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

Ching
Ellis
Hedges
Kiilsgaard
Selfridge

NOV 2 - 1954

B. G. Thomas, Steve Sparks, Allen Parsley
and David Parsley, d/b/a Columbite Mining Company,
Route 1
Spruce Pine, North Carolina

Re: Docket No. DMEA-3421 (Columbium-tantalum)
S6-B McKinney Mine
Mitchell County, North Carolina

Gentlemen:

Your application for aid in an exploration project and other data available to us in Washington concerning your subject property have been reviewed.

Projects approved by the Defense Minerals Exploration Administration must, in its judgment, show definite promise of yielding materials of acceptable grade in quantities that will significantly improve the mineral supply position for the National Defense Program.

Careful study of all our information, although noting a small amount of ore on your property, indicates to us that the probability of disclosing minable ore reserves by your proposed program is not sufficiently promising to justify Government participation. We regret to advise you, under these circumstances, that your application for exploration assistance is denied.

We wish to thank you for your interest in the Defense Minerals Program and for bringing your property to our attention.

Sincerely yours,

C. O. Mittendorf

Administrator

MChing/gla
10-29-54
cc to: Admr. Reading File
Operating Committee
Docket
Messrs. Robert E. Griffith, Rm. 3641A
T. H. Kiilsgaard, Rm. 5224
Code 700
Mr. Ching
DMEA Field Team, Region VII (2)

R.C.S.

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

DOCKET COPY

Ching

October 28, 1954

Summary of Proposed Project

Object: Denial of application for an exploration project.

Docket No: DMEA-3491

Commodity: Columbium-tantalum

Applicant: B. G. Thomas, Steve Sparks, Allen Parsley and David Parsley, d/b/a Columbite Mining Company, Route 1, Spruce Pine, North Carolina

Property: S6-B McKinney Mine, Lease, dated April 1, 1954, recorded in Book 81, Page 97, official records, Mitchell County, North Carolina. Owner's Consent to Lien dated April 1, 1954, not satisfactory.

Date of application: July 8, 1954

Amount of application: $32,600.00

Work proposed:

Excavate diversion ditch 600 ft. long, 4 ft. deep and 8 ft. wide	$6,000.00
Dewater a pit 150 ft. X 200 ft. X 70 ft. deep	4,000.00
Remove an estimated 30 ft. of muck from pit	2,200.00
Construct power line to site	600.00
Estimated total cost	$32,600.00

Field Team Report: Dated October 7, 1954. K. H. Teague and D. H. Amos, USGS. Wm. A. Beck and L. E. Shirley, USBM.

Although some columbite-tantalite has been produced from this mine, the normally erratic distribution and limited quantity of the mineral

in pegmatites does not warrant the expense proposed by the applicants. Any feasible exploratory program would require considerable preparatory expense such as stream diversion, dewatering, and muck removal. The program as proposed is primarily designed to prepare the property for feldspar mining; columbite-tantalite would be only a minor by-product. It is recommended that the application be denied.

Commodity Committee Members' comments:

Geological Survey: E. L. Newcomb, October 20, 1954.

The deposit is mainly a potential feldspar producer. Columbite-tantalite would be only a minor by-product since the known occurrence of columbium-tantalum are erratically distributed and of limited amounts in the pegmatites of the Spruce Pine district. I concur with the Field Team recommendation that this application be denied.

Bureau of Mines: Horace T. Reno, October 25, 1954.

I concur with the Field Team recommendation that this application be denied.

Michael Ching, DMEA, October 28, 1954.

Previous operations at this property indicate that it is primarily a feldspar producer with erratic occurrences of columbite-tantalite which might be [illegible] a by-product. In the light of the known characteristics of the pegmatite masses making up the deposit the expenditure of $32,600.00 merely to re-expose the open pit does not merit serious consideration.

Conclusions and Recommendations:

The history of this property, the nature of the deposit, and the comparatively large expenditure required to attain a rather indefinite objective, indicate that the proposed program is not warranted. It is recommended that the application be denied.

Ernest Wm. Ellis

Ernest Wm. Ellis

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

October 25, 1954

Defense Minerals Administration
RECEIVED
OCT 26 1954

Memorandum

To: Ernest W. Ellis, Chief, Rare and Miscellaneous Metals Division, Defense Minerals Exploration Administration

From: Horace T. Reno, Commodity-Industry Analyst, Rare and Precious Metals Branch

Subject: Review of field examination report, DMEA Docket No. 3421, S6-B McKinney Mine, Mitchell Co., N. C., $32,600 (Columbium-Tantalum)

I concur with the Field Team recommendation that this application be denied.

Horace T. Reno

Horace T. Reno

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

October 25, 1954

Defense Minerals Administration
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OCT 26 1954

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Subject: Review of field examination report, DMEA Docket No. 3421, S6-B McKinney Mine, Mitchell Co., N. C., $32,600 (Columbium-Tantalum)

I concur with the Field Team recommendation that this application be denied.

Horace T. Reno

10/21/54 gla

IN REPLY REFER TO:

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

Defense Minerals Administration
RECEIVED
OCT 20 1954

October 20, 1954

Re: DMEA-3421
S6-B McKinney Mine
Mitchell Co., N. C.
$32,600
Columbium-Tantalum

Memorandum

To: E. W. Ellis, Defense Minerals Exploration Administration

From: E. L. Newcomb, U. S. Geological Survey

Subject: Review of field examination report

The Field Team has recommended this application be denied. The proposed project involving stream diversion, dewatering workings and removal of muck is primarily preparation for feldspar mining.

The deposit is mainly a potential feldspar producer. Although 2,300 pounds of columbite-tantalite ore was recently produced, the future potential of this property lies in its feldspar reserves. As pointed out by the Field Team, columbite-tantalite would be only a minor by-product since the known occurrences of columbium-tantalum are erratically distributed and of limited amounts in the pegmatites of the Spruce Pine district.

I concur with the Field Team recommendation that this application be denied.

E. L. Newcomb

E. L. Newcomb

IN REPLY REFER TO:

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

Department of the Interior
Defense Minerals Administration
RECEIVED
OCT 20 1954

October 20, 1954

Re: DMEA-3421
S6-B McKinney Mine
Mitchell Co., N. C.
$32,000
Columbium-Tantalum

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I concur with the Field Team recommendation that this application be denied.

E. L. Newcomb

ELNewcomb:hlm
G-10/20/54

Copy to: Director's reading, 4212
Branch reading, 4212
DMEA (3)
Docket file
H. T. Reno, 3641A

IN REPLY REFER TO:

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

Defense Min
OCT 20 195

October 20, 1954

Re: DMEA-3421
S6-B McKinney Mine
Mitchell Co., N. C.
$32,000
Columbium-Tantalum

Memorandum

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Subject: Review of field examination report

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I concur with the Field Team recommendation that this application be denied.

E. L. Newcomb

ELNewcomb:hlm
G-10/20/54

Copy to: Director's reading, 4212
Branch reading, 4212
DMEA (3)
Docket file
H. T. Reno, 3641A

IN REPLY REFER TO:

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

OCT 20 1954

October 20, 1954

Re: DMEA-3421
So-B McKinney Mine
Mitchell Co., N. C.
$32,000
Columbium-Tantalum

Memorandum

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From: E. L. Newcomb, U. S. Geological Survey

Subject: Review of field examination report

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I concur with the Field Team recommendation that this application be denied.

