DMEA 3451

DOCKET INDEX

ACTION DOCUMENTS

| | | | |
|---|---|---|---|
| 1 | APPLICATION | DATE RECEIVED | 8/17/54 |
| 2 | CONTRACT | DATE | 3/7/55 |
| 3 | TERMINATION AGREEMENT | DATE | 5-12-55 |
| 4 | CERTIFICATION | DATE | |
| 5 | AUDIT REPORT | DATE | |
| 6 | AMENDMENTS - NUMBERS | DATE | |

Docket Copy

RECEIVED
JUN - 8 1955

# TERMINATION AGREEMENT

It is agreed this 17th day of May, 1955, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and W. A. Martin, hereinafter called the "Operator," parties to that certain Exploration Project Contract Idm-E770, Docket No. DMEA-3451, dated March 7, 1955, hereinafter called the "Contract," that:

1. Effective April 6, 1955, the Contract and all obligations of the parties thereunder, except as otherwise herein expressly provided, shall be and are hereby terminated.

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

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

4. All rights of the Government provided for in the Contract with respect to a certification of discovery or development and a percentage royalty and lien for its payment are preserved.

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

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

THE UNITED STATES OF AMERICA

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

Robin Hoffbrand
Hout
Charles Martin

W. A. MARTIN

W. A. Martin

Docket Copy

MF-200A
(Revised June 1954)

Docket No. DMEA 3051

Commodity Beryl-Mica

Contract No. Idm-E -770

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

It is agreed this 7th day of March, 1955, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2] W. A. Martin, whose mailing address is Route 2, Ellenboro, 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 Rutherford, and is described in Annex I.[3]

(b) The Operator represents and undertakes that:

(1) The Operator is ~~the~~[4] Owner of [5] the entire interest in the land, in possession and entitled to possession for all of the purposes of this contract, under and by virtue of a [6] ....., [7] ..... recorded in Book ....., page ....., official records of said County; and

(2) The Operator's right, title, or interest (whether as owner, lessee, or otherwise) is subject only to the following claims, liens, or encumbrances: a Deed of Trust held by Farmers Home Administration, U. S. D. A., to secure loan in amount of $10,000

(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: a Guaranty of Royalty is attached in lieu of the Subordination Agreement of Farmers Home Administration.

[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."

16—70618-1

(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 Beryl and Mica The work to be performed is described in Exhibit "A." The Operator on or before contract shall commence the work, and on or before 6 mos. from date of contract (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 $4,800.00 The Government will contribute 75 percent of the fixed unit costs as work is performed, in a total sum not in excess of $3,600.00: *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.*—

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Executed in sextuplicate the day and year first above written.

W. A. MARTIN
(Operator)

By W. A. Martin

THE UNITED STATES OF AMERICA

By O. Mistteedorf
ADMINISTRATOR, DEFENSE MINERALS
EXPLORATION ADMINISTRATION

Rubin
Hoffland
Appd. Sol. Off.
Anderson
Chamberlin
Hoyt
Selfridge
Thomas

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
W. A. MARTIN
DOCKET NO. DMRA-3451

ANNEX I

The land referred to in Article 2 of the contract form is known as the Martin Prospect and is owned by the Operator. It is located 2.0 airline miles N. 3° E. of Ellenboro, Rutherford County, North Carolina, and is described as follows:

> Beginning at a stone, corner of Tom Melton tract and C. D. Bridges, and running thence North 41 West 41 poles and 7 links, with the line of the Tom Melton tract, to a stone; thence North 4½ West 2½ poles to a stake in the branch; thence North 44 East, down the branch as it meanders, 22 poles to a bunch of small poplars on the bank of the branch; thence South 53 East 69 poles to a stake in the line of the Tom Melton tract, thence with the line of the Tom Melton tract South 80 West 44 poles to the beginning, containing ten (10) acres, more or less.

EXPLORATION PROJECT CONTRACT
W. A. MARTIN
DOCKET NO. DMEA-3451

EXHIBIT "A"

Description of the Work

Exploration for concentrations of strategic beryl and mica shall be accomplished in the area indicated on the map entitled, "Sketch of Martin Pros. Rutherford Co., N. C. DMEA-3451 (mica)," attached hereto and made a part hereof, in two stages as follows:

Stage I

Bulldoze two crosscutting trenches about 100 feet apart, approximately as shown on the attached map, each about 75 feet by 12 feet by 4 feet, to determine the width, attitude and possible zoning of the pegmatite body.

Stage II

If approved in advance by the Government, after examination of the work under Stage I, Stage II shall be undertaken, as follows:

1. Construct:

(a) A powder storage magazine, minimum dimensions 4 feet by 3 feet by 2½ feet.

(b) An exploder storage magazine, minimum dimensions 2 feet by 1½ feet by 1 foot.

The powder and exploder magazines shall be boxed on all sides; shall be made from 2-inch hardwood or 3 inch softwood; and shall be braced at the corners. Lumber for these two boxes shall be smooth on the inside. No metal shall be exposed; and the lids or doors shall be securely locked with the equivalent of a 5 tumbler jarproof lock.

2. Sink on the pegmatite a 2 compartment shaft to a maximum depth of 50 feet from the collar.

3. Explore the pegmatite by drifting and/or crosscutting from the shaft a maximum distance of 75 feet.

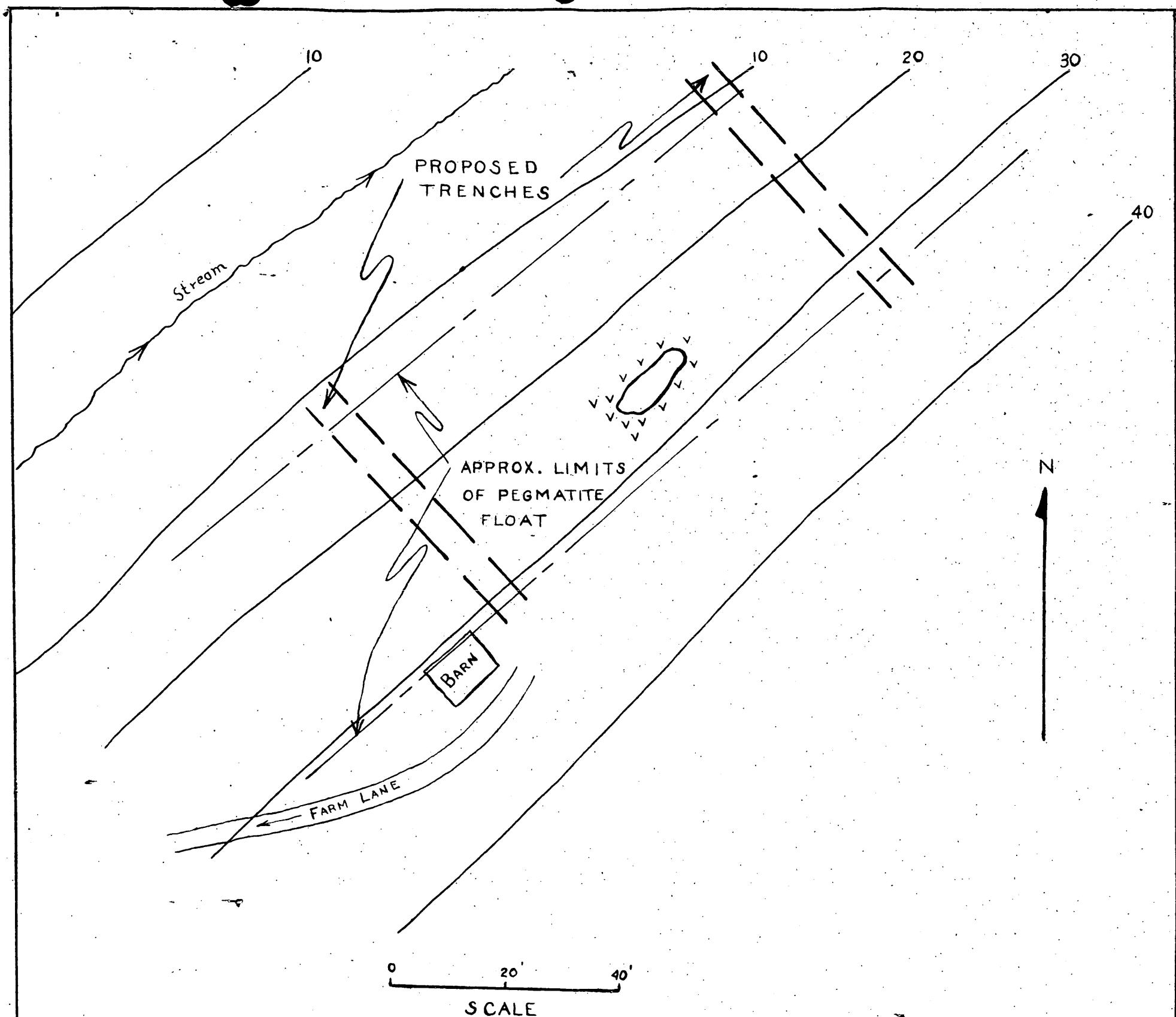
The shaft and the drifts and/or crosscuts shall be timbered as necessary and shall have minimum cross-sectional dimensions of 5 feet by 7 feet in the clear of timber.

