DMA Form 1

DEFENSE MINERALS ADMINISTRATION
Control Slip

CONTROLLED DOCUMENT

DMA Docket No. 3427

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This document has been recorded as

Exploration Assistance

Any action taken to change the type of request for assistance must be promptly reported to the Reports and Records Branch. Use DMA Form 2 for submitting these reports.

Cys to USBM & USGS

Routing Slip

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INT.-DUP. SEC., WASH., D.C. 98868

Docket Copy
Surname:

Hopkins
Houk
Kiilsgaard
Hedges
Selfridge
Johnson

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

SEP 27 1954

Mr. Thomas J. McKenzie
P. O. Box 511
Bryson City, North Carolina

Re: Docket No. DMEA-3427 - Mica
Little Iris Mine
Swain County, North Carolina

Dear Mr. McKenzie:

Your application for aid for an exploration project and other reports available to us in Washington relating to the 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 indicates to us that the probability of disclosing significant reserves of mica 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

LGHouk:gad 9/22/54
Copy to: Admr. R. File
Docket
Operating Committee
Field Team, Region VII
Mr. Dietrich, 3061
Mr. Kiilsgaard, 5227
Mr. Houk

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

September 22, 1954

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: A denial of exploration assistance and summary report.

By: Walter C. Anderson

1. Docket No. DMEA-3427 - Mica
Property: Little Iris Mine
Swain County, North Carolina

Applicant: Thomas J. McKenzie
P. O. Box 511
Bryson City, North Carolina

Application: Form MF-103, date received July 28, 1954.
Work proposed: Sink 75 feet of incline shaft and drive 200 feet of drifts.
Amount requested: $5,686.26
No contract: Application denied.

2. Comments:

Geological premise: No indications that proposed exploration will encounter a pegmatite containing worthwhile amounts of strategic mica.

Geological criteria:
1. Conformable pegmatite with thickness ranging to maximum of 6 feet. No zoning.
2. Mica is sparse and of poor quality.
3. No strategic mica.

Future possibilities: None

Recommendations: The Nonmetallic Minerals Division concurs in field team's recommendation to deny the application. The Geological Survey and the Bureau of Mines are in agreement.

IN REPLY REFER TO:

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

SEP 14 1954

September 13, 1954

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-3427 (Mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: E. L. Newcomb, U. S. Geological Survey
Applicant: T. J. McKenzie, Box 511, Bryson City, N. C.
Name of property: Little Iris Mine
Location of property: 1.8 mi. SE of Bryson City, Swain Co., N. C.
Date of Field Team Report: August 24, 1954
Authorship of Field Team Report: K. H. Teague, R. A. Laurence, D. H. Amos, USGS
Field Team's recommendation:
Application should be denied.
Comments:
Amount of pegmatite is small.
Mica is sparse and poor quality.

ACTION RECOMMENDED: Denial of application.

E. L. Newcomb
E. L. Newcomb

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

Defense Minerals Administration
RECEIVED
SEP 17 1954

September 16, 1954

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

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

Subject: DMEA-3427 (mica)

Applicant: T. J. McKenzie

Name and Location of Property: Little Iris Mine
Swain County, North Carolina

Date of Field Team Report: September 1, 1954

Date Rec'd. by Ceramic & Fertilizer Mtls. Br.: September 10, 1954

Field Team Recommendation:

1. Denial of the application.

Comments:

1. The mica which is exposed in the pegmatite is of poor quality.

2. Examiners are of the opinion that an economical project could not be conducted at this mine.

Recommendation:

I concur in the field team's recommendation to deny this application on the basis that the mica is non-strategic.

Donald R. Irving

Donald R. Irving

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 23, POST OFFICE BLDG.
WASHINGTON 25, D. C.
KNOXVILLE 2, TENN.

September 1, 1954

Memorandum

To: Operating Committee, DMEA - Washington

From: Field Team, DMEA - Region VII

Subject: Field examination reports - DMEA-3427, T. J. McKenzie (mica)
DMEA-3430, J. C. Bowman (mica)

Enclosed are 4 copies of each of the subject examination reports. We recommend denial of both.

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FIELD TEAM EXAMINATION REPORT, REGION VII

On

DMEA-3427, LITTLE IRIS MINE
(mica)
Swain County, North Carolina

By

R. A. Laurence, Geologist

K. H. Teague, Geologist

D. H. Amos, Geologist

U. S. Geological Survey

August 31, 1954

FIELD EXAMINATION REPORT ON

DMEA-3427, LITTLE IRIS MINE
(mica)

Applicant: Thomas J. McKenzie, P.O. Box 511, Bryson City, N. C.