E. L. Newcomb

ELNewcomb:hlm
G-10/20/54

Copy to: Director's reading, 4212
Branch reading, 4212
DMEA (3)
Docket file
N. T. Reno, 3641A

10/18/54 gla

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1, POST OFFICE BLDG.
KNOXVILLE 2, TENN.
WASHINGTON 25, D.C.

October 13, 1954

Memorandum

To: Operating Committee - DMEA - Washington

From: Field Team, DMEA - Region VII

Subject: Field Examination report on DMEA-3421, Columbite Mining Co., Mitchell County, N. C.

Transmitted are four copies of the subject field examination.

The Field Team is in agreement with the examiners that this application should be denied.

D. H. Amos

D. H. Amos, ACTING
EXECUTIVE OFFICER
DMEA REGION VII

Wm A. Beck: By: JM.

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

Reviewed by
DMEA OPERATING COMMITTEE
10-20-54
(date)

11/1/54

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM, REGION VII

On

DMEA-3421, S6-B McKINNEY MINE
Columbium-Tantalum
Mitchell County, N. C.

By

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

Wm. A. Beck and L. E. Shirley, Mining Engineers
U. S. Bureau of Mines

Reviewed by
DMEA OPERATING COMMITTEE
10-20-54
(date)

October 7, 1954

FIELD EXAMINATION REPORT
On
S6-B McKinney Mine, DMEA-3421(Columbium-Tantalum)
Mitchell County, N. C.

Applicants: B. G. Thomas, Steve Sparks and David Parsley, d/b/a
Columbite Mining Co., c/o B. G. Thomas, R#1, Spruce Pine, N. C.

Although some columbite-tantalite has been produced from this mine, the normally erratic distribution and limited quantity of the mineral in pegmatites does not, in the opinion of the field examiners warrant the expense proposed by the applicants. In addition, any feasible exploratory program would require considerable preparatory expense such as stream diversion, dewatering and muck removal. The program as proposed is primarily designed to prepare the property for feldspar mining. It is recommended that the application be denied.

The property was examined on October 7, 1954. Mr. B. G. Thomas accompanied the examiners on the inspection which required about one and one-half hours.

The S6-B McKinney Mine is in a valley 1/4 mile east of the East Fork of Crabtree Creek, is 0.8 mile S. 37° E. of Crabtree Falls, and is 5.75 miles S. 34° W. of Spruce Pine, Mitchell County, North Carolina. An all-weather gravel road provides access to the mine.

Much of the mine is presently inaccessible for examination. The following description of the property, geology, past operations and future potentialities of the deposit is taken in large part from (1) an unpublished report by the U. S. G. S., author unknown, and (2) "Possible Sources of Columbite in North Carolina - A Preliminary Report" by L. G. Marshall, U. S. Bureau of Mines (unpublished).

The mine was first opened in 1923 by W. C. McKinney and then worked intermittently by The Carolina Minerals Company. The last operator, Allen D. Parsley (one of the applicants), stopped work in 1952. The deposit is primarily a feldspar producer. Scrap mica is present in minor quantities but its production has been negligible. Parsley was the only operator who made any serious effort to recover the columbite-tantalite. He recovered about 2,300 lbs., which was sold to the Union Carbide Corporation. There are no feldspar production figures for the mine but it has been one of the leading producers of the Spruce Pine district.

"The country rock is chiefly mica gneiss. It is exposed in several places on the quarry walls, and at the ends of the workings it can be seen to wrap around the broad, gently pluning crests of the pegmatite masses. The deposit (the McKinney group of mines) may comprise at least three thick pegmatite bodies that trend north and dip steeply. On the other hand these masses may be parts of a single huge pegmatite body that in general lies nearly

flat, but is complicated by very large, nearly vertical pendants of country rock, i. e., the barren gneiss that occurs between adjacent quarries. In either instance, the pegmatite masses may be treated as individual bodies so far as the distribution of their constituent minerals is concerned."

"The inner parts of the deposit are very coarse-grained and rich in microcline and quartz, with subordinate oligoclase, albite, muscovite, samarskite, garnet, and beryl, and minor sphalerite, pyrite, chalcopyrite, columbite, allanite, thulite, epidote, apatite, and covellite. The discontinuous core consists of large, irregular blocks of nearly pure microcline in massive quartz. Individual segments are cigar shaped, 15 to 250 feet long, and appear to be horizontal or to plunge very gently. A poorly defined intermediate zone of coarse oligoclase, quartz, and microcline surrounds the core segments. It is rich in graphic granite. The outer parts of the deposit are somewhat finer grained, and contain abundant oligoclase and small books and foils of mica. All the units are transected by thin, poorly defined aplite dikes. "

"The genesis of the deposit appear to have been rather complex, with widespread vein formation and post-consolidation mineral replacement. The replacement minerals, however, constitute a very small proportion of the entire pegmatite. Irregular quartz veins, which range in thickness from a knife edge to 4 feet, transect all the pegmatite zones and locally extend outward into the country rock. Many contain well formed crystals of microcline, hence are lithologically similar to the core of the deposit. Although the critical relations are not exposed, some may well be offshoots from the core segments."

"The pegmatite, in the outer parts of the core and in the adjacent intermediate zone contains many large, spheroidal masses of feldspar, quartz, and mica. These are 6 inches to more than 10 feet in diameter, and are one of the most striking features of the deposit. The centers of the spheroids, which generally are single, highly corroded crystals of microcline, are veined with quartz, fine-grained oligoclase and albite, and sugary aggregates of albite and mica. All are enclosed by layers of fine-grained albite and quartz, and by an outer layer of albite, quartz, and large books of "flat-A" and "wedge-A" mica. The pointed ends of the books are directed toward the centers of the spheroids."

The columbite-tantalite appears to be confined to zones adjacent to the coarse microcline-quartz core where the pegmatite forms embayments into the country rock. These zones are 2 - 3 feet wide and 100 feet long. The vertical extent of the zones has not been determined but in the present workings has exceeded 50 feet. The columbite-tantalite occurs in the zones as disconnected kidney-shaped masses up to several hundred pounds in size. A chip sample from a 2-foot zone in the S6-B McKinney Mine assayed as follows:

Cb_2O_5	50.7%
Ta_2O_5	19.2%
Fe	11.5%
Mn	4.8%

(Assay by U. S. Bureau of Mines, Region VII, Tuscaloosa, Ala. Branch).

According to Marshall, the mineral is friable and yields a high percent of fines when blasted and would require a concentrating plant to achieve a high recovery.

"All the mica is green and most is of scrap grade. Relatively little is free from small black specks, and flattened inclusions of garnet are abundant. In addition to the books in the margins of the spheroids, the mica occurs in scattered clusters and individual books in the outer parts of the deposit, as well as along fractures and fracture-filling quartz veins in the large microcline crystals of the inner zones. Some quartz-albite-mica aggregates in the coarse microcline-oligoclase-quartz intermediate zones are similar to those in the spheroids, but they do not have the characteristic spheroidal form."

Several problems are present in any exploration program at this mine. The open cut which is about 200 feet in diameter and 70 feet deep contains an estimated 30 feet of muck and is presently flooded from the flow of a creek. The only zone exposed containing columbite-tantalite is in the north face of the quarry and is now accessible only by boat (see attached map). Stream diversion, dewatering and muck removal would consitute primarily preparation for feldspar mining and is in the opinion of the field examiners the chief objective of the applicants.

