☑ Audited

☐ Certified

WO[redacted] ANALYSIS SHEET - DMEA PROJECT [redacted]

Analysis as of 11/30/54
Incl. Voucher for aug 54

☐ Actual Cost

☑ Agreed Unit Costs

Name Sam Phillips & C. J. Keller (ptnrs)

Docket No. 3330

State

Commodity Mica

Idn-E No. 689

OPERATION	AUTHORIZED Units	AUTHORIZED Cost	COMPLETED Units	COMPLETED Cost	NET COST
Drifting & Crosscutting					
Raising					
Shafts (Test pits)	50	$1300	None	None	None.
Winzes					
Drilling (Specify)					
Surface Excavation		$100		$100	$100
Underground Excavation					
Roads and Trails					
Operating Equipment Purchased					
Surface Rehabilitation & Repairs					
Underground Rehabilitation					
New Building, Improvements, etc.					
Other (Specify)					
Totals		$1400		$100	100.00

Prepared by L. C. H.

Division copy

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 22 1954

TERMINATION AGREEMENT

It is agreed this 14 day of September, 1954, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Sam L. Phillips and C. J. Keller, a partnership, hereinafter called the "Operator," parties to that certain Exploration Project Contract Idm-E689, Docket No. DMEA-3330, dated July 28, 1954, hereinafter called the "Contract," that:

1. Effective August 12, 1954, the Contract and all obligations of the parties thereunder, except as otherwise herein expressly provided, shall be and are hereby terminated.

2. The Government shall contribute only to the fixed unit costs of work performed prior to said effective date.

3. Any work or operations prosecuted or costs incurred by the Operator beginning with said effective date, except as otherwise provided in this termination agreement, shall be for the sole account of the Operator without contribution by the Government.

4. The Operator shall promptly perform all winding-up and settlement actions provided for in the Contract, including the rendering of the final report and final account.

5. The Operator hereby releases and agrees to save the Government harmless from all claims or demands under or arising out of said Contract, except as otherwise provided in this termination agreement.

IN WITNESS WHEREOF, these parties have executed this agreement as of the day and year first above written.

THE UNITED STATES OF AMERICA

Original & Official Docket Copies
By Robert A. Laurence
Robert A. Laurence
Executive Officer
DMEA Field Team, Region VII

Sam L. Phillips
Sam L. Phillips (Partner)

(Deceased)
C. J. Keller (Partner)

Hoffhend
Houk
Talbot

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Report of:

Sam L. Phillips & C. J. (Jack) Keller

Spruce Pine, North Carolina

pertaining to Exploration Project Contract No. Idm-E689, Docket No. DMEA-3330, for the month of August, 1954, covering a project for the exploration of mica on property, known as the C. Ray Wilson Prospect, located in Cleveland County, North Carolina.

My review included an examination of the Monthly Report (Form 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 the reports of Field Team representatives, 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		$100.00
Exceptions:		
By DMEA Finance Officer	$ -0-	
Herewith	-0-	-0-
Total Accepted Cost		$100.00

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 Seventy-five and no/100 Dollars,

$75.00

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, Auditor

August 24, 1954

MF-200 (A)
(February 1952)

DOCKET DMEA - 3330

COMMODITY Mica

Division copy

IDM-E 689

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

EXPLORATION PROJECT CONTRACT[1]

(Short Form)

IT IS AGREED this 28th day of July, 1954, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] Sam L. Phillips and C. J. (Jack) Keller, a partnership Spruce Pine, North Carolina

hereinafter called the "Operator," [redacted]: as set forth in Annexes I and II, attached hereto and made a part hereof, and as follows:

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

ARTICLE 2. *Operator's property rights.*—With respect to that certain land situated in the State of North Carolina, County of Cleveland, described [redacted] as set forth in Annex I,

the Operator represents and undertakes:[4]

(*a*) [redacted] entitled to possession, and that the property is subject only to the [redacted]

(*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 60 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 Two(2) 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 $1,050.00, which is 75 percent of $1,400.00, 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 II, 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* **That part of the second sentence in Article 7 beginning with the word "Provided" is deleted.**

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

Sam L. Phillips (SEAL) Partner

By [illegible] Administrator, Defense Minerals Exploration Administration

[illegible] Partner

Britt
Hoffman
Hook
Anderson
Lockhart

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

_____ [CORPORATE SEAL]

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

EXPLORATION PROJECT CONTRACT
SAM L. PHILLIPS and C. J.(JACK) KELLER
DOCKET NO. DMEA-3330

ANNEX I

The land referred to in Article 2 of the contract form and in Annex II is known as the C. Ray Wilson Prospect and was leased for mining purposes to Sam L. Phillips and C. J.(Jack) Keller by C. Ray Wilson, by an instrument dated April 25, 1954, for a period of five years from said date. It is located 2.47 airline miles S. 61° E. of Falston, Cleveland County, North Carolina, and is described in the lease as follows:

"Beginning at the center of the C. Ray Wilson mica prospect and running North 150 feet, thence West 1500 feet, thence South 1000 feet, thence East 2000 feet, thence North 1000 feet, thence West 500 feet to beginning."

EXPLORATION PROJECT CONTRACT
SAM L. PHILLIPS and C. J.(JACK) KELLER
DOCKET NO. DMEA-3330

APR 21 1954

ANNEX II

The following provisions are in lieu of Article 6 :

Repayment by Operator.--a. Certification.--If the Government considers that a discovery or development from which production may be made has resulted from the 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. Royalty on production.--The Operator, as principal, if the Operator is the producer, or as surety, if the Operator is not the producer, shall pay to the Government a royalty on all minerals mined or produced from the land, as follows: (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, or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first; or (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.

c. Basis for computation.--The Government's royalty shall be a percentage of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrates, metal, or equivalent), at the point of delivery (the f.o.b. point); except, that charges of the buyer arising in the regular course of business, and shown as deductions on the buyer's settlement sheets, on account of the cost of treatment processes performed by the buyer, sampling and assaying to determine the value of the production sold, and freight paid by the buyer to a carrier (not the Operator), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. Any costs of treatment processes, sampling or assaying, or transportation, performed or paid by the

Operator or by anyone other than the buyer, are not deductible in arriving at the "gross proceeds" as that term is here used. The term "treatment processes," as here used, means those processes (such as milling, concentrating, smelting, refining, or equivalent) applied to the raw ore or other production after it is extracted from the ground, to put it into a commercially marketable form; excluding fabricating or manufacturing.

d. Unsold production.--If any production (ore, concentrates, metal, or equivalent), after the lapse of six months from the date the ore was extracted from the ground, remains neither sold nor used by the Operator in integrated manufacturing or fabricating operations (for instance, if it is stockpiled), the Government, at its option, as long as it so remains, may require the computation and payment of its royalty on the value of such production in the form (ore, concentrates, metal, or equivalent) it is in when the Government elects to require computation and payment. If any production is used by the Operator in integrated manufacturing or fabricating operations before the Government makes its election, the Government's royalty on such production shall be computed on the value thereof in the form in which and at the time when it is so used. "Value" as here used means what is or would be gross income from mining operations for percentage depletion purposes in Federal income tax determination, or the market value, whichever is greater.

e. Percentages of royalty.--The percentages of the Government's royalty shall be as follows:

> One and one-half ($1\frac{1}{2}$) percent of amounts ("gross proceeds" or "value") not in excess of eight dollars ($8.00) per ton of production in the form in which sold, held, or used, plus one-half ($\frac{1}{2}$) percent for each additional full fifty cents ($0.50) by which such amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such amounts.
>
> (For instance: the royalty on an amount of five dollars ($5.00) per ton, would be one and one-half ($1\frac{1}{2}$) percent; on an amount of ten dollars ($10.00) per ton, three and one-half ($3\frac{1}{2}$) percent.)

f. Lien for payment.--To secure the payment of its percentage royalty, there is hereby granted to the Government a lien upon the land or the Operator's interest in the land and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

g. Notice to purchasers.--The Operator shall give notice of the Government's claim for royalty to any purchaser of the production, and shall authorize and direct such purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets. If the records of any production and sales or other disposition of production, whether the production is by the Operator or by others, are not made available to the Government, the amount of the royalty may be estimated by the Administrator, Defense Minerals Exploration Administration, or his successor, and his estimate thereof shall be final and binding upon the Operator.

h. No obligation to produce.--Nothing in this contract is 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.

i. Government not obligated to buy.--Nothing in this contract shall be construed as imposing any obligation on the Government to purchase any minerals mined or produced from the land.

