☑ Audited

☐ Certified

WO[redacted] ANALYSIS SHEET - DMEA PROJECT [redacted]

Analysis as of August
Incl. Voucher for March

☐ Actual Cost

☑ Agreed Unit Costs

Name Nonmetallic Minerals Corp

Docket No. 3572

State North Carolina

Commodity Mica

Idm-E No. 761

OPERATION	AUTHORIZED Units	AUTHORIZED Cost	COMPLETED Units	COMPLETED Cost	NET COST
Drifting & Crosscutting	75	2625.00	—	—	—
Raising					
Shafts	50	22.50	—	—	
Winzes					
Drilling (Specify)					
Surface Excavation		240.00 200.00		200.00	200.00
Underground Excavation					
Roads and Trails					
Operating Equipment Purchased					
Surface Rehabilitation & Repairs					
Underground Rehabilitation					
New Building, Improvements, etc.		113.00		—	—
Other (Specify)					
Totals		5428.00		200.00	200.00

Terminated after Stage I

Prepared by [signature]

71626

RECEIVED
AUG - 8 1955

TERMINATION AGREEMENT

It is agreed this 15th 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 Non-Metallic Minerals Corporation, a North Carolina Corporation, hereinafter called the "Operator", parties to that certain Exploration Project Contract Idm-E761, Docket No. DMEA-3572, dated 1st February 1955, hereinafter called the "Contract," that:

1. Effective March 15, 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. Any work or operations prosecuted or costs incurred by the Operator beginning with said effective date, except as otherwise provided in this termination agreement, shall be for the sole account of the Operator without contribution by the Government.

4. 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.

5. 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.

6. 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. Lawrence
EXECUTIVE OFFICER
DMEA - REGION V

NON-METALLIC MINERALS CORPORATION

By Howard Simpson
Howard Simpson, President and General Manager.

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Non-Metallics Minerals Corporation
Box 39
Burnsville, North Carolina

pertaining to Exploration Project Contract No. Idm-8761, Docket No. DMEA-3572, for the month of March 1955, covering a project for the exploration of mica on property, known as the Irby Cut Mine, located in Yancey County, North Carolina.

My review included an examination of the Monthly Reports (Forms MF-104) and supporting documents attached thereto, comparison of the costs claimed with the contract and pertinent schedules, verification of the performance of the work by reference to Field Team Reports, and a determination of the reasonableness and propriety of the costs.

This review was made in lieu of a final audit of the Operator's accounts and records for the following reason:

all of the costs incurred were under a contract provision for payment by the Government on the basis of fixed unit costs of work actually performed.

The review disclosed the following facts in regard to the amount paid or to be paid the contractor:

Total cost as billed by Contractor		$200.00
Exceptions:		
By DMEA Finance Officer	$ -0-	
Herewith	-0-	-0-
Total Accepted Cost		$200.00

The contract calls for a 75 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of One hundred fifty and no/100 Dollars

$150.00

is considered valid and proper, provided that the Regional Executive Officer, the Administrator, or other competent official has accepted or will accept the project as having otherwise met the terms of the contract.

E. D. Talbert, Auditor

August 15, 1955

Operator's copy

MF-200A
(Revised June 1954)

Docket No. DMEA - 3572

Commodity Mica

Contract No. Idm-E - 761

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

It is agreed this 1st day of February, 1955, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2] Non-Metallic Minerals Corp., a North Carolina corporation, whose mailing address is Box 39, Burnsville, North Carolina, hereinafter called the "Operator," as follows:

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

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

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

(b) The Operator represents and undertakes that:

(1) The Operator is the [4] owner of [5] the mineral rights in the land, in possession and entitled to possession for all of the purposes of this contract, under and by virtue of a [6] deed, [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: None

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

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

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

ARTICLE 3. *The exploration project.*—The project is a search for indicated or undeveloped deposits of ~~mica~~ The work to be performed is described in Exhibit "A." The Operator on or before March 15, 1955 shall commence the work, and on or before ~~4 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 $~~5,428.00~~ The Government will contribute ~~75~~ percent of the fixed unit costs as work is performed, in a total sum not in excess of $~~4,071.00~~: *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, dri hole logs and locations, and assay reports on samples taken concurrently with advance in mineralize 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 t contribute to costs, the Operator shall furnish the Government with five copies of a final report (i addition to the final progress report and voucher). This final report shall include a geological and engi neering evaluation of the results of the work performed under the contract with an estimate of the or reserves resulting from such work, complete assay data, adequate geological and engineering maps o 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 an documentary evidence covering all production to which the Government's percentage royalty relates, suc as copies of smelter or concentrator settlement sheets, and certified accounts of production and sale o other disposition of production.