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

Fixed Unit Costs

| | | |
|---|---|---|
| Bulldozing - 20 hours @ $12.00/hr. | $ 240.00 | |
| Constructing - Powder magazine 1/ | 25.00 | |
| Exploder magazine 1/ | 15.00 | |
| Sinking 50 feet of shaft @ $44.00/ft. | 2,200.00 | |
| Driving 75 feet of drifts and/or crosscuts @ $32.00/ft. | 2,400.00 | |
| Estimated Total Costs of Contract | | $4,880.00 |
| Government participation @ 75% | | $3,660.00 |

1/ The completed work constitutes the unit.




SKETCH OF

# MARTIN PROS.

RUTHERFORD CO., N.C.

DMEA-3451 (mica)

OK as to form Martin 3/4/55

EXPLORATION PROJECT CONTRACT
W. A. MARTIN
DOCKET NO. DMEA-3451

GUARANTY OF ROYALTY

WHEREAS, negotiations are now pending between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and W. A. Martin, hereinafter called the "Operator," for an Exploration Project Contract relating to certain land in the State of North Carolina, County of Rutherford, described as follows:

> Beginning at a stone, corner of Tom Melton tract and C. D. Bridges, and running thence North 41 West 41 poles and 7 links, with the line of the Tom Melton tract, to a stone; thence North 4½ West 2½ poles to a stake in the branch; thence North 44 East, down the branch as it meanders, 22 poles to a bunch of small poplars on the bank of the branch; thence South 53 East 69 poles to a stake in the line of the Tom Melton tract, thence with the line of the Tom Melton tract South 80 West 44 poles to the beginning, containing ten (10) acres, more or less.

NOW THEREFORE, in consideration of the waiver by the Government of the requirement of a Subordination Agreement referred to in the contract, and in lieu thereof, the undersigned hereby guarantees the payment to the United States of America of any royalties that may fall due under the provisions of said contract or any amendment or assignment thereof, notice of any such amendment or assignment being hereby waived. If the records of any sales or other disposition of the production upon which any such royalties may accrue, whether the production is by the Operator or by others, are not made available to the Government for the computation of said royalties, the undersigned agrees that the amounts thereof may be determined according to the best estimates that can reasonably be made; and in the event of dispute as to such estimates, the determination thereof by the Administrator of Defense Minerals Exploration Administration

or his successor, or by his representative authorized for that purpose, shall be final and binding upon the undersigned.

Dated Feb-15, 1955.

Mrs Lena Martin

_____

_____

I, _____, certify that I am the _____ secretary of the corporation named as Guarantor herein; that _____, who signed this Guaranty, was then _____ of said corporation; that said Guaranty 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]

Individual

# Financial Statement
# To UNION TRUST COMPANY

Name Mrs Lenna Martin

Address Ellenboro, Box 21 N.C.

Business

To obtain credit from time to time, I furnish the following, which I declare to be a true and accurate statement of my financial conditoin on the 15 day of Feb, 1953.

## RESOURCES

| | | | |
|---|---|---|---|
| Cash on Hand and in Bank | | | |
| Accts. Due Me | | | |
| Loans Due Me | | | |
| Bonds and Stocks (See Schedule A.) | | | |
| Real Estate (See Schedule B.) | $10 | 000 | 00 |
| Personal Properties (See Schedule C.) | | | |
| Automobiles | | | |
| Other Assets | | | |

Total Assets $10,000.00

## LIABILITIES

| | | | |
|---|---|---|---|
| Accounts Payable | | | |
| Notes Payable | | | |
| Loans from Banks | | | |
| Mortgages on Real Estate | | | |
| Loans from Friends or Relatives | | | |
| Other Obligations | | | |
| | | | |
| | | | |

Total Obligations $

Net Worth - $10,000.00

The above statement is correct and true and is made for the above named bank, for its better information in extending loans on my paper or discounting paper being my endorsement.

Dated Feb 15-53

Mrs Lenna Martin
Signature.

(over)

## BONDS AND STOCKS

Schedule A. (Give Description and Market Value.)

| No. Shares or Face Value | DESCRIPTION | Market Value |
|---|---|---|
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |

## REAL ESTATE

Schedule B.

| | Title in Whose Name | Fair Market Value | Mortgage |
|---|---|---|---|
| Home & tenant house | Mrs Lena Moore | $10 000 00 | None |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| Number Acres in Cultivation | | | |

## PERSONAL PROPERTY

Schedule C.

Have you any past due indebtedness, _____ Amount $_____

Have you indorsed for anyone? _____ Amount $_____

Life Insurance payable to my estate, Amount $ None _____ Family $_____

Are you connected with any Company? _____, If so, please give particulars

How much Fire Insurance do you carry? $ 8,000 00

Give names of all banks where accounts have been kept and amount of credit given by each and method of borrowing

Security Bank & Trust Co. Bostic N.C.

DOCKET FILE
Surname:
Anderson
Houk
Chambers
Selfridge

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

NOV - 4 1955

Mr. W. A. Martin
Route 2
Ellenboro, North Carolina

Re: Docket No. DMEA-3451 - Mica
W. A. Martin
Martin Prospect
Rutherford County, North Carolina
Contract No. Idm-E770

Dear Mr. Martin:

Reference is made to your terminated exploration contract with the Government.

We sincerely regret that the work performed did not result in a certification of discovery or development under the provisions of the contract. In the absence of such certification, the Government retains no claim or lien against the property subject to the contract or any future production therefrom. We, therefore, are closing our books and records on this project. Your attention, however, is called to the provisions of the contract which require the operator to keep and preserve certain records for the period indicated.

Your interest in the DMEA exploration program and participation therein are fully appreciated.

Sincerely yours,

Frank E. Johnson

Acting Administrator

WCAnderson:ad 11/2/55
Copy to: Admr. R. File
Docket
Field Team, Region V
Mr. Chambers
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Anderson

RCS.

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

Project Summary Report

By: Walter C. Anderson November 2, 1955

1. Docket No. DMEA-3451 - Beryl-Mica
Contract No. Idm-E770
Martin Prospect
Rutherford County, North Carolina

Operator: W. A. Martin
Route 2
Ellenboro, North Carolina

Application: Form MF-103 (April 1952) received August 17, 1954.
Work proposed: Bulldoze shaft site, 50 feet of shaft and 100 feet of drifts.
Amount requested: $9,100.00

Operator's property rights: Owner

2. Contract: Form MF-200A (June 1954) dated March 7, 1955.

Work authorized:

| | |
|---|---|
| Bulldozing - 20 hours @ $12.00/hr. | $240.00 |
| Construction - powder and exploders magazines | 40.00 |
| 50 feet of shaft @ $44.00/ft. | 2,200.00 |
| 75 feet of drifts and/or crosscuts @ $32.00/ft. | 2,400.00 |
| Estimated total cost of project | $4,880.00 |
| Government participation @ 75% | $3,660.00 |

Amendments: None

Work completed:

| | |
|---|---|
| Bulldozing | $240.00 |
| Total accepted cost | $240.00 |
| Government participation | $180.00 |

Stage I of a 2 stage project was started on March 25, 1955.
Terminated by agreement on May 17, 1955.
Field Team Final Report received on June 10, 1955.
Operator's Final Report waived as his narrative with the monthly report is adequate as a final report.

3. Audit - Report of Review issued May 17, 1955.

| | |
|---|---|
| Accepted cost | $240.00 |
| Government participation | $180.00 |

4. Certification of discovery - none issued.

5. Comments:

How conducted - All work in which the Government participated was acceptable and conducted efficiently.

Operation - good

Engineering - Reporting by the Operator was satisfactory.

Geological premise - Two trenches bulldozed on this property failed to locate economically minable mica or beryl as premised.

Geological criteria upon which work was based:

1. Unweathered pegmatite, 12 feet thick.
2. Beryl, blue-green in color.
3. Mica, ruby color, clear and hard. Some is considerably cracked and some "flat-A" and "A".
4. Past production amounted to 200 pounds of beryl and 500 pounds of mine-run mica.

