

MINE: Hector

Address, 1111 Lakeside Ave

Yancey County, N.C

Philadelphia 26, Pa.

RECEIVED
MAY 2 5 1956

copy

RECEIVED
FEB 13 1956

GENERAL SERVICES ADMINISTRATION, REGION IV
MICA PURCHASE DEPOT, Spruce Pine, N. C.

Authorization No. 1714A Acceptance No. 645 Date: 1-24-56

Seller: K and K Corporation - Spruce Pine, N.C

Mine: Hector DMEA No. 3216, Id ME-665

Yancey County, N.C.

Quality of Mica	HALF TRIM			FULL TRIM		
	Pounds	Price/Lb.	Amount	Pounds	Price/Lb.	Amount
Good Stained & Better Grades No. 3 & larger					$70.00	
No. 4 and 5				.44	$40.00	17.60
No. 5½ and 6				3.18	$15.00	47.70
Stained						
No.3 and larger		$12.00			$18.00	
No. 4 and 5		$ 5.00		.75	$ ~~8.00~~ 6.40	4.80
No. 5½ and 6		$ 3.00		15.11	$ ~~5.00~~ 4.00	60.44
Heavy Stained						
No. 3 & larger		$ 8.00			$13.00	
No. 4 and 5		$ 4.00			$ 6.00	
No. 5½ and 6		$ 2.00		1.59	~~$ 3.00~~ 2.40	3.82
LOT TOTALS		//////	17.18	21.07	//////	134.36
TOTAL		/////	18.00	X 134.36 =	/////	128.24

COPY

GENERAL SERVICES ADMINISTRATION, REGION IV
MICA PURCHASE DEPOT, Spruce Pine, N. C.

Authorization No. 1714A Acceptance No. 619 Date: 1-17-56

Seller: K + K Corporation, Spruce Pine, N.C

Mine: Hector DMEA No. 3216, Idm Z 665
Yancey County

Quality of Mica	HALF TRIM			FULL TRIM		
	Pounds	Price/Lb.	Amount	Pounds	Price/Lb.	Amount
Good Stained & Better Grades No. 3 & larger					$70.00	
No. 4 and 5				.25	$40.00	10 00
No. 5½ and 6				4.47	$15.00	67.05
Stained						
No.3 and larger		$12.00			$18.00	
No. 4 and 5		$ 5.00		.81	$ ~~8.00~~ 6.40	5.18
No. 5½ and 6		$ 3.00		12.66	$ ~~5.00~~ 4.00	50.64
Heavy Stained						
No. 3 & larger		$ 8.00			$13.00	
No. 4 and 5		$ 4.00		.06	$ ~~6.00~~ 4.80	.29
No. 5½ and 6		$ 2.00		1.49	$ ~~3.00~~ 2.40	3.58
LOT TOTALS		//////		19.74	//////	
TOTAL		/////			/////	136.74

copy

GENERAL SERVICES ADMINISTRATION, REGION IV
MICA PURCHASE DEPOT, Spruce Pine, N. C.

Authorization No. 1714A Acceptance No. 603 Date: 1-11-56

Seller: K + K Corporation

Mine: Hector DMEA No. 3216, Dam E665
Yancey County, N.C.

Quality of Mica	HALF TRIM			FULL TRIM		
	Pounds	Price/Lb.	Amount	Pounds	Price/Lb.	Amount
Good Stained & Better Grades No. 3 & larger					$70.00	
No. 4 and 5				.25	$40.00	10.00
No. 5½ and 6				3.35	$15.00	50.25
Stained						
No.3 and larger		$12.00			$18.00	
No. 4 and 5		$ 5.00		.37	$ ~~8.00~~ 6.40	2.37
No. 5½ and 6		$ 3.00		7.67	$ ~~5.00~~ 4.00	30.68
Heavy Stained						
No. 3 & larger		$ 8.00			$23.00	
No. 4 and 5		$ 4.00			$ 6.00	
No. 5½ and 6		$ 2.00		.96	$ ~~3.00~~ 2.40	2.30
LOT TOTALS		//////		12.60	//////	
TOTAL		//////			//////	95.60

Copy

RECEIVED
FEB 13 1956

GENERAL SERVICES ADMINISTRATION, REGION IV
MICA PURCHASE DEPOT, Spruce Pine, N. C.

Authorization No. 1714 A Acceptance No. 597 Date: 1-9-56

Seller: K + K Corporation

Mine: Hector DMEA No. 3216, Idn E-665

Yancey County, N.C.

Quality of Mica	HALF TRIM			FULL TRIM		
	Pounds	Price/Lb.	Amount	Pounds	Price/Lb.	Amount
Good Stained & Better Grades No. 3 & larger					$70.00	
No. 4 and 5				4.59	$40.00	183.60
No. 5½ and 6				12.54	$15.00	188.10
Stained No. 3 and larger		$12.00			$18.00	
No. 4 and 5		$ 5.00		4.97	$ ~~8.00~~ 6.40	31.81
No. 5½ and 6		$ 3.00		15.96	$ ~~5.00~~ 4.00	63.84
Heavy Stained No. 3 & larger		$ 8.00			$13.00	
No. 4 and 5		$ 4.00			$ 6.00	
No. 5½ and 6		$ 2.00			$ 3.00	
LOT TOTALS		//////		38.06	//////	
TOTAL		/////			/////	467.35

Copy

GENERAL SERVICES ADMINISTRATION, REGION IV
MICA PURCHASE DEPOT, Spruce Pine, N. C.

Authorization No. 1714A Acceptance No. 566 Date: 12-29-55

Seller: K + K Corporation - Spruce Pine, N.C.

Mine: Hector, Yancey County N.C. DMEA No. 3216, Idw F-665

Quality of Mica	HALF TRIM			FULL TRIM		
	Pounds	Price/Lb.	Amount	Pounds	Price/Lb.	Amount
Good Stained & Better Grades No. 3 & larger					$70.00	
No. 4 and 5				.18	$40.00	7.20
No. 5½ and 6				3.32	$15.00	49.80
Stained No.3 and larger		$12.00			$18.00	
No. 4 and 5		$ 5.00		.18	$ ~~8.00~~ 6.40	1.15
No. 5½ and 6		$ 3.00		8.67	$ ~~5.00~~ 4.00	34.68
Heavy Stained No. 3 & larger		$ 8.00			$13.00	
No. 4 and 5		$ 4.00			$ 6.00	
No. 5½ and 6		$ 2.00		.76	$ ~~3.00~~ 2.40	1.82
LOT TOTALS		//////		13.11	//////	
TOTAL		/////			/////	94.65

copy

GENERAL SERVICES ADMINISTRATION, REGION IV
MICA PURCHASE DEPOT, Spruce Pine, N. C.

Authorization No. 1714 A Acceptance No. 565 Date: 12-28-55

Seller: K + K. Corporation - Box 554, Spruce Pine, N.C.

Mine: Hector mine DMEA No. 3216, DdwE 665

Yancey County, N.C.

Quality of Mica	HALF TRIM			FULL TRIM		
	Pounds	Price/Lb.	Amount	Pounds	Price/Lb.	Amount
Good Stained & Better Grades No. 3 & larger					$70.00	
No. 4 and 5				1.44	$40.00	57.60
No. 5½ and 6				4.98	$15.00	74.70
Stained						
No. 3 and larger		$12.00			$18.00	
No. 4 and 5		$ 5.00		3.06	$ ~~8.00~~ 6.40	19.58
No. 5½ and 6		$ 3.00		6.71	$ ~~5.00~~ 4.00	26.84
Heavy Stained						
No. 3 & larger		$ 8.00			$13.00	
No. 4 and 5		$ 4.00			$ 6.00	
No. 5½ and 6		$ 2.00		1.43	$ ~~3.00~~ 2.40	3.43
LOT TOTALS		//////		17.62	//////	
TOTAL		/////			/////	182.15

INTERIOR DEPT.
SECRETARY'S
MAIL CENTER
FEB 13 1956
TO MINES

LAW OFFICES
DAVID A. KRAFTSOW
SUITE 1015-1018
1420 WALNUT STREET
PHILADELPHIA 2
PENNYPACKER 5-9854

February 9, 1956 3216

Department of the Interior
Washington 25, D. C.

Re: Loan Contract
Idm-E-665

Gentlemen:

Please be advised that Edward Kraftsow no longer has any right, title or interest in and to the mine it having been sold and his interest ceased as of January 30, 1956.

Very truly yours,

Lenard L. Wolffe
per DAK

Lenard L. Wolffe for
David A. Kraftsow

LLW:cc

BUREAU OF MINES
WASHINGTON, D. C.

1956 FEB 13 PM 1:30

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1 SHIRK POST OFFICE BLDG.
KNOXVILLE 2, TENN.

RECEIVED
JAN 19 1956

January 17, 1956

Memorandum

To: Helen Miller, Ass't Administrative Officer, Region V

From: Executive Officer, DMEA - Region V

Subject: Royalty payment - Idm-E665, DMEA-3216, (mica) N. C.

Transmitted is a copy of a letter from Ward P. Greene, accountant for K. & K. Corporation listing the sales of mica for the month of December 1955 in the amount of $1,091.73. A check for $54.59 for 5% royalty was enclosed.

A letter has been written Mr. Greene requesting a copy of each sale slip. This will be forwarded to you upon receipt of it.

Robert A. Laurence

TM.
cc:
Lynch
Shirley
Mittendorf
Files

C
O
P
Y

RECEIVED
JAN 19 1956

EDWARD P. GREENE
Accountant
P.O. Box 163
Spruce Pine, North Carolina

January 14, 1956

Mr. Robert A. Laurence
Defense Minerals Exploration Admin.
Post Office Bldg.
Knoxville, Tenn.

Dear Mr. Laurence:

Transmitted herein is a check to cover the payment on contract No. IMDE-665 for the Hector Mine. Located in Yancey County, North Carolina.

Date	Lbs.	Sale
12-6	13.81	$178.46
12-9	26.43	261.64
12-15	34.12	322.54
12-22	30.41	329.09
		$1,091.73

5% of $1,091.73 = $54.59

Sincerely yours,

s/ Edward P. Greene
Accountant

copied by zm.
1-17-56
cc:
Mittendorf
Lynch

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

RECEIVED
DEC 14 1955

December 12, 1955

Memorandum

To: Helen Miller, Ass't Administrative Officer, Region V

From: Executive Officer, DMEA - Region V - Knoxville

Subject: Royalty payments.

Transmitted are sale sheets and checks on the following:

Idm-2646, DMEA-3157, Cook Mining Co. Sales $753.93, Royalty $37.70.