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

ARTICLE 7. *Repayment by Operator.*—(a) *Certification.*—If the Government considers that discovery or development from which production may be made has resulted from the work, the Govern ment, at any time not later than six months after a sufficient final report and final account (see Articl 6) has been rendered, may so certify in writing to the Operator. Such certification shall describe broadl 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 o 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 suc 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 b 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,* tha 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 an assaying to determine the value of the production sold, and freight paid by *the buyer* to a carrier (no 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 pai 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 a milling, concentrating, smelting, refining, or equivalent) applied to the crude ore or other production afte it is extracted from the ground, to put it into a commercially marketable form; excluding fabricating o manufacturing.

(d) *Unsold production.*—If any production (ore, concentrates, metal, or equivalent), after the laps of six months from the date the ore was extracted from the ground, remains neither sold nor used b 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 o its royalty on the value of such production in the form (ore, concentrates, metal, or equivalent) it is i 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 elec- tion, the Government's royalty on such production shall be computed on the value thereof in the form i 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.

NON-METALLIC MINERALS CORP.
(Operator)

By [illegible]
PRES. & GEN. MGR.

THE UNITED STATES OF AMERICA

By [illegible]
Administrator, Defense Minerals
Exploration Administration

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
NON-METALLIC MINERALS CORP.
DOCKET NO. DMEA-3572

ANNEX I

The land referred to in Article 2 of the contract form is described as follows:

From a blazed Poplar tree in the Phillips-Fox line, East approx. 300' to a stake, South to a stake approx. 1200', West approx. 300' to a stake, thence North to the starting point, known as the Irby Cut of Bailey Mountain tract.

EXPLORATION PROJECT CONTRACT
NON-METALLIC MINERALS CORP.
DOCKET NO. DMEA-3572

EXHIBIT "A"

The work shall be performed in two successive stages, as follows:

Stage I

With a D-4 bulldozer or equivalent, cut two trenches across the pegmatite, each 60 feet by 6 feet by 12 feet; and cut an 8-foot test pit in each trench, with minimum cross-sectional dimensions of 4 feet by 4 feet. The approximate locations of the two trenches are shown on the sketch entitled "Irby Cut Mine, Yancey Co., N.C., DMEA-3572 (mica)," attached hereto.

If the Government is of the opinion that the results of Stage I warrant it and it grants prior approval Stage II shall be performed.

Stage II

1. Construct the following:

(a) A toolhouse, minimum dimensions 8 feet by 10 feet by 7 feet high.

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

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

The toolhouse may be unfloored; shall be made from unfinished lumber, with protective roof covering and shall be equipped with lock and key.

The powder and exploder magazines shall be boxed on all sides; shall be made from 2-inch hard wood or 3-inch soft wood; 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 shall be secured, locked with the equivalent of a 5-tumbler lock.

2. Sink a 50-foot shaft in the pegmatite at a point agreed upon between the Government and the Operator. The shaft shall have minimum cross-sectional dimensions of 5 feet by 7 feet in the clear of timber.

3. On the 50-foot level of the shaft, drive 75 feet of drifts and/or crosscuts having minimum cross-sectional dimensions of 5 feet by 7 feet in the clear of timber.