Criteria developed during project:

1. A granite body 5 feet thick, barren of mica and beryl, and a feldspar body 2 feet thick, barren of mica and beryl.

Future possibilities: none

Recommendations: The Nonmetallic Minerals Division concurs in the Field Team's recommendation that additional work is not warranted and no certification of discovery should be issued. The commodity members of the Geological Survey and Bureau of Mines concur.

Walter C. Anderson

Walter C. Anderson
Nonmetallic Minerals Division

IN REPLY REFER TO:

ok

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

RECEIVED
JUN 29 1955

June 29, 1955

Re: DMEA-3451, Idm-E770
W. A. Martin
Martin Prospect
Rutherford Co., N. C.
$4,890.50 - Mica-beryl

Memorandum

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

From: N. E. Nelson, U. S. Geological Survey

Subject: Review of final report of Field Team

If there is fair evidence that 200 pounds of beryl and 500 pounds of mine run mica were taken from the 15x5x8' pit, perhaps the trenches should have been closer to the pit instead of 80 feet apart. The biotite granite was not found in the northeasterly pit and a special condition is indicated which another pair of trenches might have cleared up.

Otherwise I concur with the recommendation of the Field Team.

N. E. Nelson

N. E. Nelson

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

RECEIVED
JUN 28 1955

June 28, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic & Fertilizer Materials

Subject: DMEA - 3451 (mica)

Applicant: W. A. Martin

Name and Location of Property: Martin Prospect
Rutherford County, North Carolina

Contract Number: Idm-e 770

Date of Field Team Report: June 8, 1955

Date Rec'd by Br. of Ceramic & Fertilizer Materials: June 17, 1955

Field Team Recommendation: No certification of discovery

Comments:

1. No mica was exposed during Stage I of project.

2. Expenditures - Total approved $4,880.00
Total cost 240.00
Gov't share of the cost 180.00
Value of production during operation None

Recommendation:

I recommend no certification of discovery be issued.

W. F. Dietrich

W. F. Dietrich

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

June 8, 1955

RECEIVED
JUN 1 5 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: DMEA Field Team, Region 5, Knoxville, Tennessee

Subject: Final Report - DMEA-3451, Idm-E770 (mica-beryl)
W. A. Martin, Ellenboro, N. C. Martin Prospect,
Rutherford County, N. C.

Enclosed are four copies of the Field Team final report on the subject contract, which was terminated after completion of Stage I. We have delayed transmittal of this report until the executed termination agreement was received.

Because the narrative which accompanied the only monthly report on this project is adequate for use as a final report, we are accepting it in lieu of the usual geologic and engineering report.

We agree with the recommendation that certificate of discovery should not be issued.

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

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

Reviewed by
DMEA OPERATING COMMITTEE
6-15-55
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR

RECEIVED
JUN 1 0 1955

DEFENSE MINERALS EXPLORATION ADMINISTRATION

# FINAL REPORT
BY
FIELD TEAM, REGION V

On

DMEA-3451, MARTIN PROSPECT (mica)
Rutherford County, N. C.

BY

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

and

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

Reviewed by
DMEA OPERATING COMMITTEE
6-15-55
(date)

April 15, 1955

FINAL REPORT
On
DMEA-3451, Idm-E770, MARTIN PROSPECT
(beryl)(mica)

RECEIVED
JUN 10 1955

Operator: W. A. Martin, Route #2, Ellenboro, N. C.

Location: 2.0 airline miles N. 3° E. of Ellenboro, Rutherford County, N. C.

Two trenches bulldozed on this property failed to locate economically mineable mica or beryl. Additional work is not warranted; no certification of a discovery should be issued.

The starting date on this contract is March 23, 1955. Stage I of the contract was completed March 25, 1955, and consisted of cutting two trenches by bulldozer. Trench No.1 (100' x 12' x 4') trends N. 35° W., and exposed a granitic body, barren of mica and beryl, about 5 feet thick, striking N. 25° E and dipping fairly steeply to the southeast. Trench No. 2 (110' x 12' x 5') located about 100 feet northeast of Trench No. 1, trends N 20° W and exposed a body, striking due east and dipping about 35° north, about 2 feet thick. This body was composed chiefly of feldspar and was barren of mica and beryl.

The prospect pit that was the source of mica and beryl recovered originally was located between the two trenches. This body is only a pod or lens, and has limited strike extent. The examiners are in agreement that additional work as Stage II is not justifiable on evidence obtained by trenching. The Operator states that he intends to deepen the Prospect pit at his own expense, in an effort to produce gem-quality beryl and mica. This contract was terminated by mutual consent, effective April 6, 1955.

Expenditures:

| | | |
|---|---|---|
| (a) | Total approved | $4,880.00 |
| (b) | Total cost of project | 240.00 |
| (c) | Government's share of cost | 180.00 |
| (d) | Government's share unexpended | 3,480.00 |
| (e) | Value of production during opr. | None |

This project was conducted in a satisfactory and efficient manner.

April 15, 1955.

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

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

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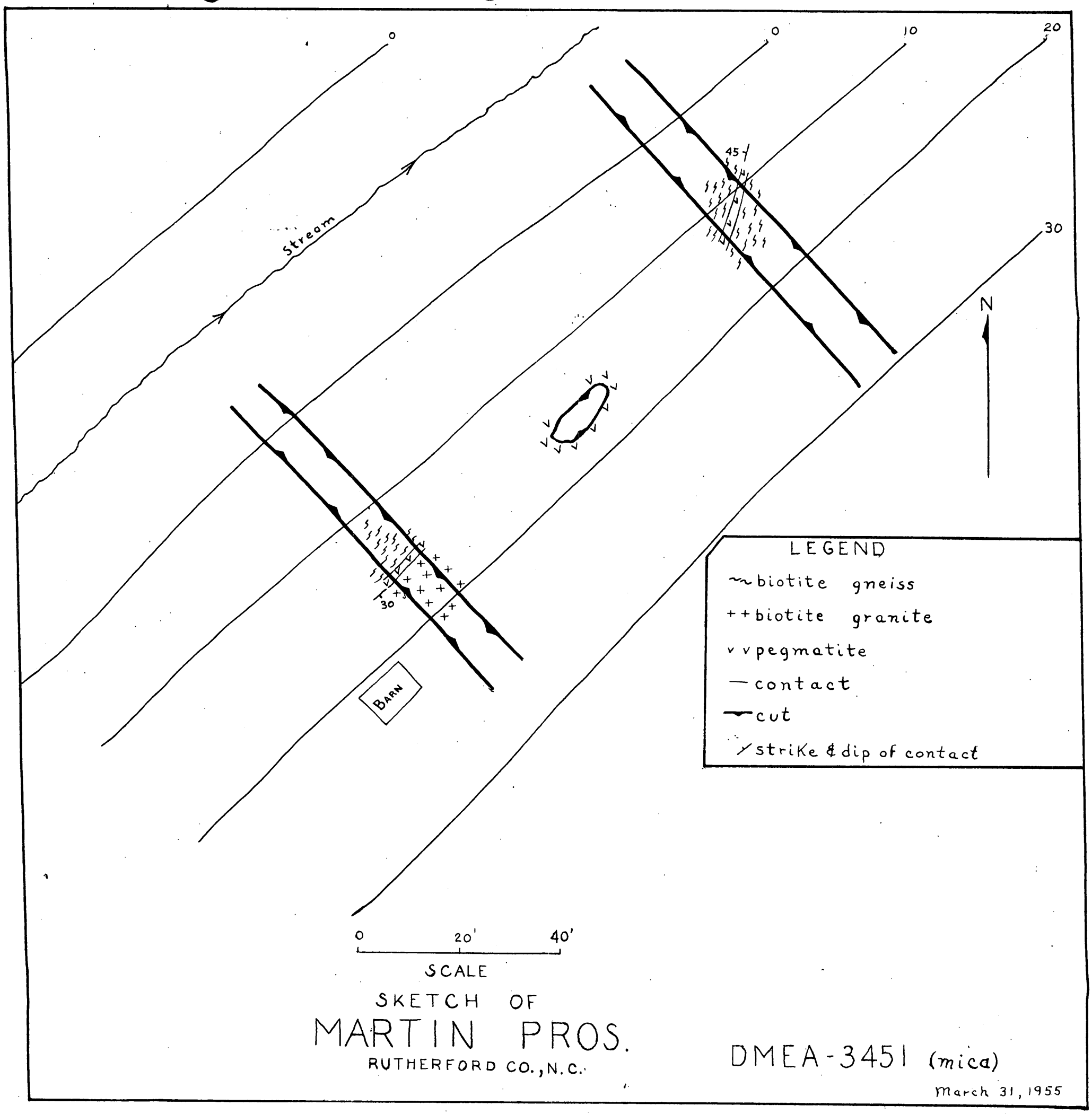



SKETCH OF

# MARTIN PROS.

RUTHERFORD CO., N.C.

