DMEA-3442

MF-500

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

REFERENCE SLIP

DATE 10/5/54

REFERRED TO:

1. Docket & Records Section
2. Solicitor's Office
3. Mr. Hoffland - Rm 7349
4. ____

FOR:

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

REMARKS:
Draft of a contract for prospecting -
DMEA-3442

Check (X) before the items needing attention.

DMEA - Non Metallic Minerals Div.
L. G. Hovik, Chief
per [illegible]
Initials of sender.

GPO 16—63815-1

MF-200A
(Revised June 1954)

Docket No. DMEA 3442

Commodity Mica

Contract No. Idm-E

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
EXPLORATION PROJECT CONTRACT[1]
(Short Form)

It is agreed this ..... day of ....., 195...., between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2] Yates Bennett and Grady Young, Partnership

whose mailing address is Route 2, Burnsville, North Carolina,

hereinafter called the "Operator," as follows:

ARTICLE 1. *This contract* is entered into under the authority of the Defense Production Act of 1950, as amended. It consists of this form (MF-200A), the attached Exhibit "A," Annex I, and .....

The Operator shall not transfer or assign this contract or any right thereunder without the written consent of the Government.

ARTICLE 2. *Operator's property rights.*—(a) The land which is the subject of this contract (hereinafter called "the land") is in the State of North Carolina, County of Yancey, and is described in Annex I.[3]

(b) The Operator represents and undertakes that:

(1) The Operator is the [4] Lessee of [5] the mineral rights in the land, in possession and entitled to possession for all of the purposes of this contract, under and by virtue of a [6] lease, [7] recorded in Book 113, page 66, official records of said County; and Certified July 24, 1954 at 11:45 A.M.

(2) The Operator's right, title, or interest (whether as owner, lessee, or otherwise) is subject only to the following claims, liens, or encumbrances: None

(c) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above, and (if the Operator does not hold the legal title) the Consent to Lien of any holder of the legal title of the land (lessor, seller, optionor, etc.), are attached, as follows: Financial statement of above Operator in lieu of Owner's Consent to Lien,

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] Insert name, and if an organization, its nature (corporation and place of incorporation, partnership with names of partners, etc.).
[3] State on a separate sheet marked "Annex I" the legal description or enough to identify the property, particularly excluding any areas from which the production is not to be subject to the Government's percentage royalty.
[4] Insert "owner," "lessee," "contract purchaser," "locator," etc.
[5] Insert "the entire interest," "the mineral rights," "an undivided one-third," etc.
[6] Insert "deed," "lease," "contract," "location notice," "patent," etc.
[7] If not recorded, so indicate by inserting "un."

(d) The Operator shall preserve and maintain his right, title, and interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. Until the lapse of the time within which the Government may make a certification of discovery or development without any such certification having been made, and after any such certification has been made, the Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof. If the Government makes no certification of discovery or development within the time limited in Article 7, it shall thereafter have no claim against the land or any production therefrom except for any production referred to in Article 7(b)(1).

ARTICLE 3. *The exploration project.*—The project is a search for indicated or undeveloped deposits of Mica. The work to be performed is described in Exhibit "A." The Operator on or before ..... shall commence the work, and on or before March 8, 1954 (unless the Operator's obligation to complete the work is terminated—see Article 8) shall complete the work.

ARTICLE 4. *Performance of the work.*—(a) *Operator's responsibility.*—The work shall be performed with reasonable diligence, efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for liability insurance covering employment; and with suitable and adequate equipment, facilities, materials, supplies, and labor, to bring it to completion within the time fixed.

(b) *Government may inspect.*—The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract, and also after a certification of discovery or development to inspect production operations and underground workings. The operator shall provide the Government with all reasonable means of access for such inspections.

ARTICLE 5. *Contribution by the Government.*—A fixed cost for each unit of work to be performed (per foot of drifting, per foot of drilling, per hour of operations, etc.) is hereby agreed upon, and is set forth in Exhibit "A" in connection with the estimated total cost of the project in the sum of $ $5,464.00 The Government will contribute 75 percent of the fixed unit costs as work is performed, in a total sum not in excess of $ 4,098.00 : *Provided,* That until the Operator has rendered to the Government his final report, and any final auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of 10 percent of the estimated total cost of the work. The Government will make its contribution on the basis of the monthly vouchers referred to in Article 6(b), but all payments by the Government are provisional only, subject to audit, until the account between the Operator and the Government is finally audited and settled. To the extent that excesses over fixed unit costs or any excess over the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such excesses for his own account without contribution by the Government. The Government may make payments directly to independent contractors and suppliers for the account of the Operator rather than to the Operator.

ARTICLE 6. *Reports, accounts, audits.*—(a) *Operator's records.*—The Operator shall keep suitable records and accounts of the units of work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine any pertinent books, documents, papers, and records of the Operator. All of the Operator's vouchers and records and accounts relating thereto and the Government's payments thereof remain subject to adjustment until final audit by the Government.