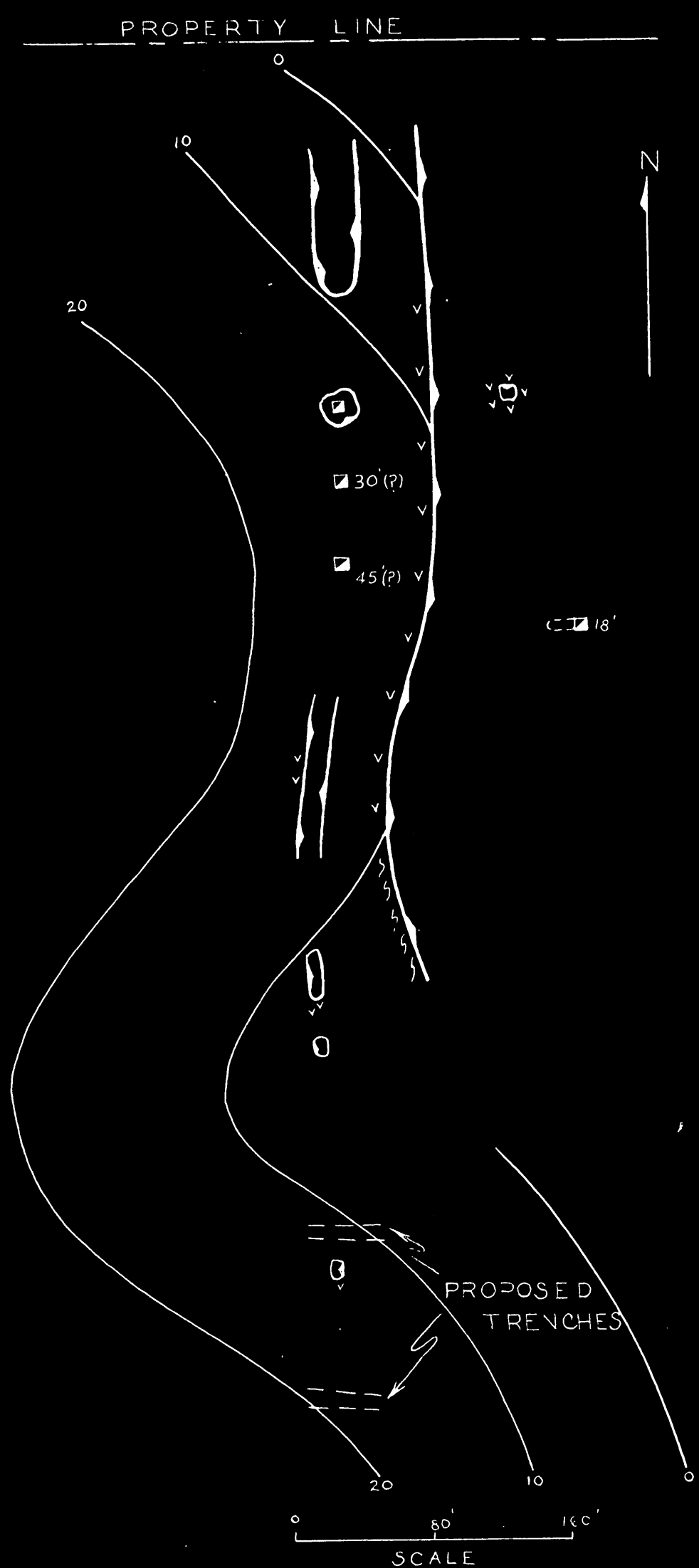
All work shall be timbered as necessary.

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

Fixed Unit Costs

Stage I		
Bulldoze 20 hours @ $10/hr.	$ 200.00	
Cut 16 feet of test pits @ $15/ft.	240.00	
Estimated Total Cost of Stage I		$ 440.00
Stage II		
Construct:		
Toolhouse 1/	75.00	
Powder magazine 1/	25.00	
Exploder magazine 1/	13.00	
Sink 50 feet of shaft @ $45/ft.	2,250.00	
Drift and/or crosscut 75 feet @ $35/ft.	2,625.00	
Estimated Total Cost of Stage II		4,988.00
Estimated Total Cost of Project		$5,428.00
Government Participation @ 75%		$4,071.00

1/ The completed work constitutes the unit.



IRBY CUT MINE
YANCEY CO., N.C.