DMEA-3451 (mica)

March 31, 1955

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

RECEIVED
JUN - 8 1955

June 6, 1955

Memorandum

To: Operating Committee, DMEA- Washington

From: Executive Officer, DMEA Field Team, Region V - Knoxville, T enn.

Subject: Idm-E770, DMEA-3451 (mica) Termination Agreement - W. A. Martin
Martin Prospect - North Carolina

Transmitted are three copies of the above subject termination agreement signed by Mr. Martin. The usual distribution of the other copies has been made by this office.

Robert A. Laurence

Robert A. Laurence

Docket Copy
Surname:
Houk
Martin
Fgerman

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

MAY - 6 1955

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

Subject: Docket No. DMEA-3451 - Beryl-Mica
W. A. Martin
Martin Prospect
Rutherford County, North Carolina
Contract No. Idm-E770

Dear Mr. Laurence:

Reference is made to the Field Team memorandum of April 12, 1955, requesting permission to terminate the subject contract.

We have prepared and enclosed herewith the original and five copies of a Termination Agreement for your signature. If it meets with your approval please sign it in behalf of the Government and present it to the Operator for approval and signature.

After execution of the Termination Agreement, the copies are to be distributed in the usual manner.

Sincerely yours,

W. S. Martin

ACTING Chairman, Operating Committee (GLB)

Approved:

John E. Crawford (GLB)
Member, Bureau of Mines

/S/ R. D. Trace (GLB)
Member, Geological Survey

Enclosures 6

LGHouk:gad 5/4/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

R.G.H.

Docket Copy
Surname:
Anderson

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

April 21, 1955

Memorandum

To: Mr. John L. Hofflund

From: Nonmetallic Minerals Division

Subject: Termination Agreement - Docket No. DMEA-3451 - Mica-Beryl
W. A. Martin
Martin Prospect
Rutherford County, North Carolina
Contract No. Idm-E770

Pursuant to recommendation by the Field Team in their interim report of inspection at the subject property on March 30, 1955, please prepare Termination Agreement for signature by the Executive Officer, DMEA Field Team, Region V.

Walter C. Anderson
Nonmetallic Minerals Division

WCAnderson:gad 4/21/55
Copy to: Admr. R. File
Docket
Mr. Houk

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1085 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

April 12, 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: Field Team, DMEA - Region 5, Knoxville, Tennessee

Subject: DMEA-3451, Idm-E770 (mica) W. A. Martin, Ellenboro, N. C.
and
DMEA-3599, Idm-E769 (mica) Beam Mining Co. Spruce Pine, N. C.
Request for permission to terminate

Enclosed are 4 copies of the latest interim reports on each of the subject contracts.

We agree with the recommendation of the field examiners, and request permission to terminate both contracts by mutual agreement with the Operators, effective April 6, 1955. Please prepare the agreement and send them to us for signature.

We do not plan to recommend certification for either of these contracts.

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

V. J. Lynch
V. J. Lynch, Mining Engineer
U. S. Bureau of Mines
DMEA Field Team Member.

INTERIM REPORT

DMEA-3451, Idm-E770- MARTIN PROSPECT
(mica-beryl)

Operator: W. A. Martin, R#2, Ellenboro, N. C.

Location: 2.0 airline miles N. 3° E. of Ellenboro, Rutherford County, N. C.

The starting date on this contract is March 23, 1955. Stage I of the contract was completed March 25, 1955, and consisted of cutting two trenches by bulldozer. Trench No. 1 (100' x 12' x 4') trends N. 35° W., and exposed a granitic body, barren of mica and beryl, about 5 feet thick, striking N. 25° E and dipping fairly steeply to the southeast. Trench No. 2 (110' x 12' x 5') located about 100 feet northeast of Trench No. 1, trends N. 20° W and exposed a body, striking due east and dipping about 35° north, about 2 feet thick. This body was composed chiefly of feldspar and was barren of mica and beryl.

The prospect pit that was the source of mica and beryl recovered originally was located between the two trenches. It is assumed that this body is only a pod or lens, and has limited strike extent. The examiners are in agreement that additional work as Stage II is not justifiable on evidence obtained by trenching. The Operator states that he intends to deepen the Prospect pit at his own expense, in an effort to produce gem-qualtiy beryl and mica. The Field Examiners recommend that this contract be terminated by mutual consent.

Thor H. Kiilsgaard and Lawrence G. Houk accompanied the examiners on this visit to the mine.

Inspected March 30, 1955.

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

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

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

Department of the Interior
Defense Minerals Administration
RECEIVED
APR 14 1955

April 12, 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: Field Team, DMEA - Region 5, Knoxville, Tennessee

Subject: DMEA-3451, Idm-K770 (mica) W. A. Martin, Kilembere, N. C.
and
DMEA-3599, Idm-K769 (mica) Beam Mining Co. Spruce Pine, N. C.
Request for permission to terminate

Enclosed are 4 copies of the latest interim reports on each of the subject contracts.

We agree with the recommendation of the field examiners, and request permission to terminate both contracts by mutual agreement with the Operators, effective April 6, 1955. Please prepare the agreement and send them to us for signature.

We do not plan to recommend certification for either of these contracts.

Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION V

V. J. Lynch, Mining Engineer
U. S. Bureau of Mines
DMEA Field Team Member.

RAL/sm
cc: Lynch
Shirley
Files

INTERIM REPORT

DMEA-3599, Idm-E769 (mica) BEAM PROSPECT

Operator: Beam Mining Company, Route # 2, Spruce Pine, N. C.

Location: 4.5 miles southeast of Cherryville, Gaston County, N. C.

The starting date on this contract is March 23, 1955. Stage I of the contract has been completed, and additional work does not appear warranted. It is suggested that the contract be terminated by mutual consent, as the Operator is in complete agreement with the Field Examiners that additional work is not justified.

Trenching completed consisted of open cuts by bulldozer. Trench No. 1 trends N. 60° W. and is 90' x 12' x 10-12'. About midway of the No. 1 trench, Trench No. 2 (50' x 12' x 8') trending due north was cut, joining Trench No. 1 on the northeast side, and on the southeast end of Trench No. 1, Trench No. 3 trending N. 65° E. (25' x 12' x 4') and cross-cutting the end of Trench No. 1, was made. Pegmatite was exposed in both No. 1 and No. 2 trenches. Several pegmatites about 4 feet in maximum thickness, and composed of feldspar, quartz and muscovite mica were exposed. The mica was of very poor quality, contained "A" structure, and was badly stained. Lack of vertical and lateral extent, which could be determined easily and poor quality of mica in this stringer does not justify further work in the form of test pitting.

Thor H. Kiilsgaard and Lawrence G. Houk accompanied the field examiners on this visit to the prospect and examined the Self Mine, which is nearby.

Visited: March 30, 1955.

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

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

DOCKET COPY
Surname: Anderson, Houk, Chandler, Selfridge, Johnson

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

MAR 7 - 1955

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

Subject: Docket No. DMEA-3451 - Beryl-Mica
W. A. Martin
Martin Prospect
Rutherford County, North Carolina

Dear Mr. Laurence:

Please find herewith the Field Team copy and the Operator's copy of a contract which have been signed by the Operator and the Government. The Guaranty of payment of Royalty, signed by Mrs. Inna Martin, attached to each copy of the contract is acceptable.

Please forward the Operator his copy. The original and remaining copies of the contract are being retained here for distribution.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (GLB)

Approved:

J. H. Hedges

Member, Bureau of Mines (GLB)

E. L. Newcomb

Member, Geological Survey (GLB)

Enclosures 3

WCAnderson:ad 3/1/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

P. S. Copy for Finance Office is also enclosed.

R.C.L.

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

February 23, 1955

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: DMEA-3451, W. A. Martin, Applicant. Martin Prospect (mica) Rutherford County, N. C.

Transmitted are the original and five copies of a contract covering the subject exploration project which has been signed by the Operator, but not by the Government. To each copy of the contract is attached a Guaranty of Payment of Royalty signed by Mrs. Luna Miller. There is also transmitted a Financial Statement signed by Mrs. Miller.

If the Guarantee is acceptable please have the contract completed and signed for the Government and return the Operator's copy and Field Team copy to this office.

Robert A. Laurence

Robert A. Laurence

File

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

February 23, 1955

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: DMEA-3451, W. A. Martin, Applicant. Martin Prospect (mica) Rutherford County, N. C.

Transmitted are the original and five copies of a contract covering the subject exploration project which has been signed by the Operator, but not by the Government. To each copy of the contract is attached a Guaranty of Payment of Royalty signed by Mrs. Luna Miller. There is also transmitted a Financial Statement signed by Mrs. Miller.