Idm-2665, DMEA-3216, Hector Mining Co. Sales $677.13, Royalty $33.86

Robert A. Lawrence

RK.
cc:
Lynch
Mittenburg
Shirley
Files

Copy

Millendorf

RECEIVED
DEC 14 1955

GENERAL SERVICES ADMINISTRATION, REGION IV
MICA PURCHASE DEPOT, Spruce Pine, N. C.

Authorization No. 1714 A Acceptance No. 437 Date: 11-16-55

Seller: Robert Keifer (Hector mining co)

Mine: Hector - Yancey County DMEA No. 3216, Idw & 665

Quality of Mica	HALF TRIM			FULL TRIM		
	Pounds	Price/Lb.	Amount	Pounds	Price/Lb.	Amount
Good Stained & Better Grades No. 3 & larger				.12	$70.00	8.40
No. 4 and 5				2.46	$40.00	98.40
No. 5½ and 6				13.21	$15.00	198.15
Stained No.3 and larger		$12.00			~~$18.00~~ 14.40	~~64~~
No. 4 and 5		$ 5.00		.10	~~$ 8.00~~ 6.40	.64
No. 5½ and 6		$ 3.00		3.78	~~$ 5.00~~ 4.00	15.12
Heavy Stained No. 3 & larger		$ 8.00			$13.00	
No. 4 and 5		$ 4.00			$ 6.00	
No. 5½ and 6		$ 2.00		1.32	~~$ 3.00~~ 2.40	3.17
LOT TOTALS		//////			//////	
TOTAL		/////		20.99	/////	323.88

Docket copy
Surname:
Talbert
Chamberlin
Anderson
Fergusson
Selfridge

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

OCT 26 1955

Mr. David A. Kraftsow
Suite 1015-1018
1420 Walnut Street
Philadelphia 2, Pennsylvania

Re: Docket No. DMEA-3216 (Mine)
Ray Sparks, Dave Parsley and Sam Parsley
The Hester Mine
Yancey County, North Carolina
Contract No. Ida-E665

Dear Mr. Kraftsow:

Reference is made to your letter of October 17, 1955, requesting information regarding repayment of the Government's contribution under the referenced Exploration Project Contract for exploration work performed at the Hester Mine, which you have recently purchased.

The total contribution by the Government under this contract amounted to $1,993.75 and an aggregate of $100.56 has been repaid. Therefore a balance of $1,893.19 is repayable under the terms of the contract, which provides, in part:

"The Operator, or his successor in interest, shall pay to the Government a royalty on all minerals mined or produced from the land described in Article 2, * * * * if the Government makes a certification of discovery or development, for a period of ten years from the date of the contract, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first. Said royalty shall be a percentage of the net smelter returns, the net concentrator returns, or other amounts realized from the sale or other disposition of any such production (including any bonuses, premiums, allowances, or other benefits), in whatever form disposed of, including ore, concentrates, or metal, as follows:

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

"(b) 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.

R.C.S.

"(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.)" /See Annex I./

The land is described in Article 2 of the contract as:

"Being the property leased by Ed and Mary Sparks in a lease dated October 20, 1953, and described as follows: Beginning at an opening known as the Hector Mine; thence 100' N.; thence 200' E.; thence 400' S.; thence 400' W.; thence 400' N.; thence 200' E."

A certification of discovery or development was issued on September 15, 1954. The contract was dated March 22, 1954. Accordingly, all production from the property is subject to the Government's percentage royalty as set forth in the contract until the total amount contributed by the Government is repaid or until March 22, 1964, whichever occurs first.

Checks in payment of the percentage royalty should be drawn to the Defense Minerals Exploration Administration and forwarded to Mr. Robert A. Laurence, Executive Officer, DMEA Field Team, Region V, Room 13, Post Office Building, Knoxville 2, Tennessee. Such payments should be accompanied by suitable evidence, such as copies of settlement sheets showing quantities and grades sold, the name of the purchaser, and the price and charges certified to be correct by the purchaser.

Sincerely yours,

Frank L. Johnson by ESF

ACTING Administrator

EDTalbert/wb
October 25, 1955

Copy to: Docket
Admr. Reading File
FT Region V (2)
Mr. Houk
Mr. Chambers

Anderson

MF-500

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

REFERENCE SLIP

DATE 10-24

REFERRED TO:

1. GOO
2. M & F
3. Pennie
4. Anderson

FOR:

..... Action	..... Recommendation
..... Approval	..... Record of .....
..... Comment	..... Referring to .....
..... Conference	..... Reply for signature of .....
..... Consideration	..... Rewriting
..... Filing	..... Signature
..... Instructions	..... Suggestions
..... Investigation	..... Your information
..... Initials	
..... Mailing	
..... Previous correspondence	

REMARKS: Check we will require authorization from Operator? RAK.

Check (X) before the items needing attention.

ROBERT E. ADAMS
Initials of sender.

GPO 16—63815-1

~~Branch of Ceramic and Fertilizer Materials~~ ~~Minerals Division~~

D MEA.

LAW OFFICES
DAVID A. KRAFTSOW
SUITE 1015-1018
1420 WALNUT STREET
PHILADELPHIA 2
PENNYPACKER 5-9854

RECEIVED
OCT 21 1955

INTERIOR DEPT.
SECRETARY'S
MAIL CENTER
OCT 18 1955
TO MINES

October 17, 1955

DMEA 3216

Department of the Interior
Washington 25, D. C.

Re: Loan Contract
Idm-E-665

Gentlemen:

Please be advised that I represent Edward Kraftsow and Robert Keifer of this city who have recently purchased a certain mica mine in Yancey County, Crabtree Township, North Carolina. The said mine apparently was known as the Hector or Sparks Mine and certain funds were borrowed from the Department to operate it under Contract No. Idm-E-665.

Would you please forward to us a statement of the amount presently due, how the funds are payable, the terms of the loan; when, where and to whom is payment made and any other information that may be helpful.

Very truly yours,

Leonard L. Wolffe
for David A. Kraftsow

$100.56

3,993.75
100.56
3,893.19

BUREAU OF MINES
WASHINGTON, D. C.

OCT 19 3 18 PM '55

RECEIVED

OCT 20 1955

BUREAU OF MINES
MINERALS DIVISION

Docket Copy
Surname:
Anderson
Houk
Rubin
Hofflund
Chambers
Kiilsgaard
Hedges
Selfridge
Clyburn

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

600

SEP 16 1954

Mr. Irving Gumbel, Acting Director
Materials Division
Emergency Procurement Service
General Services Administration
Washington 25, D. C.

Re: Docket No. DMEA-3216 - Mica
Roy Sparks, Dave Parsley and
Sam Parsley, Partnership
The Hector Mining Co.
The Hector Mine
Yancey County, North Carolina
Contract No. Idm-1665

Dear Mr. Gumbel:

I am enclosing one copy of a certification of discovery or development relating to the subject contract.

The exploration contract was signed on March 22, 1954, with the Government participating to the extent of 75% of $5,325.00 or $3,993.75.

The project was started on April 13, 1954, and completed on June 30, 1954, after the expenditure of $5,325.00 which is the total net accepted cost according to the Audit Review. The Government paid 75% of the total accepted cost or $3,993.75.

The work performed on this project consisted of bulldozing a shaft site, constructing a tool house and powder and exploder magazines, sinking a 50-foot vertical shaft and driving 80 feet of drifts. A zoned conformable pegmatite 5 to 14 feet thick was explored having concentrations of non-ruby mica. Sufficient data were developed to calculate indicated and inferred reserves of strategic mica.

The DMEA concurs with the field team evaluation of the work performed and has certified that a discovery or development has resulted from the work under this contract.

Sincerely yours,

Frank E. Johnson

ACTING Administrator

Enclosure

Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5227
Mr. Johnson
Mr. Chambers
Field Team, Region VII
Mr. Hedges, 4604
Mr. Houk

WCAnderson:gad 8/16/54
WCAnderson:gad 9/14/54

R.C.G.

Docket Copy
Surname:
Anderson
Houk
Putin
Hoffland
Chamberlin

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

600

Mr. Irving Gumbel, Acting Director
Materials Division
Emergency Procurement Service
General Services Administration
Washington 25, D. C.

Re: Docket No. DMEA-3216 - Mica
Roy Sparks, Dave Parsley and
Sam Parsley, Partnership
The Hector Mining Co.
The Hector Mine
Yancey County, North Carolina
Contract No. Idm-E665

Dear Mr. Gumbel:

I am enclosing one copy of a certification of discovery or development relating to the subject contract.

The exploration contract was signed on March 22, 1954, with the Government participating to the extent of 75% of $5,325.00 or $3,993.75.

The project was started on April 13, 1954, and completed on June 30, 1954, after the expenditure of $5,325.00 which is the total net accepted cost according to the Audit Review. The Government paid 75% of the total accepted cost or $3,993.75.

The work performed on this project consisted of bulldozing a shaft site, constructing a toolhouse and powder and exploder magazines, sinking an 80-foot vertical shaft and driving 80 feet of drifting. A zoned conformable pegmatite 5 to 14 feet thick was explored having concentrations of non-ruby mica. Sufficient data were developed to calculate indicated and inferred reserves of strategic mica.

The DMEA concurs with the field team evaluation of the work performed and has certified that a discovery or development has resulted from the work under this contract.

Sincerely yours,

ACTING Administrator

Enclosure

WCAnderson:gad 8/16/54

Copy to: Admr. R. File
Docket
Operating Committee
Mr. ~~Theyer, 4307 GSA~~ Kilsgard
Mr. Johnson
Mr. Chambers
Field Team, Region VII
Mr. Hedges, 4604
Mr. Houk

Copy

RECEIVED
DEC 14 1955

GENERAL SERVICES ADMINISTRATION, REGION IV
MICA PURCHASE DEPOT, Spruce Pine, N. C.