Exposures on this property do not indicate the presence of a worthwhile deposit of strategic mica; therefore, the application should be denied.

The deposit was examined on August 24, 1954. Mr. Thomas J. McKenzie accompanied the examiners on the inspection which required two hours.

The Little Iris Mine is a new prospect recently uncovered by the applicant. It is 1.8 airline miles S. 85° E. of Bryson City, Swain County, North Carolina. It is about 1/4 mile north of Shepard Creek along the crest of a ridge.

Work by the applicant has consisted of preparing a bench-like cut about 120 feet long, 30 feet wide, with an uphill face of 20 feet. The cut is parallel to the pegmatite, exposing it along its entire strike length and over its entire thickness. The cut and pegmatite trend N. 15° W. and the pegmatite dips steeply southwest. It is conformable to the enclosing mica schist. Thickness ranges to a maximum of 6 feet.

The pegmatite appears to be a flattened-elongnated pod-shaped body. There is no apparent systematic zoning, although local areas of quartz pods and "burr-rock" are present. Most of the mica occurs adjacent to the quartz pods. The remaining minerals are fine-grained and consist of perthite, a little biotite, and scattered small mica.

The mica is sparce and of poor quality. Most of the mica exhibits "A" structure, is badly cracked, bent, severly ruled, and is of scrap size only. This deposit would not support a commercial operation and the amount of pegmatite is limited. Therefore, the examiners recommend that the application be denied.

Aug. 24, 1954

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

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

August 2, 1954

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region VII

Subject: DMEA-3427, Thomas J. McKenzie application; DMEA-forms 203.

Transmitted herewith are the two copies of the "Owner's Consent to Lien" forms mentioned in my letter of transmittal of July 26.

Robert A. Laurence

Robert A. Laurence

Docket Copy
Surname:
Anderson
Houk
Selfridge

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

AUG 6 1954

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

Subject: Docket No. DMEA-3427 - Mica
Thomas J. McKenzie
Little Iris Mine
Swain County, North Carolina

Dear Mr. Laurence:

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

Copies of memoranda from the Geological Survey, dated July 29, 1954, and from the Bureau of Mines, dated July 30, 1954, are enclosed for your information.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee (2HB)

Approved:

J. H. Hedges
Member, Bureau of Mines (2HB)

s/ E. L. Newcomb (2HB)
Member, Geological Survey

Enclosures 4

WCAnderson:gad 8/4/54
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3061
Mr. Larrabee, 5216
Mr. Houk

R.C.L.

Docket Copy
Surname:
Anderson
Houk
Hedges
Newcomb
Selfridge

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

600

AUG 6 1954

Mr. Thomas J. McKenzie
P. O. Box 511
Bryson City, North Carolina

Re: Docket No. DMEA-3427 - Mica
Little Iris Mine
Swain County, North Carolina

Dear Mr. McKenzie:

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. Laurance, Executive Officer, DMEA Field Team, Region VII, Room 10, Post Office Building, Knoxville 2, Tennessee, for further consideration and possibly a field examination.

The Regional Office will contact you at an early date if an examination is to be made. Any assistance that you may give the members of the field team during the examination will be appreciated.

Sincerely yours,

C. O. Mittenderf (for)

Administrator

WCAnderson:gad 8/4/54
Copy to: Admr. R. File
Docket File
Operating Committee
Field Team, Region VII
Mr. Dietrich, 3061
Mr. Larrabee, 5216
Mr. Houk

R.C.B.

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

July 30, 1954

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-3427 (mica)

Applicant: Thomas J. McKenzie

Name and Location of Property: Little Iris Mine
Swain County, North Carolina

Date Application Rec'd. by Ceramic & Fertilizer Mtls. Br.: July 28, 1954

Comments:

There has been no past production from this mine.

The applicant states that a pegmatite vein containing ruby mica has been disclosed by stripping overburden.

Recommendation:

It is recommended that the field team visit this mine when in that vicinity to ascertain if an exploration project is justified. If so, the field team and applicant should agree on a definite plan of exploration on a unit-cost basis.