If the Guarantee is acceptable please have the contract completed and signed for the Government and return the Operator's copy and Field Team copy to this office.

Robert A. Laurence

WAR/mm
cc:
Allsman
Lynch
Shirley
Files

Docket Copy
Surname:
Anderson
Houk
Chandler
Selfridge
Robinson
Hedges

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

FEB 8 1955

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

Subject: Docket No. DMEA-3451 - Beryl-Mica
W. A. Martin
Martin Prospect
Rutherford County, North Carolina

Dear Mr. Laurence:

Please find herewith the original and five copies of a contract covering the subject exploration project which have not been signed by the Government, and to each of which is attached a Guaranty of Payment of Royalty. All six copies of the contract are to be executed by the Operator and all copies of the guaranty are to be executed by his Guarantor, after which all copies of the contract and the guaranty must be returned to this office. The Guarantor must make a statement of his assets, liabilities, and net worth, which must be sent along with the executed contract and guarantee. If the contract and the guarantee are approved by the Government, the contract will be executed in this office and distribution of copies made in the usual manner.

The above processing is contingent upon your approval as well as that of the Operator. Please explain to the Operator that the contract, when executed, is a firm commitment under the terms of which he is obligated to complete the work outlined at the agreed unit cost. If any part of this contract does not have either your approval or that of the Operator and cannot be amended within your delegated authority, then the original and all copies of the contract are to be returned to this office, together with the proposed changes for consideration.

Copies of memoranda from the Geological Survey, dated September 30, 1954, and from the Bureau of Mines, dated October 15, 1954, are enclosed. Also enclosed is a copy of a memorandum from the Legal Division, dated February 2, 1955.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee

Approved:

J. H. Hedges
Member, Bureau of Mines

Thor H. Kiilsgaard
Member, Geological Survey

WCAnderson:gad 2/4/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

Enclosures 11

R.C.

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

FEB 2 1955.

Memorandum

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

From: Acting Assistant Solicitor, Defense Minerals

Subject: W. A. Martin, Docket No. DMEA-3451, Beryl-Mica, Rutherford County, North Carolina

As requested in a memorandum dated January 27 from Mr. Anderson, we have prepared the attached draft of contract, and Guaranty of Royalty in lieu of a subordination agreement.

The contract should not be executed by the Administrator prior to the execution of the contract by the Operator, and the execution of the Guaranty by an acceptable third party.

J. L. Hofflund
Acting Assistant Solicitor
Defense Minerals

Attachments

Rubin

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

FEB 2 1953

Memorandum

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

From: Acting Assistant Solicitor, Defense Minerals

Subject: W. A. Martin, Docket No. DMEA-3451, Beryl-Mica, Rutherford County, North Carolina

As requested in a memorandum dated January 27 from Mr. Anderson, we have prepared the attached draft of contract, and Guaranty of Royalty in lieu of a subordination agreement.

The contract should not be executed by the Administrator prior to the execution of the contract by the Operator, and the execution of the Guaranty by an acceptable third party.

J. L. Hofflund

J. L. Hofflund
Acting Assistant Solicitor
Defense Minerals

Attachments

HCRubin/emd
copy to: DMEA Docket
Solicitor's Docket
L. G. Houk
J. L. Hofflund
H. C. Rubin
chron.

Docket Copy
Surname:
Anderson
Houk

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

January 27, 1955

Memorandum

To: Mr. John L. Hofflund, Acting Assistant Solicitor

From: Nonmetallic Minerals Division

Subject: Contract for W. A. Martin, Applicant
Docket No. DMEA-3451 - Beryl-Mica
Martin Prospect
Rutherford County, North Carolina

Attached hereto for processing is a draft of proposed contract for the subject applicant.

In a conversation that we had on Tuesday, January 25, 1955, it was agreed a Guaranty of Payment of Royalty would be attached to the contract. The Guarantor is to execute the guaranty and furnish a statement of assets, etc., and the contract executed by the Applicant before signature by the Government, if approved.

This is similar to the procedure suggested by the Field Team in its memorandum of January 21, 1955.

Walter C. Anderson
Nonmetallic Minerals Division

Attachment

WCAnderson:gad 1/27/55
Copy to: Admr. R. File
Mr. Houk
Docket

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 25 OF THE WASHINGTON FEDERAL BLDG.
KNOXVILLE 2, TENN.

January 21, 1955

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: DMEA-3451 (beryl-mica) W. A. Martin, applicant
Martin Prospect, Rutherford County, N. C.

Today we received the enclosed letter from the subject applicant in answer to our letter of January 13, in which we enclosed one form each of a contract and a Performance Bond as suggested in your letter of January 10.

From this letter it appears that he wishes some individual to act as security. In that case if Performance Bond, standard form 25 were used it would require the signatures of two responsible individual sureties and where individual surities are used, the bond must be accompanied by a completed affidavit of Individual Surety (standard form 28). The instruction on the reverse of the Performance Bond also stipulates that the date of the bond must not be prior to the date of the instrument in connection with which it is given. The amount of the contract nor the dateof the contract are not known and we do not see how a bond of this type can be signed at this time.

May we suggest that this contract be handled in the same manner as that of DMEA-3265, Mines and Mining, Inc., (Farlow Gap Mine, mica), was gotten up. That is, send Mr. Martin for his signature an unsigned contract together with the forms of "Guaranty of Payment of Royalty" to be signed by a private third party.

Wm. A. Beck

Wm. A. Beck

RECEIVED
JAN 21 1955
U.S. BUREAU OF MINES
DEP. MIN. ADM.
Knoxville, Tennessee

DEPARTMENT OF THE INTERIOR
Bureau Mineral Administration
RECEIVED
JAN 24 1955

W. A. Martin
RFD #2
Bucksport Me.

DMEA-3451

Dear Mr. Lawrence,

I must have misunderstood your field Examiner for I thought I would be advised about the Bond.

I can furnish the bond at any time. If I understood your field examiner right anyone that is worth the amount of the project can sign my bond.

Please send me full information on the Bond and how much the contract will be for and I can furnish the Bond any time.

Very Truly Yours
W. A. Martin

Docket Copy
Surname:
Anderson
Houk
Selfridge
Fr Jones
Mitteudorf

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

600

JAN 1 0 1955

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

Subject: Docket No. DMEA-3451
Beryl-Mica
W. A. Martin
Martin Prospect
Rutherford County, North Carolina

Dear Mr. Laurence:

Reference is made to our letter of September 27, 1954, and your memorandum of September 29, 1954, stating that you will advise the subject applicant that it will be necessary to obtain a performance and surety bond.

Apparently the applicant has been unable to obtain this bond and possibly has lost interest in his application. It will be appreciated if you will request the applicant to advise you regarding his intentions.

For the applicant's information and guidance, it would be advisable to furnish him with one form each of a contract and a performance bond. For your convenience we are enclosing five performance bond forms.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (JHB)

Approved:

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

Thor H. Kiilsgaard (JHB)
Member, Geological Survey

Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

Enclosures 5

WCAnderson:gad 1/5/55

R.C.B.

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 18 1954

October 15, 1954

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-3451 (mica)

Applicant: W. A. Martin

Name and Location of Property: Martin Prospect
Rutherford County, North Carolina

Date of Field Team Report: September 20, 1954

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

Field Team Recommendation:

1. Exploration assistance.

Comments:

1. Proposed exploration is consistent with good engineering practice and recovery of mica from test pit shows possibility of encountering good quality strategic mica.

2. Cost of this project is estimated to be $4,890.50.

3. Execution of a contract is complicated by the refusal of Farmers Home Administration to sign a subordination agreement.

Recommendation:

I concur in the field team's recommendation for a two-stage exploration project in the amount of $4,890.50, if the Farmers Home Administration will sign a subordination agreement.

W. F. Dietrich

W. F. Dietrich

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

Defense Minerals Administration
RECEIVED
OCT 11 1954

October 8, 1954

Memorandum

To: Operating Committee, DMEA - Washington

From: Robert A. Laurence, Executive Officer, DMEA - Region VII

Subject: DMEA-3451 (beryl-mica) W. A. Martin Prospect
Rutherford County, N. C.

Attached hereto is a financial statement for W. A. Martin, received in this office today. Please refer to my memo of Sept. 29.

