DMA Form 1

DEFENSE MINERALS ADMINISTRATION
Control Slip

CONTROLLED DOCUMENT

DMA Docket No. 3482

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Exploration Assistance

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Cys to USBM & USGS

Routing Slip

To:	600	Date	9/15/54
To:	Oper Com	Date	10-6-54
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CONTROLLED DOCUMENT

Docket Copy
Surname:
Houk
Kiilsgaard
Hedges
Selfridge
Johnson

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

600

FEB 7 1955

Webb, Cook and Guy
C/o Mr. T. H. Webb
Linville, North Carolina

Re: Docket No. DMEA-3482 - Mica
Webb, Cook and Guy
Davis Mine
Mitchell County, North Carolina

Gentlemen:

Your application for aid for an exploration project and other reports available to us in Washington relating to the subject property have been reviewed.

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

Careful study of all our information indicates to us that the probability of disclosing significant reserves of mica by your proposed program is not sufficiently promising to justify Government participation. We regret to advise you, under these circumstances, that your application for exploration assistance is denied.

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

Sincerely yours,

C. O. Mittendorf

Administrator

LGHouk:gad 2/2/55
Copy to: Admr. R. File
Docket
Field Team, Region V
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

R.C.S.

DOCKET FILE
Surname:

Houk
Selfridge
Yelverton

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

FEB 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-3482 - Mica
Webb, Cook and Guy
Davis Mine
Mitchell County, North Carolina

Dear Mr. Laurence:

Reference is made to our letter of January 24, 1955, and your memorandum reply of January 26, 1955.

After careful consideration of all the information available to this office, the subject application has been denied for the following reasons:

1. Primarily a feldspar mine.
2. No production of mica during World War II suggests potentiality as a mica producer is limited.
3. Pegmatite between south boundary and proposed shaft has been explored by adit.
4. Lease, dated May 14, 1954, is for only two years.
5. Lessor will not sign Owner's Consent to Lien.
6. The assets of the Guarantor selected to execute a guaranty of payment of royalty are insufficient for the purpose.
7. Past experience with projects of this type have been disappointing.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (GCS)

Approved:

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

Thor H. Kiilsgaard (THK)
Member, Geological Survey

LGHouk:ad 2/3/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

R.S.B.

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

Memorandum February 2, 1955

To: Administrator

From: Nonmetallic Minerals Division

Subject: A denial of exploration assistance and summary report.

By: Walter C. Anderson

1. Docket No. DMEA-3482 - Mica
Property: Davis Mine
Mitchell County, North Carolina

Applicants: Webb, Cook and Guy
Newland, North Carolina

Application: Form MF-103, received September 13, 1954.
Work proposed: By applicant - Bulldoze open cut across the pegmatite to a depth of 50 feet. Amount requested $4,290.00.

By DMEA Field Team - Bulldoze shaft site, construct new buildings, sink 75 feet of shaft and drive 100 feet of drift for total estimated cost of $7,040.00.

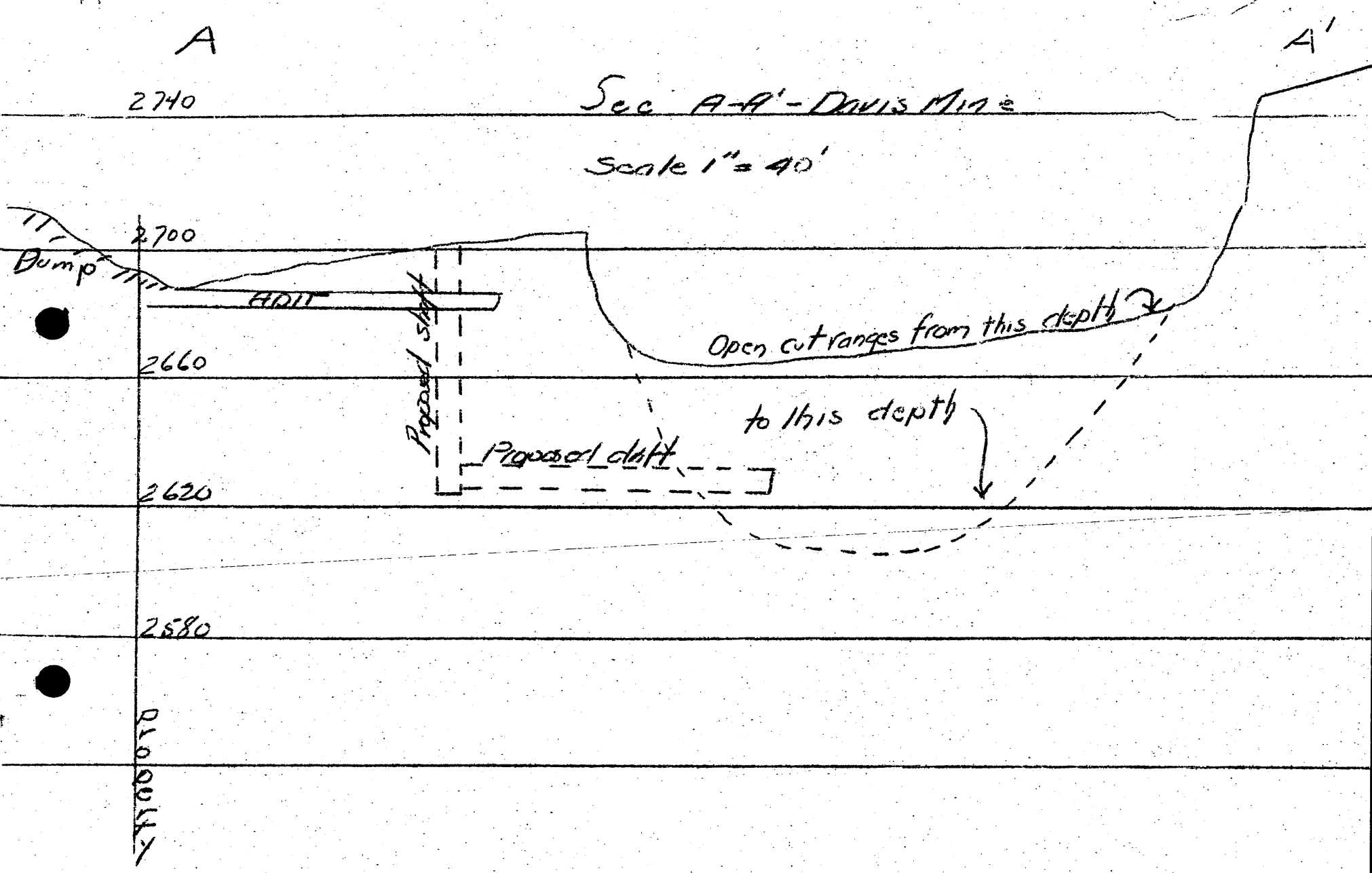
No contract - Recommendation denial.

Comments: The proposal to spend $7,040.00 to gain access to mica shoot previously mined principally for feldspar does not appear justified.