W. F. Dietrich

W. F. Dietrich

IN REPLY REFER TO:

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

Defense Minerals Administration
RECEIVED
JUL 30 1954

July 29, 1954

Memorandum

REVIEW OF APPLICATION DMEA-3427 (mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: E. L. Newcomb, U. S. Geological Survey
Applicant's name and address: Thomas J. McKenzie, P. O. Box 511, Bryson City, North Carolina
Name of property: Little Iris Mine
Location of property: 3 mi. from Bryson City, Swain County, N. C.
Summary of applicant's proposal:
75 foot inclined shaft
200 feet of drifting
Total estimated cost -- $5,686.26
Sources of information on applicant's property:
Bryson City district, N. C. (1950) (unpublished report)
No mention of Little Iris prospect.
According to E. Cameron, U.S.G.S., a few pegmatites in the district contain small concentrations of book mica. Most deposits are small, grades are low, and mica appears to be inferior in quality.
Comments: Objectives of project appear to have merit. However, a full appraisal of the proposal cannot be made based on our presently available information.
RECOMMENDATION: The Field Team should be instructed to examine this prospect and submit their recommendation.

E. L. Newcomb
E. L. Newcomb

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

July 28, 1954

Memorandum

To: Executive Officer, DMEA Field Team, Region VII

From: Chief, Operation's Control and Statistics Division

Subject: Assignment of Docket Number

There is listed below the assigned docket number to an application recently received from Region VII.

DMEA - 3427 Thomas J. McKenzie

Robert E. Adams,
Chief, Operation's Control
and Statistics Division

Mr. Thomas J. McKenzie
P. O. Box 511
Bryson City, N. C.

July 28, 1954
Subject: DMEA-3427
Re: Exploration Assistance
The Little Iris Mine

Dear Sir:

The receipt of your application dated July 21, 1954 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA-3427 and referred to the Non-Metallic Minerals Division.

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

Sincerely yours,

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

July 26, 1954

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA Field Team, Region VII

Subject: Application: Thomas J. McKenzie - Little Iris Mine, (mica)
Swain County, N. C.

Transmitted herewith are three copies of the subject application with copies of my letter to Mr. McKenzie attached to each copy of the application. As soon as the other two copies of MF-203 are received in this office, they will be forwarded to Washington. We have retained one copy of the application.

Robert A. Laurence

Robert A. Laurence

ZM.

[redacted]

July 24, 1958

Memorandum

To: Operating Committee, NMSA - Washington

From: Executive Officer, NMSA Field Team, Region VII

Subject: Application Thomas J. McKenzie - Little Pole Mine, (mine)
Dunkin County, N. C.

Transmitted herewith are three copies of the subject application with copies of my letter to Mr. McKenzie attached to each copy of the application. As soon as the other two copies of MS-[illegible] are received in this office, they will be forwarded to Washington. We have retained one copy of the application.

Robert A. Lawrence

[redacted]

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

July 26, 1954

Mr. Thomas J. McKenzie
P.O. Box 511
Bryson City, North Carolina

Dear Mr. McKenzie:

Your application for aid in exploration for mica at the Little Iris Mine in Swain County, N. C., has been received, and forwarded to our Washington office in accordance with established procedure.

As there were only 4 copies of form MF-203 (Owner's Consent to Lien) with your application, I am enclosing two blank copies. Please have them signed by Mr. T. Abbott and returned to me. It is not necessary to have them notarized, and they should not be signed by you.

In looking over your application, I note that no provision is made for a pump. Is this an oversight, or do you anticipate that the mine will be dry or self-draining? Also, there is no provision for dynamite and exploder magazines, which are normally required for shafe operation.

Yours very truly,

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

RAL/mm
cc:
Beck
Lynch
Opr. Com.-3
Files

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

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

Not to be filled in by applicant

Docket No. 3427
Metal or Mineral MICA
Date Received
Estimated Cost $5,686
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: Thomas J. McKenzie
P. O. Box 511
Bryson City, 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

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

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise
I have a lease on the property to be mined.

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

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

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

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

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

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

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

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

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

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

(*c*) The work will start within 15 days and be completed within 4½ months from the date of an exploration project contract.

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

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

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

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

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

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

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

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

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

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

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

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

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

☐ Money ☐ Use of equipment owned by you ☐ Other

Explain in detail on acompanying paper.

CERTIFICATION

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

Dated 7/21, 1954

Thomas J. McKenzie
(Applicant)

Witness this my hand and seal this 21st day of July, 1954 at Bryson City, Swain Co, N.C.

By

Helen Gibson, Notary Public

My Commission Expires April 27, 1955

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

Thomas J. McKenzie
P. O. Box 511
Bryson City, N. C.

APPLICATION FOR AID IN AN EXPLORATION PROJECT, PURSUANT TO D.M.E.A. ORDER 1, UNDER THE DEFENSE PRODUCTION ACT OF 1950, AS AMENDED.