Robert A. Laurence

Robert A. Laurence

# Summary Financial Statement

| | | |
|---|---|---|
| **Property Owned** | | |
| Land & Buildings | | |
| 59 A. Farm Cost 11-15-54 | $ 1080000 | |
| Store Building & 4 lots | 250000 | |
| Farming Equipment Cost | 130000 | |
| Feed & Grain | 20000 | |
| Livestock Cattle sale value | 250000 | |
| Hogs " " | 250000 | |
| 500 Pullets " Cost | 110000 | |
| Cash On Hand | 160000 | |
| | | $ 2090000 |
| **Debts Owed** | | |
| Land Debt F.H.A. Loan | $ 1080000 | |
| Operation Loan FHA | 150000 | |
| Farm equip. Loan | 50000 | |
| Bostic Bank Bostic N.C. Note | 180000 | |
| | | $ 1460000 |
| Net Worth | | $ 630100 |

W. O. Martin
R# 2
Ellenboro
N. C.

IN REPLY REFER TO:

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

Defense Minerals Administration
RECEIVED
OCT 1 1954

September 30, 1954

Re: DMEA-3451
Martin Prospect
Rutherford Co., N. C.
$4,890.50 - Mica

Memorandum

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

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

Subject: Review of Field Examination Report

The applicant's proposal involved stripping overburden along strike of the pegmatite, and sinking a 50 foot shaft and drifting 100 feet from the bottom of the shaft.

The Field Team has recommended a two-stage project be approved. Stage I will consist of 2 trenches (75 x 12 x 4) spaced 100 feet apart. Stage II, which would allow a 50-foot shaft and 75 feet of drifting and crosscutting, should be done only if favorable evidence is disclosed by the preliminary trenching.

Although previous work has been limited to a 15-foot test pit, the size of the pegmatite needs to be determined before further underground work is undertaken. The reported beryl and mica production from the test pit indicates that a significant amount of mica may be found by the proposed exploration work.

The staging of the work is the only reasonable approach in carrying out exploration on this prospect.

I recommend the proposed 2-stage project be approved.

E. L. Newcomb

E. L. Newcomb

MF-500

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

# REFERENCE SLIP

DATE 10/1

REFERRED TO:

1. 600
2.
3.
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:

Check (X) before the items needing attention.

ROBERT E. ADAMS
*Initials of sender.*

GPO 16—63815-1

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

WASHINGTON 25, D.C.
ROOM POST OFFICE BLDG.
KNOXVILLE 2, TENN.

Department of the Interior
Defense Minerals Administration
RECEIVED
OCT - 1 1954

September 29, 1954

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region VII - Knoxville

Subject: DMEA-3451 (beryl-mica) W. A. Martin Prospect
Rutherford County, N. C.

Reference is made to your letter of September 27.

Applicant's local credit standing is probably satisfactory, but according to his own statement, his financial situation is inadequate to provide the guaranty. Therefore, we will advise him that it will be necessary to obtain a performance and surety bond.

Robert A. Laurence

Robert A. Laurence

Docket Copy
Surname:
Houk
Selfridge
Johnson
Wittendorf

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

SEP 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-3451 - Beryl-Mica
W. A. Martin
Martin Prospect
Rutherford County, North Carolina

Dear Mr. Laurence:

Reference is made to the covering letter on the Field Examination Report on DMEA-3451, W. A. Martin, and the improbability of obtaining a subordination agreement for the mortgage of $10,800.00 held by the Farmers Home Administration, U. S. Department of Agriculture.

Since the applicant does not wish to sign a personal guaranty, it will be necessary for the Field Team to comment on the local credit standing of the applicant and obtain a financial statement of his assets and liabilities. If the credit standing and financial statement are found to be inadequate, then it will be necessary for the applicant to obtain a performance and surety bond.

Sincerely yours,

George C. Selfridge
(by ESJ)
Chairman, Operating Committee

Approved:

J. H. Hedges
Member, Bureau of Mines

Thor H. Kiilsgaard
Member, Geological Survey

LGHouk:gad 9/24/54
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Keiser, 3641A -Mr. Dietrich, 3061
Mr. Kiilsgaard, 5227
Mr. Houk

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1501 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 22 1954

September 20, 1954

Memorandum

To: Operating Committee, DMEA - Washington

From: Field Team, DMEA - Region VII - Knoxville

Subject: Field Examination Report, DMEA-3451 (mica) W. A. Martin, Ellenboro, North Carolina

Enclosed are four copies of the subject report, with six extra copies of the map. The property was examined without referral, as it is in the vicinity of active contracts inspected by our field examiners last week.

The application is complicated by the fact that Farmers Home Administration will not sign a subordination agreement until they see the executed contract (and probably cannot sign it then), and the Applicant does not wish to sign a guaranty. If these difficulties can be resolved, we suggest approval of a 2-stage contract as outlined in the report. The prospect is certainly good enough to justify the expenditure of $240 as proposed for Stage I.

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 22 1954

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

# REPORT OF EXAMINATION BY FIELD TEAM, REGION VII

On

## DMEA-3451, MARTIN PROSPECT (mica) (beryl)
Rutherford County, N. C.

By

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

and

D. H. Amos, Geologist
U. S. Geological Survey

September 20, 1954

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 22 1954

# EXAMINATION REPORT BY FIELD TEAM
On
DMEA-3451, MARTIN PROSPECT (beryl- Mica)

Applicant: W. A. Martin, Route #2, Ellenboro, North Carolina

The Martin Prospect is 2.0 airline miles N. 3° E. of Ellenboro, Rutherford County, North Carolina.

This is a newly discovered prospect which has yielded a small quantity of beryl and mica from a test pit. Distribution of pegmatite float suggests that the body has considerable thickness and strike extent. It is recommended that exploration assistance be granted - the work to be staged.

Mr. W. A. Martin accompanied the examiners on the inspection which required two hours. The prospect is readily accessible at all times via an all-weather gravel road and a 100-yard farm lane.

The applicant is owner of the property. A deed of trust for $10,800 is held by the Farmers Home Administration, U. S. Department of Agriculture. They refuse to sign a subordination agreement without first seeing a copy of the contemplated contract. The applicant does not desire to guarantee the contract.

The applicant has had limited mining experience but plans to hire experienced miners.

The only working is a test pit 15' x 5' x 8' deep which is entirely in pegmatite.

A pegmatite which is in excess of 12 feet thick is exposed in and adjacent to the pit. Distribution of float suggests that it strikes about N. 40° E., and dips to the northwest. The body consists of perthite, quartz, plagioclase, muscovite, beryl, biotite, garnet, tourmaline, arsenopyrite and ilmenite, in order of abundance. No quartz core is exposed, but the beryl tends to be concentrated adjacent to quartz pods that range up to 2 feet in diameter. Some of the quartz is clear and exhibits one crystal face. The beryl is dominantly blue-green but a minor amount is of golden color. The mica is of ruby color and is clear and hard. Some is considerably cracked and some is "flat-A" and "A".

About 200 pounds of beryl and 500 pounds of "mine-run" mica were recovered from the test pit.

Supplies and equipment are locally available. It may be necessary to obtain experienced miners from the Spruce Pine district.

Pegmatite exposed in the bottom of the pit is unweathered. No major water problem is to be anticipated.

It is recommended that if assistance be granted it be staged, the work to consist of -

STAGE I. Bulldoze two crosscutting trenches each about 75' x 12' x 4', about 100 feet apart (see attached map) to determine width, attitude and possible zoning of the body.

STAGE II Construct a powder magazine and an exploder magazine. No toolhouse will be needed as farm buildings are near by.

Sink a 50-foot shaft, position and inclination to be determined by the dozing, and drive 75 feet of drift from the botton of this shaft.

Estimated Costs:

| | | | |
|---|---|---|---|
| Stage I, | Bulldozing 20 hrs @ $12/hr. | | $240.00 |
| Stage II, | Powder Magazine | | 25.00 |
| | Exploder " | | 13.00 |
| | Sink 50-foot shaft and timber where necessary (35 shifts) | | |
| Labor: | | | |
| | 1- Driller-foreman @ $1.50/hr. | $420.00 | |
| | 1- Hoistman @ $1.25/hr. | 350.00 | |
| | 1- Laborer @ $1.00/hr | 280.00 | |
| Compressor and drill rental @ $22/mo. | | 385.00 | |
| Hoist rental @ $50/Mo. | | 87.50 | |
| Supplies: | | | |
| | Gasoline & Oil | 100.00 | |
| | Timber, 2000 B.F. @ $50/M | 100.00 | |
| | Explosives | 150.00 | |
| | Small tools, etc. | 100.00 | |
| | Drill Steel | 75.00 | |
| | Miscellaneous, Social Security, etc. | 150.00 | $2,197.50 |
| Drive 75 ft. of drift and/or crosscut from about the 50-foot level (40 shifts) | | | 439.5 |
| Labor: | | | |
| | 1 - driller-foreman @ $1.50/hr. | 480.00 | |
| | 1 - hoistman @ $1.25/hr. | 400.00 | |

Labor: cont'd.