Authorization No. 1714 A Acceptance No. 476 Date: 11-29-55

Seller: Robert Keifer (Hector Mining Co)

Mine: Hector Mine DMEA No. 3216 - DMEE-665

Yancey County, N.C

Quality of Mica	HALF TRIM			FULL TRIM		
	Pounds	Price/Lb.	Amount	Pounds	Price/Lb.	Amount
Good Stained & Better Grades No. 3 & larger					$70.00	
No. 4 and 5				2.58	$40.00	103.20
No. 5½ and 6				10.08	$15.00	151.20
Stained No.3 and larger		$12.00		.09	~~$18.00~~ 14.40	1.30
No. 4 and 5		$ 5.00		2.80	~~$ 8.00~~ 6.40	17.92
No. 5½ and 6		$ 3.00		17.64	~~$ 5.00~~ 4.00	70.56
Heavy Stained No. 3 & larger		$ 8.00			$13.00	
No. 4 and 5		$ 4.00			$ 6.00	
No. 5½ and 6		$ 2.00		3.78	~~$ 3.00~~ 2.40	9.07
LOT TOTALS		//////			//////	
TOTAL		/////		36.97	/////	353.25

Docket Copy
Surname:
Anderson
Houk
Rubin
Hofflund
Chambers
Kiilsgaard
Hedges
Johnson
Chambers

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

SEP 16 1954

Mr. Roy Sparks
The Hector Mining Co.
Newdale, North Carolina

Re: Docket No. DMEA-3216 - Mica
Roy Sparks, Dave Parsley and
Sam Parsley
The Hector Mine
Yancey County, North Carolina
Contract No. Idm-E665

Dear Mr. Sparks:

Transmitted herewith is a certification of discovery or development on Contract No. Idm-E665 on The Hector Mine, Yancey County, North Carolina.

By the terms of the Exploration Project Contract and of the certification, all production from the property from the date of the Exploration Project Contract, March 22, 1954, is subject to the Government's percentage royalty as set forth in the contract until the sum of $3,993.75 is paid or until March 22, 1964, whichever occurs first.

Payments should be made to Mr. Robert A. Laurence, Executive Officer, Defense Minerals Exploration Administration Field Team, Region VII, Room 13, Post Office Building, Knoxville 2, Tennessee. Checks should be drawn payable to the Defense Minerals Exploration Administration. The purchaser should be advised to deduct the royalties from the amount due on each shipment and forward check to the Executive Officer.

Royalty payments to the Government should be accompanied by suitable evidence, such as copies of settlement sheets showing quantity and grade of ore sold, the name of the purchaser, and the price and charges certified to be correct by the purchaser.

You are requested to notify Mr. Laurence of any changes in ownership or production rights that may have any effect on the Government's right to its percentage royalty. Also, if production ceases at any time for any extended period, please notify Mr. Laurence at six-month intervals that no production has been made.

Sincerely yours,

Frank E. Johnson

ACTING Administrator

Enclosure

WCAnderson:gad 8/16/54
Rewritten WCAnderson:gad 9/13/54

Copy to: Admr. R. File
Docket
Mr. Johnson
Mr. Chambers
Mr. Houk
Mr. Hedges, 4604
Mr. Kiilsgaard, 5227
Field Team, Region VII
Operating Committee

R.C.

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

Mr. Roy Sparks
The Hector Mining Co.
Newdale, North Carolina

Re: Docket No. DMEA-3216 - Mica
Roy Sparks, Dave Parsley and
Sam Parsley
The Hector Mine
Yancey County, North Carolina
Contract No. Idm-E665

Dear Mr. Sparks:

Transmitted herewith is a certification of discovery or development on Contract No. Idm-E665 on The Hector Mine, Yancey County, North Carolina.

By the terms of the Exploration Project Contract and of the certification, all production from the property from the date of the Exploration Project Contract, March 22, 1954, is subject to the Government's percentage royalty as set forth in the contract until the sum of $3,993.75 is paid or until March 22, 1964, whichever occurs first.

Payments should be made to Mr. Robert A. Laurence, Executive Officer, Defense Minerals Exploration Administration Field Team, Region VII, Room 13, Post Office Building, Knoxville 2, Tennessee. Checks should be drawn payable to the ~~Treasurer of the United States.~~ Defense Minerals Exploration Administration The purchaser should be advised to deduct the royalties from the amount due on each shipment and forward check to the Executive Officer.

Royalty payments to the Government should be accompanied by suitable evidence, such as copies of settlement sheets showing quantity and grade of ore sold, the name of the purchaser, and the price and charges certified to be correct by the purchaser.

You are requested to notify Mr. Laurence of any changes in ownership or production rights that may have any effect on the Government's right to its percentage royalty. Also, if production ceases at any time for any extended period, please notify Mr. Laurence at six-month intervals that no production has been made.

Sincerely yours,

Administrator

Enclosure

IN REPLY REFER TO:
G-MD-CNM

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

JUL 2 2 1954

July 22, 1954

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-3216 (mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant: Roy Sparks, Booneford, N. C., Dave Parsley and Sam Parsley, Newdale, N. C.
Name of property: Hector Mine.
Location of property: Yancey County, N. C.
Date of Field Team Report: July 9, 1954.
Authorship of Field Team Report: K. H. Teague, D. H. Amos, and L. E. Shirley.
Field Team's recommendation:

Final Report

1. Certification.
2. No additional assistance

Comments: Operators plan to go ahead with mining the reserves indicated by exploration.
ACTION RECOMMENDED: Follow Field Team's recommendation.

D. M. Larrabee

D. M. Larrabee

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

July 22, 1954

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-3216 (mica)

Applicant: The Hector Mining Company

Name and Location of Property: Hector Mine
Yancey County, North Carolina

Contract Number: Idm-E665

Date of Field Team Final Report: July 12, 1954

Date Rec'd. by Ceramic & Fertilizer Mtls. Br.: July 19, 1954

Field Team Recommendation:

1. Certification of discovery or development.

Comments:

1. Exploration began April 13, 1954 and was completed on June 30, 1954. Work consisted of sinking 62-foot shaft and drifting 39 feet.
2. Salable mica was recovered.
3. Expenditures - Total approved $5,325.00
Total cost 5,325.00
Gov't. share 3,993.75
Value of prod. during opr. 898.86

Recommendation:

I concur in the field team's recommendation to issue a certificate of discovery or development.

W. F. Dietrich

W. F. Dietrich

Spruce Pine, North Carolina
July 16, 1954

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

Re: DMEA-3216, Idm-E665
Hector Mine, Final Report

Dear Mr. Laurence:

Work began on the Hector Mining project about the middle of April. We bulldozed the site and sank a shaft 65 feet. Some mica was encountered in this shaft. Most of the shafting was comparatively easy, containing soft material that did not require blasting.

We drifted to the Northeast 41 feet, and most of this distance was in soft vein material which contained some mica. We then drifted from the bottom of the shaft Southwest 39 feet, making a total of 80 feet of drifting. Some mica was recovered from the latter drift.

The mica recovered was classified as Non-Ruby variety, and was not a very high grade; the chief defects being that the mica was small, slightly wavy and hair cracked. We recovered approximately three tons of mine run mica, from which we worked up a total of approximately 112 pounds which was sold to the U. S. Government for about $875.00. We estimate that we have on hand enough mica to be worth about $500.00. This will be worked up and sold and 5% payment will be made to the Government. We have also sold about 900 lbs. of punch and scrap mica which brought about $66.00.

We wish to express our appreciation to the field team for their cooperation and assistance on this project.

If further details are required, please notify us and we shall be glad to furnish them.

Very truly yours,

Roy L. Sparks

Roy L. Sparks

P/b

Operator Final Rpt.

RECEIVED
JUL 19 1954
Knoxville, Tenn.

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

July 12, 1954

Memorandum

To: Operating Committee, DMEA - Washington

From: Field Team, DMEA - Region VII - Knoxville, Tennessee

Subject: Final Report, DMEA-3216, Idm-E 665 (mica) H ector Mining Co., Newdale, N. C. Hector Mine, Yancey County, N. C.

Enclosed are four copies of the Field Team final report on the subject exploration project.

The project was successful and we recommend issuance of a certificate of discovery.

Robert A. Laurence
Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION VII

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

Field Team Final Rpt

Reviewed by
DMEA OPERATING COMMITTEE
7-19-54
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT
By
FIELD TEAM, REGION VII

DMEA-3216, HECTOR MINE (mica)
Yancey County, North Carolina

By

K. H. Teague and Dewey H. Amos, Geologists
U. S. Geological Survey

and

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

Reviewed by
DMEA OPERATING COMMITTEE
7-19-54
(date)

July 9, 1954

FINAL REPORT
On
DMEA-3216, Idm-E665 (mica)
HECTOR MINE

ACL 10/13/54

Operators: Roy Sparks, Dave Parsley and Sam Parsely, d/b/a The Hector Mining Co., Newdale, North Carolina

The Hector Mine is on the south side of the North Toe River, 0.8 miles N. 66° W. of Boonford, Yancey County, North Carolina.

Work completed under the contract consisted of constructing a toolhouse and two magazines, dozing a shaft site, sinking 50 feet of vertical shaft and driving 80 feet of laterals in pegmatite from the bottom of the shaft. Several thousand pounds of "mine-run" mica were recovered during the project and the Operators plan to conduct mining operations from openings made under the contract; thus, a certification of discovery should be issued. No additional exploratory work is warranted.

Work began on April 13, 1954 and was completed on June 30, 1954. A toolhouse, powder magazine, and exploder magazine was constructed and a shaft site was bulldozed. A 62-foot 5' x 7' vertical shaft was sunk and timbered, 12 feet being done at the Operator's expense. From the bottom of this shaft a drift was driven 39 feet to the southwest and another 41-feet to the northeast.

A conformable pegmatite 5-14 feet thick is exposed in the shaft and the laterals. It strikes N. 30° E. and dips 45-70° southeast. The body is zoned, consisting of a core 1 - 6 foot thick which is in places massive quartz and elsewhere is blocky microcline with minor amounts of plagioclase. This core is enclosed by a zone of plagioclase, quartz, perthite and muscovite. Contacts of the wall rock, mica gneiss, with pegmatite are altered and have slickensides indicating that the pegmatite is emplaced in a fault.

About 4000 pounds of "mine-run" mica were recovered during the contract, most from within 20 feet of the shaft bottom, both in the shaft and in the drifts. The mica is green and generally of good quality; some is mineral-stained. Sales to date are as follows (not all mica recovered has been sold to date):

Crude mica - 1750 lbs. @ $22.50/ton		$ 19.68
Scrap - 90 " @ .08/lb.		7.20
Sheet:		
Good-stained & better,	43.51 lbs.	622.72
Stained	44.42 "	190.59
	27.37 "	58.67
	110.30 "	$898.86

The size classification of the 110.30 pounds of sheet mica was:

# 3 and larger	0.12 lbs.
# 4 and # 5	12.05 "
# 5 1/2 and # 6	98.13 "
	110.30 lbs.

Reserves are estimated as follows:

Indicated (above 62-ft. level)
25,000 pounds of "mine-run" mica.