The field examiners believe that the application should definitely be denied for the following reasons:

(1) The applicants proposal is designed primarily as preparation for feldspar mining.

(2) Any approach to exploration at this property for columbite-tantalite would be expensive.

(3) Columbite-tantalite is normally distributed eratically and is of limited quantity in the known occurrences in the pegmatites of this district.

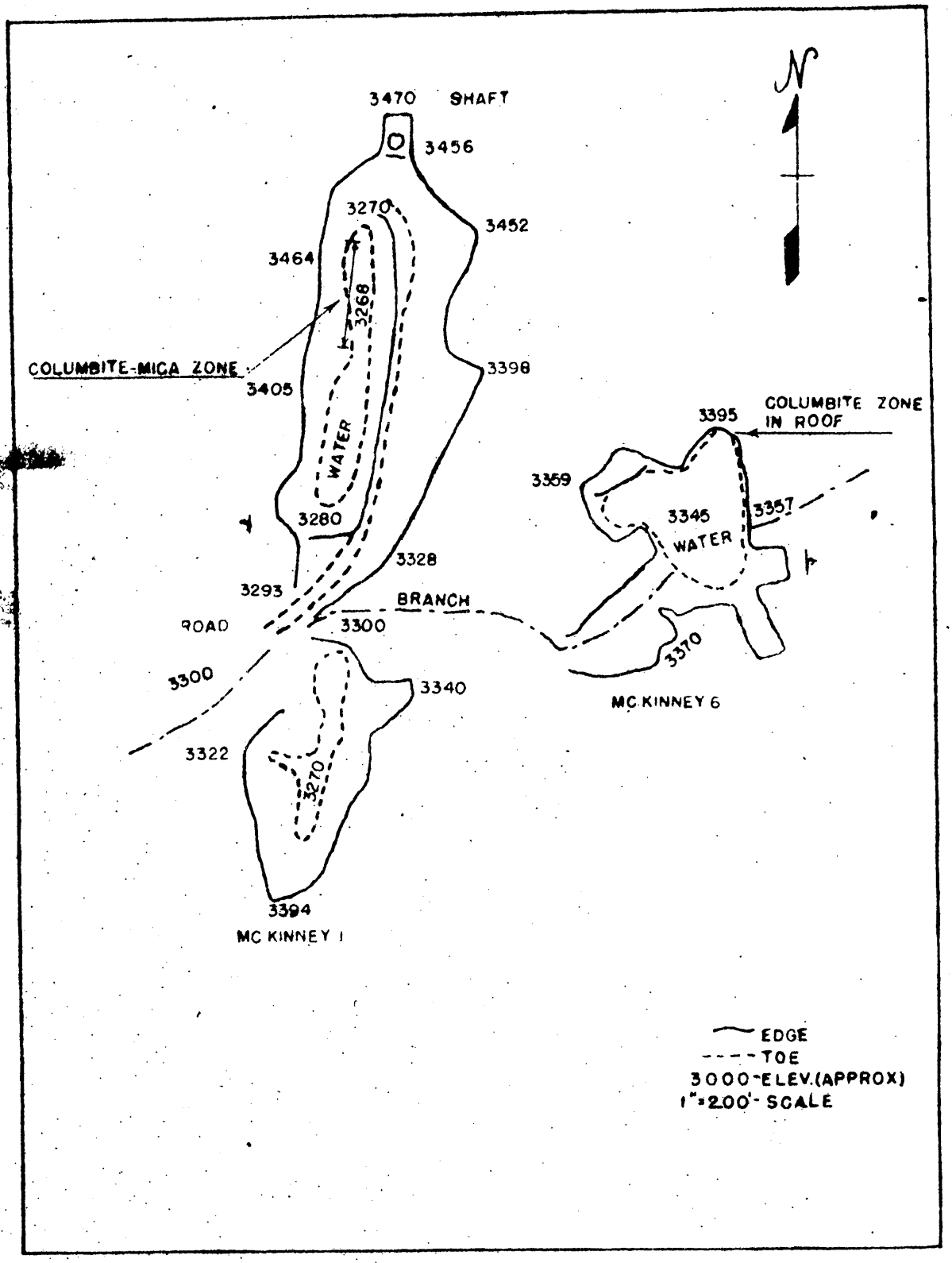
(4) In any mining at this deposit, columbite-tantalite would be only a minor by-product.

(5) The friable nature of the mineral and consequent high percentage of fines when blasted would yield a low recovery by hand picking alone and the expense of a concentration plant may not be warranted.

Date of Inspection - October 7, 1954.

Wm. A. Beck and L. E. Shirley,
Mining Engineers
U. S. Bureau of Mines

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



Mc Kinney mines 186, Mitchell County, N.C.

10/21/54 gla

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

WASHINGTON 25, D.C.

October 13, 1954

Memorandum

To: Operating Committee - DMEA - Washington

From: Field Team, DMEA - Region VII

Subject: Field Examination report on DMEA-321, Columbite Mining Co., Mitchell County, N. C.

Transmitted are four copies of the subject field examination.

The Field Team is in agreement with the examiners that this application should be denied.

D. H. Amos, ACTING
EXECUTIVE OFFICER
DMEA REGION VII

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

Zm.
ect
Beck
Lynch
Files

Reviewed by
DMEA OPERATING COMMITTEE
10-20-54
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM, REGION VII

On

DMEA-[illegible], 26-3 MCKINNEY MINE
Columbium-Tantalum
Mitchell County, N. C.

By

R. E. Tongue and D. H. Amos, Geologists
U. S. Geological Survey
and

[illegible] A. Sack and L. [illegible] Shirley, Mining Engineers
U. S. Bureau of Mines

Reviewed by
DMEA OPERATING COMMITTEE
10-20-54
(date)

October 7, 1954

FIELD EXAMINATION REPORT
On
S6-B McKinney Mine, DMEA-3421(Columbium-Tantalum)
Mitchell County, N. C.

Applicants: B. G. Thomas, Steve Sparks and David Parsley, d/b/a
Columbite Mining Co., c/o B. G. Thomas, RFD, Spruce Pine, N. C.

Although some columbite-tantalite has been produced from this mine, the normally erratic distribution and limited quantity of the mineral in pegmatites does not, in the opinion of the field examiners warrant the expense proposed by the applicants. In addition, any feasible exploratory program would require considerable preparatory expense such as stream diversion, dewatering and muck removal. The program as proposed is primarily designed to prepare the property for feldspar mining. It is recommended that the application be denied.

The property was examined on October 7, 1954. Mr. B. G. Thomas accompanied the examiners on the inspection which required about one and one-half hours.

The S6-B McKinney Mine is in a valley 1/4 mile east of the East Fork of Crabtree Creek, is 0.8 mile S. 37° E. of Crabtree Falls, and is 5.75 miles S. 34° W. of Spruce Pine, Mitchell County, North Carolina. An all-weather gravel road provides access to the mine.