58694

EXPLORATION PROJECT CONTRACT
SAM L. PHILLIPS and C. J.(JACK) KELLER
DOCKET NO. DMEA-3330

EXHIBIT "A"

Description of the Work

Exploration for concentrations of strategic mica shall be accomplished in the area marked "Prospect #2" on the attached map entitled "Sketch of C. Ray Wilson Pros., Cleveland Co., N.C. DMEA-3330 (mica)," in two stages as follows:

Stage I

Bulldoze a trench about 8 feet deep and 100 feet long along the strike of the pegmatite.

Stage II

If the work under Stage I exposes a pegmatite and if the Government approves it in advance, not more than 50 feet of test pitting and/or drifting shall be performed. The openings shall have cross-sectional dimensions in accordance with good mining practice and as agreed upon in advance by the Government and the Operator.

The location, inclination, direction, and extent of all work are subject to the approval of the Government.

Agreed Unit Costs

Bulldozing trench 10 hours @ $10.00/hr.	$100.00	
50 feet of test pits and/or drifts @ $26.00/ft.	1,300.00	
Agreed Estimated Total Cost of Project		$1,400.00
Government Participation at 75%		$1,050.00

MF-203
(Revised July 1, 1954)

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 Cleveland, described as follows:1/

Beginning at the center of the C. Ray Wilson Mica Prospect and running North 150 feet, thence West 1500 feet, thence South 1000 feet, thence East 2000 feet, thence North 1000 feet, thence West 500 feet to beginning.

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/ Sam L. Phillips and C. J. (Jack) Keller

hereinafter called the "Operator"; and

WHEREAS, under the provisions of said contract the Government is entitled to a percentage royalty on production 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.

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.

(OVER)

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 6th day of August, 1954.

C Ray Wilson [Seal] Box 274, Faeston, N.C.

_____ [Seal]

_____ [Seal]

January 12, 1955

Project Summary Report

By: Walter C. Anderson

1. Docket No. DMEA-3330 - Mica
Contract No. Idm-E689
C. Ray Wilson Prospect
Cleveland County, North Carolina

Operator: Sam L. Phillips and C. J. (Jack) Keller, a partnership
Spruce Pine, North Carolina

Application: Form MF-103 (April, 1952), received April 29, 1954.
Work proposed: Bulldozing and 30 feet of test pit in each of three cuts.
Amount requested - $4,200.00

Operators' property rights -
Mining lease for five years dated April 23, 1954.
Owner's Consent to Lien dated April 23, 1954

2. Contract - Form MF-200 (A) (February 1952) dated July 28, 1954.

Work authorized:

Bulldozing trench - 10 hrs. @ $10/hr.	$100.00
50 feet of test pits and/or drifts @ $26/ft.	1,300.00
Total agreed unit costs	$1,400.00
Government participation @ 75%	$1,050.00

Plan of exploration: In two stages. Stage I, bulldoze trench. Stage II, if bulldozing exposes pegmatite Stage II will consist of test pitting and/or drifting.

Amendments - None

Work completed:

Bulldozing trench - 10 hrs. @ $10/hr.	$100.00
Government participation @ 75%	$75.00

Work began and was completed on August 11, 1954. Contract was terminated by agreement on September 14, 1954. Field Team Final Report received August 23, 1954. Operators' Final Report received August 23, 1954.

3. Audit - Certificate issued August 24, 1954.

Accepted cost	$100.00
Government participation	$75.00

4. Certification of Discovery - none issued.

5. Comments:

How conducted - Good cooperation between Operators and Government in limiting work to just what was necessary to determine worth of deposit.

Operation - Good.

Engineering - Reporting by Operator was acceptable.

Geological premise - The premise that surface indication warranted exploration was proven wrong by surface trenching.

Geological criteria upon which work was based:
1. Semi-weathered unzoned 4-foot thick pegmatite.
2. Strategic grade mica up to 6" across concentrated adjacent to both walls.
3. Past production - not known.

Criteria developed during project:
1. Pegmatite branched into several narrow stringers.
2. Mica small in size, cracked and clay-stained.

Future possibilities: Because of small extent of the pegmatite the deposit offers little encouragement to justify further exploration.

Recommendation: The Nonmetallic Minerals Division concurs in Field Team's recommendation that no work be started under Stage II, and no certification of discovery or development be issued.

WCAnderson:gad 1/12/55
Copy to: Admr. R. File
Mr. Houk

JAN 17 1955

Mr. Sam L. Phillips

Spruce Pine, North Carolina

Re: Docket No. DMEA-3330 - Miss
Sam L. Phillips and C. J. Keller
G. Ray Wilson Prospect
Cleveland County, North Carolina
Contract No. DMe-2689

Dear Mr. Phillips:

We are pleased to advise you that your performance of exploration work under the subject contract has been acceptable to the Government, and the account relating thereto has been closed. The final audit of the Contract Administration and Audit Division shows:

Total claimed for units of work performed	$100.00
Total Government contribution at 75 percent	$ 75.00

Your attention is called to the provision of the contract which requires you to keep and preserve your records and accounts of this transaction for a period of three years for possible future references.

We sincerely regret that the work performed did not result in a certification of discovery or development under the provisions of the exploration contract. In the absence of such certification, the Government retains no claim or lien against the property or royalty on any production made after the date of this letter.

The Government thanks you for your interest and participation in the exploration program of the Defense Minerals Exploration Administration.

Sincerely yours,

C. C. Mittendorf

Administrator

WCAnderson:gmd 1/12/55
Copy to: Admr. R. File
Docket
Field Team, Region VII
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Chambers
Mr. Rock

Mr. G. Ray Wilson
Box 274, Fallston, N. C.

IN REPLY REFER TO:

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

August 26, 1954

Memorandum

REVIEW OF FINAL FIELD TEAM REPORT ON APPLICATION DMEA-3330 (mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: E. L. Newcomb, U. S. Geological Survey
Applicant: S. L. Phillips and C. J. Keller
Name of property: C. Ray Wilson Prospect
Location of property: 2.5 mi. SE of Fallston, Cleveland Co., N. C.
Date of Field Team Report: August 19, 1954
Authorship of Field Team Report: K. H. Teague and D. H. Amos.
Field Team's recommendation:
Contract should be terminated without completion of Stage II.
No certification of discovery should be made.
Comments: Sufficient work was completed to indicate further DMEA assistance is not warranted at this time.
ACTION RECOMMENDED: Follow Field Team's recommendation.

E. L. Newcomb

ELNewcomb:hlm
G-8/26/54

Copy to: Director's reading, 4212
Branch reading, 4212
DMEA (3)
Docket file
W. F. Dietrich, 3061

IN REPLY REFER TO:

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

August 26, 1954

Memorandum

REVIEW OF FINAL FIELD TEAM REPORT ON APPLICATION DMEA-3330 (mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: E. L. Newcomb, U. S. Geological Survey
Applicant: S. L. Phillips and C. J. Keller
Name of property: C. Ray Wilson Prospect
Location of property: 2.5 mi. SE of Fallston, Cleveland Co., N. C.
Date of Field Team Report: August 19, 1954
Authorship of Field Team Report: K. M. Teague and D. M. Amos.
Field Team's recommendation:
Contract should be terminated without completion of Stage II.
No certification of discovery should be made.
Comments: Sufficient work was completed to indicate further DMEA assistance is not warranted at this time.
ACTION RECOMMENDED: Follow Field Team's recommendation.