DMEA-3572(mica)

9

600

MAR - 2 1956

Mr. W. Howard Simpson, President
Non-Metallic Minerals Corporation
Box 39
Burnsville, North Carolina

Re: Docket No. DMEA-3572-Idm
Non-Metallic Minerals Corporation
Irby Cut Mine
Yancey County, North Carolina
Contract No. Idm-3761

Dear Mr. Simpson:

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,

C. O. Mirandon

Administrator

JHopkins:ms 2/27/56
Copy to: Docket
Mr. Chambers
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Field Team, Region V
Mr. Houk
Mr. Hopkins
Admr. R. File

Hopkins 2nd

Project Summary Report

February 27, 1956

By: James Hopkins

1. Docket No. DMEA-3572-Mica
   Contract No. Idm-E761
   Irby Cut Mine
   Yancey County, North Carolina

   Operator: Non-metallic Minerals Corporation
   Howard Simpson, President and General Manager
   Burnsville, North Carolina (Box 39)

   Operator's Property Rights: Owner of Mineral Rights
   Irby Cut Mine of Bailey Mountain Tract

2. Contract: Dated February 1, 1955
   a)Work Authorized:

Stage I	
Bulldozing 20 hours @ $10.00/hr.	$ 200.00
Cut 16 feet test pits @ $15.00/ft.	240.00
Stage II	
Construct: Toolhouse, Powder and Exploder magazines	113.00
Sink 50 feet shaft @ $45.00/ft.	2250.00
Drift and/or Crosscut 75 ft. @ $35.00	2625.00
Estimated Total Cost	$5428.00

   b)Amendments: None
   c)Work Completed:

Bulldozing 20 hours @ $10.00	$ 200.00

   Work began April 1, 1955
   Work terminated April 7, 1955
   Final Field Team Report June 6, 1955
   Operator's Final Report May 13, 1955

3. Audit: Report of Review dated August 15, 1955

Total Coast as billed by Operator	$200.00
Total Accepted Cost	200.00
Government participation @ 75%	150.00

4. Certification of Discovery: None issued

5. Comments:
   Extensive, although relatively shallow workings dating back to

5. Comments(cont'd)

pre-World War I exist on northern end of property. A "good quality mica" is reported to have been recovered. However, all mica in the dumps contained small black spots. It is hard, splits well and greenish brown.

Dump material indicated that pegmatite is composed of plagioclase, quartz, perthite, muscovite and garnet.

The Field Team recommended project work on southern end.

Bulldozing work revealed that the mica was in most part non-strategic and the pegmatite terminated to the South along the strike.

No reserves of strategic mica were revealed by the work done under the contract.

A small amount of small, badly cracked and heavily mineral-stained mica was recovered. No value was placed on this material.

The Field Team recommended termination after the bulldozing work. The Nonmetallic Minerals Division concurs in the recommendation.

The Commodity Divisions of the Geological Survey and the Bureau of Mines also concur.

JHopkins:ms 2/27/56
Copy to: Mr. Houk
Mr. Hopkins
Admr. R. File

IN REPLY REFER TO:

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

September 7, 1955

Re: DMEA 3572, Idm-E761
Non-Metallic Minerals Corp.
Irby Cut Mine
Yancey Co., N. C.
$5,428.00 - Mica

Memorandum

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

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

Subject: Review of Final Field Team Report.

Exposures in two surface crosscut trenches, which cost $200.00, enabled evaluation of this thick pegmatite. Sparse muscovite mineralization was evidenced and the contract was terminated by mutual agreement March 15, 1955.

The conclusions of the examiners are supported by less than the usual information.

I concur with the recommendation of the Field Team that a certification of discovery should not be issued.

N. E. Nelson

N. E. Nelson

NENelson:iml
G-9/7/55

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

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

August 22, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-3572 (mica)

Applicant: Non-Metallic Minerals Corp.

Name and Location of Property: Irby Cut, Yancy County, N. C.

Contract Number: Idm-K 761

Date of Field Team Report: 8/8/55

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 8/15/55

Field Team Recommendation: Recommend no certification of discovery.

Comments:

1. The project was terminated after only $200 worth of bulldozing out of a total of $5,425 which disclosed that the pegmatite pinched along the strike.

2. No strategic quality mica was encountered in the pegmatite dike.

Recommendation: I concur in the field team's recommendation for no certification of discovery.

Signed

W. F. Dietrich

RECEIVED
AUG 22 1955

RECEIVED
AUG 1 0 1955

P. O. Box 217
August 8, 1955

Memorandum

To: Jay L. Chambers, Defense Minerals Exploration Administration, Interior Building, Washington 25, D. C.