(b) *Progress reports and vouchers.*—The Operator shall provide the Government with five copies of monthly progress reports in three sections as follows: (1) Operator's Monthly Report and Voucher showing a detailed statement of units of work performed during the reporting period; (2) Operator's Unit Cost and Progress Report showing the various types of work performed during the reporting period and the fixed unit costs incurred for each type of work; and (3) a Narrative Report of the work

performed during the reporting period including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground. (Forms for reporting under (1) and (2) above will be provided by the Government.)

(c) *Final report.*—Upon completion of the work or termination of the Government's obligation to contribute to costs, the Operator shall furnish the Government with five copies of a final report (in addition to the final progress report and voucher). This final report shall include a geological and engineering evaluation of the results of the work performed under the contract with an estimate of the ore reserves resulting from such work, complete assay data, adequate geological and engineering maps or sketches, and a summary of the work performed and the unit costs thereof.

(d) *Report of sales.*—The Operator shall provide the Government with suitable accounting and documentary evidence covering all production to which the Government's percentage royalty relates, such as copies of smelter or concentrator settlement sheets, and certified accounts of production and sale or other disposition of production.

(e) *Compliance with requirements.*—If in the opinion of the Government any of the Operator's reports, records, or accounts are insufficient or incomplete, or if the Operator fails to make them, the Government may procure the making or completion of such with suitable attachments as an expense of the work to which the Operator shall contribute. The Government may withhold approval and payment of any vouchers relating to insufficient or incomplete reports, records or accounts.

ARTICLE 7. *Repayment by Operator.*—(a) *Certification.*—If the Government considers that a discovery or development from which production may be made has resulted from the work, the Government, at any time not later than six months after a sufficient final report and final account (see Article 6) has been rendered, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

(b) *Royalty on production.*—The Operator, as principal if the Operator is the producer, or as surety if the Operator is not the producer, shall pay to the Government a royalty on all minerals mined or produced from the land, as follows: (1) regardless of any certification of discovery or development, from the date of the contract until the lapse of the time within which the Government may make such certification, or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first; or (2) if the Government makes a certification of discovery or development, within a period of ten years from the date of the contract, or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first.

(c) *Basis for computation.*—The Government's royalty shall be a percentage of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrates, metal, or equivalent), at the point of delivery (the f. o. b. point); *except,* that charges of *the buyer* arising in the regular course of business, and shown as deductions on the buyer's settlement sheets, on account of the cost of treatment processes performed by *the buyer,* sampling and assaying to determine the value of the production sold, and freight paid by *the buyer* to a carrier (not the Operator), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. Any costs of treatment processes, sampling or assaying, or transportation, performed or paid by the Operator or by anyone other than the buyer, are not deductible in arriving at the "gross proceeds" as that term is here used. The term "treatment processes," as here used, means those processes (such as milling, concentrating, smelting, refining, or equivalent) applied to the crude ore or other production after it is extracted from the ground, to put it into a commercially marketable form; excluding fabricating or manufacturing.

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

(e) *Percentages of royalty.*—The percentages of the Government's royalty shall be as follows:

One and one-half (1½) percent of amounts ("gross proceeds" or "value") not in excess of eight dollars ($8.00) per ton of production in the form in which sold, held, or used, plus one-half (½) percent for each additional full fifty cents ($0.50) by which such amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such amounts.

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

(f) *Time for computation and payment.*—The Government's royalty shall be computed and paid currently upon each lot sold, held, or used in integrated operations, as the case may be, as above provided in this article.

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

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

(i) *No obligation to produce.*—Nothing in this contract is to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

(j) *Government not obligated to buy.*—Nothing in this contract shall be construed as imposing any obligation on the Government to purchase any minerals mined or produced from the land.

ARTICLE 8. *Termination of the Government's obligations.*—(a) If in the opinion of the Government operations at any time have failed to achieve anticipated results that indicate the probability of making a worthwhile discovery, and in the opinion of the Government further operations are not justified, the Government may give the Operator written notice thereof, and thereupon the Government shall be free of all obligation to pay on account of units of work not then performed, and the Operator shall be free of all further obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting.

(b) If in the opinion of the Government the Operator is in any manner in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon the Government shall be relieved of all obligation to pay on account of units of work not performed when the notice was given, and the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting. The remedy provided for the Government in this paragraph "(b)" is in addition to any other remedy provided in this contract, and in addition to any other remedy the law may provide for breach of contract.

(c) The giving of any notice by the Government under the provisions of this Article 8 shall not affect the Government's rights as provided for in the contract with respect to a percentage royalty, and such rights shall be fully preserved.

ARTICLE 9. *Notices to be given by the Government* may be delivered to the Operator, or may be sent by registered mail addressed to the Operator at his mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 10. *Officials not to benefit.*—No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 11. *Changes and added provisions.*—

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

.....
(Operator)

By .....