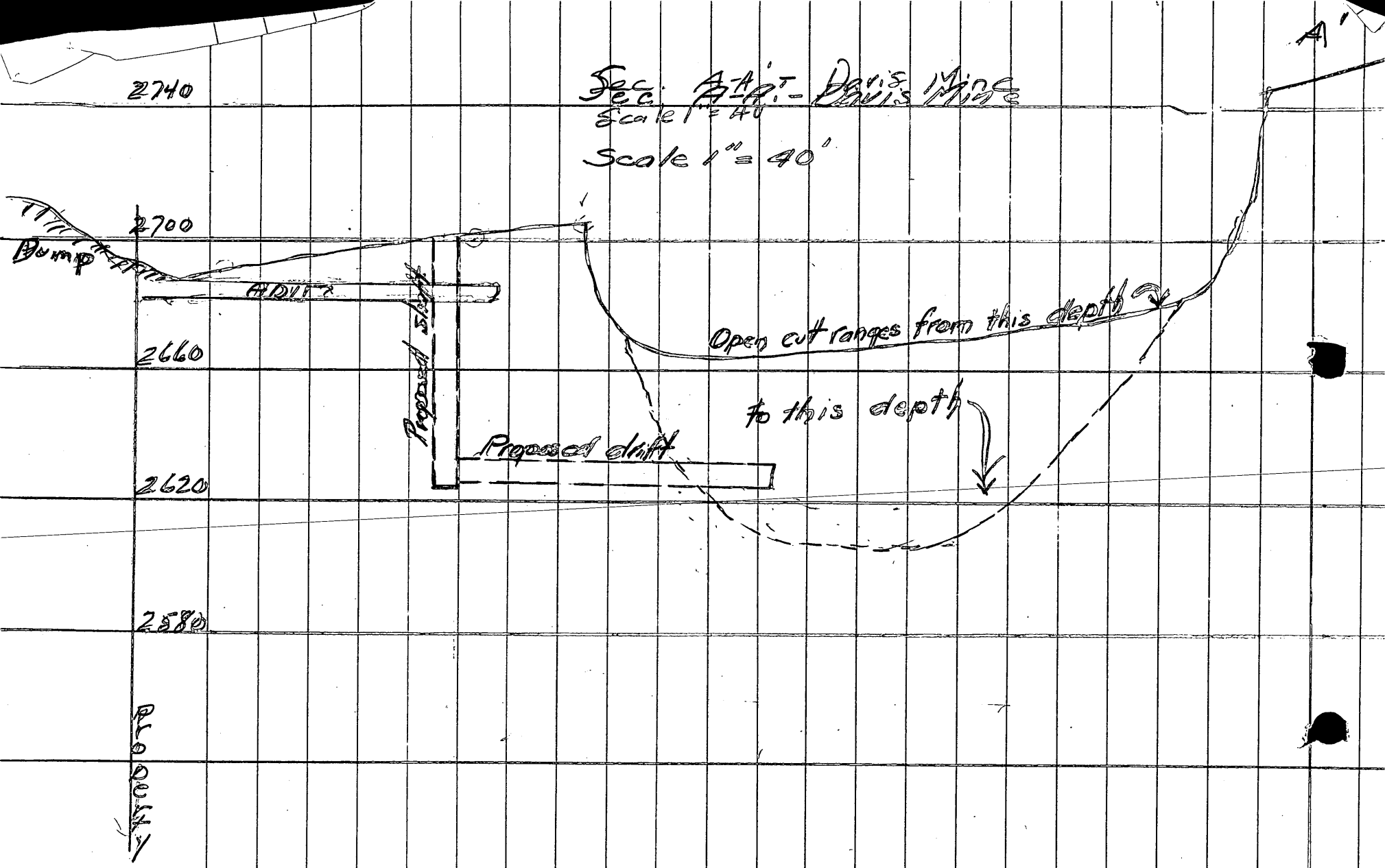
Basis for denial -
1. Primarily a feldspar mine.
2. No production of mica during World War II suggests potentiality as a mica producer is limited.
3. Pegmatite 4 feet thick where exposed. Speculated to have reached 60 feet at south end.
4. Pegmatite between south boundary and proposed shaft has been explored by adit.
5. Virgin ground under exploration consists of less than 1/4 acre.
6. Proposed work will not reach under old works.
7. Lease dated May 14, 1954, is for only two years from date of lease.
8. Lessor will not sign Owner's Consent to Lien.

9. The assets of the Guarantor selected to execute a Guaranty of Payment of Royalty are insufficient for the purpose.
10. Past experience with projects of this type have been disappointing.

Recommendations: The attached vertical section shows old pit and adit and the location of the proposed shaft. The Field Team's reply to our letter of January 24, 1955, failed to provide additional information or strengthen their case for a project. In view of the foregoing data, the Nonmetallic Minerals Division feels that the proposed project does not merit exploration assistance and, therefore, recommends that the denial letter be sent.


A
A'
2740
Sec A-A'-Davis Mine
Scale 1" = 40'
2700
Dump
ADIT
Proposed shaft
2660
Open cut ranges from this depth
to this depth
Proposed drift
2620
2580
2540

Sec. A-A' - Davis Mine
Scale 1" = 40'



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

Defense Minerals Administration
RECEIVED
JAN 27 1955

January 26, 1955

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Docket No. DMEA-3482 (mica) Webb, Cook & Guy, Davis Mine, Mitchell County, North Carolina

Reference is made to your letter of January 24 on the subject mine.

The proposed exploration at this place is designed to explore that block of ground between the large open cut and the southwest boundary of the property, a distanceof 130 feet. Even though the shaft, as located on the map, may not collar in pegmatite, it is located in a pegmatite zone. At the time the deposit was examined, mica was being produced from a shallow pit which is only 20 feet southwest of the southwest property boundary. The shaft site is on a line between the current operation and the large open cut.

Mr. Cook, one of the applicants, reported that the caved adit was driven in pegmatite throughout its length. The portal of this adit is at approximately the 2680-foot level and it was driven northeastward to the area of the proposed shaft site.

Available reports suggest that mica-rich portion of the pegmatite rakes to the south; therefore, with the shaft located as shown on the map, there is a good possibility that the shaft will intersect the mica-rich zone.

We believe that the target size is adequate, thus reaffirm our original recommendation.

Wm. A. Beck
EXECUTIVE OFFICER
DMEA REGION V

K. H. Teague
K. H. Teague, Geologist
U. S. Geological Survey

Docket Copy
Surname:
Anderson
Houk
Selfridge
Ferguson
Mathewson

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

600

JAN 24 1955

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

Subject: Docket No. DMEA-3482 - Mica
Webb, Cook and Guy
Davis Mine
Mitchell County, North Carolina

Dear Mr. Laurence:

Reference is made to the Field Team Examination Report of October 20, 1954, concerning the subject property.

The Field Team recommends a contract to explore the block of ground southwest of the open-cut by sinking a 75-foot shaft and driving a drift in a northeasterly direction for a distance of 100 feet from the bottom of the shaft. The proposed shaft is only 40 feet from the open-cut, and the drift will extend either into or under the open-cut, the maximum depth of which is reported to be 100 feet. We are inclined to deny the application, since most of such projects in the past have been disappointing and because the target size does not justify the expenditure. The target would be more attractive if sinking and drifting on the pegmatite could be justified to search for a new shoot.

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,

George C. Selfridge
Chairman, Operating Committee (JHB)

Approved:

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

Thor H. Kiilsgaard (JHB)
Member, Geological Survey

LGHouk:gad 1/24/55

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

J. RAY BRASWELL
ATTORNEY AT LAW
NEWLAND, NORTH CAROLINA

P. O. BOX 97

DIAL REPUBLIC 3-4983

January 27, 1955

Defense Minerals Administration
RECEIVED
JAN 31 1955

Mr. Lawrence G. Houk, Chief
Nonmetallic Minerals Division
U. S. Department of the Interior
Defense Minerals Exploration Admin.
Washington 25, D. C.

Dear Mr. Houk:

Re: Docket No. DMEA-3482 - Mica
Webb, Cook and Guy
Davis Mine
Mitchell County, North Carolina

We shall appreciate it if you will inform us of the present status of the above entitled application. We have received no acknowledgment of our letter of January 7, 1955, directed to you. The lessor is pushing us to begin operations.