3. APPLICANT' S PROPERTY RIGHTS

(a) Legal description of the land

On a stake in a branch; then up the branch, as it meanders 730 feet to a stake in the branch, Tom Kirkland's corner; then 850 feet S. 5 degrees W. to a White Oak; then N. 11 degrees 15 minutes W. 274 feet to a stake in a hollow; then N. 63 degrees 15 minutes W. 422 feet to a Black Oak on a ridge; then N. 9 degrees 15 minutes W. 427 feet to a Black Oak Cloer's beginning corner; then N. 33 degrees 30 minutes E. 81 feet to a White Oak stump on a ridge; then N. 7 degrees W. 426 feet to a Black Oak Teague Kirkland's corner; then N. 3°E. 100 feet to a White Oak on top of a ridge in the old Grant line; then N. 84 degrees 30 minutes E. 852 feet to a stake in a branch.

Thomas J. McKenzie
P. O. Box 511
Bryson City, N. C.

APPLICATION FOR AID IN AN EXPLORATION PROJECT, PURSUANT TO D.M.E.A. ORDER 1, UNDER THE DEFENSE PRODUCTION ACT OF 1950, AS AMENDED.

4. PHYSICAL DESCRIPTION

(a) Exploration operations

The pegmatite dike was stripped of surface overburden for a distance of approximately 120 feet along the strike. Also, a trench was cut approximately 500 feet from stripping cut to explore lateral extension of dike. The exposed face of the dike shows a width of about ten feet.

I had this work done with a D-6 Dozer; also approximately 2000 feet of access road to connect with the Shepherd's Creek Road.

(b) Past and current production

There has been no past or current production from this property.

(c) Geologic features

The pegmatite dike is enclosed in brown granite. The granite is deeply weathered and is cut by joints and faults. One fault exposed cuts the pegmatite and appears to be post mineral. The mica blocks show ruling and wedging.

The pegmatite consists of quartz, kaolin, some garnets, muscovite and biotite mica.

Reasons for exploration: Near the surface, the mica is clay stained and ruled close to the fault. By sinking a shaft along the dip of the dike, the mica shoots should get away from the clay staining and away from the fault, the mica should be flat. Mica which is not clay stained shows a Ruby color.

Mica occurs in a zone along the contact with the granite and also in the zone between kaolin

Thomas J. McKenzie
P. O. Box 511
Bryson City, N. C.

and massive quartz. The mica books are of fair size from 4 to 5 inches in diameter.

(Sketches of pegmatite dike are enclosed on separate sheets)

(d) Accessibility of the project
There is an access road approximately 2000 feet long from the property to the Shepherd"s Creek Road.

The property is approximately 3 miles from Bryson City, N. C.

(e) Manpower
Manpower is available in Bryson City , as well as material and supplies.

Equipment will have to be brought onto the property.

There is a small branch approximately 2000 feet from the property as well as a spring which should furnish the required water.

There is a power line approximately one quarter of a mile away.

5. THE EXPLORATION PROJECT

(a) Filled in on blank.

(b) I propose to sink a shaft on the dip of the pegmatite dike which is about 30 degrees following the mica shoots down. This shaft is to be 6X6 feet and approximately 75 feet deep.

I , then, propose to drive lateral drifts in both directions along the strike of the pegmatite dike to explore the lateral extension of the mica shoots, drifting about 100 feet in

Thomas J. McKenzie
P. O. Box 511
Bryson City, N. C.

each direction.

(See enclosed sketches)

(c) Filled in on blank.

(d) Operating experience and background of applicant.

Graduated from North Carolina State College, Raleigh, N. C. B. S. Degree in Geology.

Employed by Walkermining Company Copper Mine, Walker Mine, California as a Junior Engineer and assayer for three years.

Employed by Desert Silver Inc., Nivloc, Nevada (Silver and gold mine) as Mine Engineer for three years.

Operated The High Ore Mine on a lease, Basin, Montana (Lead, Silver, Gold) one year.

Worked for Anaconda Copper Mining Company, Butte, Montana as a miner and timberman, one year.

The applicant will supervise the work.

Thomas J. McKenzie
P.O. Box 511
Bryson City, N. C.