| | | |
|---|---|---|
| 1 - Laborer @ $1.00/hr. | $320.00 | |
| Compressor and drill rental @ $220/Mo. | 440.00 | |
| Hoist rental @ $50/Mo. | 100.00 | |
| Supplies: | | |
| Gasoline and oil | 175.00 | |
| Explosives | 175.00 | |
| Drill steel | 125.00 | |
| Small tools, etc. | 50.00 | |
| Misc. - Social security, etc. | 150.00 | $2,415.00 |

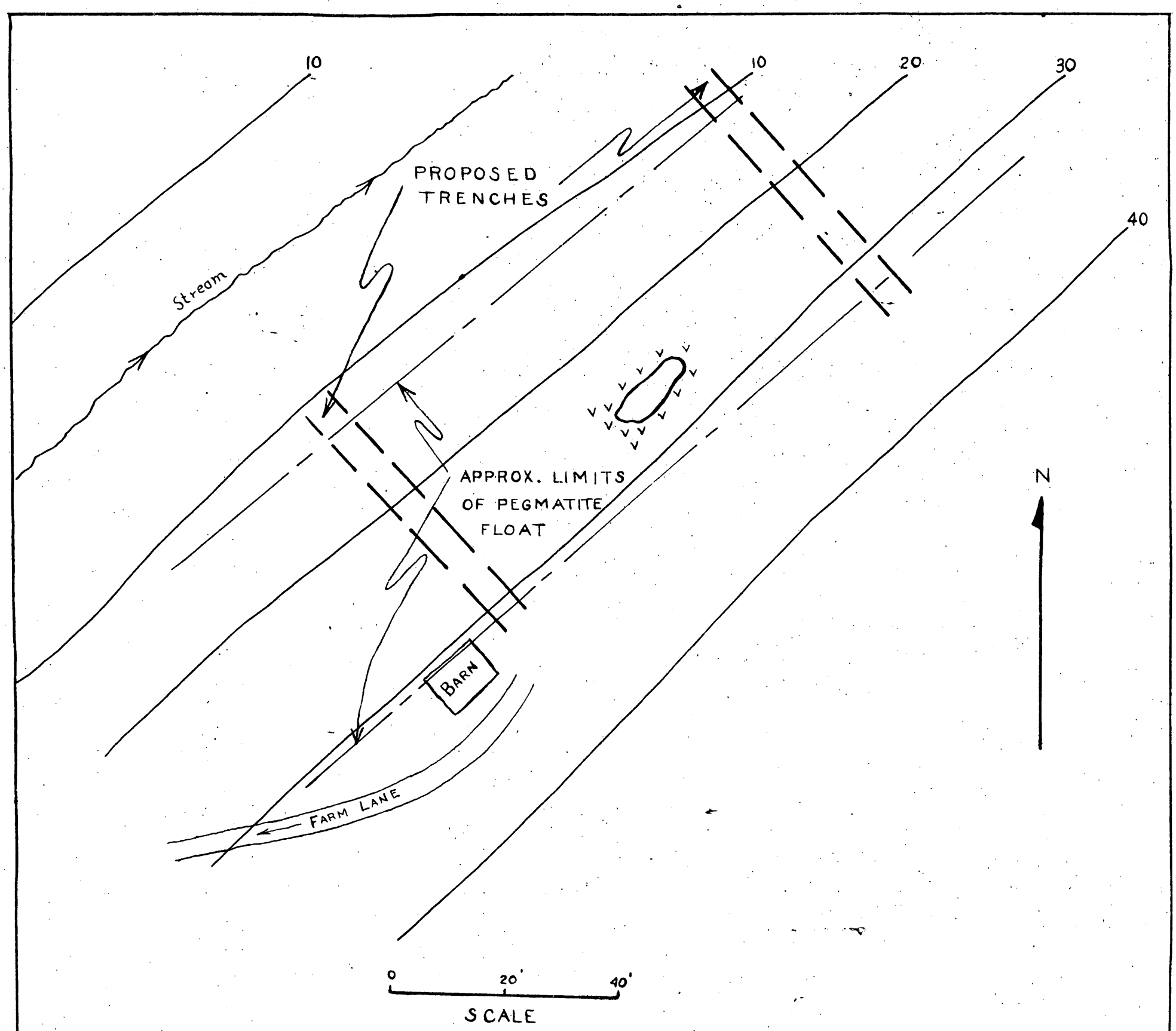
32.20

| | |
|---|---|
| Total Stage II..... | $4650.50 |
| Total Stages I and II ..... | $4890.50 |

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

D. H. Amos, Geologist
U. S. Geological Survey

Examined: Sept. 7, 1954




SKETCH OF
MARTIN PROS.
RUTHERFORD CO., N.C.

DMEA-3451 (mica)

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

August 30, 1954

Defense Minerals Administration
RECEIVED

Memorandum

To: Lawrence G. Houk, Chief, Nonmetallics Division, Defense Minerals Exploration Agency

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

Subject: DMEA Docket No. 3451 (Beryl-Mica)

Examination of the property described in DMEA Docket No. 3451 by a field team is recommended.

John D. Sargent

John D. Sargent

This application lacks a Subordination Agreement.

Mr. Hoffland says, in event of a contract, then a Subordination Agreement should be sent along with the contract for execution.

[illegible]

Docket Copy
Surname:

Houk
Houk
Signing for
W.F. Dietrich

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

Mr. W. A. Martin
Route 2
Ellenboro, North Carolina

Re: Docket No. DMEA-3451 - Beryl-Mica
Martin Prospect
Rutherford County, North Carolina

Dear Mr. Martin:

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.

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,

Administrator

LGHouk:gad 9/21/54
Copy to: Admr. R. File
Docket
Operating Committee
Field Team, Region VII
Mr. Dietrich, 3061 - Mr. Kaiser, 3641A
Mr. Kiilsgaard, 5227
Mr. Houk

Not acct
Exam recd
9-21-54

Docket Copy
Surname:
Houk
Proxy for
W. A. Dietrich.

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

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

Subject: Docket No. DMEA-3451 -
Beryl-Mica
W. A. Martin
Martin Prospect
Rutherford 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 23, 1954, and from the Bureau of Mines, dated August 30, 1954, are enclosed for your information.

Sincerely yours,

Chairman, Operating Committee

Approved:

Member, Bureau of Mines

Member, Geological Survey

Enclosures 4

LGHouk:gad 9/21/54
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kaiser, 3641A
Mr. Kiilsgaard, 5227
Mr. Houk

not recent
Exam rpt rec'd
9-21-54

IN REPLY REFER TO:

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

August 23, 1954

Memorandum

REVIEW OF APPLICATION DMEA-3451 (beryl-mica)

To: Lawrence G. Houk, Defense Minerals Exploration Administration
From: R. D. Trace, U. S. Geological Survey
Applicant's name and address: W. A. Martin, Route 2, Ellenboro, N. C.
Name of property: Martin Prospect
Location of property: Rutherford County, North Carolina
Summary of applicant's proposal:
1) Strip vein.
2) Sink 50 feet and drive 100 feet.
Sources of information on applicant's property:
Information on general area in USGS Prof. Paper 248.
Comments: Applicant states that this is a new prospect. The nearest mine we have a record of is the Maurice Mine, which is probably about a mile south of the Martin prospect.
RECOMMENDATION: Refer to Field Team.

Bob Trace
R. D. Trace

August 18, 1954

Mr. W. A. Martin
Route 2
Ellenboro, N. C.

Subject: DMEA-3451
Re: Exploration Assistance
Martin Prospect

Dear Sir:

The receipt of your application dated August 16, 1954 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA-3451 and referred to the Non-Metallic Minerals Division.

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

Sincerely yours,

Farmers Home administration U.S.D.A.
Will not sign a subordination agreement
without a copy of the contract

W. G. Martin

MF-201
(June 1951)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

# SUBORDINATION AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the undersigned is the holder of a mortgage, claim, lien, or encumbrance identified and described as follows*:

.....

.....

upon that certain parcel of ground described in a certain Exploration Project Contract dated

....., 195...., between .....

.....,

and the United States of America;

NOW, THEREFORE, the undersigned does by these presents subordinate all of his right, title, and interest in said mortgage, claim, lien, or encumbrance to the right, title, and interest of the United States of America under the provisions of said Exploration Project Contract, and agrees that the lien and claim of the United States of America under the provisions of said contract shall be prior to the undersigned's rights under the provisions of said mortgage, claim, lien, or encumbrance; and

The undersigned agrees to commit no act nor assert any right, title, or interest under said mortgage, claim, lien, or encumbrance that might contravene or conflict with the prior lien and claim of the United States of America under the provisions of said Exploration Project Contract.

This undertaking and covenant shall be binding upon the heirs, successors, and assigns of the undersigned.