Yours very truly,

J. Ray Braswell

J. Ray Braswell

sgm

Denied 2-4-55

J. RAY BRASWELL
ATTORNEY AT LAW
NEWLAND, NORTH CAROLINA

P. O. BOX 97

DIAL REPUBLIC 3-4983

January 7, 1955

DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
REC'D
JAN 10 1955

Mr. Lawrence G. Houk, Chief
Nonmetallic Minerals Division
U. S. Department of the Interior
Defense Minerals Exploration Administration
Washington 25, D. C.

Dear Mr. Houk:

Re: Docket No. DMEA-3482 - Mica
Webb, Cook and Guy
Davis Mine
Mitchell County, North Carolina

Pursuant to the letter of November 8, 1954 directed to Mr. Webb by the Executive Officer, DEMA Field Team, Region VII, we, by letter dated December 27, 1954, forwarded to the Knoxville office the following amended description:

> "Beginning on a 12 inch white oak, marked by an iron stake at its base and a railroad spike driven into it on the South side, said white oak being on the North side of the road; thence South 70 East 216 feet to two oaks; thence North 65 East 183 feet to two oaks; thence North 30 East 184 feet to a bunch of oaks; thence North 88 West 106 feet to an oak; thence South 75 West 219 feet to an oak; thence South 50 West 180 feet to the beginning. Containing two acres more or less."

On December 29, 1954, we received a letter from the Executive Officer indicating that he was forwarding the amended description to the Washington office.

If you have not yet received this information through proper channels, or if there is any way in which we can expedite the handling of this matter, please so advise. The lessor is anxious that the lessees begin operation.

Yours very truly,

J. Ray Braswell

J. Ray Braswell

sgm

Docket Copy
Surname:
Houk
Mitchenery

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

JAN - 5 1955

Webb, Cook and Guy
C/o Mr. T. H. Webb
Linville, North Carolina

Re: Docket No. DMEA-3482 - Mica
Webb, Cook and Guy
Davis Mine
Mitchell County, North Carolina

Gentlemen:

On November 8, 1954, the Executive Officer, DMEA Field Team, Region VII, wrote you advising that the legal description of the subject land, as given in your mining lease from Penland-Bailey Company is inadequate for use in a contract. To date the information requested has not been forwarded to this office.

In the interest of expediting your application for exploration assistance at the subject property it would be appreciated if you will provide us promptly with the requested information.

Sincerely yours,

SIGNED

Lawrence G. Houk, Chief
Nonmetallic Minerals Division

WCAnderson:gad 1/4/55
Copy to: Admr. R. File
Docket
Field Team, Region VII
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

R.G.B.

ROOM 13 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

DEPARTMENT OF THE ...
Defense Minerals Administration
RECEIVED
DEC 31 1954

December 29, 1954

Mr. J. Ray Braswell
P. O. Box 97
Newland, North Carolina

Re: DMEA-3462 (mica)
Webb, Cook and Guy
Davis Mine

Dear Mr. Braswell:

I have your letter of December 27 supplying the amended description of the Davis mine property, and I am forwarding it to our Washington office.

Our files do not contain a previous letter from you with this information, and none of us have any recollection of having received it. In fact, we were wondering when it was coming.

Very truly yours,

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

RAL/mg
cc
Operating Committee
Division DMEA File
Beck
Lynch
Files

ROOM 13 POST OFFICE BLDG
KNOXVILLE 2, TENN.

DEPARTMENT OF THE
Defense Minerals Administration
RECEIVED
DEC 31 1954

J. Ray Braswell
P. O. Box 97
Mooland, North Carolina

Re: DMEA-3482 (mica)
Webb, Cook and Guy
Davis Mine

Dear Mr. Braswell:

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Very truly yours,

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

RAL/mg
cc
Operating Committee
Division DMEA File
Beck
Lynch
Files

COPY
mg

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 31 1954

P. O. Box 97

J. RAY BRASWELL
Attorney at Law
Newland, North Carolina

Dial Republic 3-4983

December 27, 1954

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

Dear Mr. Laurence:

Re: DMEA-3482 (mica) Davis Mine
Mitchell County, N. C.

Mr. Hooker Webb has checked with us several times to ascertain whether we have had word from you following the supplying of an amended description pursuant to your letter of November 8, 1954. We made a thorough check of our file this morning and it appears that we may have failed to forward the necessary information to you although it was given to us on November 10, 1954.

If we did fail to forward the information at that time, we herewith offer the following amended description:

> "Beginning on a 12 inch white oak, marked by an iron stake at its base and a railroad spike driven into it on the South side, said white oak being on the North side of the road; thence South 70 East 216 feet to two oaks; thence North 65 East 183 feet to two oaks; thence North 30 East 184 feet to a bunch of oaks; thence North 88 West 106 feet to an oak; thence South 75 West 219 feet to an oak; thence South 50 West 180 feet to the beginning. Containing two acres more or less".

As the Penland Bailey Company, lessors, are becoming impatient for operations to begin on the leased premises, and may exercise their right to cancel for failure to commence operations if a definite committment is not forthcoming in the early future, we shall appreciate it

if you will expedite this matter as much as possible.

To assuage our personal embarrassment for apparently having failed to forward this information at the proper time, we shall appreciate it if you will indicate to us whether your file contains a letter from us in which this information was previously given.

Yours very truly,

/s/ J. Ray Braswell

J. Ray Braswell

sgm

COPY
mg

J. RAY BRASWELL
Attorney at Law
Newland, North Carolina

P. O. Box 97

Dial Republic 3-4983

December 27, 1954

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

Dear Mr. Laurence:

Re: DMEA-3482 (mica) Davis Mine
Mitchell County, N. C.

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Yours very truly,

/s/ J. Ray Braswell

J. Ray Braswell

sgm

COPY
mg

J. RAY BRASWELL
Attorney at Law
Newland, North Carolina

P. O. Box 97

Dial Republic 3-4983

December 27, 1954

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

Dear Mr. Laurence:

Re: DMEA-3482 (mica) Davis Mine
Mitchell County, N. C.

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Yours very truly,

/s/ J. Ray Braswell

J. Ray Braswell

sgm

COPY
mg

P. O. Box 97

J. RAY BRASWELL
Attorney at Law
Newland, North Carolina

Dial Republic 3-4983

December 27, 1954

Defense Minerals Administration
RECEIVED
DEC 31 1954

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

Dear Mr. Laurence:

Re: DMEA-3482 (mica) Davis Mine
Mitchell County, N. C.

Mr. Hooker Webb has checked with us several times to ascertain whether we have had word from you following the supplying of an amended description pursuant to your letter of November 8, 1954. We made a thorough check of our file this morning and it appears that we may have failed to forward the necessary information to you although it was given to us on November 10, 1954.

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To assuage our personal embarrassment for apparently having failed to forward this information at the proper time, we shall appreciate it if you will indicate to us whether your file contains a letter from us in which this information was previously given.

Yours very truly,

/s/ J. Ray Braswell

J. Ray Braswell

sgm

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 23 1954

November 22, 1954

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-3482 (mica)

Applicant: Cook and Webb

Name and Location of Property: Davis Mine
Mitchell County, North Carolina

Date of Field Team Report: October 29, 1954

Date Rec'd. by Ceramic & Fertilizer Mtls. Br.: November 15, 1954

Field Team Recommendation:

1. Approval of an exploration project.

Comments:

1. Abandoned workings consist principally of an open cut 230 feet long, 60 feet wide and of an undetermined depth, now filled with water.

2. Proposed exploration by sinking a shaft southwest of the present workings as recommended by the field examiners appears to be the proper approach.

3. Estimated costs totaling $7,038 are in line with other DMEA projects in this area.

Recommendation:

I concur in the field team's recommendation to approve an exploration project at this mine in the amount of $7,038.