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"The pegmatite, in the outer parts of the core and in the adjacent intermediate zone contains many large, spheroidal masses of feldspar, quartz, and mica. These are 6 inches to more than 10 feet in diameter, and are one of the most striking features of the deposit. The centers of the spheroids, which generally are single, highly corroded crystals of microcline, are veined with quartz, fine-grained oligoclase and albite, and sugary aggregates of albite and mica. All are enclosed by layers of fine-grained albite and quartz, and by an outer layer of albite, quartz, and large books of "flat-A" and "wedge-A" mica. The pointed ends of the books are directed toward the centers of the spheroids."

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Fe	11.5%
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(Assay by U. S. Bureau of Mines, Region VII, Tuscaloosa, Ala. Branch).

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(1) The applicants proposal is designed primarily as preparation for feldspar mining.

(2) Any approach to exploration at this property for columbite-tantalite would be expensive.

(3) Columbite-tantalite is normally distributed erratically and is of limited quantity in the known occurrences in the pegmatites of this district.

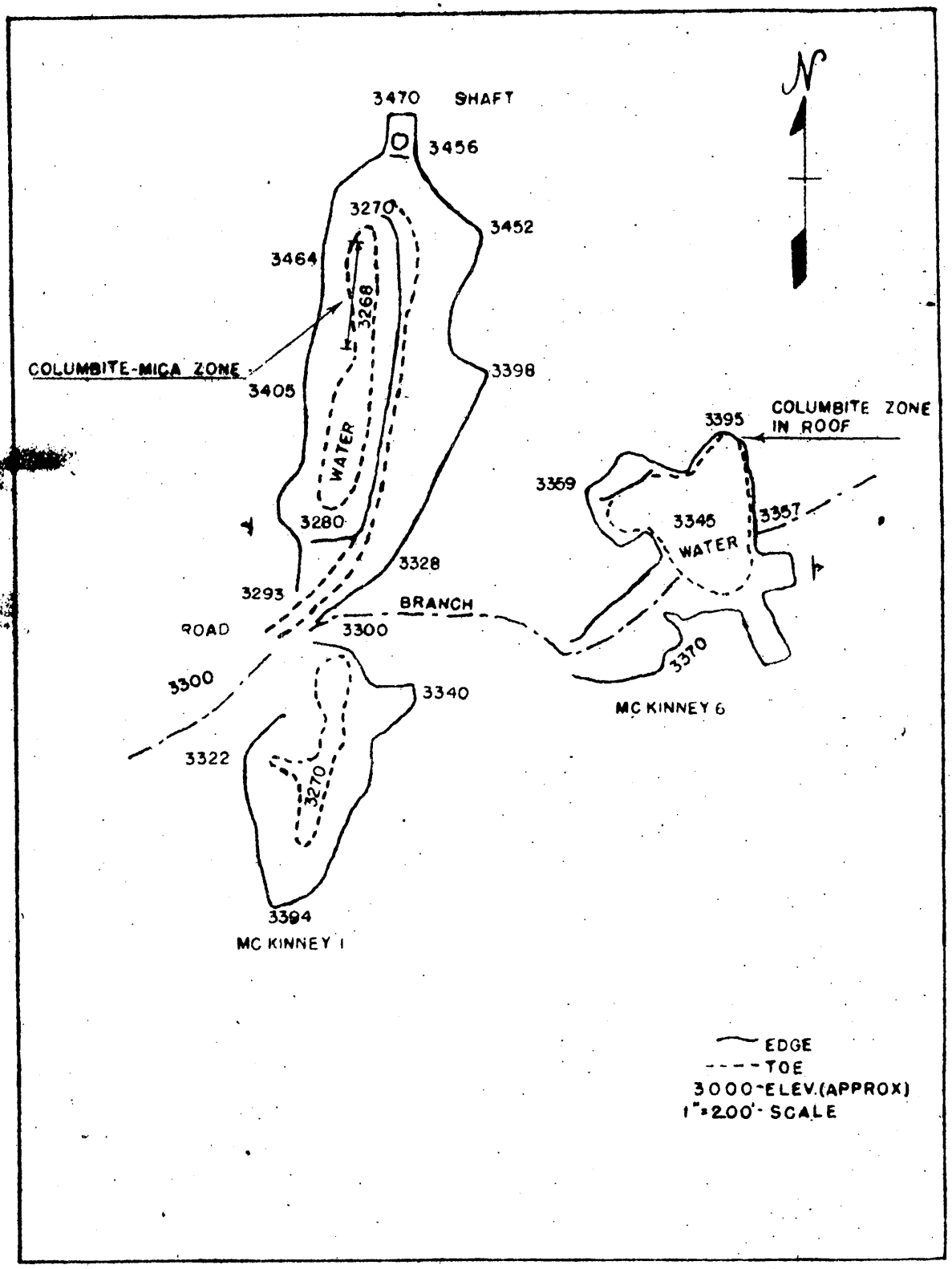
(4) In any mining at this deposit, columbite-tantalite would be only a minor by-product.

(5) The friable nature of the mineral and consequent high percentage of fines when blasted would yield a low recovery by hand picking alone and the expense of a concentration plant may not be warranted.

Date of Inspection - October 7, 1954.

Wm. A. Beck and L. E. Shirley,
Mining Engineers
U. S. Bureau of Mines

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



Mc Kinney mines 1&6, Mitchell County, N.C.

700

File Copy
Surname

Ching
Ellis
Selfridge
Johnson

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

SEP 7 1954

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

Re: Docket No. DMEA-3421 (Columbium-Tantalum)
Columbite Mining Co., S6-B McKinney Mine
Mitchell County, North Carolina

Dear Mr. Laurence:

The subject application is being referred to you for investigation and recommendation. A copy of the application has already been forwarded to you.

Attached are two copies each of comments and recommendations by D. M. Larrabee and John D. Sargent of the Columbium-Tantalum Commodity Committee, dated July 23 and August 27, 1954, respectively.

Your attention is called to the added provision on the Owner's Consent to Lien, which is not acceptable to this office. Also, the leases cover the mining of columbite, mica, feldspar, and quartz, but do not mention tantalite.

Geological and other data supporting this application are very meager. An ambitious program of work is outlined; yet no evidence is submitted showing the location, nature, and extent of the potential mineralization.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (JHB)

Enclosures 4

MChing:ep 9-2-54

Approved

J. H. Hedges

Member, Bureau of Mines (JHB)

Thor H. Kiilsgaard

Member, Geological Survey (JHB)

Copy to: Docket
Admr's Reading File
Operating Committee
Mr. Robt. F. Griffith, Rm. 3641A
Mr. E. L. Newcomb, Rm. 5227
Code 700
Mr. Ching

R.C.S.

700

File Copy
Surname

Ching
Ellis
Hedges
~~Kilsgard~~
Selfridge
Hofmann

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

SEP 7 1954

Messrs. B. G. Thomas, et al.
Route No. 1
Spruce Pine, North Carolina

Re: Docket No. DMEA-3421 (Columbium-Tantalum)
S6-B McKinney Mine
Mitchell County, North Carolina

Gentlemen:

The application for assistance in exploring your property under the above-captioned docket number has been reviewed by the Rare and Miscellaneous Metals Division of the Defense Minerals Exploration Administration. It has been referred for investigation to the Executive Officer of Region VII at the following address:

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

The regional office will contact you if necessary in regard to your project.