Inferred (62 - 100-foot level)
25,000 pounds of "mine-run" mica

Expenditures:

(a)	Total approved	$5,325.00
(b)	Total cost of project	5,325.00
(c)	Government's share of cost	3,993.75
(d)	Government's share unexpended	none
(e)	Value of production during opr.	+898.86
(f)	Government's royalty	+44.94

All work was done in an efficient and satisfactory manner. No equipment was purchased under the contract.

July 9, 1954.

K. H. Teague and D. H. Amos, Geologists
U. S. Geological Survey

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

INTERIM REPORT

DMEA-3216 Idm-E665 (mica) HECTOR MINE

OPERATOR: Hector Mining Company, Newdale, N. C.

LOCATION: On the south side of North Toe River, 0.8 mile N 66° W of Boonford, Yancey County, N. C.

All work as outlined in Exhibit "A" of this contract has been completed. Considerable mica has been produced during Government participation and certification will be recommended.

Work conducted under contract consisted of shaft site preparation by bulldozer, sinking a 5' x 7' cribbed shaft to a total depth of 62 feet (Government participation extended to 50 feet) and the completion of 81.5 feet of drifts and crosscuts. Drifts were driven northeast and southwest along the strike of the body. The northeast drift was driven 38 feet and a 3.5 ft. crosscutting lateral was driven at a point 26 feet from the shaft bottom. 40 feet of drift was driven to the southwest. Considerable mica can be observed along the hanging wall near the contact with the country rock. Most of the pegmatite and enclosing rock is semi-weathered and at the contact shows evidence that movement has taken place. The pegmatite is composed of feldspar, quartz, green muscovite mica and biotite mica. A quartz core variable in thickness, but not exceeding 2 feet, was observed. This operation was conducted in an efficient manner and the operators were cooperative with the examiners at all times. Progress observed on a bi-monthly basis was good.

L. E. Shirley

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

K. H. Teague

K. H. Teague & D. H. Amos, Geologists
U. S. Geological Survey

July 1, 1954

INTERIM REPORT
On

DMEA-3216, Idm-E665 (mica) HECTOR MINE

Operator: Hector Mining Co., Newdale, North Carolina

Location: On the southside of the North Toe River, 0.8 miles N. 66° W of Boonford, Yancey County, N. C.

Drifting continues on this contract and now totals 74 feet. The drift to the southwest mentioned in the last interim report has been extended an additional 10 feet and now totals 39 feet. A new drift has been driven to the northeast 35 feet along the southeast wall of the pegmatite. Considerable mica was recovered near the shaft and at and near the heading of this drift a quartz core about 2 feet thick is present.

The remaining 6 feet of lateral work on the contract is to be expended in driving a crosscut to the northwest wall of the pegmatite from a point in the northeast drift about 20 feet from the shaft.

Date of exam: June 16, 1954

K. H. Teague D. H. Amos

K. H. Teague and D. H. Amos, Geologists
U. S. Geological Survey

z

INTERIM REPORT

DMEA-3216 Idm-E665 (mica) HECTOR MINE

OPERATOR: Hector Mining Company, Newdale, North Carolina.

LOCATION: On the south side of North Toe River, 0.8 miles N 66° W of Boonford, Yancey County, N. C.

Shaft sinking has been completed and drifting is underway on this contract. No change in the target is anticipated and drifting will continue. The shaft was sunk for a total depth of ~~16~~ 62 feet and was cribbed solid to the bottom. A separated partition, ladders, and landings have been installed at about 12 feet intervals. Drifting has been confined to the southwest and totals 29 feet. Present plans include some work to the northeast. The pegmatite consists principally of feldspar, some scattered quartz and green muscovite mica. A recent sale consisting of 61 lbs. of trimmed mica averaged about $8.00 per pound when sold to G.S.A. Recent drifting, however, has produced but little mica. The operator estimates that about 2 tons of block mica has been recovered from both sinking and drifting operations. Progress on this contract has been good.

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

K. H. Teague D. H. Amos
K. H. Teague & D. H. Amos, Geologists
U. S. Geological Survey

June 2, 1954

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

Budget Bureau No. 42-R1036.4
Approval expires 6-30-53.

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

Month of June, 1954 Docket No. DMEA 3216 Contract No. Ido-E665
Operator's Name Roy Sparks & Dave Parsley Minerals Mica
Address Hector Mining Co., Newdale, D. C.
Contract Amount, $ 5325.00 Government Participation: 75 % Amount, $ 3993.75

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		50.00	50.00			
Crosscutting						
60' Drifting 9 @35.00 ft.	2100.00	700.00	2800.00			
Shafting		2250.00	2250.00			
(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.		225.00	225.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	2100.00	3225.00	5325.00	2,100.00	3,225.00	5,325.00

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-3

I certify that the above bill is correct and just and that payment therefor has not been received.
Date July 1, 1954 *Payee Roy Sparks & Dave Parsley
Hector Mining Co.
Per Dave Parsley Title Partner

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

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

(Instructions on reverse)

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

$ 1,575.00

Signature Cora A. Pigas
(Authorized Certifying Officer)

JUL 22 1954 Vou. No. 17
(See other side)

3-7
C-6130
525 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. Hm-E665 in accordance with the terms of the contract.

Signature Lawrence E. Shirley Title Mining Engr. U.S.B.M. Date July 3, 1954

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Laurence Title EXECUTIVE OFFICER DMEA REGION VII Date JUL 19 1954

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-R1151.1
Approval expires 6-30-53.

17

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of June 195 4 Docket No. DMEA 3216 Contract No. Idm-5165
Operator's Name Roy Sparks & Dave Parsley Minerals Mica
Address Hector Mining Co., Hendale, 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
60' Drifting @ 35.00	ft.	2100.00	60	2100.00	60	35.00	60	35.00
Crosscutting								
Raising								
Shafts				2250.00	50	45.00	50	45.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Bulldozing				50.00				
Total Distributed Costs		2100.00	60	5100.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				225.00				
Total Costs		2100.00	60	5325.00				

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 July 1, 1954 Operator Roy Sparks & Dave Parsley / Hector Mining Co.

Per Dave Parsley Title Partner

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

OPERATORS MONTHLY PROGRESS REPORT

for the month of June, 1954

DMEA-3216

Contract No. IDm-E665 (Mica)

Work Accomplished:

We have completed 60 feet of drift, in vein material most of the time. No outstanding difficulty has been encountered, and we have been recovering approximately 150 lbs. of mica a day. A total of about two tons has been recovered to date.

June 1 - 4 - Pumped water, did some drilling and shooting.

June - 7- 11 - Pumped water, mucked. Drilled, recovered about 400 lbs. of mica.

June 14-18 - Pumped water. Drilled and shot in vein material, getting into richer vein material as we progressed. Continued to recover mica, averaging about 100-150 lbs. daily.

June 21 - 25 - Pumped water, mucked. Continued drilling in same direction, keeping in practically the same type material and continuing to recover mica.

June 28 - 30 - Pumped water. Mucked, and drilled further. It appears that the mica is higher than we are drilling and that more mica can be recovered by stoping. About two tons of mica has been recovered to date.

COPY

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

August 9, 1954

Memorandum

To: Cora Piper, Chief, Finance Division - Region VII

From: Acting Executive Officer, DMEA- Region VII

Subject: Royalty Checks.

Transmitted herewith are royalty checks and bills of sale on the following:

DMEA-2875, Idm-E613, Lat Young.....$92.13. (Cox Mine)

DMEA-3287, Idm-E674, Sam Phillips, et al. $12.83 (Mud Cut Mine)

2 (DMEA-3216, Idm-E665, Hector Mining Co. $ 4.14 (Hector Mine)
(DMEA-3216, Idm-E665, Hector Mining Co. 49.49 (Hector Mine)

Wm. A. Beck

ZM.
cc:
Beck
Lynch
Mittendorf
Files

7-29-54

Sold from the Hector Mine - DMEA-3216 (mica)

to J. I. Wyatt

595 lbs. punch @ 9¢ $53.55

7-29-54, Sold to Edd Young

2600 lbs. scrap @ 112.5 per Hundred 29.25

$82.80

5% of $82.80 = $4.14 amt. of check rec'd.

C O P Y

COPY

GENERAL SERVICES ADMINISTRATION

Mica Purchase Depot - Spruce Pine, N. C.

WARRANTY, ACCEPTANCE AND INVOICE Non-Ruby

DATE: 7-30-54

ACCEPTANCE NUMBER: A04-178

ISSUED UNDER CERTIFICATE OF AUTHORIZATION NUMBER	LOT NUMBER	RECEIPT AND WEIGHT TICKET NUMBER
EPS-4-153A	SPAC-178	

WARRANTY

The undersigned, a participant in the Mica Program, warrants that the mica included in this lot of mica is of domestic origin, is not material owned previously by the Government, was not purchased from others prior to December 14, 1951, and is owned by the person or firm whose name appears below (herein referred to as "Seller").

NAME AND ADDRESS OF SELLER *(Type or print)*	SELLER OR PERSON AUTHORIZED TO SIGN THIS WARRANTY FOR SELLER
NAME: Sam L. Phillips	SIGNATURE:
STREET ADDRESS:	NAME *(Type or print)*: Sam L. Phillips
CITY, ZONE AND STATE: Spruce Pine, N. C.	TITLE *(Type or print)*: Owner

EVALUATION AND SETTLEMENT DATA

PROGRAM A - BLOCK OR FILM MICA

QUALITY	HALF TRIM			FULL TRIM		
	POUNDS	PRICE PER LB.	AMOUNT	POUNDS	PRICE PER LB.	AMOUNT
GOOD STAINED AND BETTER						
GRADES NO. 3 AND LARGER				.12	$70.00	8.40
GRADES NO. 4 AND 5				4.87	$40.00	194.80
GRADES NO. 5½ AND 6				34.47	$15.00	517.05
STAINED						
GRADES NO. 3 AND LARGER		$12.00		.12	$18.00	1.73
GRADES NO. 4 AND 5		$ 5.00		4.50	$ 8.00	28.80
GRADES NO. 5½ AND 6		$ 3.00		57.45	$ 5.00	229.80
HEAVY STAINED						
GRADES NO. 3 AND LARGER		$ 8.00			$13.00	
GRADES NO. 4 AND 5		$ 4.00			$ 6.00	
GRADES NO. 5½ AND 6		$ 2.00		3.83	$ 3.00	9.19
TOTALS				105.36		989.77
LOT TOTALS						

PROGRAM B - HAND-COBBED MICA

TOTALS					$ 0.30	

ACCEPTANCE

Subject to the terms and conditions of the Mica Regulation dated March 12, 1952 (17 F.R. 2279), establishing the Government's Purchase Programs for Domestic Mica, the Government accepts the number of pounds of mica (as hereinabove identified), delivered by the Seller to the Government for which payment in the total amount set forth hereinabove will be made by the Government.