W. F. Dietrich

W. F. Dietrich

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
NOV 10 1954

November 8, 1954

Webb, Cook & Guy
c/o T. H. Webb
Linville, North Carolina

Re: DMEA-3482 (mica) Davis Mine
Mitchell County, N. C.

Dear Mr. Webb:

Our Washington office advises us that the legal description of the subject land, as given in your mining lease from Penland-Bailey Company, is inadequate for use in a contract because all reference points are oak trees which are not identified. Therefore, will you please provide an identifiable reference point to which the description may be tied. If it is not convenient to do this, then a permanent marker set in the 12-inch oak tree would probably be satisfactory, and a description of the marker should be provided.

Very truly yours,

Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION VII

RAL/mm
cc:
Beck
Lynch
Opr. Com.-2
Files

IN REPLY REFER TO:

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 9 - 1954

November 8, 1954

Re: DMEA-3482
Guy, Webb & Cook
(Davis Mine)
Mitchell Co., N. C.
$7,038 - 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 Field Team has recommended 75 feet of shaft sinking and 100 feet drifting and/or crosscutting be approved. This is an alternative to the project proposed by the applicant, which was unacceptable to the field examiners.

The Field Team's proposal will test a zone of feldspar and mica which is believed to plunge steeply southward. The exploration ground is between producing mines which trend southwestward.

Griffitts description of the Davis mine indicates that further exploration south of the Davis open cut is geologically warranted.

I recommend the project outlined by the Field Team be approved.

E. L. Newcomb

E. L. Newcomb

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1025 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 1 - 1954

October 29, 1954

Memorandum

To: Operating Committee, DMEA - Washington

From: Field Team, DMEA - Region VII

Subject: Field Examination Report on DMEA-3482(mica) Webb, Cook & Guy. Davis Mine, Mitchell County, N. C.

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

We agree with the recommendations for a project as outlined.

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

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

Reviewed by
DMEA OPERATING COMMITTEE
11-5-54
(date)

...NT OF THE INTERIOR
...ense Minerals Administration
RECEIVED
NOV 1 - 1954

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM, REGION VII

ON

DMEA-3482, DAVIS MINE (mica)
Mitchell County, N. C.

BY

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

and

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

October 20, 1954

Reviewed by
DMEA OPERATING COMMITTEE
11-5-54
(date)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 1 - 1954

FIELD EXAMINATION REPORT
ON
DMEA-3482, DAVIS MINE (mica)

Applicant: T. H. Webb and Dick Cook, Linville, N. C., and Robert Guy of Newland, N. C. c/o Robert Guy, Newland, N. C.

Very little information can be obtained from an examination of this deposit. No work has been done in 19 years, and old openings are slumped and filled. The near by Long Cut Mine is producing at present large quantities of strategic mica, and reports suggest that mica bearing pegmatite remains at the Davis Mine. Exploration assistance is recommended.

The mine was examined on October 20, 1954. Messrs. T. H. Webb and Dick Cook accompanied the examiners on the inspection which required two hours.

The Davis Mine is 0.2 mile north of the North Toe River and 2.5 miles N. 55° W. of Spruce Pine, Mitchell County, North Carolina. Access is good at all times.

The applicants appear capable to conduct the proposed exploration.

No surface facilities exist on the property, although a single phase electric line is near by.

Workings consist of an open cut 230 feet long, 60 feet wide, and of unknown depth (reported near 100 ft. at the south end). It is now filled with muck and water to within 30 feet of the rim. In addition to the large open cut a caved adit is reported to extend under the dump along the west side of the cut. Mr. Dick Cook's father was killed by a cave-in in the adit.

The following is taken from an unpublished U. S. Geological Manuscript prepared by Wallace R. Griffitts in August 1944:

"The country rock in the area is coarse-grained composed of oligoclase, microcline, quartz and muscovite. It has a distinct banding due to parallel streaks of mica separated by quartz and feldspar. In the north end of the Davis cut the banding of weathered granite strikes N. 32° E. and dips 55° to the east. There are three masses of weathered gneiss, apparently inclusions or pendants in the granite. One, which forms the south wall of the cut, is severely contorted. The attitude of the foliation of each of these masses differs from that of the other two, suggesting that they are separate rather than parts of a larger mass of gneiss. Before weathering the rock apparently was mica gneiss or schist composed of at least 60 percent mica, with quartz and feldspar the other most abundant minerals. Pockets of weathered feldspar 3 or 4 inches across are scattered through the gneiss. At the contact of the gneiss with the granite is a 3 to 5 inch layer of mica schist. Except for the pockets of feldspar and the border zone of mica schist there is no evidence of contact action."

"The pegmatite at the Davis Mine is now exposed only in the north end of the cut where it is about 4 feet thick. The maximum thickness farther south may have approached 60 feet, the width of the cut. The strike at the surface probably was near N. 40° E. and the dike was probably either vertical or steeply inclined to the east. The workings are reported to deepen toward the south, showing that the zone of feldspar and mica plunged southward."

"Microcline, oligoclase, quartz, muscovite, and one crystal of beryl were found on the dump. Large chunks of massive quartz suggest that the pegmatite had a quartz core. All information concerning the mica must be gained from indefinite reports and from material found on the dump. The reported deepening of the workings toward the south indicates that the zone of feldspar and mica plunged in that direction. Green "A" mica imbedded in quartz and flakes of greenish-brown mica were found on the dump, suggesting that "A" mica occurred at the margins of a quartz core whereas flat mica occurred in feldspar."

Both the Long Cut and Gudger Mines, which are located a few hundred feet southwest and south of the Davis Mine, have been substantial producers of mica. At present the Long Cut Mine is a large producer. Although the Davis Mine has been worked mainly for feldspar, reports indicate that substantial quantities of mica were produced also. The examiners are of the opinion that this deposit has a good chance to become a producer of significant amounts of strategic mica. Exploration assistance is recommended.

The program of exploration as outlined in the application is not acceptable. It involves, to a large extent, moving old dump. The examiners believe that the most logical approach is to sink a 75-foot shaft at the point shown on the attached map, then, drive a level northeast on the pegmatite. This approach is agreeable with the applicants.

Estimated Cost:

Shaft site preparation (removal of estimated 150 cu. yds. of overburden).		
Bulldozer, 5 hrs. @ $10.00/hr.	$50.00	
Toolhouse	75.00	
Powder magazine	25.00	
Exploder "	13.00	
		$ 163.00
Sink 75-foot 5' x 7', 2 compartment timbered shaft (40 shifts).		
Labor:		
1 miner @ $1.50/hr.	480.00	
1 hoistman @ $1.25/hr.	400.00	
1 laborer @ $1.00/hr.	320.00	
Equipment (rental)		
Compressor and drill @ $220/Mo.	440.00	

Equipment (rental con't)

Hoist @ $50/ Mo.	$100.00	
Pump @ $25/Mo.	50.00	

Supplies:

Gasoline and oil	150.00	
Explosives	200.00	
Steel	125.00	
Timber, 7,000 B.F. @ $65/M	455.00	
Pipe	75.00	
Small tools	100.00	
Miscellaneous, etc.	260.00	
Social Security, Insurance ---	200.00	
		$3,375.00

45.00

Drive 100 feet of drift and/or crosscut (40 shifts)

Labor: $1 15.20

1 Miner @ $1.50/hr.	480.00	
1 hoistman @ $1.25/hr.	400.00	
2 Laborers @ $1.00/hr.	640.00	15.20

Equipment (rental) 6.30

Compressor, drill & jackleg @ $240/Mo.	480.00	
Hoist @ $50/Mo.	100.00	
Pump @ $25/Mo.	50.00	6.30

Supplies:

Gasoline and oil	200.00	
Explosives	300.00	
Steel	150.00	
Pipe	100.00	
Small tools	100.00	
Miscellaneous	200.00	
Insurance, Social Security, etc.	300.00	$3,500.00

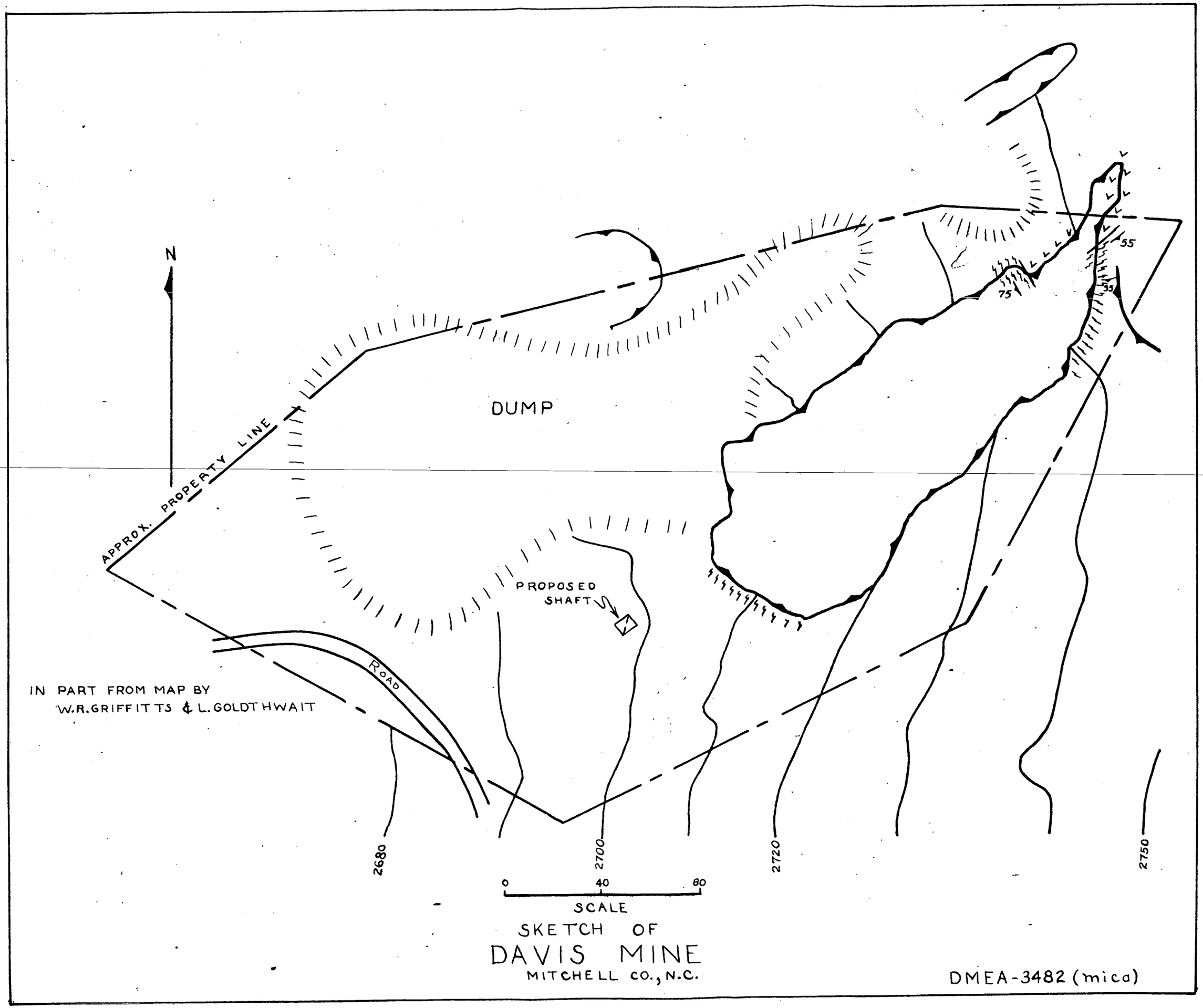
35.00

Estimated total cost..... $7,038.00

Date of Inspection - October 20, 1954

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

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



SKETCH OF
DAVIS MINE
MITCHELL CO., N.C.

DMEA-3482 (mica)

Docket Copy
Surname:
Houk
Hedges
Kiilsgaard
Selfridge
J. Johnson

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

OCT 6 1954

Mr. T. H. Webb
Webb, Cook & Guy
Linville, North Carolina

Re: Docket No. DMEA-3482 - Mica
Webb, Cook & Guy (T. H. Webb, Dick Cook, and Robert Guy)
The Davis Mine
Mitchell County, North Carolina

Dear Mr. Webb:

Your application for assistance in exploring the subject property has been reviewed by the Nonmetallic Minerals Division of the Defense Minerals Exploration Administration and has been referred to Mr. Robert A. 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,

C. O. Mittendorf

Administrator

LGHouk:gad 10/4/54
Copy to: Admr. R. File
Docket
Operating Committee
Field Team, Region VII
Mr. Dietrich, 3061
Mr. Kiilsgaard, 5227
Mr. Houk

R.C.G.

Docket Copy
Surname:
Houk
Selfridge
Kjellman

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

OCT 6 1954

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

Subject: Docket No. DMEA-3482 - Mica
Webb, Cook & Guy, (T. H. Webb,
Dick Cook, and Robert Guy)
The Davis Mine
Mitchell 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 September 16, 1954, and from the Bureau of Mines, dated September 28, 1954, are enclosed for your information.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee (GHB)

Approved:

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

Thor H. Kiilsgaard
Member, Geological Survey (GHB)

Enclosures 4
LGHouk:gad 10/4/54
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5227
Mr. Dietrich, 3061
Mr. Houk

P.C.L.

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

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-3482 (mica)

Applicant: Cook and Guy Webb

Name and Location of Property: Davis Mine
Mitchell County, North Carolina

Date Application Rec'd. by Ceramic & Fertilizer Mtls. Br.: 9/15/54

Comments:

1. No data available in this office on subject mine.

2. Proposed exploration described in 5(b) does not mention underground work but costs include items for bulldozing and underground work. If an exploration project is approved for this mine, cost should be on a unit-cost basis.

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.

Donald R Irving

Donald R. Irving

IN REPLY REFER TO:

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

RECEIVED
SEP 17 1954

September 16, 1954

Memorandum

REVIEW OF APPLICATION DMEA-3482 (Mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: E. L. Newcomb, U. S. Geological Survey
Applicant's name and address: T. H. Webb, Linville, N. C.
Name of property: Davis Mine
Location of property: 3.75 mi. from Spruce Pine, N. C.
Summary of applicant's proposal:
40 hours -- bulldozing
Total cost -- $4,290
Sources of information on applicant's property:
We have no available information on this property.
Comments:

Overall cost of project is high for type of work proposed.

Apparently this property was not explored or developed during the last war, this could indicate potentiality as a mica producer is limited.

RECOMMENDATION: Application should be referred to Field Team. The need for a field examination to be determined by the Field Team.

E. L. Newcomb
E. L. Newcomb

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

September 15, 1954

Memorandum

To: Executive Officer, DMEA Field Team, Region VII

From: Chief, Operation's Control and Statistics Division

Subject: Assignment of Docket Number

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

DMEA-3482 Webb, Cook, & Guy

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

9/15/54

Webb, Cook, & Guy
Newland
North Carolina

Subject: DMEA-3482
Re: Exploration Assistance
The Davis Mine

Gentlemen:

The receipt of your application dated August 30, 1954 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA-3482 and referred to the Non-Metallic Minerals Division.