By .....

.....

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

.....

[CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE 16—70618-1

Exploration Project Contract
Bennett and Young
Docket No. DMEA-3442

The land referred to in Article 2 of the Contract form is known as the Old Green Mountain Mine and was leased for mining purposes for a period of ten years to Yates Bennett and Grady Young by James Wendell Dayton and wife Gayle Dayton, Thomas Winton Dayton, Jr. and wife Norma Dayton, and E. L. Briggs and wife Eloise Briggs, by an instrument dated July 7, 1954. It is located 3.8 miles north of Windona and approximately 6 miles by road northeast of Burnsville, Yancey County, North Carolina, and is described in the lease as follows:

(See Lease).

Exploration Contract Project
Bennett and Young
Docket No. DMEA-3442
Exhibit "A"
Description of the Work

Exploration for concentration of strategic mica shall be accomplished in the area indicated on the attached map entitled "Green Mountain Group of Mines, Yancey Co., N.C., DMEA-3442", as follows:

1. Prepare a portal and dump site by removing 300 cubic yards of loose material with a bulldozer.
2. Construct: A toolhouse, 10 feet by 12 feet; a powder magazine; and an exploder magazine; each structure to be adequate for the requirements of the project.
~~3. Drive a drift and/or crosscut, timbered as necessary, 5 feet by 7 feet with a cross-section dimension of 5 feet by 7 feet in the clear of timber for a distance~~
3. Drive a drift and/or crosscut in a northeasterly direction along the pegmatite zone ~~timbered as necessary~~ for a distance not to exceed 150 feet. The drift and/or crosscut shall be timbered as necessary and shall have a cross-section dimension of not less than 5 feet by 7 feet in the clear of timber

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

Fixed Unit Costs

Bulldozing portal and dump site - 10 hours @ $10.00/hr.	$100.00
Constructing - Toolhouse 1)	76.00
Powder magazine 1)	25.00
Exploder magazine 1)	13.00
Driving 150 feet of drift and/or crosscut @ $35.00/ft	5,250.00
Estimated total cost of project	$ 5,464.00
Government participation @ 75%	$ 4,098.00

1) The completed work constitutes the unit

600

MAR 17 1955

Bennett & Young

Burnsville, North Carolina

Re: Docket No. DMRA-3442 - Mica
Bennett & Young
Old Green Mountain Mine
Yancey County, North Carolina

Gentlemen:

Your application for aid for an exploration project and other data available to us in Washington relating to the above-named 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

WEAmdgreenaed 3/14/55
Copy to: Admr. R. File
Docket
Operating Committee
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Hank

March 17, 1955

Memorandum

To: The Files

From: Walter C. Anderson, Nonmetallic Minerals Division

Subject: Evaluation of application and field examination report

Docket No. DMEA-3442 - Mica
Bennett and Young
Old Green Mountain Mine
Yancey County, North Carolina

Mica - Ruby to rum colored, uniformly distributed throughout deposit.
Size - average books 3 by 5 inches, maxiumum 4 by 6 inches.
Quality - Hard, flat and free splitting - Small percentage contains light speckled mineral stains. "A" structure is common. Chief defect-ruling.

Pegmatite - A pegmatite 860 feet long strikes N 15° E across three properties known as the Green Mountain Group of mines. It is in the form of a series of connecting pods and stringers. Maximum thickness 3½ feet and pinching between the pods to barely traceable stringers. Pegmatite is parallel to strike of foliation of country rock, dipping 57° east, crosscutting the foliation down the dip at a very gentle angle.

Old workings - The middle of the three properties has been worked for several years over a strike length of 300 feet and to an average depth of approximately 56 feet, is presently being mined and has produced $45,000 worth of mica. Adjoining this property to the northeast is the property under consideration. Workings on this property over a distance of 430 feet on the pegmatite include one 70 feet incline, one 75 foot incline, a trench 95 feet long by 10 to 20 feet deep, a trench 130 feet long by 10 feet deep, a trench 120 feet long by 10 feet deep and some drifting. The inclines and the drifts are in an unsafe condition. No record of mica production is available.

Method of exploring - It is proposed by the Field Team and the applicant to drive a 150 foot drift northeastward in the pegmatite, zone from the north end of the lowest trench. The unexplored block is triangular in shape, ranging from about 5 feet below the old workings at the beginning to 20 feet at the end of the drift.

Recommendation - In the adjoining mine where the mined out portion extends over a length of 300 feet and averages about 56 feet in depth, the drift advance will amount to approximately 2,400 feet. Value of mica production amounted to $45,000, resulting in a dollar value return of approximately $20 per foot. Based on Field Team report, it is assumed that this dollar value return will prevail in the property under consideration, in which case 150 feet of drifting will return $3,000 worth of mica, Government's return amounting to 5% or $150. In the pillar above the drift an additional $5,000 worth of mica may be produced, Government's share being $250, or a total of $400. It is our opinion that this type of drifting is for production and not exploration and therefore recommend that the application be denied.