6. ESTIMATE OF COSTS

(a) Independent contracts

Bulldozer operations	
8 hours @ 14.00 per day	112.00

(b) Labor, supervision, consultants

Labor one man @ 1.00 per hour, 8 hours per day, 110 days @ 8 hours per day-880 hours	880.00
Supervisor (one) @ 1.67 per hour, 8 hours per day for 110 days - 880 hrs.	1469.60

(c) Operating materials and supplies

4 hand shovels @ 2.50 ea.	10.00
4 picks @ 1.50 ea.	6.00
2 stilson wrenches	10.00
1 pipe vise	7.00
1 tool kit	45.00
1 blower for forge	40.00
4 oil drums @ 2.00 ea.	8.00
2 wheelbarrows @ 30.00 ea.	60.00
2 cross cut saws @ 5.00 ea.	10.00
1 16 lb. rock hammer	3.00
1 4 lb. hammer	2.00
1 anvil (blacksmith)	15.00
1 carpenter saw	7.00
10 gallons of fuel per day @ 25¢ per gallon, 110 days, 110 gallons	275.00
Nails	3.00
Rough lumber and blocks	40.00
50 lbs. of dynamite @ 24¢ per lb.	12.00
250 feet of drifting at 5 lbs. per foot 1250 lbs.	300.00
250 feet of 2 inch pipe @ 75¢ per foot	187.50
50 feet of air hose @ 1.00 per foot	50.00
Pipe fittings	30.00
30 feet jack hammer steel @ 4.50 per ft.	135.00
1000 detachable drill bits @ 40¢ per bit	400.00
Total	1643.50

Thomas J. McKenzie
P. O. Box 511
Bryson City, N. C.

(d) Operating equipment	
Jaeger #125 compressor	
Rent 180.00 per month, 4 months	720.00
Jack Hammer rock drill	
Rent 25.00 per month, 4 months	100.00
Mine hoist	
Rent 30.00 per month, 4 months	120.00
Total	940.00
(e) Rehabilitation	
None	
(f) New building	
Combination compressor house and blacksmith shop	200.00
(g) Miscellaneous	
Accounting 10.00 per month	40.00
Workmen's compensation	100.00
Employer's liability insurance	172.00
Payroll taxes	129.16
	441.16
TOTAL EXPENSES	5686.26

7.

(b) I will furnish my share of the costs with money, which will amount to$1421.57

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 Swain, described ~~as~~ in a deed ~~follows:~~ 1/

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/ Thomas J. McKenzie

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 production 3/ 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 Jan. 15, 1943, and recorded in book 66 page 329 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 30 day of July, 1954.

R. L. Abbott [Seal]

_____ [Seal]

_____ [Seal]

Department of the Interior
Bureau of Land Management
RECEIVED
JUL 4 - 1954

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 Swain, described ~~as follows:~~ in a deed 1/

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2/ Thomas J. McKenzie

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4. Changes and added provisions _____

_____

_____

_____

Dated this 30 day of July, 1954.

R. L. Abbott [Seal]

_____ [Seal]

_____ [Seal]

Rubin of Legal Div.
Stopped thru OCL in O.K.
7/30/54 - NRA

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 Swain, described ~~xx~~ in a ~~follows:~~1/ Deed

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4. Changes and added provisions

Dated this 10 day of July, 1954.

Thomas J. McKenzie [Seal]

[Seal]

[Seal]

Signed at Bryson City, North Carolina in my presence July 10, 1954, Helen Hebner Notary Public
My Commission Expires [illegible]

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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.

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(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.)

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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.

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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

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2/ Thomas J. McKenzie

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4. Changes and added provisions

Dated this 10 day of July, 1954.

Thomas J. McKenzie [Seal]

R. L. Abbott [Seal]

Signed at Bryson City, North Carolina in my presence 7/10/54 [Seal] Helen Gibson, notary public
My Commission Expires April 27, 1955

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 ~~Jan 15, 1943~~, and recorded in book 66 page 329 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.

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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:

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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.

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MF-203
(Revised July 1, 1953)

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4. Changes and added provisions

Dated this 10 day of July, 1954.

Thomas J. McKenzie [Seal]

R. L. Abbott [Seal]

[Seal]

Signed at Bryson City, North Carolina in my presence July 10, 1954. Helen Richardson Notary Public
My Commission Expires April 27, 1955
Jan. 15, 1943

1/ Either (a) insert the legal description of the land, or (b) strike out the words "described as follows" and insert "in a lease [or contract, deed, or other document] dated _____, and recorded in book 68 page 329 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.

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MF-203
(Revised July 1, 1953)

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2/ Thomas J. McKenzie

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4. Changes and added provisions

Dated this 10 day of July, 1954.