Dated this ..... day of ....., 195....

.....

*Include date of the instrument, and if recorded, book, page, and county of record.

U. S. GOVERNMENT PRINTING OFFICE 16—64581-2

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. 3451
Metal or Mineral Beryl-Mica
Date Received
Estimated Cost $9,100
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:

W. A. Martin
Route 2
Ellenboro, 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

See land description attached.

(*b*) State any mine name by which the property is known. Martin Prospect

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

Owner

(*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 Deed of trust for $10,800 held by Farmers Home Administration - U. S. D. A.

(*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 Strategic, Beryl, and 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 30 days and be completed within 6 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 Aug 16, 195[illegible]

William A. Martin
(Applicant)

By

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

U. S. GOVERNMENT PRINTING OFFICE 16—66551-1

3 (a) Adjoining this tract is the C. D. Bridges ten acre tract and beginning at a stone, corner of Tom Melton tract and C. D. Bridges, and running thence North 41 West 41 poles and 7 links, with the line of the Tom Melton tract, to a stone; thence North $4\frac{1}{2}$ West $2\frac{1}{2}$ poles to a stake in the branch; thence North 44 East, down the branch as it meanders, 22 poles to a bunch of small poplars on the bank of the branch; thence South 53 East 69 poles to a stake in the line of the Tom Melton tract, thence with the line of the Tom Melton tract South 80 West 44 poles to the beginning, containing ten (10) acres, more or less.

4 (a) This is a new prospect found by me while doing some excavation during farming. Beryl crystals weighing as much as 50 lbs. and smaller and large blocks of mica were found in a test pit 4' x 4' by 8' deep. About 500 lbs. of mica was produced but was sold to a scrap buyer. The Beryl has been retained by me and can be seen at my home. The mine workings are accessible.

(b) No past production - current production made from hand dug pits is 120 lbs. of clean Beryl crystals and 700 lbs. maximum mica from all diggings.

(c) The type of the deposit is a pegmatite vein. Minerals found is clear, smoky, and milky white quartz, weathered and fresh

feldspar of commeicial grade, ruby mica some of which is "A" mica and is clear and hard, Arsenopyrite, large garnet crystals, Tourmaline scattered all over the deposit, one small piece of Ilmenite, and Beryl crystals which are golden, green and blue in color. Mineral identification and analysis has been made of the Arsenopyrite.

(d) The mine is located 2.0 airline miles N3°E of Ellenboro, Rutherford Co., N. C. The mine can be reached by following the Seaboard Airline Railroad to the West for 1 mile to Piney Mountain Baptist Church, then take the first dirt road to the right just beyond the church and follow for 0.9 mile to my farm.

The mine is easily accessible and is located about 14 miles from Shelby, N. C., 7 miles from Forest City, N. C. and about 60 miles from Spruce Pine, N. C. which are shipping and supply points. My residence is within 300 yards of the mine.

(e) Man power, materials, supplies and equipment are available locally. Water is available 100 yards from the mine. Both single and three phase power has been run to within a short distance of the mine.

5 (a) Fill in on form.

5 (b) See sketch sheet.

5 (c) Fill in on form.

5 (d) I have had limited experience in mining but I am familiar with most types of equipment and know how to drill and shoot hard rock. I can carry the exploration proposed to completion. I plan to hire experienced miners for the project.

6 (a) Independent Contracts

| | | |
|---|---|---|
| Bulldozer 30 hours @ 12.00 per hr. | $360.00 | |
| | | $360.00 |

(b) Labor:

| | | |
|---|---|---|
| 1 drillman - 120 shifts @ 1.25 | $1575.00 | |
| 1 hoistman - 120 " @ 1.00 | 1200.00 | |
| 2 muckers - 240 " @ 1.00 | 2400.00 | |
| | | $5175.00 |

(c)

| | | |
|---|---|---|
| Small tools | $200.00 | |
| Steel and hose | 250.00 | |
| Power | 150.00 | |
| | | $600.00 |

(d) Rentals:

| | | | |
|---|---|---|---|
| Air Compressor | 6 mos. @ 200.00 | $1200.00 | |
| Hoist | 6 mos. @ 50.00 | 300.00 | |
| Jackhammer | 6 mos. @ 25.00 | 150.00 | |
| | | | $1650.00 |

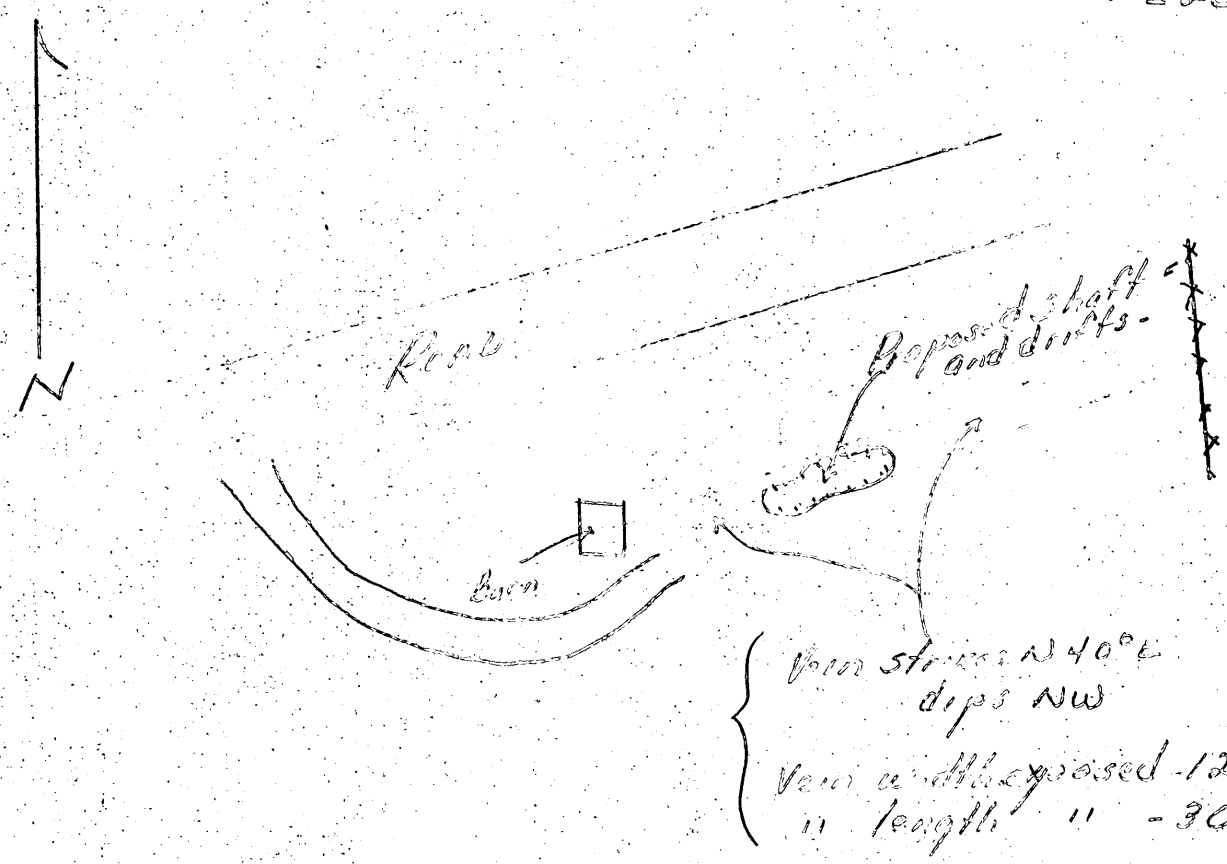
Purchase:

| | | |
|---|---|---|
| Dynamite and Supplies | $600.00 | |
| | | $600.00 |

6 (e) None.

5(b) Sketch of Magna Prospect

scale: 1" = 20'




Proposal:

(a) Strip vein along strike and make cut to determine width of vein.

(b) Sink shaft 50 feet deep. Drive 100 ft. of drifts from shaft bottom.

| | | | |
|---|---|---|---|
| 6 (f) | Tool house | $150.00 | |
| | Powder magazine | 50.00 | |
| | Cap magazine | 25.00 | |
| | | | $225.00 |
| 6 (g) | Payroll taxes - 1½% | $ 90.00 | |
| | Insurance | 150.00 | |
| | Misc. Supplies | 250.00 | |
| | | | $490.00 |
| | | Total | $9100.00 |

DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS
EXPLORATION ADMINISTRATION
~~WASHINGTON, D. C.~~
Knoxville, Tenn
OFFICIAL BUSINESS

(PMGC)

Mr. George C. Selfridge, Chairman
Operating Committee - D.M.E.A.
Dept. of the Interior
Washington 25, D.C.