WCAnderson:pk 8/12/55
Copy to: Admr. R. File
Mr. Houk
Mr. Anderson

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

RECEIVED
FEB 25 1955

February 24, 1955

Memorandum

To: Operating Committee, DMEA- Washington

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

Subject: DMEA-3442 (mica), Bennett & Young. Old Green Mt. Mine. Yancey County, N. C.

Reference is made to your letter of February 21, concerning the subject application.

We have no additional information which is not contained in the field examination report. It is our opinion, as expressed in the report, that the target was sufficiently attractive to justify the work outlined, but if review by the commodity specialists indicates otherwise, we have no objection to the denial of the application.

Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION V

V. J. Lynch
U. S. Bureau of Mines

AL/zm

ch
rley
man
- Files

600

FEB 21 1955

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

Subject: Docket No. DMEA-3442 - Miss Bennett & Young
Old Green Mountain Mine
Yancey County, North Carolina

Dear Mr. Laurence:

Reference is made to the Field Team examination report of September 14, 1954, concerning the subject property.

The Field Team recommends a contract to explore a block of ground below the old workings of the Old Green Mountain Mine by driving 150 feet of drift in a northeasterly direction from a 20-foot deep cut. We are inclined to deny the application, since most of such projects in the past have been disappointing and in this particular case the target seems sufficiently limited to not warrant 150 feet of drifting at $35.00 per foot.

Action on the subject application will not be taken until we hear from you again. Possibly the Field Team has information not contained in the report that will enable us to make a better evaluation of the project.

Sincerely yours,

W. S. Martin

ACTING Chairman, Operating Committee

Approved:

J. H. Hedges

Member, Bureau of Mines

Thor H. Kiilsgaard

Member, Geological Survey

WCAnderson:gad 2/17/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

C O P Y

Jan, 25th, 1955.

Bennett and Young
Burnsville, N. C.

Att; Mr. Yates Bennett;

Re- Docket No. DMEA-3442-Mica
Bennett and Young
Old Green Mountain Mine
Yancey County, N. C.

Dear Sir;

Since reading the letter you received from DMEA dated Jan, 5th, 1955, regarding you furnishing the Owner's consent to Lien for this mine will say that I own this mica mine together with the Deyton Heirs, one of them lives in Knoxville, Tenn. and the other one lives I think in the state of Washington.

Me and my wife signed six copies of the Owner's Consent to Lien sometime in the year 1954 and they were sent on to the Deyton's for them to sign. It seems like they have an attorney who does not fully understand what this Lien means and he has held up this loan application by not having them complete the signing of same.

This letter is to notify you that me and my wife will sign this Onwer's Consent to Lien at any time you present same to us, I think that this will be sufficient for you to go ahead with the loan and get it approved and start work in the mine, I can see no reason why this mine should not be worked just because the Deyton's have not signed this Lien.

The Deyton's are not familiar with such matters as this and it seems like their attorney is not familiar with same.

I hope that this letter from me will be enough to have the DMEA go ahead with this loan and grant same to you and Young. If there is any thing more you need in order to get the lona approved I will be more than glad to furnish same.

Yours truly,

/s/
E. L. Briggs and wife Eloise Briggs

C.C.
DMEA Office
Washington 25, D. C.

C O P Y

JAN - 5 1955

Bennett & Young

Burnsville, North Carolina

Re: Docket No. DMEA-3442 - Mica
Bennett & Young
Old Green Mountain Mine
Yancey County, North Carolina

Gentlemen:

On October 12, 1954, we wrote you a letter requesting that you furnish this office with six copies of the executed Owner's Consent to Lien or if these are not obtainable to forward a written refusal with reasons by the owners. To date we have not had an answer to our letter and we assume that you no longer desire to proceed with the application.

We wish to cooperate with you in the matter of allowing ample time but if the needed data have not been received by February 10, 1955, we will then remove the application from the active file and consider the matter closed.

Sincerely yours,

C. O. Mittenauer

Administrator

WCAnderson:gad 1/5/55
Copy to: Admr. R. File
Docket
Field Team, Region VII
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

October 6, 1954

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: Docket No. DMEA-3442 - Mica
Bennett & Young
Old Green Mountain Mine
Yancey County, North Carolina

A contract for exploration at the subject mine has been recommended by the Field Team. The Nonmetallic Minerals Division concurs.

All that is lacking is Owner's Consent to Lien which the Field Team says has not been secured, but instead financial statements have been supplied by both applicants.

In view of the above and since the Field Team states that the applicants have excellent credit, it is recommended that the Owner's Consent to Lien be waived in this case with no performance bond required.