From: Administrative Assistant, Electrotechnical Experiment Station, Region V, Morris, Tennessee

Subject: Monthly report and voucher

We are enclosing two copies of the following monthly report and voucher:

Idm-E-761 Non-Metallic Minerals Corporation
DMEA Docket No. 3572
1st and final payment - month of March
Starting Date: 3/2/55
Completion Date: 3/3/55
Amount $150.00

Helen H. Miller

Attachments
/hm
Copies to R. A. Laurence
V. J. Lynch
Morris files
Day Files

Form MF-104 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K- 10

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of March, 1955 Docket No. DMEA 3572 RECEIVED Contract No. [illegible]-1761
Operator's Name Non-Metallic Minerals Corp. Minerals Mica
Address Box 39, Burnsville, N. C. AUG 10 1955 Duty Out Mica
Contract Amount, $ 5420.00 Government Participation: 75% Amount, $ 4071.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing 120' 6' x 20'	200.00	None	200.00			
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	200.00	None	200.00	200.00		200.00

I certify that the above bill is correct and just and that payment therefor has not been received.

Date August 8, 1955 Payee Non-Metallic Minerals Corp.

Per [signature] Title President

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

NOTE.—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.

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$ 150.00

Signature Helen R. Miller
(Authorized Certifying Officer)

Date AUG 8 1955 Vou. No.
(See other side)

50.00

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E761 in accordance with the terms of the contract.

Signature Kepton H. Teague Title Geologist, U.S.G.S. Date 8/5/55

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Albert A. Lamm Title EXECUTIVE OFFICER DMEA REGION V Date AUG 5 1955

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
AUG 10 1955

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of [illegible] 195[illegible] Docket No. DMEA [illegible]572 Contract No. [illegible]-1761

Operator's Name [illegible] Non-Metallic Minerals Corp.

Minerals [illegible]

Address Box 30, [illegible], N. J. [illegible]

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits 100'-3' [illegible]	1	[illegible]200.00	1	[illegible]200.00	1		1	[illegible]200.00
Roads and Trails								
TOTAL DISTRIBUTED COSTS		[illegible]200.00	1	[illegible]200.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		[illegible]200.00	1	[illegible]200.00				[illegible]200.00

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

REMARKS: Terminated by mutual consent after inspection of results that there was no [illegible] [illegible] [illegible]

Date August 4 195[illegible] Operator Non-Metallic Minerals Corp.

Per [illegible] Title President

[illegible]

[illegible] report and termination agreement attached

→ NOTE.—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.

(Instructions on reverse)

(For Government use only) Keplan H. Teague, Geologist

INSTRUCTIONS

Preparation of Form MF-104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF-104A has been designed to tie in with Form MF-104 for both monthly and cumulative costs. The "Total Costs" on Form MF-104A for each month should equal the monthly "Total Costs" as reported on Form MF-104. This is also true of the "Total Costs To Date".

In preparing Form MF-104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 872894

NON-METALLIC MINERALS CORP.

BURNSVILLE, NORTH CAROLINA

RECEIVED
AUG 10 1955

[illegible]

[illegible]

[illegible]

[illegible]

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 3 SHIPPING POST OFFICE BLDG.
KNOXVILLE 2, TENN.

August 9, 1955

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Final Report, DMEA-357 2, Idm-E761 (mica) Non-Metallic Minerals Corporation, Burnsville, N. C. Irby Cut Mine, Yancey County, N. C.

Enclosed are four copies of the Field Team final report on the subject exploration contract.

As the project was terminated after doing only $200 worth of bulldozing, and theOperator submitted a satisfactory narrative account of that work with his only voucher, we are accepting that narrative as the Operator's final report.

We agree that certification of discovery should not be issued.

Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION V

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

FAL/am

Reviewed by
DMEA OPERATING COMMITTEE
8-15-55
(date)

RECEIVED
AUG 11 1955

UNITED STATES

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT
BY
DMEA FIELD TEAM, REGION V

On

DMEA-3572, KREY CUT MINE (mica)
Yancey 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

RECEIVED
AUG 11 1955

August 8, 1955

Reviewed by
DMEA OPERATING COMMITTEE
8-15-55
(date)

FINAL REPORT
On
DMEA-3572, EMMY CUT MINE (mica)
Ydn-E761, Yancey County, N. C.