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

Sincerely yours,

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 13 1954

September 10, 1954

Memorandum

To: Operating Committee, DMEA - Washington

From: Acting Executive Officer, DMEA - Region VII

Subject: Application of T. H. Webb, Dick Cook and Robert Guy ; on the Davis Mine , Mitchell County, N. C. (mica)

Transmitted are the original and two copies of the subject application, together with the original and two copies of their lease.

The applicants were unable to get an Owner's Consent to Lien signed, therefore will present the quaranty of royalties by a responsible third party, Mr. Grant Webb, Register of Deeds of Avery County, North Carolina. A financial statement of Mr. Webb is enclosed.

Wm. A. Beck

Wm. A. Beck

Department of the Interior
Defense Minerals Administration
RECEIVED
SEP 13 1954

September 10, 1954

Memorandum

To: Operating Committee, DMEA - Washington

From: Acting Executive Officer, DMEA - Region VII

Subject: Application of T. H. Webb, Dick Cook and Robert Guy ; on the Davis Mine , Mitchell County, N. C. (mica)

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Wm. A. Beck

WAB/wm
Beck
Lynch
Lawrence

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
Form Approved
Budget Bureau No. 42-R1035.2.
RECEIVED
SEP 13 1954

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. 3482
Metal or Mineral MICA
Date Received
Estimated Cost $4,290
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: Webb, Cook & Guy, Newland, N. C.; T. H. Webb, Linville, N. C.; Dick Cook, Linville, N. C.; Robert Guy, Newland, 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 attached paper

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

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

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

(*e*) If you own the land, describe any liens or encumbrances on it Not Applicable

(*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 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 10 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 AUGUST 30, 1954

Webb, Cook & Kelly
(Applicant)

By T. H. Webb

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

DIVISION OF THE INTERIOR
Geologic Minerals Administration
RECEIVED
SEP 13 1954

Supplement to MF-103---Webb, Cook and Guy, Newland, N. C.

3. Applicant's property rights: The Davis Mine on Bailey property in Snow Creek Township, Mitchell County, N. C. which lies within a boundary more particularly described as follows: BEGINNING on a twelve inch White Oak on the north side of the road. Thence South 70 East 216 feet to two Oaks. Thence North 65 East 183 feet to two Oaks. Thence North 30 East 184 feet to a bunch of Oaks. Thence North 88 West 106 feet to an Oak. Thence South 75 West 219 feet to an Oak. Thence South 50 West 180 feet to the beginning. Containing two acres more or less.

4. Physical description (a): No recent operations have been conducted on leased premises. There is evidence of two or three shafts having been sunk in the past. Now filled. A tunnel was made on the southern extrimity of the property about 30 years ago and is believed to be about 150 to 200 feet long. The mouth of the tunnel is closed by debris.

Accessibility: Leave N. C. Highway No. 26 about 3 miles west of Spruce Pine, turn left on dirt road and it is approximately ¾ mile to proposed mine. Road is southern boundary of leased premises.

(b) No current production. Past production unknown. Indications are of high grade mica in practical workable quantities.

(c) Geologic features are characteristic of the Spruce Pine Mineral District, the leased premises being located on the western slope of a mountain. Abundant evidence of mica and feldspar. Mica is thought to lie in a vein running southwest to northeast. Reasons for wishing to explore; Dick Cook, one of the applicants, participated in workings about 30 years ago on this property and he is convienced that it contains marketable mica in profitable quantities. See attached sketch.

(d) Project adjoins and is served by road described in 4 (a) above. Shipping, supply and residence points are in Spruce Pine, 3¾ miles distance from the project.

(e) Manpower, materials, supplies, equipment, water, and power are easily available.

5. 5 (b) Work proposed as follows: By means of a bulldozer or drag line, to make an open cut across and at right angles to axis on which vein is believed to run. Cut should not have to be more than 50 feet deep.

(d) T. H. Webb has no premious mining experience; Dick Cook has ten years experience in mining mica as an actual miner; Robert Guy has more than ten years experience with mica mining as a lessor, lessee and operater and financial backer of various mines. Dick Cook will supervise.

Supplement to MF-103---Webb, Cook and Guy, Newland, N. C.

6. (a) Independent contracts: 40 hours bulldozing @ $18.00 per hour--$720.00.

(b) Labor, supervision, consultants: Supervisor: $1.25 per hour, estimated 480 hours--$600.00. Drill runner: $1.00 per hour, estimated 480 hours--$480.00. Laborers: 4 @ .75 per hour, 1920 man hours--$1240.00.

(c) Equipment: (1) Rental basis:

Compressor (3 months)	$600.00
Hoist (3 months)	225.00
Drill & jackleg (3 months)	150.00
Sump pump (3mmonths)	150.00

(2) Purchase:

Hose	$100.00
Pipe	100.00
Dynamite & caps	300.00
Gasoline	200.00
Shovels	20.00
Tracking	150.00
Muck truck	35.00

(f) New buildings, improvements, installations: House to maintain equipment $50.00.

(h) Contingencies: $250.00.

7. (a) Yes.

(b) Money.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 13 1954

Financial Statement

Grant Webb

Assets:

66 Acres Land	$2,000.00		
1/2 Interest in one lot	500.00		
Real Estate Mortgage	800.00		
Savings Acct in Avery Co Bank	4,575.00	Approx.	
U.S. Government Bonds dated from 1-26-1942 to August 28,1954	8,375.00	Maturity Value	
	$16,250.00		$16,250.00

Liabilities

Official Bond	$5,000.00	
Endorsement on Notes	500.00	
Hospital Bill	75.00	
	$5,575.00	5,575.00
		$10,675.00

The above Financial Statement is true to the best of my knowledge and belief. This 8th day of September, 1954.

Grant Webb

Grant Webb.

Division of the Interior
Lessee Minerals Administration
RECEIVED
SEP 13 1954

MINING LEASE

THIS LEASE, made the 14 day of May, 1954 by

Penland-Bailey Company, hereinafter called the "LESSOR"

and T.H.Webb, Dick Cook and Robert Guy hereinafter called the "LESSEE", who represent themselves to be independent contractors.

WITNESSETH

That the Lessor, in consideration of the covenants, agreements and promises made by the Lessee, does by these presents grant unto the Lessee the exclusive right and privilege to mine and take from the following described mines all the merchantable feldspar and mica within the mines more particularly described as follows:

The Davis Mine on Bailey property in Snow Creek Township, Mitchell County, N.C. which lies within a boundary more particularly described as follows:

Beginning on a twelve inch White Oak on the north side of the road. Thence South 70 East 216 feet to two Oaks. Thence North 65 East 183 feet to two Oaks. Thence North 30 East 184 feet to a bunch of Oaks. Thence North 88 West 106 feet to an Oak. Thence South 75 West 219 feet to an Oak. Thence South 50 West 180 feet to the beginning. Containing two acres more or less.

Together with full rights to erect and maintain machinery in and upon the premises described as aforesaid for conveniently and skillfully mining said feldspar and mica.

IT IS AGREED that this lease is executed for the sole purpose of mining the aforesaid minerals and that the Lessor retains the right to use the premises for all other purposes other than mining feldspar and mica.

IT IS AGREED that the Lessee will immediately begin active work in operating said mines and will prosecute its mining operations in good faith and with due diligence and activity in order to produce a maximum output from said mines and the Lessee further agrees to remove and use all marketable feldspar and mica found in operating the mines covered by this lease. In the event that the Lessee fails to actively and continuously operate any mine for a period of 30 days, this lease shall, at the option of the Lessor, terminate and become null and void.