W. C. Anderson
Nonmetallic Minerals Division

Attachment

WCAnderson:gad 10/6/54

Copy to: Admr. R. File
Mr. Houk

OCT 12 1954

Bennett & Young

Burnsville, North Carolina

Re: Docket No. DMEA-3442 - Mica
Old Green Mountain Mine
Yancey County, North Carolina

Gentlemen:

Reference is made to our letter, dated August 27, 1954, requesting six copies of the Owner's Consent to Lien.

Instead of securing an Owner's Consent to Lien as requested, you have furnished financial statements and state you are willing to sign a guarantee. Please be advised that in case of a lease, an Owner's Consent to Lien is necessary to protect the Government's interest. Satisfactory financial position and guarantee are acceptable only when supported by evidence that a diligent effort to secure an Owner's Consent to Lien has been made, and a written refusal with reasons has been submitted by the owners.

Processing of your application will be held in abeyance until either the six copies of the executed Owner's Consent to Lien are forwarded or a written refusal is received.

Sincerely yours,

C. O. Mittendorf

Administrator

LGHouk:gad 10/11/54
Copy to: Admr. R. File
Docket
Field Team, Region VII
Mr. Dietrich, 3061
Mr. Killsgaard, 5227
Mr. Houk

IN REPLY REFER TO:

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

RECEIVED
SEP 27 1954

September 24, 1954

Re: DMEA-3442
Old Green Mt. Mine
Yancey Co., N. C.
$5,443 - Mica

Memorandum

To: L. G. Houk, Defense Minerals Exploration Administration

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

Subject: Review of Field Team report

The applicant requested assistance to drive a 100-foot drift northerly under old, shallow workings.

The Field Team has recommended a 150-foot exploration drift be approved.

There is a good chance that the high grade mica found in the middle workings will extend northward along strike and possibly downdip. Mica is uniformly distributed even where the pegmatite thickens or thins. The high quality of the mica and the continuity of this material along the strike indicate that a significant discovery will probably be made both on the DMEA-3443 project and on this drift under the old near surface workings.

I recommend the Field Team's proposal be followed.

E. L. Newcomb

ELNewcomb:hlm
G-9/24/54

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

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 29 1954

September 28, 1954

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

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

Subject: DMEA-3442 (mica)

Applicant: Bennett and Young

Name and Location of Property: Old Green Mountain Mine
Yancey County, North Carolina

Date of Field Team Report: September 15, 1954

Date Rec'd. by Ceramic & Fertilizer Mtls. Br.: September 24, 1954

Field Team Recommendation:

1. Approval of a contract for exploration.

Comments:

1. The field examiners are of the opinion that an exploration project is justified.

2. Proposed exploration is consistent with good engineering practices and the cost on a unit-cost basis is in line with other DMEA projects in this area.

Recommendation:

I concur in the field team's recommendation for an exploration project in the amount of $5,463.

Signed]

Donald R. Irving

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION, REGION VII

EXAMINATION REPORT BY FIELD TEAM

ON

DMEA-344, OLD GREEN MOUNTAIN MINE
(mica)
Y ancey County, North Carolina

By

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

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

Sept. 14, 1954

EXAMINATION REPORT BY FIELD TEAM
On
DMEA-3442, OLD GREEN MOUNTAIN MINE (mica)

Applicant: Yates Bennett and Grady Young, c/o Yates Bennett, Burnsville, N. C.

This application concerns the northeastern (older part) of the Green Mountain pegmatite. There appears to be excellent possibilities for the discovery of a mineable deposit of strategic mica in the area covered by the application. Exploration assistance is recommended.

The property was examined on September 10, 1954. Messrs. Yates Bennett, Grady Young and Charles Hyatt accompanied the examiners on the inspection which required two hours.

The Old Green Mountain mine is on the steep west slope of Green Mountain at an altitude of approximately 4000 feet. It is 3.8 miles north of Windom at the end of Shoal Creek road and approximately 6 miles by road northeast of Burnsville, Yancey County, N. C. Access is good at all times.

Both applicants have had considerable mica mining experience and are competent to conduct the proposed exploration. The applicants hold the property by lease, area of which is adequate for the proposed project. They have not secured an Owner's Consent to Lien, but instead have supplied financial statements and are willing to sign a guarantee. Both applicants have excellent credit.

This property has been worked by a series of shallow trenches, open cuts, adits, and by two inclines, each about 75 feet deep. Reports indicate that depth of old workings more or less follow the slope of the hill - side. A partly caved 75 foot incline, located about 250 feet northeast of the southwest boundary of the lease is reported to have been the discovery locality for the Green Mountain pegmatite. The two inclines, both of which are unsafe, and one short adit expose rock in place. Extent of stopes from the inclines is unknown. The new workings southwest of the area under consideration has been worked to a maximum depth of 130 feet.