Thomas J. McKenzie [Seal]

R. G. Abbott [Seal]

[Seal]

Signed at Bryson City, North Carolina in my presence July 10, 1954. Helen Dickson Notary Public
My Commission Expires April 27, 1955

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(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.)

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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.

MINING LEASE

THIS AGREEMENT made and entered into this 10th day of July, 1954, by and between R. T. ABBOTT, of Bryson City, North Carolina, the lessor, and THOMAS J. McKENZIE, of Asheville, North Carolina, the lessee,

WITNESSETH, that for and in consideration of One ($ 1.00) Dollar, and other good and sufficient consideration, the receipt of which is hereby acknowledged, the lessor hereby leases to the lessee for a term beginning at the date hereof and terminating on the 10th day of July, 1958:

> On a stake in a branch; then up the branch as it meanders 730 feet to a stake in the branch, Tom Kirkland's corner; then 850 feet S. 5 degrees W. to a White Oak; then N. 11 degrees 15 minutes W. 274 feet to a stake in a hollow; then N. 33 degrees 15 minutes W. 422 feet to a Black Oak on a ridge; then N. 9 degrees 15 minutes W. 427 feet to a Black Oak Cloer's beginning corner; then N. 33 degrees 30 minutes E. 81 feet to a White Oak stump on a ridge; then N. 7° W. 425 feet to a Black Oak Teague Kirkland's corner; then N. 3° E. 100 feet to a White Oak on top of a ridge in the old Grant line; then N. 84 degrees 30 minutes E. 852 feet to a stake in a branch.

The lessee shall on or before August 1, 1954, go upon the said mining property and commence actual mining operations thereon, working the said property in a minerlike manner, and shall thereafter work the same continuously, and shall perform thereon at least twenty one-man shifts of eight hours each, or their equivalent, of actual mining work during each calendar

month while the lease remains in effect. The term "actual mining work" is hereby defined as any work in or about said mining claims which will conduce to the development of the said mines or the production of ore therefrom.

The lessee further agrees to pay or cause to be paid to the lessor and other owners as rent for the said premises a royalty of twelve and one half percent (12½%) of the net smelter, mill or mint returns upon any and all ores extracted from the said property. "Net returns" is hereby defined as the cash proceeds of such ores after deduction of transportation and smelter or custom mill charges only. The lessor and his successors shall have the right to be present personally or by representative at any time during operations, but without any interference therewith, and to examine the workings, books, maps and records of lessee.

All royalties shall be paid by the smelter, mill, or other purchaser of ores, together with copies of the smelter or mill returns thereon, to the owner as follows, to-wit:

To R. T. Abbott twelve and one half (12½%) of said royalties upon all ores extracted from above mentioned mining property.

In the event the smelter, mill or other ore

purchaser shall object to the bookkeeping involved by such divisions of royalties it may make payment thereof to The Bryson City Bank of Bryson City for disbursement as provided above.

It is further agreed that the lessee shall have the right to renew this lease for further periods of four years each by giving written notice of such election to the lessor at the above address, or to his successors or assigns, not less than thirty days before the termination hereof.

It is further agreed that this lease shall not be terminated by the sale of the said mining properties, and that the lessee shall have the preferential right to purchase the same in whole at any terms upon which the owners may decide to sell.

The lessee shall have the right and privilege of cancelling this lease upon giving to the lessor thirty (30) days written notice of his intention to cancel; during such period after the termination of the lease in any way the lessee shall have the right and privilege of removing from the premises all tools, machinery and equipment placed thereon by him, but all buildings, structures and other permanent improvements so placed thereon shall be and remain the property of

the lessor.

It is further understood and agreed that time is of the essence hereof, and that if the lessee, his successors or assigns, shall fail, neglect or refuse to pay the said royalty or to perform any of the covenants of this lease required to be performed by them promptly when due, then the same may be cancelled by the lessor by mailing a written notice thereof addressed to the lessee, or their successors or assigns. In the event such default is not remedied within thirty days thereafter, this lease shall thereupon immediately become null and void.

The assignment hereof by the lessee shall become effective only upon written notice thereof to the lessor, his successors or assigns, and the provisions hereof shall inure to and be binding upon the heirs, executors, administrators, successors and assigns of the parties hereto.

It is to be understood herein that the lessor and his successors or heirs will not be responsible for any injuries or accidents during mining operations on above described property.

IN WITNESS WHEREOF, the parties have executed

this instrument the day and year hereinbefore first mentioned.