THE LESSEE AGREES to pay to the Lessor as royalty the sum of Seventy Five (75¢) Cents per ton for all merchantable feldspar sold or removed from said mines and One-Eighth (1/8) of the best price obtainable for all merchantable mica sold or removed from said mines. It is agreed that the royalty due the Lessor under the terms of this lease will be HELD IN TRUST by the Lessee and paid over to the Lessor on or before the day upon which payment shall become due as hereinafter provided. It is agreed that on or before the tenth day of each month during the life of this lease the Lessee will make complete settlement and pay all royalties due the Lessor for minerals sold, shipped or removed from the premises during the preceding month. It is further agreed that the Lessor shall have a first and valid lien on all minerals mined under the terms of this lease and upon all plant and equipment of the Lessee until Lessor's royalties and advances have been paid in full and all other provisions in this contract complied with, provided that all minerals actually sold and shipped hereunder shall go free of any lien as against the purchaser. In order to facilitate the settlements for royalties, it is agreed that the Lessee will at the time of each settlement furnish the Lessor a duplicate bill of lading for each car of minerals shipped during the preceding month. For shipments other than carloads, the Lessee will furnish the Lessor with a certified statement as to the correct weight of said shipments. The Lessee will also furnish the Lessor with detailed statements, signed by the purchaser, of all mica sales. It is agreed that the acceptance of royalties by the Lessor under the provisions of this lease is to be a credit in behalf of the Lessee but is not to be taken or considered as a waiver for any damages the Lessor may be entitled to recover from the Lessee for any breach or breaches that Lessee may make of any duty or covenant expressed or implied in this lease or as an estoppel against Lessor in this respect.

IT IS AGREED that Lessee will conduct its mining operations in a business-like and a workman-like manner with due regard to Lessor's rights of the mineral deposits and premises and to that end the Lessee agrees to keep and maintain the mines and all parts thereof in good and sufficient repair at all times during the continuance of this lease and to work and operate said mines in a good and skillful manner and, as the work progresses, to work the mines clean as practically possible and to keep the mines and all parts thereof properly timbered and supported and, in case of open work, to properly slope the walls and banks so they will not slide or fall in; that no waste, rubbish or refuse will be dumped, thrown or placed in the mines or other improper places; that no "ground hogging" will be done or permitted; that no waste will be committed or permitted, nor avoidable damage done the mines or premises and that no kaolin clay deposit or operations on the premises or adjoining premises of the Lessor will ever be interfered with in any way.

IT IS AGREED that the Lessor, its agents and representatives shall at all times have the right to enter into the mines and premises for the purpose of inspection and ascertaining if the covenants and agreements of this lease are being complied with and in the event the Lessor should desire to exhibit the premises to any person or persons, it is agreed that the Lessor has this right.

IT IS AGREED that any buildings constructed on the premises by the Lessee shall remain thereon as fixtures and the property of the Lessor.

IT IS AGREED that the Lessor is in no way to be considered or held liable for any operations under this lease and is in no event and under no circumstances to be held liable in any way for any debt, tort or other liability of the Lessee, its agents or employees.

IT IS AGREED that in the event the Lessee fails to well and truly keep and respect the covenants, agreements duties and conditions of this lease or any of them, such breach or default shall immediately at the option of the Lessor operate as a forfeiture and determination of this lease and all the rights and privileges of the Lessee shall at once cease and determine and all operations under this lease shall end at once and the Lessor be at once privileged and is hereby authorized to enter upon and take full and complete possession of the premises together with the minerals that may have been severed and all privileges given to the Lessee by the terms of this lease. Nothing in the provisions of this lease is intended to abridge the Lessor's rights in any action for the non-performance of the covenants of this lease.

THE TERM OF THIS LEASE is Twenty Four months from the date hereof, subject to the forfeiture clauses herein contained.

THIS LEASE is not transferable or assignable by the Lessee.

IT IS AGREED that the parties hereto may by written agreement waive, modify and change any provision of this lease but no parol waiver, change or modification will be claimed by the Lessee nor will such be effective to alter any provision of the same.

IT IS FURTHER AGREED that this paper writing states the entire contract and agreement between the parties and should any subsequent change of the same be hereafter made to become binding and effectual between the parties hereto, it shall be reduced to writing and be signed by all parties hereto and attached to this lease to speak for itself. All agreements leading up to the execution of this lease being merged into this writing.

IN WITNESS WHEREOF the said parties hereunto subscribe their names and affix their seals the day and year first above written.

PENLAND-BAILEY COMPANY (SEAL)

Attest:

Margaret P. Bailey
Secretary

By J. Murray Bailey
President

T. H. Webb (SEAL)

6 copies.
Executed in ~~duplicate~~.

Dick Cook (SEAL)

Robert B. Bailey (SEAL)

Rider No. 1: Lessor herewith agrees that this lease may be renewed from year to year, provided all terms and conditions herein have been complied with.

PENLAND-BAILEY COMPANY (SEAL)

By J. Murray Bailey
President

T. H. Webb (SEAL)

Dick Cook (SEAL)

Robert B. Bailey (SEAL)

NORTH CAROLINA

AVERY COUNTY

I, Georgia S. LaBarbera, Notary Public in and for said County and State, do hereby certify that T. H. WEBB, DICK COOK and ROBERT B. GUY, personally appeared before me this day and that they each acknowledged the due execution of the foregoing Lease.

Witness my hand and Notarial Seal this 15 day of July, 1954.

Georgia S. LaBarbera
Notary Public

MY COMMISSION EXPIRES APRIL 23, 1956

My commission expires:

NORTH CAROLINA

Avery COUNTY

This ___ day of _____, 1954, personally came before me _____, Notary Public in and for said County and State, J. Milton Bailey, who, being by me duly sworn, says that he is the President of Penland-Bailey Company and that he signed his name to the above mining lease and affixed his seal and that said instrument is the act and deed of said Penland-Bailey Company.

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

.....
Notary Public

My commission expires:

STATE OF NORTH CAROLINA

COUNTY OF Buncombe

ACKNOWLEDGMENT

I, Mamie C Clayton, Notary Public in and for said County and State, do hereby certify that M P Bailey, Secretary, personally appeared before me this day and acknowledged that she is Secretary of Penland-Bailey Company, a Corporation, and that by authority duly given and as the act of the Corporation, the attached Mining Lease was signed in its name by its President, J Melton Bailey, sealed with its corporate seal and attested by ~~him~~ her self as its Secretary.

Witness my hand and Notarial Seal this 23 day of July, 1954.

Mamie C Clayton
Notary Public

My commission expires:
1-12-56

STATE OF NORTH CAROLINA,
MITCHELL COUNTY.

The foregoing certificate of Mamie C. Clayton, a Notary Public of the State of North Carolina, and County of Buncombe, and the certificate of Georgia S. LaBarbaer, a Notary Public of the State of North Carolina, and County of Avery, each with their seals attached are adjudged to correct and according to law. Let the instrument with the certificate be registered. This the 27th, day of July, 1954.

C P Greene
Clerk Superior Court.

Filed for Registration on the 27 day of July 19 54 at 9:30 o'clock A. M., and Registered in the office of the Register of Deeds for Mitchell County, N. C. this 9 day of August 19 54 at 1:00 o'clock P M., in Book 81 of Deeds, on Page 101 etc.