Sincerely yours,

C. O. Mittendorf (for)

Administrator

MChing:ep 9-2-54

Copy to: Docket
Administrator
Admr's Reading Copy
Operating Committee
Mr. Robt. F. Griffith, Rm. 3641A
Mr. E. L. Newcomb, Rm. 5227
Code 700
Mr. Ching
Field Team, Reg. VII (2)

R.C.h.

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 31 1954

August 27, 1954

Memorandum

To: Ernest William Ellis, Chief, Rare and Miscellaneous Metals, Defense Minerals Exploration Agency

From: John D. Sargent, Commodity-Industry Analyst, Rare and Precious Metals Branch

Subject: DMEA Docket No. 3421 (Columbium-Tantalum)

It is recommended that the application for exploration assistance, DMEA 3421, be referred to a field team for examination.

John D. Sargent
John D. Sargent

Make three copies

7/26/54 gla

IN REPLY REFER TO:
G-MD-CNM

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

July 23, 1954

Memorandum

REVIEW OF APPLICATION DMEA-3421 (columbium-tantalum)

To: ~~I. C. Houk~~ E. Wm. Ellis, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant's name and address: Columbite Mining Co., Spruce Pine, N.C.
Name of property: S6-B McKinney Mine.
Location of property: None given.
Summary of applicant's proposal:

Divert stream	$6,000
Dewater pit	4,000
Remove much	22,000
Power	600
	$32,600

Sources of information on applicant's property: None.
Comments: Get the location of this digging. Although some (2303 lbs.) columbite has been produced and sold, normally this mineral occurs in pockets only, and these are small and rare. The "samples", therefore, are believed to represent small volume only. There is only a very slim chance of ever paying off the $32,600.

Furthermore, the requested program is preparation for mining, not exploration.

RECOMMENDATION: Refer to Field Team for examination if necessary.

D. M. Larrabee

D. M. Larrabee

Mr. B. G. Thomas, et al.
Route 1
Spruce Pine
North Carolina

July 22, 1954
Subject: DMEA-3421
Re: Exploration Assistance
S6-B McKinney Mine

Gentlemen:

The receipt of your application dated July 8, 1954 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA-3421 and referred to the Rare and Miscellaneous Metals Division.

Kindly refer to in any future correspondence relating to your application.

Sincerely yours,

F-103
d April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

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

Not to be filled in by applicant

Docket No. 3421
Metal or Mineral Columbium & Tantalum
Date Received
Estimated Cost $32,600
Participation (Government %)

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address: B. G. Thomas, Steve Sparks, Allen Parsley and David Parsley, all of Route 1 Spruce Pine, N. C.
D/B/A Columbite Mining Co., % B.G. Thomas, Spruce Pine, 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 Legal description given on lease attached.

(*b*) State any mine name by which the property is known. S6-B McKinney 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. Lease attached.

(*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. None.

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. See continuation sheet.

(*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 Columbite and Tantalum

(*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. See continuation sheet.

(*c*) The work will start within 30 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. Now on file with DMEA.

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: See sheet

(*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)? Yes

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

75% in [x] 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 July 8, 1954

Columbite Mining Co.
(Applicant)

By B. G. Thomas, Partner

B. G. Thomas

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 (continuation sheet)

4. (a & b) This mine has produced several tons of columbite, which was at the time, a by-product. It has produced thousands of tons of high grade feldspar and quantities of mica. We propose to use feldspar and mica as by products to help repay the investment, and to mine chiefly for columbite and tantalum. Copies of attached correspondence give an idea of the quantities and quality of the columbite and tantalum which has been previously sold.

(c) Correspondence, documents attached.
Map attached.

(d) This mine is accessible to roads, supply and residence points.

(e) Manpower is available, as well as supplies and equipment. Power line must be built to site.

5. (b) We propose to cut a diversion ditch 600' long, 4' deep and 8' wide to turn the creek away from the mine workings; to dewater the old mine hole which is approximately 150' x 200' x 70'; to remove the muck; and to build a power line to site.

6. Estimate of costs:

Diversion ditch 600' long, 4' deep &8' wide	$ 6,000.00	.71/cu.yd.
Dewatering (150 x 200 x 70) space	4,000.00	
Removing muck	22,000.00	
Power line	600.00	
Total Estimated costs	$32,600.00	

Spruce Pine, N.C.

Filed for Registration on the 8 day of July 1954 at 10:45 o'clock A. M., and Registered in the office of the Register of Deeds for Mitchell County, N. C. this 16 day of July 1954 at 1:00 o'clock P. M., in Book 81 of Deeds, on Page 97 etc.

Mae E. Snyder
Register of Deeds
Dep.

STATE OF NORTH CAROLINA,
COUNTY OF MITCHELL.

THIS AGREEMENT made and entered into this first day of April, 1954 by and between WHITEHALL COMPANY, INC., a corporation duly organized pursuant to the Laws of the State of New Jersey, hereinafter sometimes designated as party of First Part, and the COLUMBITE MINING CO., a partnership composed of B. C. Thomas, Steve Sparks, Allen Parsley and David Parsley, all of Route #1, Spruce Pine, N.C., sometimes hereinafter designated as Lessee, party of Second Part.

NOW, THIS AGREEMENT WITNESSETH:

That for and in consideration of the sum of One Dollar, in hand paid by Lessee to Lessor, receipt of which is hereby acknowledged, and for other good and valuable considerations hereinafter more particularly set forth, Lessor does hereby grant, demise and lease unto the said Lessee, its successors and assigns, the sole and exclusive right of mining, digging, boring and prospecting for and removing Columbite and Mica upon and from the following described tract of land, situated in the State of North Carolina, County of Mitchell, and more particularly described as follows:

> BEGINNING at an iron stake on the south side of the Hampton Branch Public Road, at a stool of painted Chestnut Oaks, which is 170 feet from the double Chestnut (stump) in the McKinney-Whitehall Co. line, on a course of N 18 E, thence crossing said road on the same course, 106 feet to an iron stake in the prong of the Hampton Branch; thence with the McKinney-Whitehall Co. line N 41 W 371 feet to a concrete marker (now down); thence N 22 W, crossing the mine road leading to the S6C-McKinney Mine, 70 feet to a stake at the upper side of said mine road; thence West about 420 feet to the McKinney-Whitehall south line; thence South with said line 240 feet to the Hampton Branch Public Road; thence up and with said road 570 feet to the BEGINNING.

TO HAVE AND TO HOLD the said premises for said purpose only unto said Lessee, for and during the term of FIVE YEARS, next ensuing from the first day of April, 1954.

(1) The Lessee covenants and agrees to pay to the Lessor, on or before the fifteenth day of each month for all Columbite and Mica removed from said premises the preceding month, at the following rates:

10% of the selling price of COLUMBITE
12½% of the selling price of MICA

(2) The Lessee covenants and agrees to transmit to the Lessor an exact

upon payment of all sums due to the date of such notice. The said notice shall be given by the Lessee in writing and shall be sent by registered mail in a duly postpaid envelope addressed to the Lessor at the address of the Lessor hereinbefore mentioned. Said notice shall be deemed complete upon deposit thereof by the Lessee in a United States postoffice. Thereafter the Lessee shall be under no further liability hereunder.

(15) The Lessee does hereby agree to save the party of the first part, harmless by reason of injuries to persons and property, caused by the operations of the Lessee; but the Lessee shall not be responsible for any damages to the premises of the Lessor hereinbefore described by reason of the operations conducted by the Lessee pursuant to the provisions hereof.