E. L. Newcomb

ELNewcomb:hlm
G-8/26/54

Copy to: Director's reading, 4212
Branch reading, 4212
DMEA (3)
Docket file
W. F. Dietrich, 3061

September 20, 1954

Defense Minerals
RECEIVED
SEP 22 1954

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region VII

Subject: Termination Agreement on DMEA-3330, Idm-8589. Phillips & Keller

Transmitted are three copies of the subject termination agreement signed by Mr. Phillips. Mr. Keller died suddenly the week these papers were sent from this office. A clipping is attached.

Robert A. Laurence

Caleb J. Keller

NEWLAND, Sept. 14 — Caleb J. Keller, 69, a mica miner, died Tuesday about 1:30 p. m. in his home at Pineola after a brief illness.

Funeral services will be held Thursday at 2:30 p. m. in Pineola Presbyterian Church. The Rev. Arthur Sanders of Pineola and the Rev. T. W. Clapp of Plumtree will officiate and burial will be in Pineola Cemetery.

He was native and lifelong resident of Avery County and a member of the Linville Lodge No. 489, AF and AM.

Surviving are the widow, Mrs. Pansy Keller; two sons, Hayden and Bruce of Pineola; three daughters, Mrs. Roy Smith and Mrs. Jack Smith of Banner Elk and Mrs. Don Wiseman of Altamont.

Also one brother, W. J. Keller of Pineola; one sister, Mrs. Laura Haga of Bristol, Tenn.; and eight grandchildren.

The body will lie in state at the church for one hour prior to the services.

ZM
wcr
Beck
Lynch
Finance Office
Files

IN REPLY REFER TO:

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

August 26, 1954

Memorandum

REVIEW OF FINAL FIELD TEAM REPORT ON APPLICATION DMEA-3330 (mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: E. L. Newcomb, U. S. Geological Survey
Applicant: S. I. Phillips and C. J. Keller
Name of property: C. Ray Wilson Prospect
Location of property: 2.5 mi. SE of Fallston, Cleveland Co., N. C.
Date of Field Team Report: August 19, 1954
Authorship of Field Team Report: K. H. Teague and D. B. Amos.
Field Team's recommendation:
Contract should be terminated without completion of Stage II.
No certification of discovery should be made.
Comments: Sufficient work was completed to indicate further DMEA assistance is not warranted at this time.
ACTION RECOMMENDED: Follow Field Team's recommendation.

E. L. Newcomb

ELNewcomb:hlm
G-8/26/54

Copy to: Director's reading, 4212
Branch reading, 4212
DMEA (3)
Docket file
W. F. Dietrich, 3061

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

ROOM 13, POST OFFICE BLDG.
KNOXVILLE 2, TENN.

COPY

August 19, 1954

Memorandum

To: Operating Committee, D M E A - Washington

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

Subject: DMEA-3330, Idn-E 689-C. Ray Wilson Prospect. Cleveland Co., N. C. Final Reports, and request for termination.

Enclosed are 4 copies each of the Operator's and Field Team final report on the subject exploration contract. Approval for Stage II was not given, which automatically stopped the project.

Therefore, we request permission to terminate the contract, by mutual agreement with the Operator. We do not recommend certification of discovery.

Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION VII

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

Reviewed by
DMEA OPERATING COMMITTEE
8-27-54
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT
On
DMEA-3330, C. RAY WILSON PROSPECT (mica)
Cleveland County, N. C.

By

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

August 18, 1954

Reviewed by
DMEA OPERATING COMMITTEE
8-27-54
(date)

FINAL REPORT

ON

DMEA-3330, C. RAY WILSON PROSPECT

Ide-E 689 (mica)

Operator: Sam L. Phillips and C. J. Keller, Spruce Pine, N. C.

The C. Ray Wilson Prospects are 2.47 airline miles S. 61° E. of Fallston, Cleveland County, North Carolina. They are about tw-thirds of a mile southwest of the junction of Cleveland, Gaston and Lincoln Counties.

Work completed consisted of bulldozing a 100' x 8' deep trench under Stage I, of the contract. As a pegmatite of only limited extent and containing no strategic mica was revealed by this work, Stage II of the contract was not started. No certification of discovery should be made, nor is additional exploratory work warranted.

Work began and was completed on August 11, 1954. An east-west trending trench 100' x 8' deep was made along the strike of the pegmatite at the northwest prospect (Prospect #2 of the contract) on the farm of C. Ray Wilson. A total of about 10 hours with a D-7 dozer were required to do this trenching.

A disconformable pegmatite with a maximum thickness of about 5 ft. was exposed by the trenching. It strikes N. 80° E. and dips steeply to the north. No zoning of the body is apparent. The pegmatite branches and tends to "finger-out" along the strike to the east. The predominant mineral is kaolinized potash feldspar; other minerals, in order of abundance, are plagioclase, quartz, muscovite and vermiculitic biotite. The enclosing wall rock is semi-weathered biotite gneiss.

All muscovite revealed by the trenching was of scrap size and badly cracked. None was of strategic value.

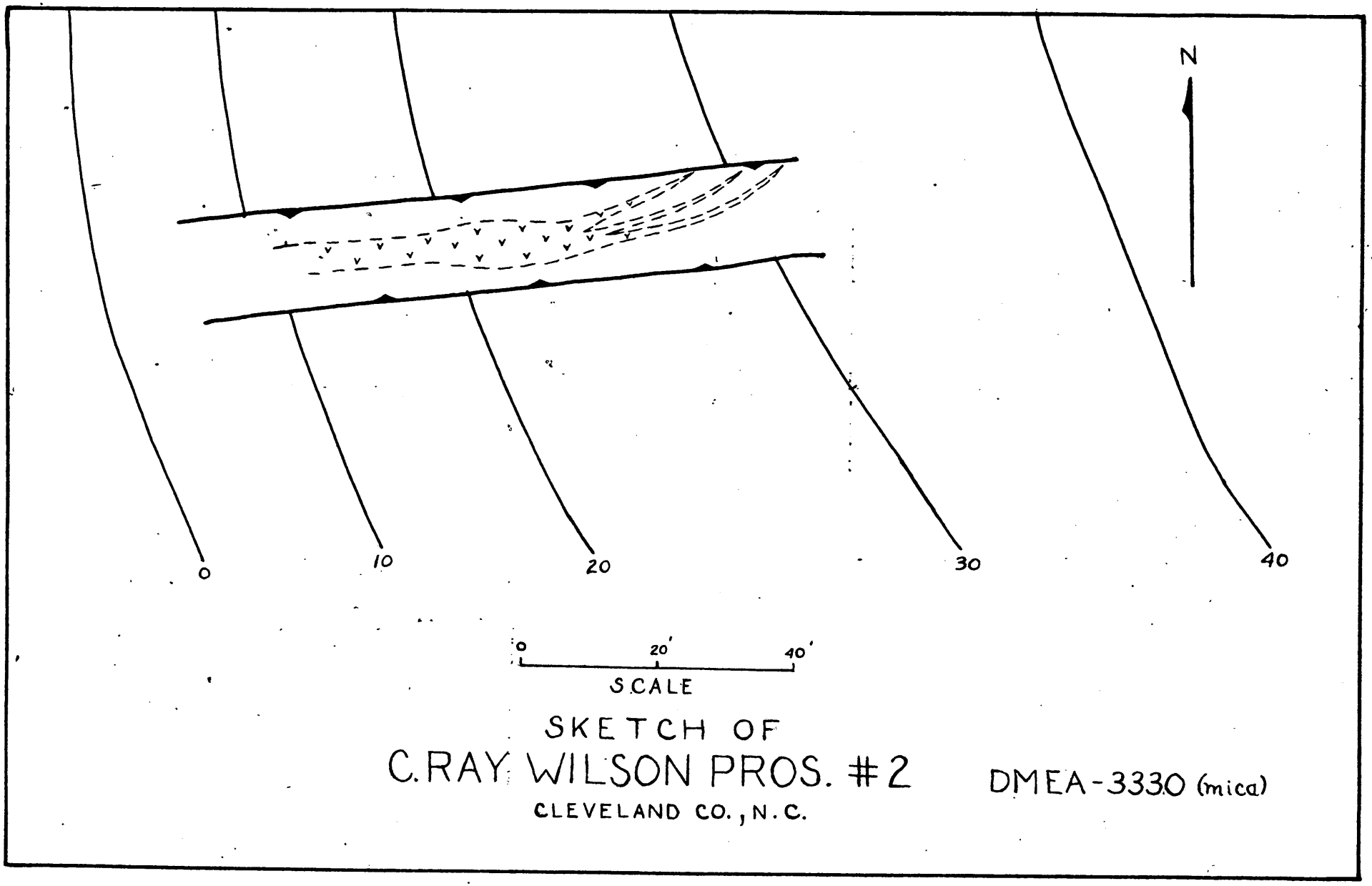
Expenditures:	(a)	Total approved	$1,400.00
	(b)	Total cost of project	100.00
	(c)	Government's share of cost	75.00
	(d)	" " unexponded	975.00
	(e)	Value of production	None

The work on the project was conducted in an efficient and satisfactory manner. No equipment was purchased under the contract.