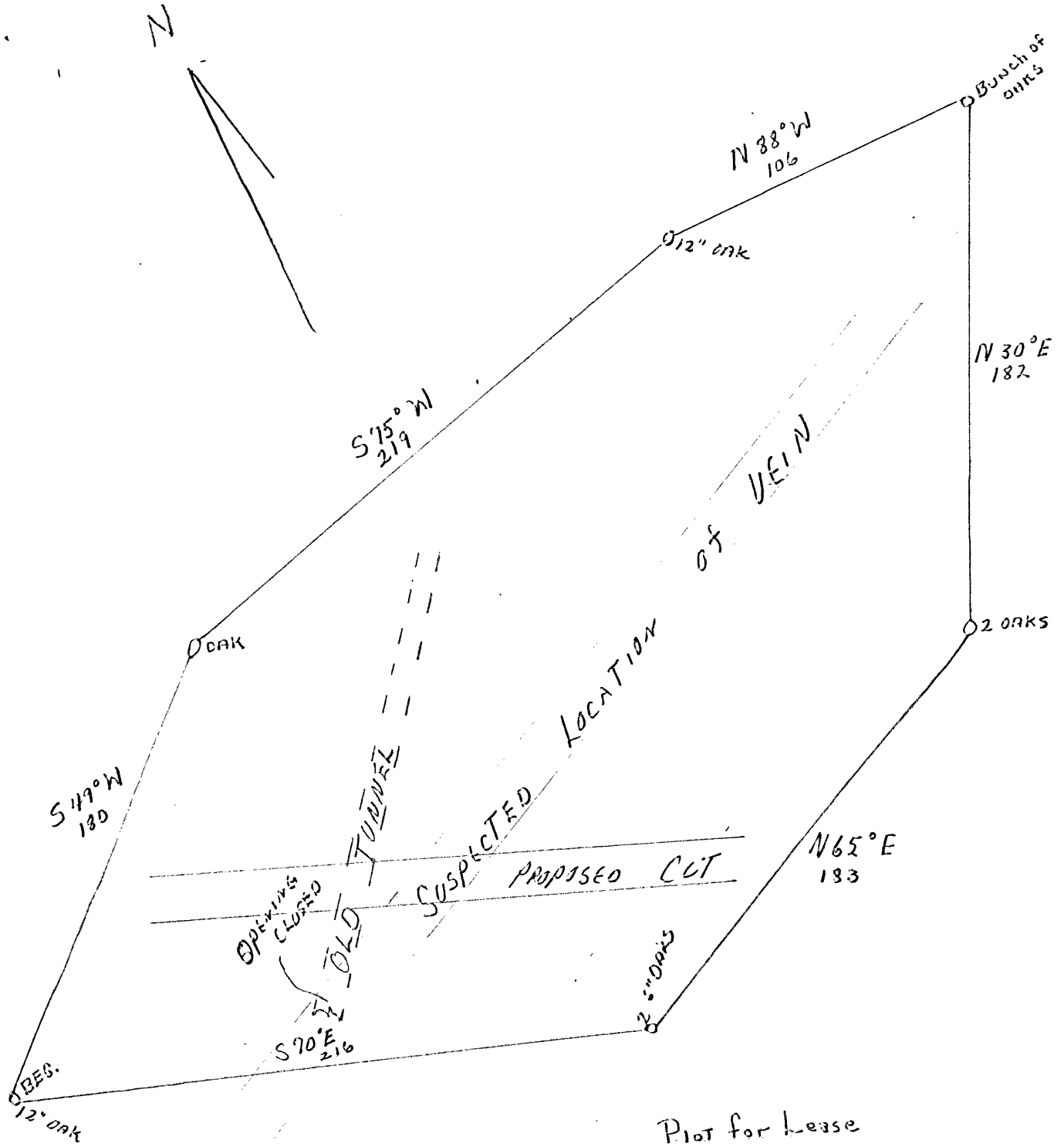
John Hobson Jr.
Register of Deeds

1201 NORTH DIVISION STREET
SPOKANE 2, WASHINGTON

OFFICIAL BUSINESS

3 CENTS 3 30 CENTS 30
1954 1954

Contract Administration and Audit Division
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.



Plot for Lease

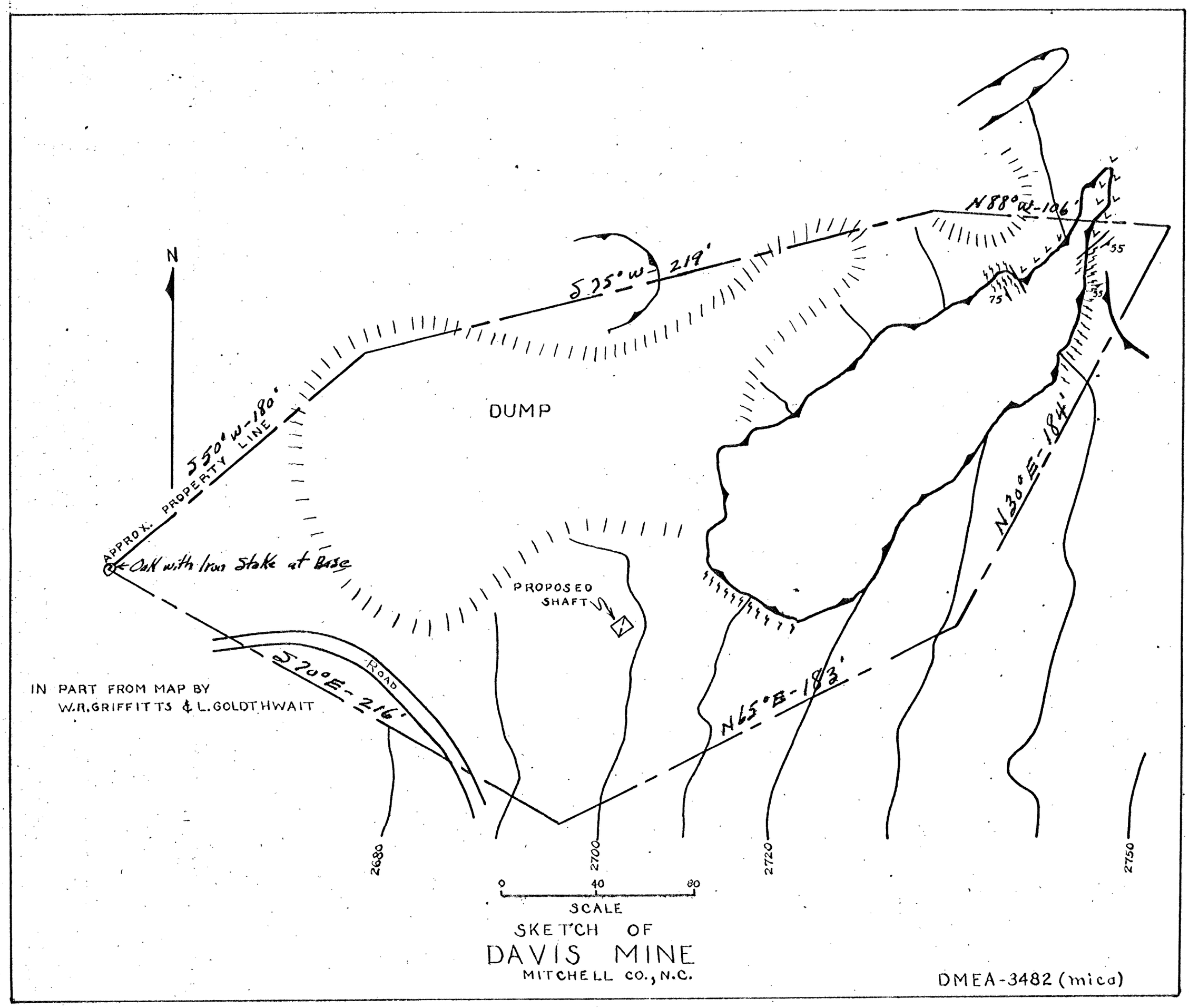
Old Davis Mine

Penland, N.C.

Inch: 50 feet

Surveyed 3/26/54

2 Acres More or less



SKETCH OF
DAVIS MINE
MITCHELL CO., N.C.

DMEA-3482 (mica)