The country rock at the Green Mountain Mine is a medium-grained biotite gneiss. Its foliation has an unusually uniform strike of N. 15° E., and a dip of 63° east. At its contact with the pegmatite, and within a few tens of feet of the contact, the gneiss has been impregnated with feldspar and quartz. Feldspar and quartz stringers, ranging from a fraction of an inch to 4 feet in thickness are conformable with the foliation of the gneiss and flank the pegmatite bodies. These stringers are strikingly continuous along both their strike and dip. All rock is unweathered.

The mica-bearing bodies constitute a discontinuous "pinching and swelling" pegmatite dike. The dike is parallel to the strike of the foliation of the country rock and dips 57° east, crosscutting the foliation down the dip at a very gantle angle. It ranges from 3 1/2 feet at its thickest part to barely traceable stringers between the "swelling." At irregular intervals the dike pinches out but swells again a few feet farther

along the strike or down the dip. Contacts between pegmatite and country rock are sharp. Inclusions of gneiss in the pegmatite are not common. In the main stope, now being worked, the dike increases in thickness down the dip.

The pegmatite is a medium to coarse-grained aggregate of oligoclase, quartz, and muscovite, with minor microcline, pyrrhotite, garnet, beryl, and apatite. In general, the grain size of the rock increases with increase in the thickness of the dike. Oligoclase occurs as euhedral to subhedral crystals ranging from a fraction of an inch to 5 inches in diameter, and is white to pale gray in color. The quartz is milky to light gray in color, and is subhedral to anhedral. Pale pink and light gray perthitic microcline is uncommon. Well-formed euhedra of spessartite garnet some as such as 1/2 inch across are abundant throughout the pegmatite.

The mica in the Green Mountain pegmatite is a ruby to rum muscovite. Books as large as 4 x 6 inches are common, but the average size is about 3 x 5 inches. The mica is hard, flat, and free-splitting . A small percentage of it contains light speckled mineral staining. "A" structure is common. The chief defect is ruling. A few books contain triangular and hexagonal inclusions of biotite.

The mica appears to be distributed uniformly throughout the thick and thin portions of the dike. Although the concentration of mica within any given portion of the dike is not strong, the percentage yeild of sheet is high.

The continuity of the pinching and swelling pegmatite bodies along the strike suggests that there is a somewhat similar continuity down the dip. Such a condition would give the Green Mountain mine substantial reserves of mica.

History of workings of this portion of the Green Mountain pegmatite is not known. Reports suggest that the pgmatite was discovered in the 1880's and worked intermittently since that date. No work has been done on the area under consideration within the past 20 years.

The middle portion of the area is presently being mined. It was also worked during World War II when 6938 pounds of mica was sold to the Colonial Mica Corporation for $32,905.00. During the past few years approximately $35,000 worth of mica has been sold from work in the middle portion.

The applicant proposes to drive a drift northeast along the pegmatite zone. This proposal seems to be the logical approach as it will be in a block of unexplored rock under existing workings, be in unweathered rock, and allow natural drainage.

The field examiners recommend the following exploration program: Prepare portal and dump site, construct tool house and magazines, drive 150 feet of drift.

Estimated Costs are as follows:

Prepare portal and dump site (removal of 300 cu. yds. of loose mat'l)

Bulldozer, 10 hrs. @ $10/hr.		$100.00
Construct 10' x 12' tool house		75.00
Construct powder magazine		25.00
Construct exploder magazine		13.00

Drive 150 feet of drift (60 shifts)

Labor:		
1 - miner @ $1.50/hr.	$720.00	
1 - miner-helper @ $1.25/hr	600.00	
2 - muckers @ $1.00/hr	960.00	
Equipment (rental)		
Compressor, drill, jack leg, @ $240/Mo.	720.00	
Fan @ $20/Mo.	60.00	
Supplies:		
Explosives	450.00	
Gasoline and oil	300.00	
Rail, etc, 200 ft. @ $1.00/ft.	200.00	
Pipe, airline, etc.	100.00	
Drill steel (carbide bits)	300.00	
Mine car, small tools --	200.00	
Miscellaneous	250.00	
Insurance, Social Security, etc.	390.00	5,250.00

Estimated Total cost..... $5,463.00

Sept. 14, 1948.

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

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

August

September 1, 1954

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region VII

Subject: DMEA-3442 (mica) Financial Statement of Applicants

Enclosed herewith are the financial statements of Yates R. Bennett and John Grady Young, which they are submitting because Owner's Consent to Lien on the Property is unobtainable.

R. A. Laurence, Executive Officer
DMEA - Region VII

ZM

AUG 27 1954

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

Subject: Docket No. DMEA-3442 - Mica
Bennett & Young
Old Green Mountain Mine
Yancey County, North Carolina

Dear Mr. Laurence:

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

Copies of memoranda from the Geological Survey, dated August 12, 1954, and from the Bureau of Mines, dated August 23, 1954, are enclosed for your information.