GENERAL SERVICES ADMINISTRATION

BY *(Type name)*	SIGNATURE	TITLE
Ed E. Burleson		Buyer

INVOICE

TO: General Services Administration, Region IV

FOR: Mica delivered as indicated above — $989.77

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

SELLER *(Type name)*	DATE
Sam L. Phillips (Hector Mine DMEA-3216)	7-30-54
BY *(Signature)*	NAME AND TITLE *(Type)*: Sam L. Phillips, Owner

GSA-WASH DC 53-3094

GSA FORM 1013
September 1952

COPY

IN REPLY REFER TO:
G-MP-CSM

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

July 22, 1954

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-3216 (mica)

To: L. C. Hook, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant: Jay Sparks, Beaufort, N. C., Dave Parsley and Sam Parsley, Mendale, N. C.
Name of property: Hooker Mine.
Location of property: Yancey County, N. C.
Date of Field Team Report: July 9, 1954.
Authorship of Field Team Report: K. K. Tongue, D. E. Anna, and L. R. Shirley.
Field Team's recommendation:

Final Report

1. Certification.
2. No additional assistance

Comments: Operators plan to go ahead with mining the reserves indicated by exploration.
ACTION RECOMMENDED: Follow Field Team's recommendation.

D. M. Larrabee

Larrabee:jek
G-7/22/54
cc: Director's reading 4212
Branch reading 4212
DMEA (3)
Larrabee 5218 Interior

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

July 22, 1954

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-3216 (mica)

Applicant: The Hector Mining Company

Name and Location of Property: Hector Mine
Yancey County, North Carolina

Contract Number: Idm-E665

Date of Field Team Final Report: July 12, 1954

Date Rec'd. by Ceramic & Fertilizer Mtls. Br.: July 19, 1954

Field Team Recommendation:

1. Certification of discovery or development.

Comments:

1. Exploration began April 13, 1954 and was completed on June 30, 1954. Work consisted of sinking 62-foot shaft and drifting 39 feet.
2. Salable mica was recovered.
3. Expenditures - Total approved $5,325.00
Total cost 5,325.00
Gov't. share 3,993.75
Value of prod. during opr. 898.86

Recommendation:

I concur in the field team's recommendation to issue a certificate of discovery or development.

Signed

W. F. Dietrich

XXXXXXXXXXXXXXXXXX

Room 1, Post Office Building
Knoxville 2, Tennessee

July 15, 1954

Memorandum

To: Cora Piper, Chief, Finance Division - Region VII

From: Executive Officer, DMEA Field Team, Region VII

Subject: Royalty check on Idm-E 665, DMEA-3216, H ector Mining Co.

Transmitted herewith is a check in the amount of $2.00 which represents 5 percent royalty for mica sold from the subject project, sales slip for same also attached.

Robert A. Laurence
By: Julia Martin

ZM
cc.
Beck
Lynch
Hector Mining Co.
Mittendorf
Files

O P Y

June 28, 1954

Received from H ector Mining Co:

800 lbs. Washer @ 5¢ $40.00

s/ James Carpenter

June 15, 1954

Memorandum

To: Chief, Finance Division, Region VII

From: Acting Executive Officer, DMEA - Region 7

Subject: Royalty check on Idaho-E 665, DMEA-3216, Hector Mining Co. (mica)

Transmitted herewith is a check in the amount of $21.68 and invoice for the sale of mica on the subject mine.

Wm. A. Beck

ZM
cc:
Beck
Lynch
Mittendorf
Files

C O P Y

6-11-54

Hector Mining Co., sold Edw. Young, 1750 lbs. @ $22.50/ton $19.68

Sold 90 lbs. scrap @.08 lb. 7.20

$26.88

Certified by Sam L. Phillips.

COPY COPY

GENERAL SERVICES ADMINISTRATION
Mica Purchase Depot - ~~Spruce Pine, N. C.~~

DATE 8-54

WARRANTY, ACCEPTANCE AND INVOICE-Non Ruby

ACCEPTANCE NUMBER 04-492 (04-492)

ISSUED UNDER CERTIFICATE OF AUTHORIZATION NUMBER	LOT NUMBER	RECEIPT AND WEIGHT TICKET NUMBER
EPS-4-153A	SPO-492	

WARRANTY

The undersigned, a participant in the Mica Program, warrants that the mica included in this lot of mica is of domestic origin, is not material owned previously by the Government, was not purchased from others prior to December 14, 1951, and is owned by the person or firm whose name appears below (herein referred to as "Seller").

NAME AND ADDRESS OF SELLER *(Type or print)*	SELLER OR PERSON AUTHORIZED TO SIGN THIS WARRANTY FOR SELLER
NAME: Sam L. Phillips	SIGNATURE: s/
STREET ADDRESS:	NAME *(Type or print)*:
CITY, ZONE AND STATE: Spruce Pine, N. C.	TITLE *(Type or print)*: Owner

EVALUATION AND SETTLEMENT DATA

PROGRAM A - BLOCK OR FILM MICA

QUALITY	HALF TRIM			FULL TRIM		
	POUNDS	PRICE PER LB.	AMOUNT	POUNDS	PRICE PER LB.	AMOUNT
GOOD STAINED AND BETTER						
GRADES NO. 3 AND LARGER					$~~70.00~~ 56.00	
GRADES NO. 4 AND 5				2.31	$~~46.00~~ 32.00	73.92
GRADES NO. 5½ AND 6				19.19	$~~15.00~~ 12.00	230.28
STAINED						
GRADES NO. 3 AND LARGER		$12.00			$~~10.00~~	
GRADES NO. 4 AND 5		$ 5.00		2.51	$ ~~8.00~~ 6.40	16.06
GRADES NO. 5½ AND 6		$ 3.00		17.45	$ ~~5.00~~ 4.00	69.80
HEAVY STAINED						
GRADES NO. 3 AND LARGER		$ 8.00			$~~13.00~~	
GRADES NO. 4 AND 5		$ 4.00			$ ~~6.00~~	
GRADES NO. 5½ AND 6		$ 2.00		6.98	$ ~~3.00~~ 2.50	16.75
TOTALS						
LOT TOTALS				48.44		406.81

PROGRAM B - HAND-COBBED MICA

TOTALS					$ 0.~~30~~ 24	

ACCEPTANCE

Subject to the terms and conditions of the Mica Regulation dated March 12, 1952 (17 F.R. 2279), establishing the Government's Purchase Programs for Domestic Mica, the Government accepts the number of pounds of mica (as hereinabove identified), delivered by the Seller to the Government for which payment in the total amount set forth hereinabove will be made by the Government.

GENERAL SERVICES ADMINISTRATION

BY *(Type name)*	SIGNATURE	TITLE
Ed S. Burleson	s/	Buyer

INVOICE

TO: General Services Administration, Region IV

FOR	
Mica delivered as indicated above	$406.81

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

SELLER *(Type name)*	DATE
Sam L. Phillips (Hector Mine) DMEA-3216, Idn-E 665	6-8-54
BY *(Signature)*	NAME AND TITLE *(Type)*: ~~owner~~ Owner

GSA-WASH DC 53-3094 COPY GSA FORM 1013 September 1952

June 10, 1954

Memorandum

To: Finance Officer, Region VII

From: Executive Officer, DMEA - Region VII

Subject: Royalty Check on DMEA-3216, Idm-E 665. Hector Mining Co.

Transmitted is an invoice for the sale of mica, and a check representing 5 percent royalty due the Government on the subject contract. 61.86 lbs. nonruby mica ---$23.25.

Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION VII

Enc. Ck. $23.25
Invoice.

ZM.
cc:
Beck
Lynch
Laurence
Mr. Mittendorf

COPY COPY

GENERAL SERVICES ADMINISTRATION
Mica Purchase Depot - _____

WARRANTY, ACCEPTANCE AND INVOICE

DATE 6-2-54
ACCEPTANCE NUMBER 044-468

ISSUED UNDER CERTIFICATE OF AUTHORIZATION NUMBER	LOT NUMBER	RECEIPT AND WEIGHT TICKET NUMBER
EPS-4-153A	SPO-468	

WARRANTY

The undersigned, a participant in the Mica Program, warrants that the mica included in this lot of mica is of domestic origin, is not material owned previously by the Government, was not purchased from others prior to December 14, 1951, and is owned by the person or firm whose name appears below (herein referred to as "Seller").

NAME AND ADDRESS OF SELLER *(Type or print)*	SELLER OR PERSON AUTHORIZED TO SIGN THIS WARRANTY FOR SELLER
NAME Sam L. Phillips	SIGNATURE s/s Sam L. Phillips
STREET ADDRESS	NAME *(Type or print)*
CITY, ZONE AND STATE Spruce Pine, N. C.	TITLE *(Type or print)* Owner

EVALUATION AND SETTLEMENT DATA

PROGRAM A - BLOCK OR FILM MICA

QUALITY	HALF TRIM POUNDS	HALF TRIM PRICE PER LB.	HALF TRIM AMOUNT	FULL TRIM POUNDS	FULL TRIM PRICE PER LB.	FULL TRIM AMOUNT
GOOD STAINED AND BETTER						
GRADES NO. 3 AND LARGER					$70.00	
GRADES NO. 4 AND 5				2.72	~~$32.00~~ 32.00	87.04
GRADES NO. 5½ AND 6				19.29	~~$12.00~~ 12.00	231.48
STAINED						
GRADES NO. 3 AND LARGER		$12.00			$18.00	
GRADES NO. 4 AND 5		$ 5.00		2.83	~~$ 2.00~~ 6.40	18.11
GRADES NO. 5½ AND 6		$ 3.00		21.63	$ 4.00	86.62
HEAVY STAINED						
GRADES NO. 3 AND LARGER		$ 8.00		.12	~~$10.00~~ 10.40	1.25
GRADES NO. 4 AND 5		$ 4.00		1.68	~~$ 4.00~~ 4.80	8.05
GRADES NO. 5½ AND 6		$ 2.00		13.59	~~$ 2.00~~ 2.40	32.62
TOTALS						
LOT TOTALS				61.86		465.08

PROGRAM B - HAND-COBBED MICA

TOTALS					$ 0.30	

ACCEPTANCE

Subject to the terms and conditions of the Mica Regulation dated March 12, 1952 (17 F.R. 2279), establishing the Government's Purchase Programs for Domestic Mica, the Government accepts the number of pounds of mica (as hereinabove identified), delivered by the Seller to the Government for which payment in the total amount set forth hereinabove will be made by the Government.