Operator: Non-Metallic Minerals Corporation, Box 39, Burnsville, N. C.

Work completed under the contract consisted of bulldozing two trenches under Stage I. This work revealed that the mica was in large part not of strategic quality and that the pegmatite terminated to the south along its strike; thus, the contract was terminated by mutual agreement effective March 15, 1955. No certification of discovery should be issued nor is additional exploratory work warranted.

Work began on March 2, 1955 and ended March 4, 1955. Two trenches were cut as follows: (1) a trench 75' x 12' x 6' deep trending N. 50° E and (2) another 90 feet south of trench No. 1 about 100' x 12' x 4' deep trending N. 85° E.

An essentially conformable pegmatite about 18 feet thick was exposed in the northern cut. It strikes N. 15° W. and is vertical. No zoning is evident. The body consists of plagioclase, quartz, perthite and sparse muscovite. The feldspars are semi-weathered. Only thin irregular stringers of pegmatite occur in the southern cut indicating that the southern termination of the pegmatite is between the two trenches.

A small amount of poor quality mica was recovered from the northern trench. It is small, badly cracked and heavily mineral-stained; most is not of strategic quality.

No reserves were revealed by the work done under the contract.

Expenditures:

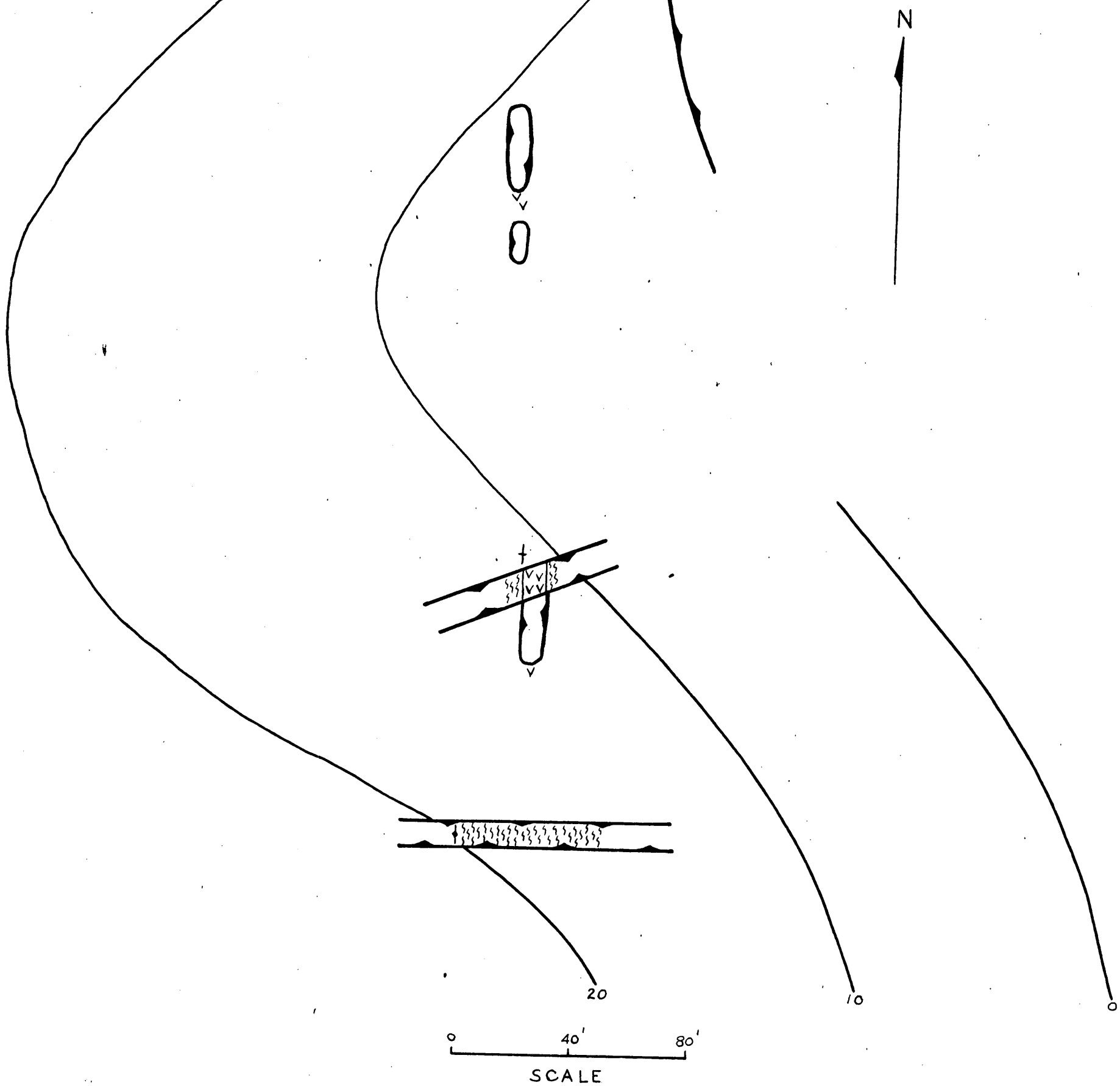
(a)	Total approved	$5,428.00
(b)	Total cost of project	200.00
(c)	Government's participation	150.00
(d)	Government's share unexpended	3,921.00
(e)	Value of production during expr.	none