August 18, 1954.

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

z



SKETCH OF

C. RAY WILSON PROS. #2

CLEVELAND CO., N.C.

DMEA-3330 (mica)

3330
E 689

ACTION ON INTERIM
OR FINAL FIELD TEAM REPORT

Date 8·30

Referred to:

1. ~~Mr. Mittendorf~~
2. ~~Mr. Johnson~~
3. ~~Mr. Chambers~~
4. ~~Docket Control Mails and Files~~
5. Non-Metallic Minerals Division
6. Docket Control Mails and Files

Note comments in report regarding:

1.

2.

3.

4.

and take appropriate action. Few if any new ones have clicked

Action taken by Division: Legal is drawing termination.

ROBERT F. [illegible]

Initials

Wonder if these are all "new" pegmatites? Would be interesting to know if any "new" ones ever clicked?

C. O. Mittendorf (for)

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

ROOM 13, POST OFFICE BLDG.
KNOXVILLE 2, TENN.

COPY

August 19, 1954

Memorandum

To: Operating Committee, D M E A - Washington

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

Subject: DMEA-3330, Idm-E 689-C. Ray Wilson Prospect. Cleveland Co., N. C. Final Reports, and request for termination.

Enclosed are 4 copies each of the Operator's and Field Team final report on the subject exploration contract. Approval for Stage II was not given, which automatically stopped the project.

Therefore, we request permission to terminate the contract, by mutual agreement with the Operator. We do not recommend certification of discovery.

Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION VII

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

Reviewed by
DMEA OPERATING COMMITTEE
8-27-54
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT
On
DMEA-3330, C. RAY WILSON PROSPECT (mica)
Cleveland County, N. C.

By

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

August 18, 1954

Reviewed by
DMEA OPERATING COMMITTEE
8-27-54
(date)

FINAL REPORT
ON
DMEA-3330, C. RAY WILSON PROSPECT
Idn-E 689 (mica)

Operator: Sam L. Phillips and C. J. Keller, Spruce Pine, N. C.

The C. Ray Wilson Prospects are 2.47 airline miles S. 61° E. of Fallston, Cleveland County, North Carolina. They are about tw-thirds of a mile southwest of the junction of Cleveland, Gaston and Lincoln Counties.

Work completed consisted of bulldozing a 100' x 8' deep trench under Stage I, of the contract. As a pegmatite of only limited extent and containing no strategic mica was revealed by this work, Stage II of the contract was not started. No certification of discovery should be made, nor is additional exploratory work warranted.

Work began and was completed on August 11, 1954. An east-west trending trench 100' x 8' deep was made along the strike of the pegmatite at the northwest prospect (Prospect #2 of the contract) on the farm of C. Ray Wilson. A total of about 10 hours with a D-7 dozer were required to do this trenching.

A disconformable pegmatite with a maximum thickness of about 5 ft. was exposed by the trenching. It strikes N. 80° E. and dips steeply to the north. No zoning of the body is apparent. The pegmatite branches and tends to "finger-out" along the strike to the east. The predominant mineral is kaolinized potash feldspar; other minerals, in order of abundance, are plagioclase, quartz, muscovite and vermiculitic biotite. The enclosing wall rock is semi-weathered biotite gneiss.

All muscovite revealed by the trenching was of scrap size and badly cracked. None was of strategic value.

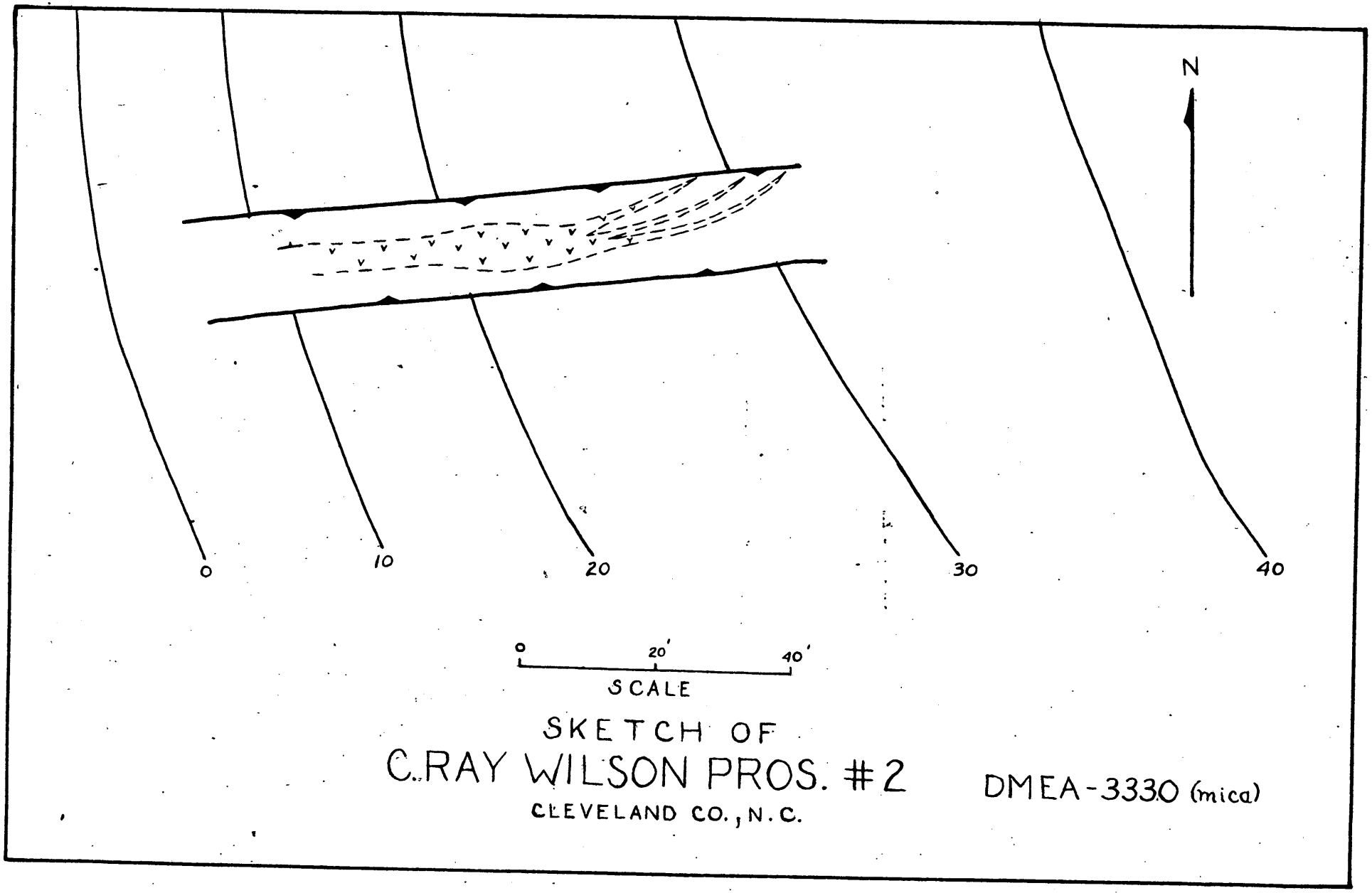
Expenditures:	(a)	Total approved	$1,400.00
	(b)	Total cost of project	100.00
	(c)	Government's share of cost	75.00
	(d)	" " unexpended	975.00
	(e)	Value of production	None

The work on the project was conducted in an efficient and satisfactory manner. No equipment was purchased under the contract.