GENERAL SERVICES ADMINISTRATION

BY *(Type name)*	SIGNATURE	TITLE
Wayner Buchanan	s/ Wayne Buchanan	Buyer

INVOICE

TO
General Services Administration, Region IV

FOR	
Mica delivered as indicated above	$ 465.08

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

SELLER *(Type name)*	DATE
Sam L. Phillips (Hector Mine-DMEA-3216, Idm-E665)	6-2-54
BY *(Signature)* Sam L. Phillips	NAME AND TITLE *(Type)* Sam L. Phillips, Owner

GSA-53

GSA FORM 1013
September 1952

COPY

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.4
Approval expires 6-30-53.

RECEIVED
JUN 11 1954

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of May, 1954 Docket No. DMEA 3216 Contract No. Idm-E 665
Operator's Name Roy Sparks and Dave Parsley Minerals Mica
Address Hector Mining Co., Hendale, N. C.
Contract Amount, $ 5325.00 Government Participation: 75 % Amount, $ 3993.75

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		50.00	50.00			
Crosscutting						
20' Drifting @ 35.00 ft.	700.00	- 0 -	700.00			
Shafting		2250.00	2250.00			
(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.		225.00	225.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	700.00	2525.00	3225.00	700.00	2525.00	3,225.00

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K- 71

I certify that the above bill is correct and just and that payment therefor has not been received.
Date June 1, 1954 *Payee Roy Sparks & Dave Parsley / Hector Mining Co.
Per Dave Parsley Title Partner

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

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

(Instructions on reverse)

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

$ 525.00

Signature Cora A. Pipes
(Authorized Certifying Officer)
Date JUN 9 1954 Vou. No. 310
(See other side)

175.00

(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. Tdm-E665 in accordance with the terms of the contract.

Signature Lawrence E. Shirley Title Mining Engr. U.S.B.M. Date June 5, 1954

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. A. Beck ACTING Title EXECUTIVE OFFICER DMEA REGION VII Date JUN 7 1954

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-R1151.1
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 1954 Docket No. DMEA 3216 Contract No. Ida-E 665

Operator's Name Roy Sparks & Dave Parsley Minerals Mica

Address Hector Mining Co., Newdale, 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
20' Drifting @ 35.00	Ft.	700.00	20	700.00	20	700.00	80	35.00
Crosscutting								
Raising								
Shafts	Ft.			2250.00	50	2250.00	50	45.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Bulldozing				50.00				50.00
Total Distributed Costs		700.00	20	3000.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				225.00				
Total Costs		700.00		3225.00				

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 June 1, 1954 Operator Roy Sparks & Dave Parsley Hector Mining Co.

Per Dave Parsley Title Partner

Remarks:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

OPERATORS
MONTHLY PROGRESS REPORT

for the month of May, 1954

DMEA-3216

Work Accomplished:

We are making steady progress and have extended the shaft down to a total of 62 feet. (The last 12 feet at our expense). We began drifting and have not encountered any serious problems so far. We floored an eight foot water hole, and have had to do some timbering. We have begun to hit some mica, and have recovered about 2500 pounds during the month.

Daily Notes:

May 3 - 5	Pumped water, timbered began sinking shaft.
May 6 - 7	Continued sinking shaft, reached a total of 62 feet.
May 10 - 12	Pumped water, began with the drifting.
May 13 - 14	Drilled, mucked. Now drifting in some vein material feldspar, etc.
May 17 - 19	Pumped water, drilled and mucked. Vein now showing some mica, small amounts recovered.
May 20 - 21	Floored water hole.
May 24 - 26	Drilled, mucked. Began reaching some deposits of mica and recovered several hundred pounds.
May 27 - 28	Still recovering mica, a total of some 2500 lbs. have been taken out to date.

COPY

FILE COPY
Surname:
Anderson
Hedges
Selfridge

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

600

MAY 20 1954

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

Subject: Docket No. DMEA-3216 - Mica
The Hector Mining Company
Hector Mine
Yancey County, North Carolina
Contract No. Idm-E665

Dear Mr. Laurence:

Reference is made to the narrative portion of Monthly Operator's Reports and in particular to the April Monthly Operator's Report on the subject mine which is a good example of inadequate reporting.

According to Section (e) of Form MF-104 (Rev.) the narrative statement should be a concise description of the progress made, results accomplished, difficulties encountered, type of rock penetrated, amount of pegmatite in the face, and an estimate of the amount of mica produced.

We know it is difficult to get from the Operators the standard of reporting we would like to have. However, they should be instructed to do the best they can in breaking down their expenditures to labor and supplies. It would be helpful in checking costs to know the number of men employed, footage drilled, powder used, advance per day, etc.

Anything that can be done toward promoting a higher standard of reporting by the Operators will be greatly appreciated.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (GCS)

Approved:

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

T. P. Thayer (JHH)
Member, Geological Survey

WCAnderson:gad 5/18/54
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3061
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

R.C.G.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

April 9, 1954

Memorandum

To: Operating Committee - D M E A - Washington

From: Acting Executive Officer, DMEA - Region VII

Subject: Signed Contract - Idm-E 665, Docket No. DMEA-3216. (mica)
The Hector Mining Co. Newdale, North Carolina

Transmitted herewith are three signed copies of the above subject contract. The usual distribution of the other copies has been made.

Wm. A. Beck

Wm. A. Beck

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

Budget Bureau No. 42-R103.4
Approval expires 6-30-53.

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

Month of April 1954 Docket No. DMEA 3216 Contract No. IDM-665
Operator's Name Hector Mining Company Minerals Mica
Address Mendalo, N. C.
Contract Amount, $ 5325.00 Government Participation: 75% Amount, $ 3993.75

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	50.00		50.00			
Crosscutting						
Drifting						
50' Shafting @ 45.00 ft.	2250.00		2250.00			
(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.	225.00*		225.00*			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
*(6.) Tool house, powder magazine & exploder mag.						
(8) Contingencies (specify):						
TOTALS	2525.00		2525.00	2525.00	—	2525.00

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-63

I certify that the above bill is correct and just and that payment therefor has not been received.
Date May 3, 1954 *Payee Hector Mining Co.
Per Roy Sparks Title Partner

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

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

(Instructions on reverse)

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

$1893.75

Signature Cora A. Pierce
(Authorized Certifying Officer)
Date MAY 6 1954 Vou. No. 277
(See other side)

1st S-4113 631.25

(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. Ida E 665 in accordance with the terms of the contract.

Signature Kenton H. Teague Title Geologist, U.S.G.S. Date MAY 5 1954

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. M. Beck Title ACTING EXECUTIVE OFFICER DMEA REGION VII Date MAY 5 1954

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.

MAY 10 1954

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of April 195 4 Docket No. DMEA 3216 Contract No. IDM-665
Operator's Name Hector Mining Co. Minerals Mica
Address Hewdale, U. C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts 50 ft.	Ft.	2250.00	50	2250.00	50	2250.00	50	2250.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Bulldozing		50.00		50.00				50.00
TOTAL DISTRIBUTED COSTS		2300.00		2300.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.		225.00*		225.00*				
*Tool House, Powder Magazine and Exploder magazine								
TOTAL COSTS		2525.00		2525.00				

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 May 3, 1954 Operator Hector Mining Co.

Per Roy Sparks Title Partner
Roy Sparks

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 83-384

OPERATORS
MONTHLY PROGRESS REPORT
FOR THE
Month of April, 1954

Date Work began: 4-13-54

DMEA-3216

Idm- 665

Work Accomplished:

We bulldozed the site, moved our machinery in, set up the equipment, hoist, air compressor, boom pole and derrick. We constructed tool house, powder magazine and exploder magazine. We sank the shaft 50 feet. We timbered about 50 feet. Satisfactory progress was made, and no serious difficulties were encountered.

Daily Notes:

April 13	Bulldozed shaft site.
April 15 & 16	Moved in hoist.
April 17	Set up hoist and derrick.
April 19	Sank shaft.
April 20	Continued sinking shaft.
April 21	Time spent timbering.
April 22 & 23	Continued sinking shaft.
April 24	Built tool house and magazines
April 26	Timbered shaft.
April 27-30	Timbering and Shafting.

COPY

COPY

WILSON AND WILSON COMPANY

5 HOURS BULLDOZING @ 10.00 per hour $ 50.00

for Hector Mining Company
Newdale, N. C.

I certify that this is a true and correct bill.

(Signed)

File Copy
Bureaus

Anderson
Smith
Dressendorfer
Selfridge
Hedges

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

MAR 22 1954

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

Subject: Docket No. DMEA-3216 - Mica
The Hector Mining Co.
Hector Mine
Yancey 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 approval and signature. Please explain to the Operator that the contract, when executed, is a firm commitment under the terms of which it is obligated to complete the work outlined at the agreed unit cost. 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.

Copies of memoranda from the Geological Survey, dated March 9, 1954, and from the Bureau of Mines, dated March 12, 1954, are enclosed.

Sincerely yours,

George C. Selfridge
(JHB)
Chairman, Operating Committee

Approved:

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

Philip W. Guild (JHB)
Member, Geological Survey

Enclosures 10

WCAnderson:gad 3/15/54
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3061
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

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

RECEIVED
MAR 12 1954

March 12, 1954

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-3216

Applicant: Roy Sparks, and Dave and Sam Parsley

Name and Location of Property: Hector Mine, Yancey County
North Carolina

Date of Field Team's Report: March 3, 1954

Rec'd. by Ceramic & Fertilizer Materials Branch: March 9, 1954

Field Team's Recommendation:

1. The field team is of the opinion that the deposit offers possibilities for the production of strategic non-ruby (green) mica.

2. A project in the amount of $5,325 is recommended.

Comments:

1. The proposed exploration is consistent with good engineering practices.

Recommendation:

I concur in the field team's recommendation for an exploration project in the amount of $5,325.

W. F. Dietrich

W. F. Dietrich

IN REPLY REFER TO:
G-MD-CNM

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 9 - 1954

March 9, 1954

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-3216 (mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant: Sparks, Parsley, and Parsley, Spruce Pine.
Name of property: Hector Mine.
Location of property: Yancey County, North Carolina.
Date of field team report: February 1, 1954.
Authorship of field team report: K. H. Teague and L. E. Shirley.
Field team's recommendation:

50' x 5' x 7' shaft
80' x 5' x 7' drift
$5,325 total

Comments:

1. Extent of old adit is important. Can't some estimate be made from size of dump, not shown? If extensive, shaft may not be in best location to miss old workings.