R. L. Whitted
Lessor

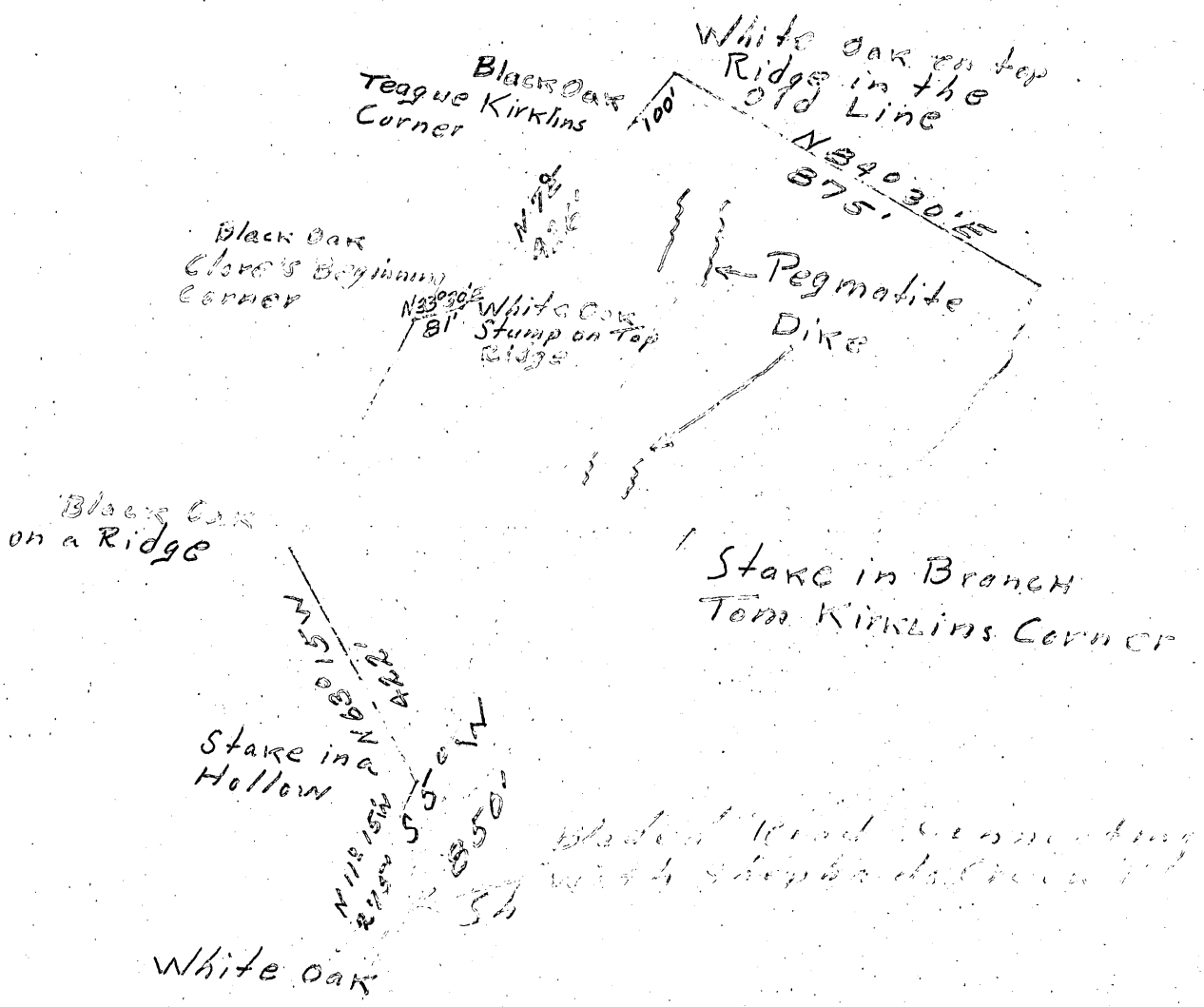
Thomas J. McKenzie
Lessee

Signed in my presence at Bryson City, North Carolina July 10, 1954.