August 18, 1954.

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

z



SKETCH OF
C. RAY WILSON PROS. #2
CLEVELAND CO., N.C.

DMEA-3330 (mica)

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

SEP 13 1954

Mr. Robert [illegible] Laurence
Executive Officer
DMEA Field Team, Region VII
Room 33, Post Office Building
Knoxville 2, Tennessee

Subject: Docket No. DME [illegible] (Mica)
Sam [illegible] Phillips and [illegible]
Keller
[illegible] Mary Wilson Prospect
Cleveland County,
North Carolina
Contract No. [illegible]

Dear Mr. Laurence:

Reference is made to Field Team Interim Report of August 11 and your covering memorandum of August 19, requesting permission to terminate the subject contract by mutual agreement.

You are authorized to execute the enclosed termination agreement and send it to the Operator for execution. Regular distribution of executed copies of the agreement should be made.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Enclosures 5

APPROVED:

J. H. Hedges

Member, Bureau of Mines

Thor H. Kiilsgaard

Member, Geological Survey

LGHouk/HCRubin:emd 9/7/54
Copy to: DMEA Docket
Solicitor's Docket
Adm. Reading File, DMEA
Operating Committee
Mr. Dietrick, 3061
Mr. Kiilsgaard, 5227
L. G. Houk (2)
J. L. Hoffland
H. C. Rubin
chron.
pending

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

SEP 13 1954

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

Subject: Docket No. DMEA 3330 (Mica)
Sam L. Phillips and C. J. Keller
C. Ray Wilson Prospect
Cleveland County,
North Carolina
Contract No. Idm-2609

Dear Mr. Laurence:

Reference is made to Field Team Interim Report of August 11 and your covering memorandum of August 13, requesting permission to terminate the subject contract by mutual agreement.

You are authorized to execute the enclosed termination agreement and send it to the operator for execution. Regular distribution of executed copies of the agreement should be made.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Enclosures 6

APPROVED:

J. H. Hedges

Member, Bureau of Mines

Thor H. Kiilsgaard

Member, Geological Survey

LGHouk/HCRubin/emd 9/7/54
Copy to: DMEA Docket
Solicitor's dDocket
Adm. Reading File, DMEA
Operating Committee
Mr. Dietrick, 3061
Mr. Kiilsgaard, 5227
L. G. Houk (2)
J. L. Hofflund
H. C. Rubin
chron.
pending

August 27, 1954

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: Concurrence with recommendation for termination.

1. Docket No. DMEA-3330 - Mica
Contract No. Idm-E689
C. Ray Wilson Prospect
Cleveland County, North Carolina

Operator: Sam L. Phillips and C. J. Keller
Spruce Pine, North Carolina

2. Contract - dated July 28, 1954

Work authorized:

Stage I:	
Bulldozing trench 10 hrs. @ $10.00/hr.	$100.00
Stage II:	
50 feet of test pits and/or drifts @ $26.00/ft.	1,300.00
Total estimated cost	$1,400.00
Government participation 75%	$1,050.00

Work completed:

Stage I:	
Bulldozing trench 10 hrs. @ $10.00/hr.	$100.00
Total expended to date (approx.)	$100.00

3. Comments:

Stage I of this contract which consisted of bulldozing strike trench about 100 feet and 8 feet deep revealed that the pegmatite branched into several narrow stringers.

The mica exposed was small in size, cracked and clay-stained.

The field examiners recommend that no work be started under Stage II because of the small extent of the pegmatite. The Nonmetallic Minerals Division concurs in the recommendation. The Operators monthly report for August, 1954 and letter of August 12, 1954, concur in the recommendation.

LGHouk:gad 8/27/54
Copy to: Admr. R. File
Mr. Houk

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

September 7, 1954

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Donald R. Irving, Acting for Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-3330 (mica)

Applicants: Sam L. Phillips and C. J. Keller

Name and Location of Property: C. Ray Wilson Prospect
Cleveland County, North Carolina

Contract Number: Idm-E689

Date of Field Team Final Report: August 19, 1954

Date Rec'd. by Ceramic & Fertilizer Mtls. Br.: August 30, 1954

Field Team Recommendation:

1. No certification of discovery or development.

Comments:

1. Work which began and ended on August 11, 1954 consisted of bulldozing a 100' x 8' trench.

2. A disconformable pegmatite dike was encountered but mica was non-strategic.

3. Expenditures -

Total approved	$1,400
Total cost	100
Gov't. share	75
Value	None

Recommendation

I concur in the field team's recommendation to deny certification.

Signed
Donald R. Irving

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

September 7, 1954

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Donald R. Irving, Acting for Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-3330 (mica)

Applicants: Sam L. Phillips and C. J. Keller

Name and Location of Property: C. Ray Wilson Prospect
Cleveland County, North Carolina

Contract Number: Idm-E689

Date of Field Team Final Report: August 19, 1954

Date Rec'd. by Ceramic & Fertilizer Mtls. Br.: August 30, 1954

Field Team Recommendation:

1. No certification of discovery or development.

Comments:

1. Work which began and ended on August 11, 1954 consisted of bulldozing a 100' x 8' trench.

2. A disconformable pegmatite dike was encountered but mica was non-strategic.

3. Expenditures -

Total approved	$1,400
Total cost	100
Gov't. share	75
Value	None

Recommendation

I concur in the field team's recommendation to deny certification.

Signed

Donald R. Irving

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

September 7, 1954

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Donald R. Irving, Acting for Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-3330 (mica)

Applicants: Sam L. Phillips and C. J. Keller

Name and Location of Property: C. Ray Wilson Prospect
Cleveland County, North Carolina

Contract Number: Idm-E689

Date of Field Team Final Report: August 19, 1954

Date Rec'd. by Ceramic & Fertilizer Mtls. Br.: August 30, 1954

Field Team Recommendation:

1. No certification of discovery or development.

Comments:

1. Work which began and ended on August 11, 1954 consisted of bulldozing a 100' x 8' trench.

2. A disconformable pegmatite dike was encountered but mica was non-strategic.

3. Expenditures -

Total approved	$1,400
Total cost	100
Gov't. share	75
Value	None

Recommendation

I concur in the field team's recommendation to deny certification.

Signed

Donald R. Irving

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

August 19, 1954

Memorandum

To: Operating Committee, D M E A - Washington

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

Subject: DMEA-3330, Idm-E 689-C. Ray Wilson Prospect. Cleveland Co., N. C. Final Reports, and request for termination.

Enclosed are 4 copies each of the Operator's and Field Team final report on the subject exploration contract. Approval for Stage II was not given, which automatically stopped the project.

Therefore, we request permission to terminate the contract, by mutual agreement with the Operator. We do not recommend certification of discovery.

Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION VII

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

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.

40

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of August, 1954 Docket No. DMEA 3330 Contract No. Idm-E-689
Operator's Name Sam L. Phillips & C. J. Keller Minerals Mica
Address Spruce Pine, N. C.
Contract Amount, $ 1400.00 Government Participation: 75 % Amount, $ 1050.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
10 hr Bulldozing @ $10.00	100.00	None	100.00			
Crosscutting						
Drifting						
(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.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	100.00		100.00	100.00		100.00

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-10

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 8-15-54 *Payee Sam L. Phillips & C. J. Keller
Per Sam L. Phillips 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:

$ 75.00

Signature Cora A. Piper
(Authorized Certifying Officer)

Date AUG 19 1954 Vou. No. 40
(See other side)

121+7

S 8/11
C 8/19 25.00

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm E 669 in accordance with the terms of the contract.