ACTION RECOMMENDED:

Follow field team's recommendation.

D. M. Larrabee

D. M. Larrabee

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 5 - 1954

BCS
3/17/54

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM, REGION VII

ON

DMEA-3216, HECTOR MINE
(mica)
Yancey County, N. C.

On-Site Exam Rpt

By

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

February 1, 1954

Reviewed by
DMEA OPERATING COMMITTEE
3-10-54
(date)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 5 - 1954

FIELD EXAMINATION REPORT
ON

DMEA-3216, HECTOR MINE
(mica)

Applicant: Roy Sparks, Boonford, N. C., Dave and Sam Parsley, Spruce Pine, c/o Roy Sparks, Boonford, North Carolina.

The deposit appears to offer possibilities for the production of green mica of strategic grade. Considerable pattern mica has been produced from a nearby mine, and the examiners believe this deposit warrants exploration assistance.

The Hector mine was examined on January 14, 1954. The examiners were accompanied by Roy Sparks, Sam Parsley, and Alvin Parsley; two hours were required for the inspection.

The mine is on the south side of North Toe River, 0.8 miles N. 66° W. of Boonford, Yancey County, North Carolina. Access to the mine is good except during periods of wet weather.

The applicant holds the deposit under lease, area of which is sufficient to provide adequate working area for the proposed exploration.

There are no buildings or other facilities on the property. A single phase - 220 volt electric line is within 300 feet of the deposit. Old workings consist of a caved adit of unknown extent and an inclined stope 30 feet long, 25 feet wide and about 30 feet deep. Recent bulldozer work has obliterated the stope. Workings now consist of a bench cut along the pegmatite 50 feet long, 20 feet wide, with an upslope face of 25 feet. The old caved adit is about 15 feet lower than the floor of the new cut.

The deposit was first worked prior to 1900 by Hector McNeal, and subsequent operators include Pat Abernathy and George Young. The country rock is tightly folded and crenulated mica gneiss with many pods and thin stringers of pegmatite. The foliation is conformable to the pegmatite.

The pegmatite body contains a quartz core 7 to 8 feet thick, and feldspathic wall zones 2-3 feet thick. Mica occurs adjacent to the quartz and in both wall zones. The pegmatite strikes N. 50° E. dipping from 50° to 70° SE. At the bottom of the cut it is fresh to semi-weathered.

Reviewed by
DMEA OPERATING COMMITTEE
3-10-54
(date)

Mica available for inspection is light green in color, free splitting, "flat-A", and hard. About one-fourth of the recovered sheets are mineral stained. Sizes range up to about 8 inches in diameter.

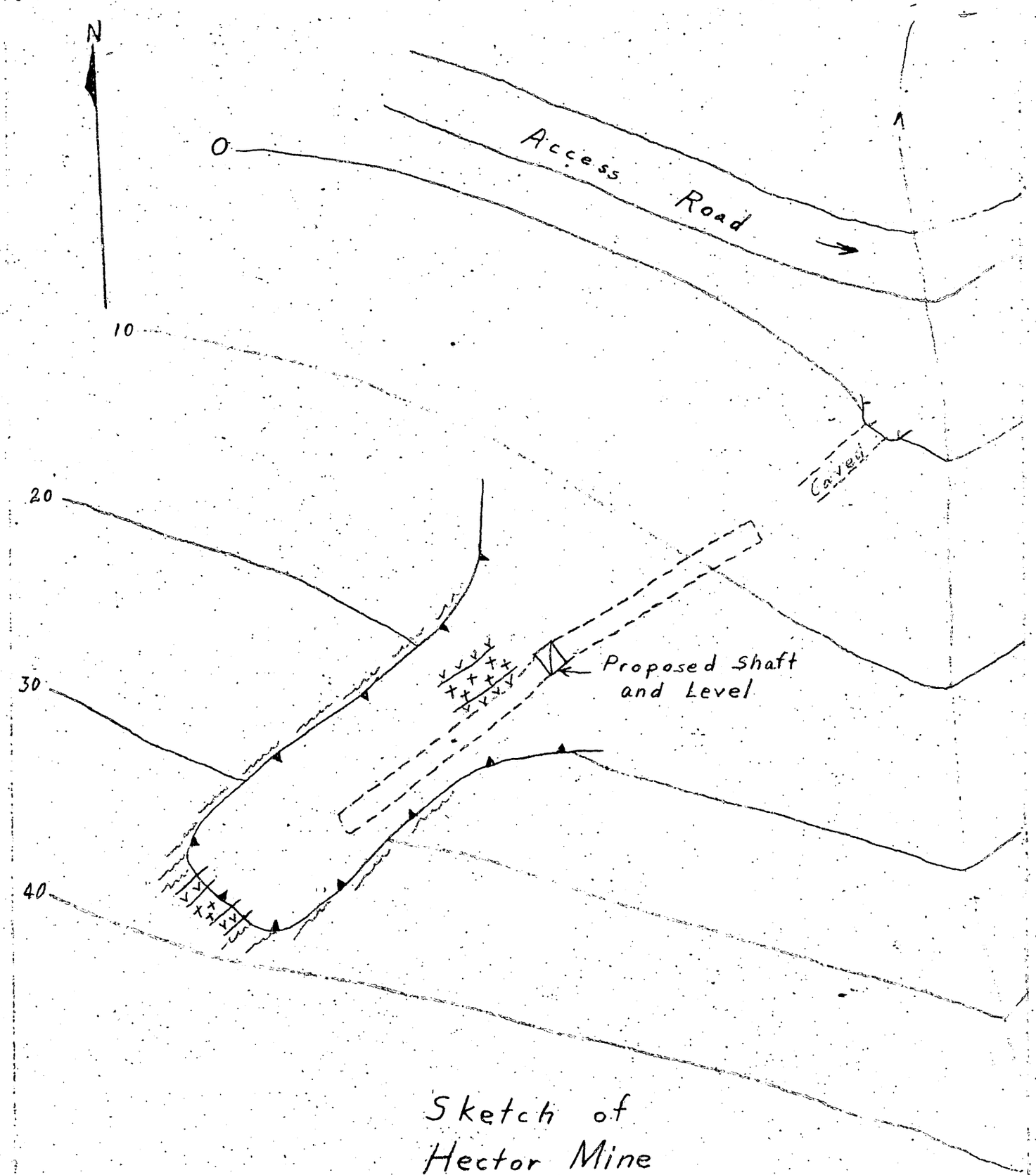
The examiners believe that the deposit offers promise for the production of strategic mica. A small amount of mica that resulted from the recent bulldozer work was acceptable for stockpiling. It is recommended that the following work be conducted on the pegmatite:

Shaft site preparation----

5 hours bulldozing @ $10.00 per hour	$50.00
10' x 12 ' Tool house	150.00
Powder Magazine	50.00
Exploder Magazine	25.00
50-foot, 5' x 7', 2-compartment shaft, @ $45.00 per foot	$2,250.00
80 feet 5' x 7' drift and/or crosscut @ $35.00 per foot	2,800.00
Estimated Total Cost	$5,325.00

Estimated time required - 6 months.

January 14, 1954.



Sketch of
Hector Mine
Yancey Co., N.C.

0 20' 40'
Scale

DMEA-3216 (mica)

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 5 - 1954

March 3, 1954

Memorandum

To: Operating Committee, D M E A - Washington

From: D M E A Field Team, Region VII

Subject: Field Examination Reports:

DMEA-3247, Buchanan, Buchanan Cook & Buchanan (mica)
Johnson Mine, Mitchell County, N. C.
DMEA-3216, Sparks, Parsley and Parsley (mica)
Hector Mine, Yancey County, N. C.
DMEA-3251, C. E. Smith (mica) Pate Prospect.
Randolph County, Alabama

Enclosed are 4 copies of each of the subject examination reports, with 6 extra copies of the maps accompanying each.

The Field Team agrees with the examiners' conclusions that exploration of these deposits is worth undertaking, and recommends approval of all three.

Robert A. Laurence
Robert A. Laurence
Executive Officer, DMEA-Reg. VII

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

Reviewed by
DMEA OPERATING COMMITTEE
3-10-54
(date)

File Copy
Surname:

Houk
Gould
Hodges
Lathrop
Johnson

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

MAR 1 1954

Mr. Roy Sparks, et al.

Boonsford, North Carolina

Re: Docket No. DMEA-3216 - Mica
Roy Sparks, Dave Parsley and
Sam Parsley
The Hector Mine
Yancey County, North Carolina

Dear Mr. Sparks:

Your application for assistance in exploring the subject property has been reviewed by the Nonmetallic Minerals Division of the Defense Minerals Exploration Administration and has been referred to Mr. Robert A. Laurence, Executive Officer, DMEA Field Team, Region VII, Room 13, Post Office Building, Knoxville 2, Tennessee, for further consideration and possibly a field examination.

The Regional Office will contact you at an early date if an examination is to be made. Any assistance that you may give the members of the field team during the examination will be appreciated.

Sincerely yours,

C. O. Mittendorf (fw)

Administrator

LGHouk:gad 2/25/54
Copy to: Admr. R. File
Docket File
Operating Committee
Field Team, Region VII
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

R.C.J. 3-1-54

File Copy
Surname:
Houk
~~Selfridge~~
~~Hedges~~

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

MAR 1 1954

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

Subject: Docket No. DMEA-3216 - ~~Mica~~
Roy Sparks, Dave Parsley ~~and~~
Sam Parsley
The Hector Mine
Yancey County, North Carolina

Dear Mr. Laurence:

Please review the subject application and arrange for a field examination if you deem it necessary.

Copies of memoranda from the Geological Survey, dated December 4, 1953, and from the Bureau of Mines, dated December 16, 1953, are enclosed for your information.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (2/5)

Approved:

J. H. Hedges (2/5)
Member, Bureau of Mines

Philip W. Guild (2/5)
Member, Geological Survey

Enclosures 4

LGHouk:gad 2/25/54
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

R.C. 3-1-54

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 16 1954

Bromford, N. C.
February 15, 1954

DMEA-3v16

Mr. Lawrence G. Hawk, Chief
Nonmetallic Minerals Division
Department of the Interior DMEA
Washington 25, D. C.

Dear Mr. Hawk:

Reference is made to your letter of February 5 it is agreeable with all the partners that the Government participation be only 75% instead of 90% as stated on the application of the Hector mine.

Thank you.

Sincerely yours
Ray Sparks

FILE COPY
Surname:

Houk

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

FEB - 5 1954

Mr. Roy Sparks, et al.