Helen Hibbard, Notary Public

My Commission Expires April 27, 1955

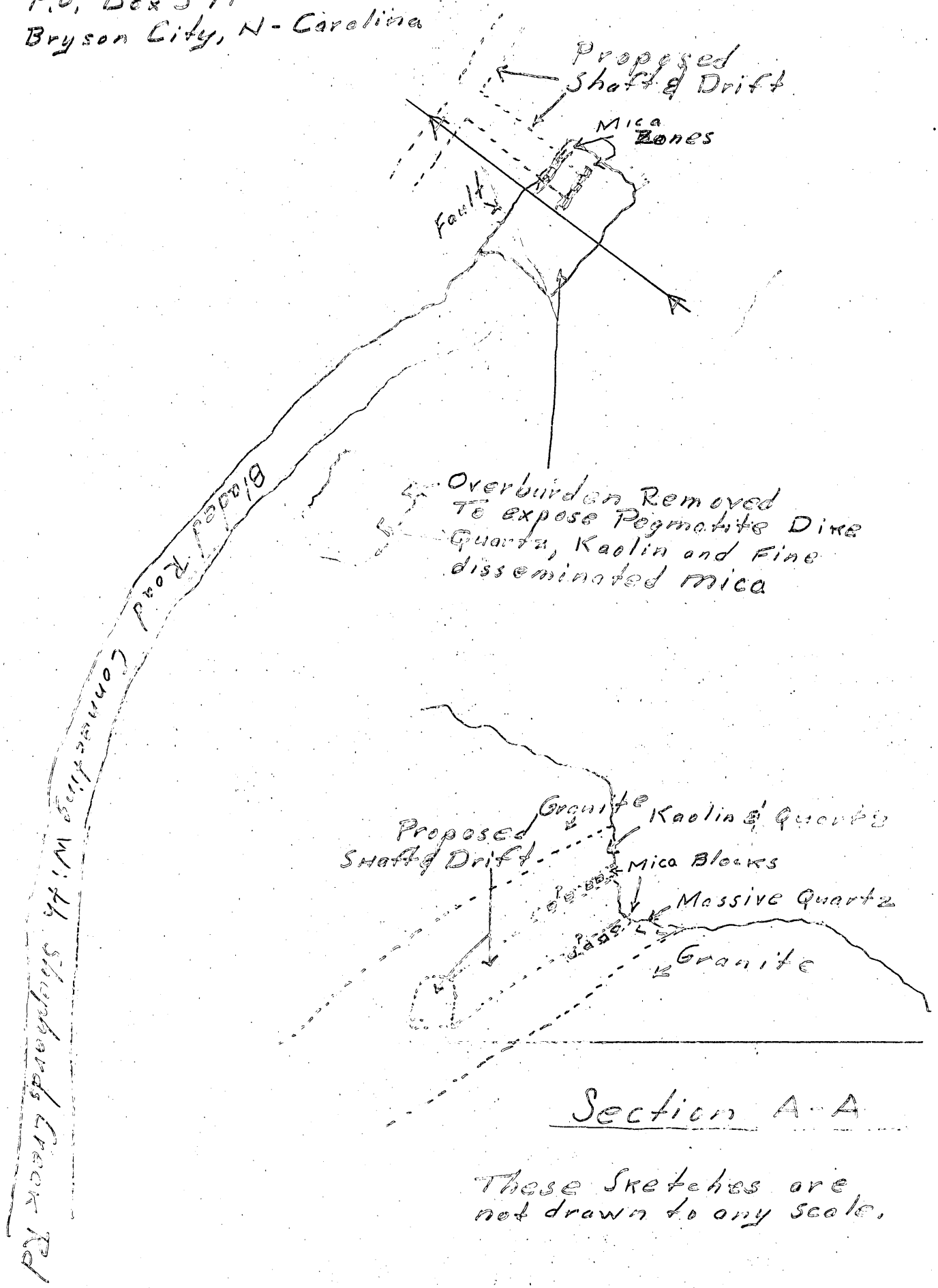
Thomas J. McKenzie
P. O. Box 511
Bryson City, N. Carolina



Plan of R. T. Abbott
Property Leased by
Thomas J. McKenzie

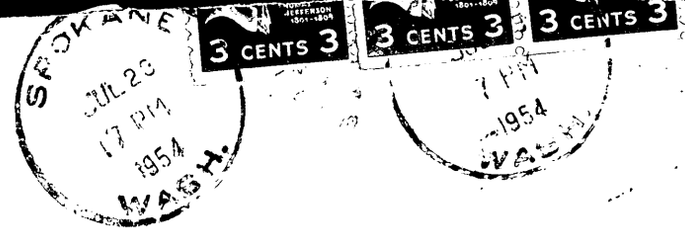
Scale 1 inch = 300'

Thomas J. McKenzie
P.O. Box 511
Bryson City, N-Carolina



EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D. C.~~

OFFICIAL BUSINESS



Mr. George C. Selfridge, Chairman
Operating Committee
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.