Signature Kepton H. Teague Title Geologist, USGS Date AUG 18 1954

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION VII Date AUG 18 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 August 1954 Docket No. DMEA 3330 Contract No. Idm-E-689
Operator's Name Sam L. Phillips & C. J. Keller Minerals Mica
Address Spruce Pine, N. 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								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
10 hr. Bulld ozing @10.00Hr.		100.00	10	100.00	10	100.00	10	10.00
TOTAL DISTRIBUTED COSTS		100.00		100.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		100.00		100.00				

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 8-15-54 Operator Sam L. Phillips & C. J. Keller

Per Sam L. Phillips 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

OPERATOR'S MONTHLY REPORT
of Progress

August, 1954

DMEA-3330

Idm- E-689

Work Accomplished:

Stage I of the contract was completed. Ten Hours of Bulldozing work was done at the site, which included bulldozing a trench about 8 feet deep and 100 feet long. No mica was discovered, and it was decided that Stage II of the contract would not be necessary.

Notes:

Ten hours of bulldozing work completed, no mica whatever discovered. State II not to be completed.

Spruce Pine, North Carolina
August 12, 1954

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

Re: DMEA-3330, IdmE-689
C. Ray Wilson Prospect, Cleveland Co.
Final Engineering Report

Dear Mr. Laurence:

Work began and was completed on the above contract on August 11, 1954. This work consisted of bulldozing a trench about 8 feet deep and 100 feet long. No mica was discovered upon the completion of Stage I of the contract, and therefore the work outlined in Stage II was unnecessary. Upon the advice of the DMEA Field Team, this operation was stopped.

We wish to express our appreciation for the cooperation of the Field Team on this project.

If further information is required, please contact me.

Very truly yours,

Sam L. Phillips

Sam L. Phillips

B/b

INTERIM REPORT
ON
DMEA-3330, Idm-R689, C. Ray Wilson Prospect
(mica)

Operator: Sam L. Phillips and C. J. Keller, Ptnrs. Spruce Pine, N. C.

Location: 2.47 airline miles S. 61° E. of Fallston, Cleveland County, N. C.

Stage I of this contract, which consisted of bulldozing a trench about 100 ft. long by 8 ft. deep along the strike of the pegmatite at Prospect #2, has been completed. Work began and was completed on August 11, 1954.

The dozing revealed that along the strike the pegmatite branches into several narrow stringers. The body consists of weathered potash feldspar, plagioclase, quartz, muscovite, and vermiculitic biotite, in order of abundance, and is enclosed disconformably by biotite gneiss. The muscovite exposed is small in size, cracked and clay-stained. None is of salable size.

It is recommended by the field examiners that no work be done under Stage II of the contract because of the limited extent of the pegmatite and the small and poor quality of the mica.

Date of exam: August 11, 1954.

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

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

August 9, 1954

Memorandum

To: Operating Committee, DMEA -

From: Acting Executive Officer, DMEA - Region VII

Subject: Signed Contract: DMEA-3330 (mica) Phillips & Keller
"C. Ray Wilson Prospect" North Carolina

Transmitted herewith are three signed copiesof the subject contract, with the new owner's consent to Lien forms attached.

The usual distribution of the other copies has been made.

Wm. A. Beck

ZM.
cc:
Beck
Lynch
Finance
Opr. Com.
Files

DMEA
File Copy
Surname

Rubin

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

July 20, 1954

Memorandum

To: The Administrator, DMEA
Through: Mr. L. G. Houk

From: Acting Assistant Solicitor, Defense Minerals

Subject: Sam L. Phillips and C. J.(Jack) Keller, a partnership, Docket No. DMEA-3330, (Mica)

Attached is a contract covering the above-described project in satisfactory legal form for execution, subject to the attachment of an Owner's Consent to Lien on the form revised July 1, 1954.

J. L. Hofflund

J. L. Hofflund
Acting Assistant Solicitor
Defense Minerals

Attachments

HCRubin:lm

Copies to: Solicitor's Docket
DMEA Docket
Mr. Houk (2)
Mr. Hofflund
Mr. Rubin
Chron.

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

Subject: Docket No. DMMA-3330 - Mica
Sam L. Phillips and
C. J. Keller
C. Ray Wilson Prospect
Cleveland 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. It is subject to the attachment of an Owner's Consent to Lien on the form revised July 1, 1954. A copy of memorandum from the Legal Division is enclosed.

If the contract meets with your approval present it to the Operators for approval and signature. Please explain to the Operators that the contract, when executed, is a firm commitment under the terms of which they are 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 Operators 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 July 1, 1954, and from the Bureau of Mines, dated July 12, 1954, are enclosed.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

J. H. Hedges

Member, Bureau of Mines

D. M. Larrabee

Member, Geological Survey

Enclosures 11

WCAndersen:ag 7/23/54
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3061
Mr. Larrabee, 5216
Mr. Houk

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

July 20, 1954

Memorandum

To: The Administrator, DMEA
Through: Mr. L. G. Houk

From: Acting Assistant Solicitor, Defense Minerals

Subject: Sam L. Phillips and C. J.(Jack) Keller, a partnership, Docket No. DMEA-3330, (Mica)

Attached is a contract covering the above-described project in satisfactory legal form for execution, subject to the attachment of an Owner's Consent to Lien on the form revised July 1, 1954.

J. L. Hofflund

J. L. Hofflund
Acting Assistant Solicitor
Defense Minerals

Attachments

HCRubin:lm

Copies to: Solicitor's Docket
DMEA Docket
✓Mr. Houk (2)
Mr. Hofflund
Mr. Rubin
Chron.

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

July 20, 1954

Memorandum

To: The Administrator, DMEA
Through: Mr. L. G. Houk

From: Acting Assistant Solicitor, Defense Minerals

Subject: Sam L. Phillips and C. J.(Jack) Keller, a partnership, Docket No. DMEA-3330, (Mica)

Attached is a contract covering the above-described project in satisfactory legal form for execution, subject to the attachment of an Owner's Consent to Lien on the form revised July 1, 1954.

J. L. Hofflund

J. L. Hofflund
Acting Assistant Solicitor
Defense Minerals

Attachments

HCRubin:lm

Copies to: Solicitor's Docket
DMEA Docket
Mr. Houk (2)
Mr. Hofflund
Mr. Rubin
Chron.

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

July 12, 1954

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-3330 (mica)

Applicant: Phillips and Keller

Name and Location of Property: C. Ray Wilson Mine
Cleveland County, North Carolina

Date of Field Team's Report: June 25, 1954

Date Rec'd. by Ceramic & Fertilizer Materials Branch: July 6, 1954

Field Team's Recommendation:

1. Approval of exploration project in the amount of $2,780.

Comments:

1. Two pegmatites on this property appear to offer some promise of discovery of strategic mica.

2. Exploration on Prospect No. 2 is recommended in a two-stage working program. The first stage consists of trenching 100 feet at an estimated cost of $100. Stage 2 would consist of test pitting and/or drifting 50 feet at an estimated cost of $1,290. Work on Prospect No. 3 is recommended in two stages of which stage 1 is estimated at $100 and stage 2, $1,290.

3. Proposed exploration project is consistent with good engineering practice. The final project proposal should be so stated that work can be stopped at the end of stage 1 on either prospect if further work does not appear justified.

Recommendation:

I concur with the field team in the approval of an exploration program on subject property on Prospect No. 2 and 3 in two stages totaling $1,390 for each prospect giving a total of $2,780.

Signed

W. F. Dietrich

IN REPLY REFER TO:
Q-MD-CNM

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

July 1, 1954

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-3330 (mica).

To: L. O. Houk, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant: Phillips and Keller, Spruce Pine, N. C.
Name of property: C. Ray Wilson Mine
Location of property: Cleveland County, N. C.
Date of Field Team Report: June 25, 1954.
Authorship of Field Team Report: K. H. Teague and D. H. Amos.
Field Team's recommendation: Work on 2 pegs only.

Prospect #2
Stage 1 - bulldoze trench 100' x 8' deep on strike
" 2 - 50' test pits and/or drifts

Prospect #3
Stage 1 - 100' trench
" 2 - 50' test pits and/or drifts

Comments: 1 - Prospect #2 sounds much better than Prospect #3.
2 - " #3 sounds poor indeed.
3 - " #3 has no sound evidence the peg wasn't small and worked out.