(16) The Lessor shall have the right to terminate and cancel this lease in the event of a default on the part of the Lessee in complying with any of the terms and conditions of this lease, provided said default shall continue for a period of thirty days after the Lessor has forwarded written notice thereof to the Lessee. Said notice shall be sent by registered mail to the last known address of the Lessee.

(17) The Lessee shall have the right to renew this lease for an additional period of FIVE YEARS upon the terms and conditions heretofore set forth, provided that sixty days prior to the expiration of this lease the Lessee shall forward to the Lessor written notice thereof in the manner hereinbefore provided for sending notices to the Lessee.

(18) The covenants and agreements and conditions of this lease shall run with the land and be binding upon the parties hereto, their heirs, executors, administrators, successors and assigns.

(19) Lessor states that the Lessor is the owner of the premises hereinbefore described.

(20) Lessor shall have the right to terminate this lease, except when conditions beyond the control of Lessee prevent, in the event that the Lessee fails to conduct any operations upon the premises for a period of thirty days.

(21) Lessee shall conduct its mining operations in a workmanlike manner.

(22) Lessee agrees that on and after the December day of 31st, 1954, subject to the provisions hereinbefore set forth, the minimum royalty, due and payable to the Lessor, shall be at the rate of Three Hundred ($300.00) dollars per year.

IN WITNESS WHEREOF the parties hereto have caused these presents to be duly executed this first day of April, 1954.

WHITEHALL COMPANY, INC.

Attest:

President

Secretary

COLUMBITE MINING CO.

Witness:

B.S. Thomas

Allen Parsley

Steve Smith

Dave Parsley

STATE OF NEW YORK,
NEW YORK COUNTY.

This 1st day of April, 1954 before me, _____, a Notary Public in and for the County and State aforesaid, personally appeared A. E. Dawson, who being duly sworn says that he is President of Whitehall Company, Inc., and that the seal affixed to the foregoing instrument in writing is the corporate Seal of the said Company and that said writing was signed and sealed by him in behalf of the said Company by its authority duly given, and the said L. H. Clark, Secretary, acknowledged the said writing to be the act and deed of the said Corporation.

Mary M. Cullen
Notary Public

My Commission expires
MARY M. CULLEN
NOTARY PUBLIC, STATE OF NEW YORK
No. 03-5874600
Qualified in Bronx County
Cert. filed with New York Co. Clerk
Term expires March 30, 1956

STATE OF NORTH CAROLINA,
COUNTY OF MITCHELL.

I, Notary Public in and for the County and State aforesaid, do hereby certify that B. C. Thomas, Steve Sparks, Allen Parsley and David Parsley this day personally appeared before me and acknowledged the due execution of the foregoing instrument for the purposes therein expressed.

Let this instrument and this certificate be registered.

Witness my hand and Notarial Seal this _____ day of _____, 1954.

_____
Notary Public

My Commission expires

_____

STATE OF NORTH CAROLINA Mitchell County.

The foregoing certificate of Mary M. Cullen Notary Public of New York County, State of ~~North Carolina~~ New York, is adjudged to be correct. Let the instrument, with the certificates, be registered.

Witness my hand and official seal, this 8 day of July, A. D. 1954

C. P. Greene
Clerk Superior Court.

COPY

THIS AGREEMENT made the First day of April, 1954 between WHITEHALL COMPANY, INC., a corporation duly organized pursuant to the Laws of the State of New Jersey, hereinafter sometimes designated as Lessor, party of the first part, and the COLUMBITE MINING CO., a partnership consisting of B. G. Thomas, Steve Sparks, Allen Parsley and David Parsley, all of Route #1, Spruce Pine, N. C. hereinafter sometimes designated as Lessee, party of the second part.

NOW, THIS AGREEMENT WITNESSETH:

That for and in consideration of the sum of One Dollar in hand paid by Lessee to Lessor, receipt whereof is hereby acknowledged, and for other good and valuable considerations hereinafter more particularly set forth, Lessor does hereby grant, demise and lease unto the said Lessee, the sole and exclusive right of mining, digging, boring and otherwise prospecting for feldspar , mica and quartz, upon the following described tract or tracts of land, situated in the State of North Carolina, County of Mitchell, and more particularly bounded and described as follows:

BEGINNING at an iron stake on the south side of the Hampton Branch Public Road, at a stool of painted Chestnut Oaks, which is 170 feet from the double Chestnut (Stump) in the McKinney-Whitehall Co. line, on a course of N 18 E, thence crossing said road on the same course 106 feet to an iron stake in a prong of the Hampton Branch; thence with the McKinney-Whitehall Co. line N 41 W 371 feet to a concrete marker (now down); thence N 22 W crossing the mine road leading to the S6C-McKinney mine, 70 feet to a stake at the upper side of said road; thence West about 420 feet to the McKinney-Whitehall Co. south line; thence south with said line 240 feet to the Hampton Branch Public Road; thence up and with the said road 570 feet to the BEGINNING.

TO HAVE AND TO HOLD the said premises for said purpose only unto said Lessee, for and during the term of one year next ensuing from the first day of April, 1954.

1. The Lessee covenants and agrees to pay to the Lessor on the tenth day of each month the following royalties:

Feldspar - 50 cts per ton of 2240 lbs. Quartz - 25 cts per ton of 2240 lbs.

removed from said premises pursuant to the provisions of this lease during the month immediately preceding said dates of payment.

2. The Lessee covenants and agrees to transmit to the Lessor an exact and truthful statement of the amount of feldspar, mica and quartz removed during the month for which payment is being made. The feldspar mica and quartz shall be weighed by the Railroad Co. and the Railroad Co.'s weights shall determine the quantities as between the Lessor and the Lessee. The Lessor shall have the right to inspect, review and test the correctness of the Railroad Co.'s scales and weights at any time and in such manner as Lessor may see fit to adopt, it being understood that any errors discovered by the Lessor shall be recognized and corrected in the accounts of the Lessee. The Lessor may designate any other more convenient method of weighing the said minerals.

3. The Lessor hereby grants to the Lessee the right to mine, prospect, search, dig, bore and excavate for said feldspar, mica and quartz in as many places as the said Lessee may deem proper, and to extract and remove the same from said premises.

4. The Lessor further grants to the Lessee the right to occupy and use as much of said tract or tracts for buildings and improvements as may be necessary for the efficient and economical working of the same.

5. The Lessor grants to the Lessee all such rights of way through and across said tract or tracts of land as may be necessary to obtain and remove therefrom the feldspar, mica and quartz, together with all other rights and privileges necessary for or incident to obtaining, preserving, removing and disposing of the said feldspar, mica and quartz in and upon the said demised premises in the most convenient, practical, suitable and advantageous manner.

6. The Lessor grants to the Lessee the right to dump waste material obtained in the mining operations upon said premises.

7. The Lessor hereby grants the Lessee the right to construct ditches, drains, aerial tramways, tramways, railroads, wagon roads, etc. to and across said premises. The said rights-of-way granted pursuant to this and the preceding paragraphs of this agreement shall include the right to use the said premises for the purpose of ingress and egress to and from any adjoining premises which may be owned, controlled, leased or otherwise held by Lessee.