Booneford, North Carolina

Re: Docket No. DMEA- 3216 - Mica
Roy Sparks, Dave Parsley and
Sam Parsely
The Hector Mine
Yancey County, North Carolina

Dear Mr. Sparks:

Reference is made to your application for exploration assistance for mica.

On November 3, 1953, Amendment No. 3 to DMEA Order-1 became effective and limited Government participation in the case of mica to 75 percent of the approved costs. Inasmuch as your application was received after November 3, 1953, please advise this office in writing if you desire to have your application processed under the new Government participation rate. The processing of your application will be deferred until receipt of your reply.

A copy of our release of November 3, 1953, is enclosed for your information.

Sincerely yours,

Lawrence G. Houk, Chief
Nonmetallic Minerals Division

Enclosure

LGHouk:ag 2/4/54
Copy to: Admr. R. File
Docket File
Field Team, Region VII
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

R.C.L.
2-5

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 17 1953

December 16, 1953

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-3216, Mica

Applicant: Roy Sparks, Dave Parsley and Sam Parsley

Name and Location of Property: Hector Mine, Yancey County
North Carolina

Date of Application: December 4, 1953

Date Rec'd by Ceramic & Fertilizer Materials Branch: December 4, 1953

Estimated Project Cost: $7,250.00

Comments:

1. No data are available in this office on subject mine.
2. The mine is located in the general area of productive mica mines.

Recommendation: It is recommended that the field team visit this property when a member of the field team is in that vicinity to ascertain if an exploration program is justified.

W. F. Dietrich

W. F. Dietrich

IN REPLY REFER TO:

G-MD-CNM

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

DEPARTMENT OF THE INTERIOR
Minerals Administration
RECEIVED
DEC 5 - 1953

December 4, 1953

Memorandum

REVIEW OF APPLICATION DMEA-3216 (mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: Donald A. Brobst, U. S. Geological Survey
Applicant: Roy Sparks, Booneford, North Carolina, Dave and Sam Parsley, Newdale, North Carolina.
Name of property: Hector Mine.
Location of property: Near Booneford, North Carolina - across Rebels Creek on Edd Sparks property.
Estimated cost of project: $7,250.00.
Summary of applicant's proposal:

Sink 5' x 7' shaft for 75' at $50.00/ft.	$3,750.00
Drift 100' from base of shaft, 50 ft. in 2 directions at $35.00/ft.	3,500.00
Estimated total	$7,250.00

Sources of information on applicant's property:

1. There are no reports on the property in our files.
2. Results of testing mica from this mine are listed on table 10, p. 69 of U.S.G.S. Prof. Paper 225. The samples tested were of good quality.
3. Mine 239 on Plate 1 of U.S.G.S. Bull. 936A is the only Hector Mine listed in the area. It is in Yancey County near the North Toe River .75 miles about N. 20 W. from Booneford. This does not coincide with the location given by the applicants.

Comments:

1. The applicants expect to contribute only 10% of the cost of the project.
2. There is no geology shown on the sketch with the application -- more information is definitely needed.

RECOMMENDATION:

1. Ask the applicants if they are willing to contribute the 25% of the cost now required by law.
2. If the answer to the above question is affirmative, then a field examination will be necessary to get more geologic information.

Donald A. Brobst per DMJ.

Donald A. Brobst

FILE COPY
SURNAME

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

Houk
Oakes
Bates

DEC 8 - 1953

Mr. Roy Sparks, et al.
Route 2
Burnsville, North Carolina

Re: Docket No. DMEA-3216 - Mica
Roy Sparks, Dave Parsley and
Sam Parsley
The Hector Mine
Yancey County, North Carolina

Dear Mr. Sparks:

Reference is made to your application for exploration assistance for mica.

On November 3, 1953, Amendment No. 3 to DMEA Order-1 became effective and limited Government participation in the case of mica to 75 percent of the approved costs. Inasmuch as your application was received after November 3, 1953, please advise this office in writing if you desire to have your application processed under the new Government participation rate. The processing of your application will be deferred until receipt of your reply.

A copy of our release of November 3, 1953, is enclosed for your information.

Sincerely yours,

SIGNED

Lawrence G. Houk, Chief
Nonmetallic Minerals Division

Enclosure

LGHouk:gad 12/8/53
Copy to: Admr. R. File
Docket File
Field Team, Region VII
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

R.C.G.
12-8-53

Mr. Roy Sparks, et al.
Route 2
Burnsville, North Carolina

December 4, 1953

Subject: DMEA-3216
Re: Exploration Assistance
The Hector Mine

Dear Mr. Sparks:

The receipt of your application dated December 1, 1953, for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

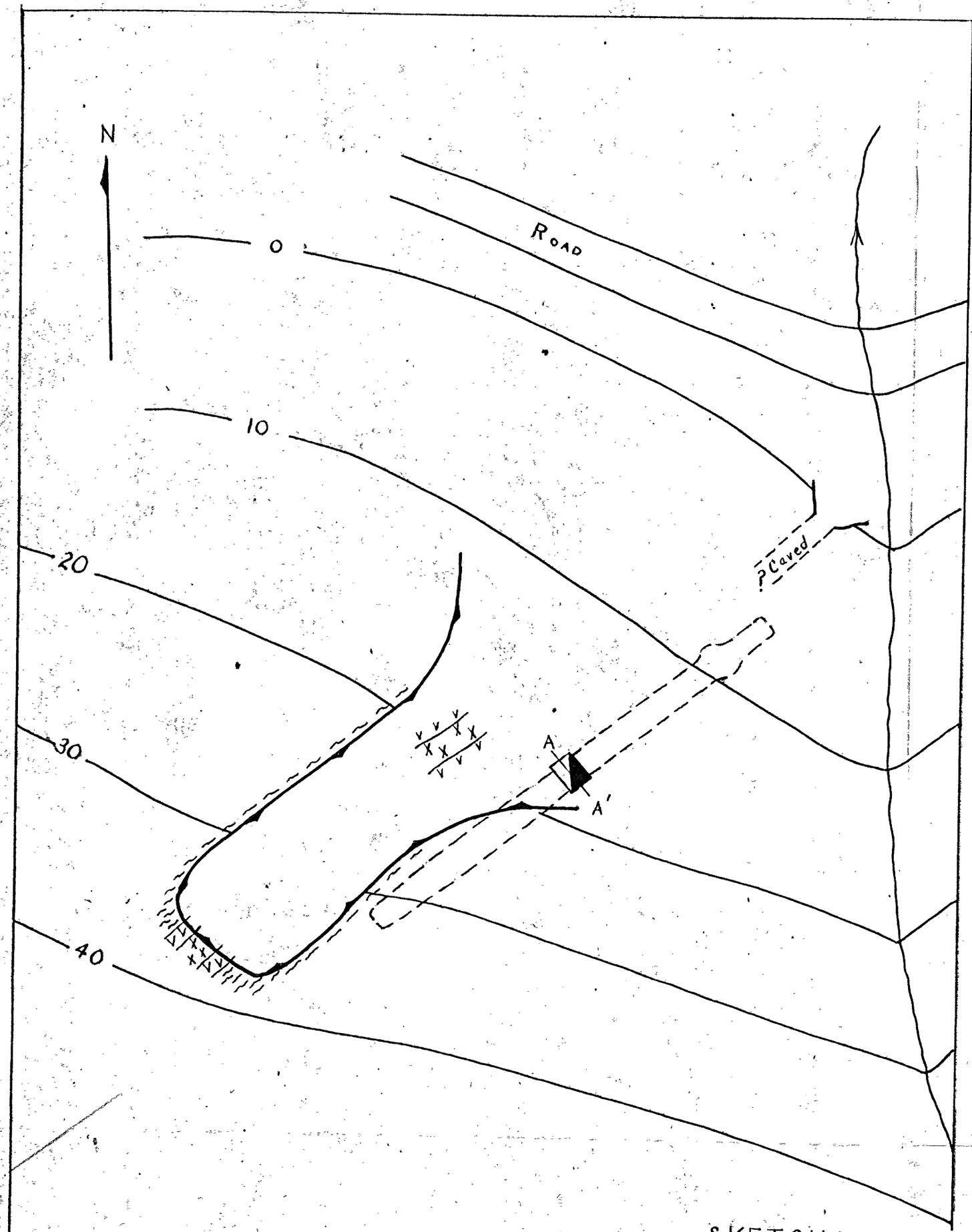
Your application has been assigned Docket Number DMEA-3216 and referred to the Nonmetallics Minerals Division.

Kindly refer to DMEA-3216 in any future correspondence relating to your application.

Sincerely yours,

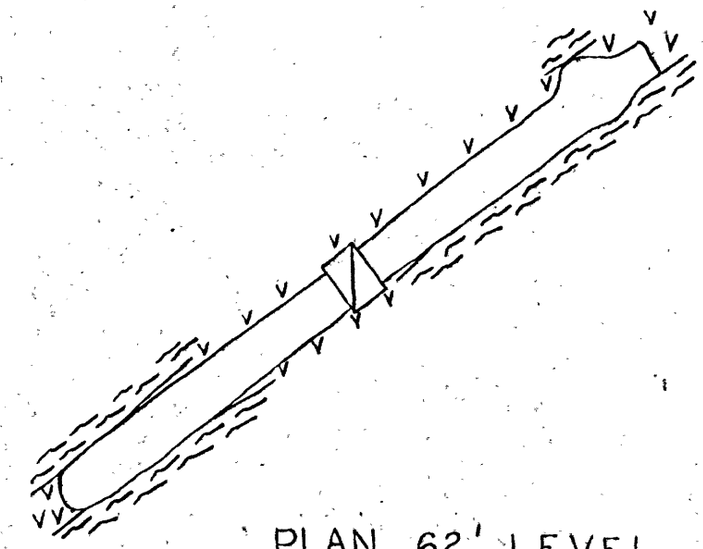
ROBERT E. ADAMS

Robert E. Adams
Chief, Operations Control
and Statistics Division

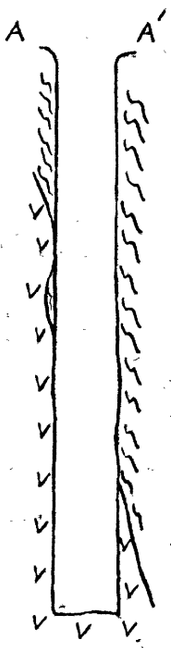


SKETCH OF
HECTOR MINE
YANCEY CO., N.C.

0 20' 40'
SCALE



PLAN 62' LEVEL



SECTION A-A'

DMEA-3216 (mica)