Sincerely yours,

W. S. Martin

ACTING Chairman, Operating Committee

Approved:

J. H. Hedges

Member, Bureau of Mines

s/Thor N. Kiilsgaard

Member, Geological Survey

Enclosures 4

WCAnderson:gad 8/27/54
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Dietrich, 3061
Mr. Kiilsgaard, 5227
Mr. Houk

AUG 27 1954

Bennett & Young

Burnsville, North Carolina

Re: Docket No. DMEA-3242 - Mica
Old Green Mountain Mine
Yancey County, North Carolina

Gentlemen:

Your application for exploration assistance on the subject property has been reviewed by the Nonmetallic Minerals Division of the Defense Minerals Exploration Administration and has been referred to Mr. Robert A. Laurence, Executive Officer, DMEA Field Team, Region VII, Room 13, Post Office Building, Knoxville 2, Tennessee, for further consideration and possibly a field examination.

Please execute and return the six copies of the Owner's Consent to Lien forwarded by the Knoxville Office.

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

Sincerely yours,

C. O. Mittendorf

Administrator

WCAnderson:gad 8/27/54
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
BUREAU OF MINES
WASHINGTON 25, D. C.

August 23, 1954

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-3442 (mica)

Applicant: Bennett & Young

Name and Location of Property: Old Green Mountain
Yancey County, North Carolina

Date Application Rec'd. by Ceramic & Fertilizer Mtls. Br.: August 11, 1954

Comments:

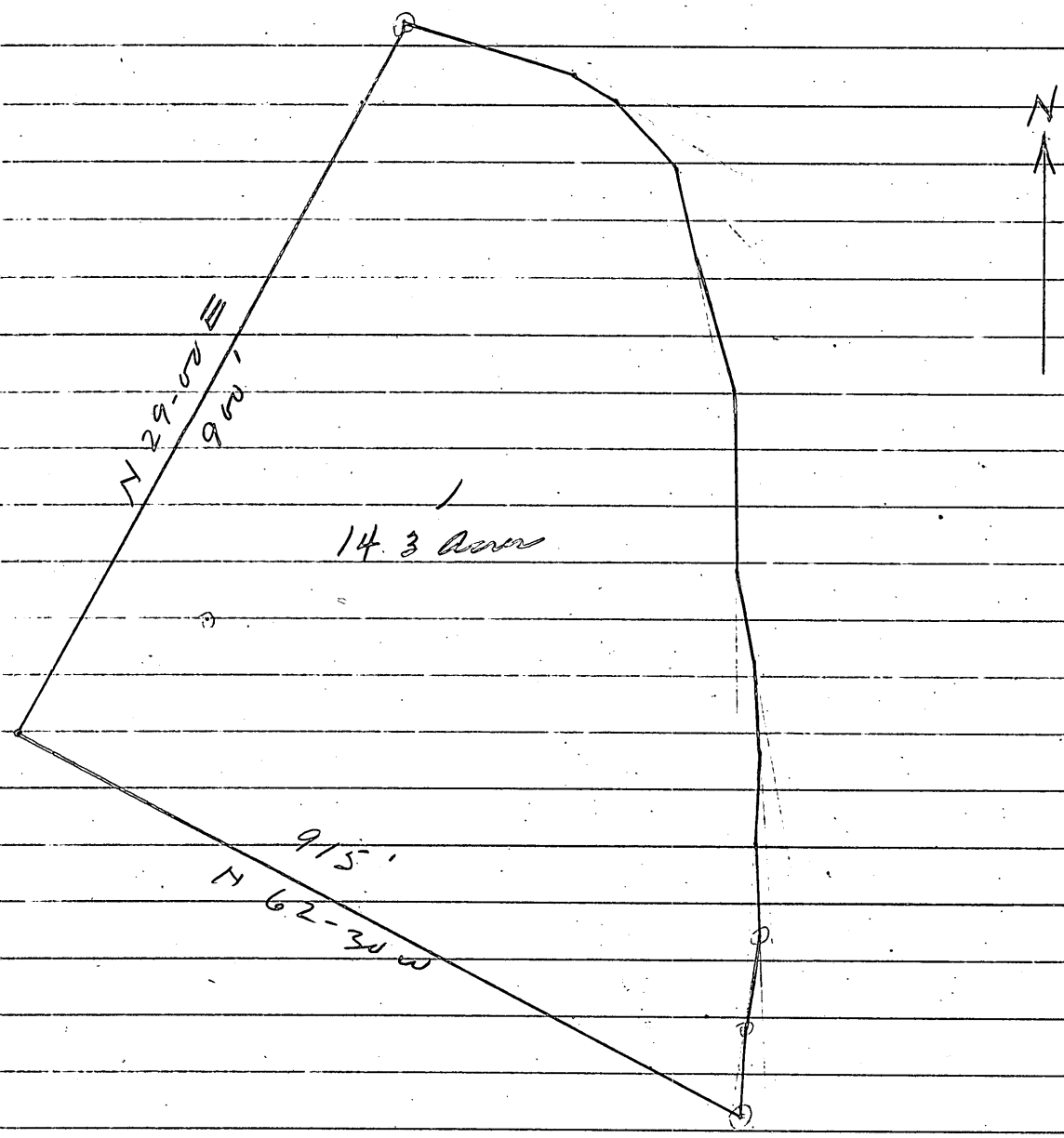
1. Bureau of Mines records show that a monthly average of $1,799 worth of mica was sold to Colonial Mica from subject mine from May-September 1944.
2. Mine located in general area of productive mica mines.
3. The description of this property is similar to the property described in Docket 3443. The field team should contact both parties to determine if the two applications are for the same mine.