8. The Lessor hereby grants to the Lessee the right to remove all improvements made upon the aforesaid premises by the Lessee at any time within thirty days after the termination of this lease.

9. The Lessor reserves unto the Lessor the right to use so much of the premises as shall not be required for the mining operations of the Lessee.

10. The Lessee agrees to pay all taxes which may be levied upon the mining operations conducted upon the said property by the Lessee.

11. The Lessee reserves the right to terminate this lease at any time upon giving to the Lessor thirty days' written notice of its intention to terminate the same. The said notice shall be given by the Lesee in writing and shall be mailed in a duly postpaid envelope addressed to the Lessor at the address of the Lessor hereinbefore mentioned. Said letter shall be deposited by the Lessee in a United States postbox; and after the expiration of such thirty day period the Lessee shall be under no further liability hereunder.

12. The Lessor shall have the right to terminate and cancel this lease in the event of a default on the part of the Lessee in complying with any of the terms and conditions of this lease, and also without cause upon thirty days' notice to Lessee.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be duly executed the day and year first above written.

WHITEHALL COMPANY, INC.

By S/ A. C. Tainter, Agent

COLUMBITE MINING CO.

S/ B. G. Thomas

S/ Steve Sparks

S/ Dave Parsley

S/ Allen Parsley

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 Mitchell, described ~~as follows:~~ 1/

in a lease dated April 1, 1954, and recorded in book 81 page 97 official records of said County.

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/ Columbite 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

By signing this consent the undersigned assumes no liability of whatsoever nature or description.

Dated this first day of April, 1954.

Whitehall Company, Inc. [Seal]

[illegible] [Seal]

President [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 April 1st, 1954, and recorded in book 81 page 97 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 (including any bonuses), 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-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 Pitt, described as follows:1/

In a lease dated April 1, 1956, and recorded in Book 63, page 97 of official records of said County.

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/ Colorado 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

By signing this consent the undersigned agrees to identify of whatever nature or description.

Dated this 6th day of April, 195 4.

Pitt County, Inc.
[Seal]

(Signed) A. B. Dawson
[Seal]

President
[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 (including any bonuses), in whatever form disposed of, including ore, concentrates, or metal, as follows:

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

(b) One and one-half ($1\frac{1}{2}$) per cent of any such net amounts, plus one-half ($\frac{1}{2}$) 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 ($1\frac{1}{2}$) per cent; on a net amount of ten dollars ($10.00) per ton, three and one-half ($3\frac{1}{2}$) 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-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 Mitchell, described as follows:1/

In a lease dated April 1, 1954, and recorded in book 61, page 97 of official records of said County.

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/ Columbite 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

By signing this consent the undersigned assumes no liability of whatsoever nature or description.

Dated this first day of April, 1954.

Mitchell Company, Inc. [Seal]

(Signed) A. D. Davison [Seal]

President [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 April 1, 1954, and recorded in book 61 page 97 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 (including any bonuses), 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-203
(Revised July 1, 1953)

COPY

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 Mitchell, described ~~as follows~~

In a lease dated April 1, 1954, and recorded in book 81, page 97 of official records of said County.

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/ Columbite 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

By signing this consent the undersigned assumes no liability of whatsoever nature or description.

Dated this first day of April, 1954.

Whitehall Company, Inc. [Seal]

(Signed) A. E. Davison [Seal]

President [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 April 1, 1954, and recorded in book 81 page 97 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.

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(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.

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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.

COPY

Region VII, Bureau of Mines

Mr. Allen D. Parsley
Route 1
Spruce Pine, N. C.

Dear Mr. Parsley:

In compliance with your request the following information, obtained during the examination of the McKinney Mines during the week of January 7, 1952 is submitted:

The chip sample taken in the upper, flooded workings from a two-foot zone of mica-columbite assayed as follows:

Cb_2O_5	50.7 percent
Ta_2O_5	19.2 percent
Fe	11.5 percent
Mn	4.8 percent

The sample from the lower workings where your present operations are in progress assayed as follows:

Cb_2O_5	39.9 percent
Ta_2O_5	3.9 percent
Fe	6.2 percent
Mn	1.8 percent

The above analyses were made at the Tuscaloosa Branch, Region VII, Bureau of Mines.

The columbite at the McKinney mines is extremely friable and it is estimated that at least 70 percent is reduced to fines during blasting. Therefore, if recovery becomes of primary importance in your operations, a method of concentration will become imperative. No laboratory or test work has been done on the recovery of your type of ore from gangue minerals. However, a simple method of concentration, such as fine crushing followed by suitable conditioning and concentration, probably by Hjmphry Spirals, should suffice. Before the upper workings can be developed, dewatering will be necessary. Your present mining equipment is sufficient for your present feldspar operations; however, if you expand to include the mining of columbite it will be necessary to increase your present plant capacity or install separate units throughout. To dewater, open and explore both occurrences of columbite will cost, roughly, $15,000.00. This is a rough estimate and does not include any milling, facilities but will include additional mining equipment such as compressors, drills, pipe, sampling, labor, etc.

Yours very truly,

L. G. Marshall
Examining Engineer

Spruce Pine, N. C.
Route 1
May 23, 1952

General Services Administration
7th and D Streets, S. W.
Washington 25, D. C.

Gentlemen:

The attached letter has been received from Mr. L. G. Marshall, Examining Engineer, Bureau of Mines, Raleigh, N. C. concerning an examination of properties I am operating for Feldspar under Lease.

Would you please advise me of the present market price, and whether your organization would be interested in purchasing columbite of the type described in Mr. Marshall's letter. I would also appreciate any information concerning possible help from the Atomic Energy Commission or the Rare Metals Division of the Bureau of Mines, or any other agency that might help develope the columbite area of the McKinney deposit.

I have reason to believe that there is quite a quantity of columbite ore in the S6B-McKinney mine, referred to by Mr. Marshall as the "upper level" and shown by the assay, which I have marked "S6B-McKinney".

Before we developed and operated these areas, it would be necessary that the market for our product would be assured.

Any information or aid that you can extend will be appreciated.

Very truly yours,

Allen D. Parsley

GENERAL SERVICES ADMINISTRATION

Emergency Procurement Service

Washington 25, D. C.

May 29, 1952

In reply refer to: EPO

Mr. Allen D. Parsley
R. F. D. #1
Spruce Pine, N. C.

Dear Sir:

Receipt is acknowledged of your letter dated May 23, 1952 and enclosure regarding your Columbite properties.

Purchase requirements exist at this time for Columbite which will comply with National Stockpile Specification P-15, dated May 17, 1950, a copy of which is enclosed for your information.

If you have any specification grade material available for immediate shipment, this Service will appreciate your firm offer. Your proposal may be submitted in letter form giving all the necessary information such as quantity, quality, price, shipping point, delivery period, packing and any other information which will assist this office in evaluating your offer.

All pruchases are made in the best interest of the Government consistent with market conditions existing at the time purchase is made.

With regard to your inquiry concerning assistance in the development of your properties, please be advised that a copy of your letter is being forwarded to Defense Materials Procurement Agency, General Services Administration Building, 19th and F Streets, N. W., Washington 25, D. C. for appropriate action.

Also enclosed are two copies of GSA From 197 " Suppliers' List Application". Please complete one copy and return to this office prior to submitting any offer.