ACTION RECOMMENDED:

Approval of Prospect #2.
Denial of Prospect #3.

D. M. Larrabee

Copy to: DMEA (3)

Room 13, Post Office Building
Knoxville 2, Tennessee

June 29, 1954

Memorandum

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

From: Field Team, DMEA - Region VII

Subject: Field Examination Report, DMEA-1330 (wica)
Applicant: Phillips and Lolier, Spruce Pine, N. C.
C. Ray Wilson Mine, Cleveland County, North Carolina

Enclosed are four copies of the subject examination report, and six extra copies of the map.

We agree with the examiners' proposal for a two-stage exploration project at prospects 2 and 3, with no work to be done at prospect 1. We recommend approval of a contract, on the short form.

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

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

RAL/mg
cc -
Division File-DMEA
Beck
Lynch
Files

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM, REGION VII

On

DMEA-3330, C. RAY WILSON MINE
(mica)
Cleveland County, N. C.

By

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

June 25, 1954

FIELD EXAMINATION REPORT
On
DMRA-3330, G. RAY WILSON MINE (Mica)

Applicants: Phillips and Keller, c/o Sam L. Phillips, Spruce Pine, N. C.

Three pegmatites have been prospected slightly on this property. One is too small to warrant additional work and the others appear to offer some promise of discovery of a worthwhile deposit of strategic mica. Exploration aid is recommended on two of the deposits -- to be conducted in stages.

The deposits were examined on June 15, 1954, Mr. Sam L. Phillips accompanied the examiners on the inspection which required two hours.

The G. Ray Wilson prospects are 2.47 airline miles S. 61° E. of Falston, Cleveland County, North Carolina. They are about two-thirds of a mile southwest of the junction of Cleveland, Gaston and Lincoln counties. Access is good at all times.

Both applicants have had considerable mica mining experience and appear to be competent to conduct the proposed work.

Area covered by the applicants' lease is adequate for the proposed exploration. Relative position of the various prospects, and the lease boundaries is shown on the attached sketch.

There are no surface facilities on the property and none are required for the proposed work.

Each of the prospects will be described separately as they are all in different pegmatites.

Prospect No. 1.

A weathered pegmatite has been exposed in a pit 10 feet long, 4 feet wide, and 10 feet deep. It is about three feet thick, strikes E-W., dip vertical and crosscuts the country rock which strikes N-S, and dips 45° E. There is a central quartz rib and the feldspathic portion appears to be composed of weathered perthite and plagioclase and small mica. Mica is not abundant and all observed was in small sizes. No work is recommended.

Prospect No.2.

This pegmatite is semi-weathered, trends N. 80° E., dips 60°- 70° N., and is about 4 feet thick. It has been exposed by an open trench 30 feet long,

six feet wide and 8 feet deep, whose long direction is parallel to the strike. Materials that can be identified in order of abundance are perthite, plagioclase, quartz, and mica. There is no apparent zoning. The pegmatite crosscuts the biotite gneiss country rock.

The mica at this project is hard, clear, flat, splits well and is ruby colored. Books up to 6 inches across were observed. It appears to be concentrated mainly adjacent to both walls. History of production is not known.

The examiners believe that this prospect warrants exploration - in two stages. Stage I, should consist of 10 hours of bulldozing to be devoted to cutting a trench about 8 feet deep and 100 feet long along the strike of the pegmatite. Stage II should consist of doing 50 feet of test pitting and/or drifting. This is recommended so that it will be flexible. Costs are shown in the cost estimates.

Prospect No. 3

This prospect is in a cultivated field. All openings have been filled and no pegmatite is exposed. Considerable quartz, kaolin, and good quality mica are reported to have been taken from this deposit.

A small depression represents the position of the filled pit. It is recommended that a trench be started at this depression and a 100-foot trench be made on the pegmatite. Stage II should be similar to that recommended for Prospect 2, Stage 2.

Estimated Cost:

Prospect No. 2. Stage I.

Trench 100 feet long x 8 feet deep		
10 hours bulldozing @ $10/hr.	$100.00	$100.00
Stage II.		
50 feet of test pits and/or drifts (20 shifts)		
Labor:		
1 - miner @ $1.50/hr.	240.00	
2 - laborers @ $1.00/hr	320.00	
Compressor, hammer, etc. (rental)	220.00	
Hoist	50.00	
Drill Steel	32.00	
Explosives	100.00	
Supplies, small tools	200.00	
Timber, 1000 B. F. @ $60/M	60.00	
Miscellaneous	68.00	
	$1,290.00	
Estimated total cost to explore Prospect 2. Stages I and II		$1,390.00

Prospect No. 3

Work recommended for this prospect is the same as for Prospect No. 2; therefore, the estimated costs are the same, that is , Stage I - $100.00 and Stage II, $1,290.00, for a total of $1,390.00.

Estimated costs to explore Prospects 2 and 3 $2,780.00

(Unit cost of test-pitting and/or drifting $25.80/ft.)

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

m.

600

JUN 1 4 1954

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

Subject: Docket No. DMEA-3330 - Mica
Sam L. Phillips and
C. J. Keller
C. Ray Wilson Prospect
Cleveland County, North Carolina

Dear Mr. Lawrence:

Please review the subject application and arrange for a field examination if you deem it necessary.

Copies of memoranda from the Geological Survey, dated April 30, 1954, and from the Bureau of Mines, dated June 7, 1954, are enclosed for your information.

Sincerely Yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

J. H. Hedges

Member, Bureau of Mines

T. P. Thayer

Member, Geological Survey

Enclosures 4

WCAnderson:ag 6/11/54
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3061
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

JUN 1 4 1954

Messrs. Sam C. Phillips and
C. J. Sailor
Spruce Pine, North Carolina

Re: Docket No. DMEA-3330 - Mica
C. Ray Wilson Prospect
Cleveland County, North Carolina

Gentlemen:

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. Lawrence, Executive Officer, DMEA Field Team, Region VII, Room 12, 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,

Frank E. Johnson

ACTING Administrator

WCAnderson:ag 6/11/54
Copy to: Admr. R. File
Docket File
Operating Committee
Field Team, Region VII
Mr. Dietrich, 3061
Mr. Larrabee, G-232 GSA Bldg.
Mr. Monk

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

Defense Minerals Administration
RECEIVED
JUNE 8 1954

June 7, 1954

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-3330 (mica)

Applicant: Sam L. Phillips and C. J. Keller

Name and Location of Property: C. Ray Wilson Prospect
Cleveland County, North Carolina

Date Application Rec'd. by Ceramic & Fertilizer Mtls. Br.: April 30, 1954

Comments:

1. This is a new prospect and no data are available on subject property.

2. Proposal to work property in three stages appears to be the proper approach.

3. Applicants have participated under DMEA program on other properties.

Recommendation:

It is recommended the field team visit this property to ascertain if an exploration project is justified.