The work was done in a satisfactory manner. No equipment was purchased under the contract.

R. H. Teague and B. F. Ames, Geologists
U. S. Geological Survey

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

August 8, 1955



SKETCH OF
SOUTHERN PART
IRBY CUT MINE
YANCEY CO., N.C.

DMEA-3572 (mica)
AUG 8 1955

JUL 29 1955 600

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

Subject: Docket No. DMEA-3572 - Mica
Non-Metallic Minerals Corp.
Irby Cut Mine
Yancey County, North Carolina
Contract No. Idm-8761

Dear Mr. Laurence:

Reference is made to your memorandum, dated July 15, 1955, enclosing the Operator's executed copy of the subject contract.

Since the other four copies of the contract were lost, we are accepting the Operator's copy as evidence that the contract was executed. Five photostatic copies of this document have been made. The "Operator's Copy" (original) and two copies are retained for this office, and three photostatic copies marked "Operator's Copy", "Field Team Copy" and "Finance Officer's Copy" are enclosed for distribution. Please explain to the Operator that we have retained its original copy of the contract and are returning the photostatic copy, but if the Corporation objects to this procedure a copy will be made for it.

Reference is also made to your request for permission to terminate this contract by mutual agreement, effective March 15, 1955, because the exposures made by Stage I of the project indicate that Stage II is not warranted.

Approval is granted to terminate the subject contract in accordance with the provisions of DMEA Circular No. 33, June 30, 1954, employing the form "No. 6 Termination Agreement (all contract forms MF-200, MF-200A)".

Your approval of the voucher for bulldozing under Stage I of the contract is now in order.

Sincerely yours,

W. S. Martin

ACTING Chairman, Operating Committee

Approved:

/s/ Robert W. Goehem

Member, Bureau of Mines

Thor H. Kiilsgaard

Member, Geological Survey

Enclosures 3

JHopkins:FLKhouse:gad 7/27/55

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

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

RECEIVED
AUG - 3 1955

August 1, 1955

Mr. Howard Simpson, President
and General Mgr.
Non-Metallic Minerals Corp.
P.O. Box 39
Burnsville, N.C.

Re: DMEA-3572, Non-1761 (misc.)
Non-Metallic Minerals Corp.
Irby Cut Mine, Yancey C., N. C.

Dear Mr. Simpson:

Enclosed is a photostatic copy of the executed copy of the Irby Cut contract which you gave Mr. Teague and me when we were in Burnsville recently. The signed copy is accepted as evidence that the contract was executed. Your signed copy was kept by the Washington office, on the assumption that the photostatic copy is adequate for the Corporation's records. If it is not, please let me know and another copy will be made.

Payment for the work done under Stage I of the contract is now in order. If you will complete the enclosed forms DF-104 and DF-104A, and send me 4 copies each along with a brief statement of work accomplished, we will forward the voucher for payment immediately.