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

Omega - 3442
Old Cherry Mt. Mine
Scale 1" = 200'



IN REPLY REFER TO:

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

August 1[illegible], 1954

Memorandum

REVIEW OF APPLICATION DMEA-3442 (mica)

To: Lawrence G. Houk, Defense Minerals Exploration Administration
From: R. D. Trace, U. S. Geological Survey
Applicant's name and address: Bennett and Young, Burnsville, N. C.
Name of property: Old Green Mountain Mine
Location of property: Yancey County, North Carolina
Summary of applicant's proposal:
1) "Block" out a road to the project site.
2) "Drive a 100-foot drift under the old workings in order to pick up the pegmatite." (Applicant may mean a 100-foot crosscut adit.)

Sources of information on applicant's property:
1) Refer to my memo of August 12, 1954 on DMEA 3443.
2) Unpublished report in Survey Files by: Irwin, W. P., Green Mountain Mica Mine, Yancey County, N. C., 4 pages and 1 illustration, September 1944.

Comments: Apparently DMEA 3442 and 3443 are both for the Green Mountain Mine. 3443 covers the area most recently mined (the southwest part) and is the area that is mainly discussed in the Irwin report cited above. The older mined area northeast of the newer workings, is mentioned in the Irwin report. He says that "Backfill and caved ground have made the old workings inaccessible, but they appear to be similar to the new workings."

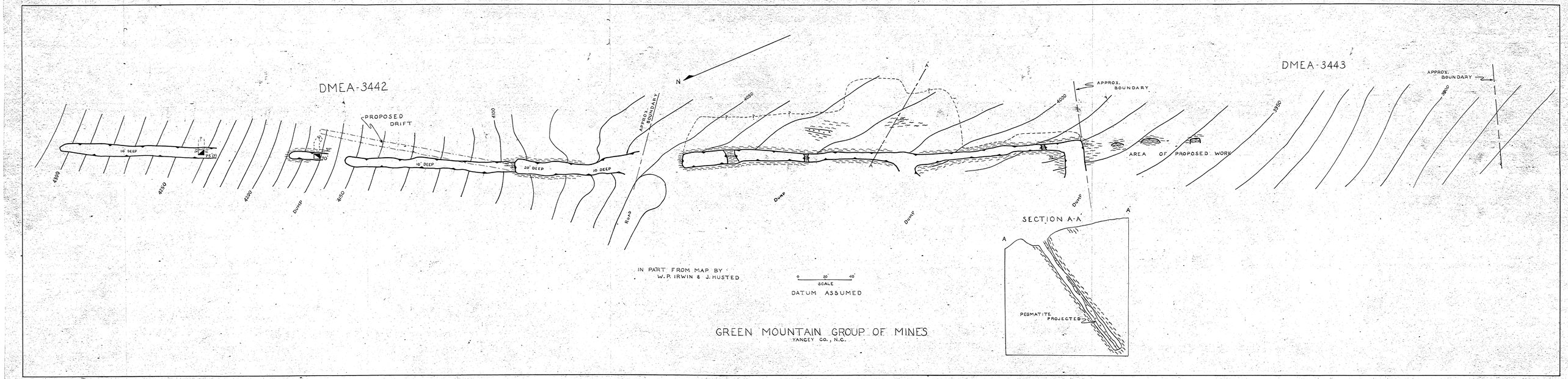
I note that the DMEA 3443 and 3442 applications were apparently typed by the same person.

RECOMMENDATION: Refer to Field Team.

R. D. Trace

RDTrace:hlm
G-8/12/54

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


DMEA-3442
DMEA-3443
N
PROPOSED DRIFT
10' DEEP
75'
20'
20' DEEP
10' DEEP
APPROX. BOUNDARY
APPROX. BOUNDARY
APPROX. BOUNDARY
4300
4250
4200
4150
4100
4050
4000
3950
3900
DUMP
DUMP
DUMP
DUMP
ROAD
AREA OF PROPOSED WORK
A
A'
SECTION A-A'
PEGMATITE PROJECTED
IN PART FROM MAP BY W.P. IRWIN & J. HUSTED
0 20' 40'
SCALE
DATUM ASSUMED
GREEN MOUNTAIN GROUP OF MINES
YANCEY CO., N.C.