Very truly yours,

H. C. Maull, Jr.
Director
Purchase Division

Enclosures

COPY

ORE DIVISION
Union Carbide and Carbon Corp.
30 East Forty-Second St.
New York 17, N.Y.

December 26, 1951

Air Mail

Mr. Dave Parsley
R. F. D. #1
Spruce Pine, N. C.

Dear Mr. Parsley:

We are enclosing herewith, check in the amount of $1,727.39 in full payment of your first shipment of columbo-tantalite together with a copy of our analysis. The unit price as you may want to figure out for yourself, is 75¢ per pound of Cb2O5 and Ta2O5, or 10¢ more than we had agreed to pay. While the material has more Ta2O5 than Cb2O5, and we would like to have it the other way around, we appreciate that it is not your fault. On the contrary, the total combined oxides: Ta2O5 plus Cb2O5 is close to 75% showing that you were careful in selecting the mineral.

We hope that this increase in price will give you enough encouragement to make other shipments, which as we told you can be as small as 500 pounds, even though we would prefer larger individual shipments.

Very truly yours,

S/
M. D. Arrouet

MDA-JB
Enclosure

ORE DIVISION
Union Carbide and Carbon Corp.
30 East Forty-Second St.
New York 17, N.Y.

August 25, 1950

Mr. Dave Parsley
Spruce Pine, N. C.

Dear Mr. Parsley:

Mr. Moroso passed on to me your letter of August 16th and was very glad to hear that you have 7,000 lbs. ready for shipment.

In view of the high Ta2O5 content, if you wish to ship this to us we would be glad to pay you 60¢ on a combined basis, i.e. Cb2O5 plus Ta2O5. This is a slight departure from our current practice and we trust that it will be satisfactory to you.

Looking forward to hearing from you, we remain

Very truly yours,

S/

M. D. Arrouet

MDA:sk

COPY

ORE DIVISION
Union Carbide and Carbon Corp.
30 East Forty-Second St.
New York 17, N. Y.

December 6, 1950

Mr. Dave Parsley
R. F. D. 1
Spruce Pine, North Carolina

Dear Mr. Parsley:

This will confirm exchange of telegrams as follows:

Yours December 2: "RE LETTER AUGUST 25TH 1950 WE ACCEPT YOUR PROPOSITION SET FORTH WAITING YOUR INSTRUCTIONS."

Ours December 6: "REFERRING YOURTEL DECEMBER 2ND SHIP FREIGHT COLLECT TO ELECTRO METALLURGICAL DIVISION OF UNION CARBIDE AND CARBON CORPORATION NIAGARA FALLS NEW YORK stop WRITING."

As soon as material is received at Niagara Falls, it will be weighed and analyzed, and on the basis of the results so obtained a check will be mailed promptly to you.

Should the material turn out better than indicated by previous samples, i.e. contain more Cb2O5 than Ta2O5, we will be glad to revise the price upwards and will do our best so that you are satisfied.

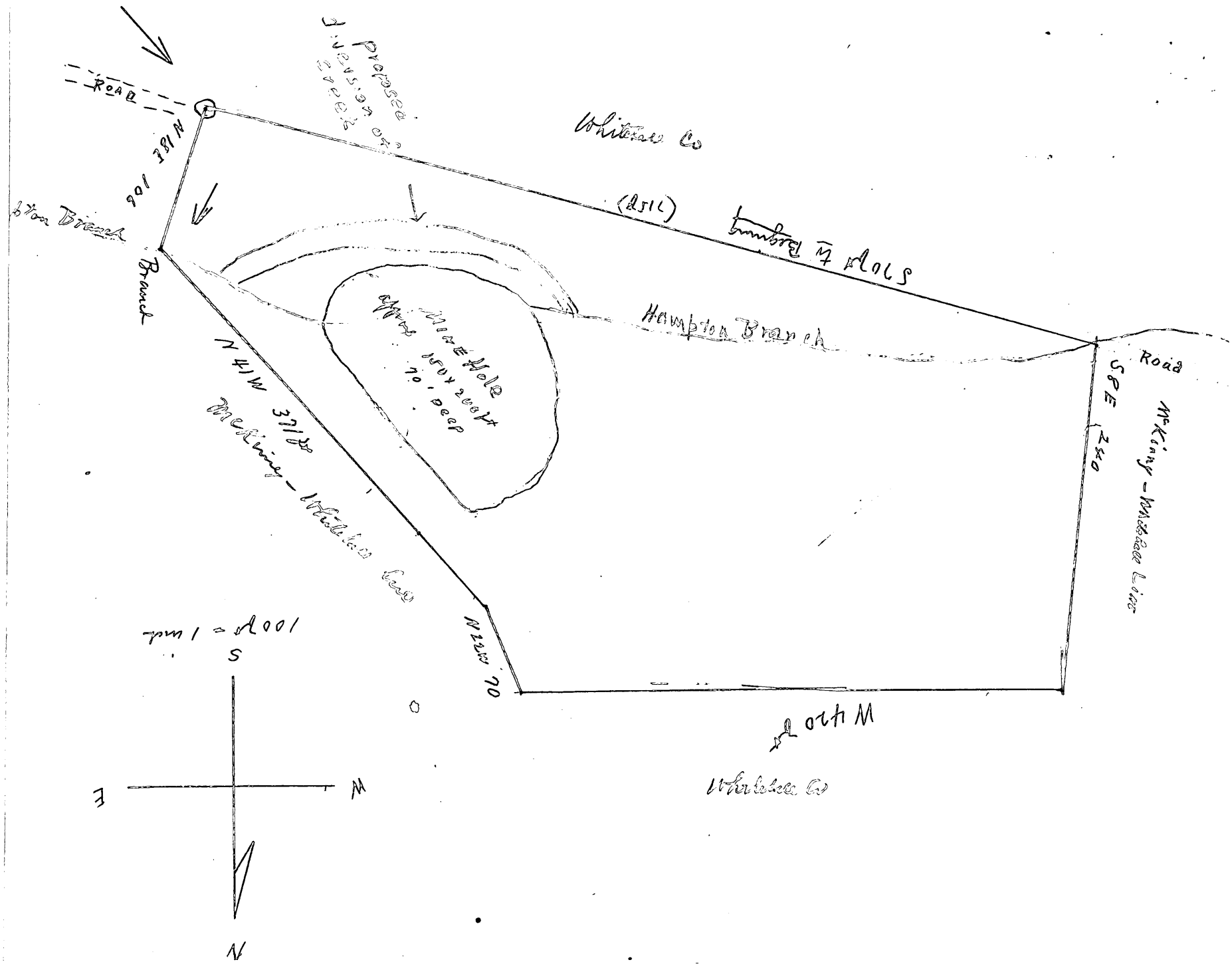
Meantime, please mail the Railroad Bills of Lading to this office and if you wish a 50% provisional payment against these on the basis of say 75% combined oxides, we will be glad to oblige.

Yours very truly,

S/

M. D. Arrouet

MDA-JB


Proposed Division of Tract
Road
N 18E 106
Branch
Whitlow Co
(251C)
Hampton Branch
Mine Hole approx 150' x 200' 70' deep
N 41W 371
Dividing - Whitlow line
N 22W 70
S 86E 260
Road
McKinney - Whitlow line
North
Whitlow Co
100' = 1 inch
S
E
W
N