Signed

W. F. Dietrich

IN REPLY REFER TO:

G-MD-CNE

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

April 30, 1954

Memorandum

REVIEW OF APPLICATION DMEA-3330 (mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant's name and address: Sam L. Phillips and C. J. Keller, Spruce Pine, N. C.
Name of property: C. Ray Wilson Prospect.
Location of property: 4 mi. NW. of Longview, N. C.
Summary of applicant's proposal:

Prospect cut #1 -	Bulldoze	30' test pit
Prospect cut #2 -	Bulldoze	30' test pit
Prospect cut #3 -	Bulldoze	30' test pit

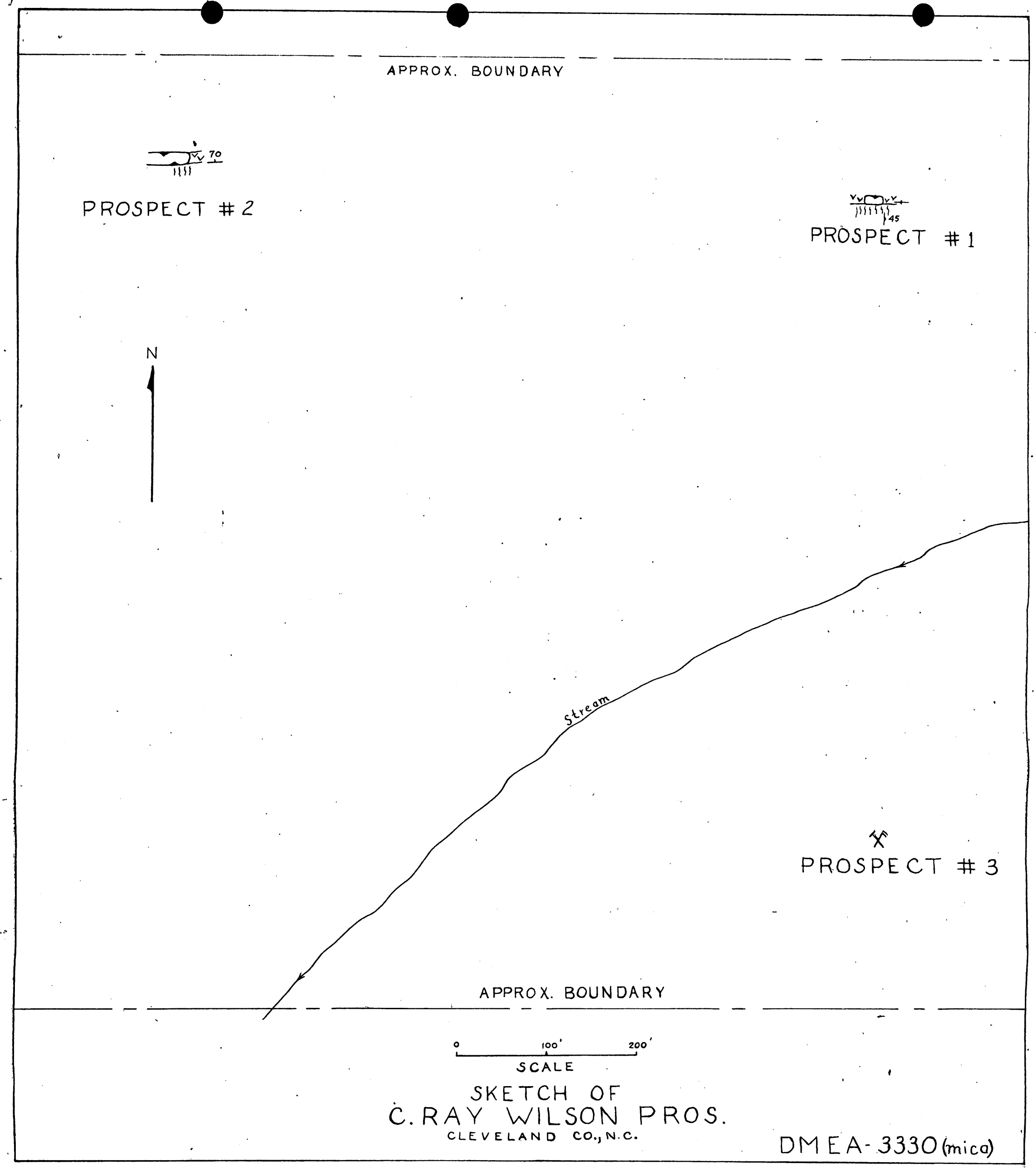
$4,200

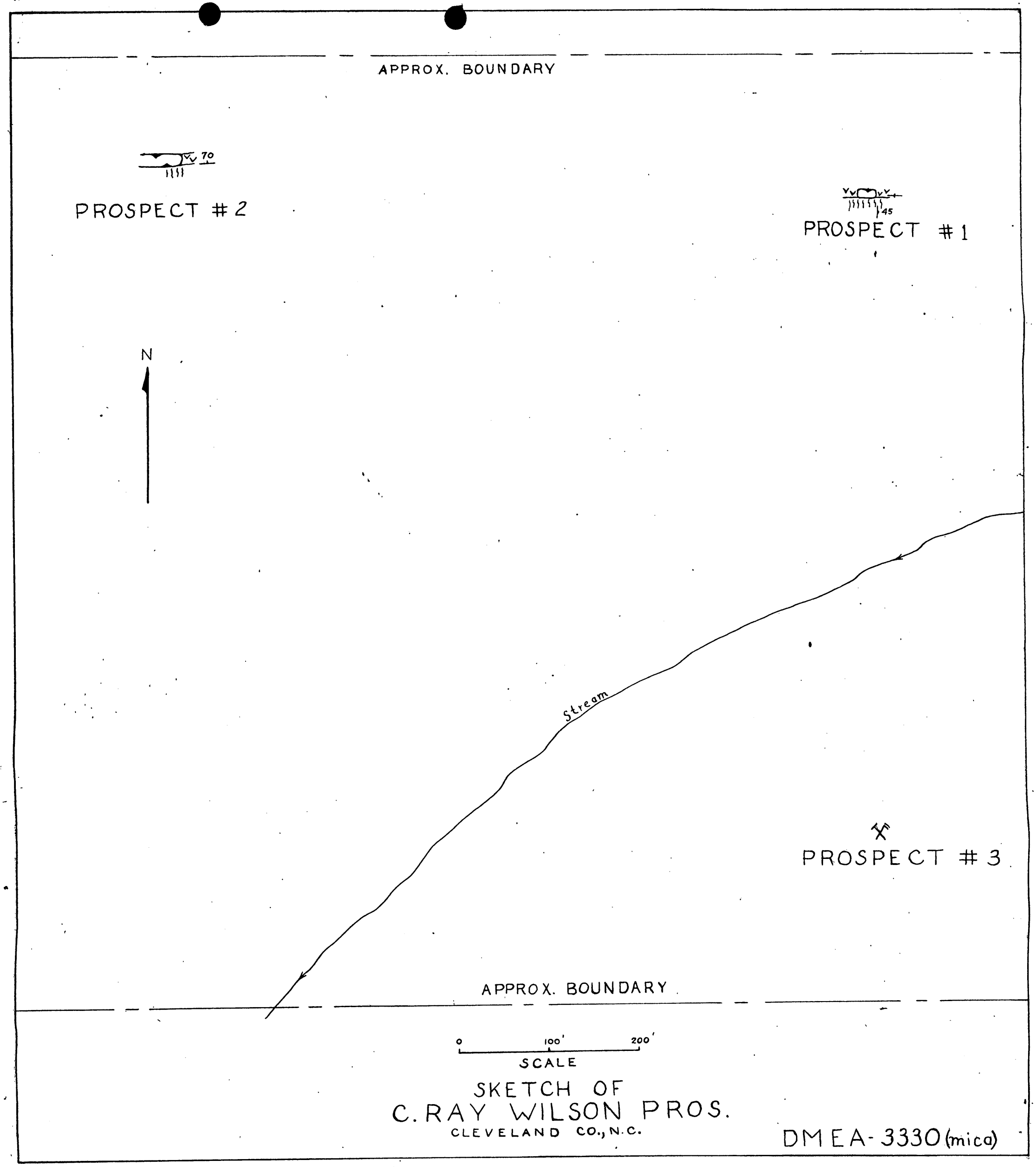
Sources of information on applicant's property: None. New prospects.
Comments: 1. No peg indicated to be present.
2. This job is prospecting, not exploration.
3. If applicant does this work on his own, then we can consider exploration of the pegs uncovered.

RECOMMENDATION:
Denial. Advise applicants to prospect for the pegs first.

D. M. Larrabee

cc: DMEA 3


APPROX. BOUNDARY
70
PROSPECT #2
45
PROSPECT #1
N
Stream
PROSPECT #3
APPROX. BOUNDARY
0
100'
200'
SCALE
SKETCH OF
C. RAY WILSON PROS.
CLEVELAND CO., N.C.
DMEA-3330 (mica)



SKETCH OF
C. RAY WILSON PROS.
CLEVELAND CO., N.C.

DMEA-3330 (mica)