As the work of Stage I indicated that further work was not justified, Stage II was not approved. Therefore, I have prepared a form for termination by mutual consent, effective March 15, 1955. Please sign all six copies of this, keep the Operator's Copy and send all the others to me.

Very truly yours,

Robert A. Lawrence
EXECUTIVE OFFICER
DMEA REGION V

/an
cc:
Encl.
Mr. [illegible]
File

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 2076 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

July 15, 1955

RECEIVED
JUL 1 9 1955

Memorandum

To: Operating Committee - DMEA - Washington

From: DMEA Field Team, Region V

Subject: DMEA-3572, Idm-E761 (mica) Non-Metallic Minerals Corp.
Burnsville, N. C. Irby Cut Mine, Yancey County, N. C.

We have finally obtained from Mr. Howard Simpson, the executed Operator's copy of the subject contract, which we are forwarding to you, enclosed herewith, as evidence of executing of a contract. Mr. Simpson has no idea what happened to the other copies, except that his file contains a note, "Mailed 2/17."

If this is acceptable evidence of the execution of a contract, please advise us so that we may approve the voucher for the bulldozing under Stage I, which was done before March 15. We did not approve Stage II, so that the amount of the voucher will not be more than $200.00.

As results of the Stage I bulldozing indicated that no further work should be done, a termination by mutual agreement appears to be in order. Permission is requested (assuming the contract to be considered as executed) to terminate effective March 15, 1955. Certification will not be recommended.

Robert A. Laurence

W. J. Lynch, Member
U. S. Bureau of Mines

RAL/mm
cc:
Lynch
Shirley
Lynch

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

JUN 29 1955

Mr. W. Howard Simpson, President
Non-Metallic Minerals Corp.
Box 39
Burnsville, North Carolina

Re: Docket No. DMEA-3572 - Mica
Non-Metallic Minerals Corp.
Irby Cut
Yancey County, North Carolina
Contract No. Idm-5761

Dear Mr. Simpson:

With a letter dated February 3 our Executive Officer at Knoxville transmitted for your signature and return to him, the original and five copies of a contract covering the subject project. A copy marked "Operator's Copy" was included for you, and all copies had already been signed for the Government. The Executive Officer has never received the copies signed by you, and they have never been received in the Washington office, although we understand that you informed the Executive Officer that you had mailed all the copies to this office, except your copy.

In a letter dated May 5 the Chief of our Nonmetallic Minerals Division, Mr. Lawrence Houk, requested that you ask the postmaster at Celo, North Carolina, to trace the papers, and in the meantime send your executed copy to Washington. The intent was to photostat your copy of the contract and return it to you. We have not heard from you in either regard.

In the present state of the record, therefore, there is no evidence before us that you have executed the contract. If you intend to submit a claim for the Government's contribution to the costs of any work performed by you it is incumbent upon you to establish that a contract exists. For your convenience, and at your convenience, we could have a representative of Mr. Lawrence's office call upon you to obtain your copy of the contract for photostating purposes. On the other hand, if we do not hear from you within a reasonable period of time we shall conclude that no evidence of a contract exists, and that the matter should be closed.

~~[illegible]~~ HCRubin:gjb 6/27/55

Sincerely yours,

C. O. Mittendorf

Administrator

Copy to: DMEA Docket
~~Gen. Counsel~~
Adm. R. File
Operating Committee
T. H. Killagaard, GC
Mr. Dietrich, BM
L. G. Houk

Field Team, Region V (2)
J. L. Hofflund
H. C. Rubin
Chron. File
Pending File

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

JUN 21 1955

Memorandum

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

From: Acting Assistant Solicitor, Defense Minerals

Subject: Docket No. DMEA-3572, Non-Metallic Minerals Corporation (Mica)

We are returning, without surnaming it, the proposed letter to the Operator which states that if the original copies of the executed contract, or a photostatic copy of it, have not been received by the Government by July 17 "the contract will be rescinded and cancelled."

The contract was signed for the Government first. The Operator maintains that he executed the copies of the contract mailed to him by the Executive Officer, and forwarded them to Washington by mail.

It appears from the docket that the contract provided for a project in two stages. The bulldozing portion of Stage I has been completed, and the Field Team recommends that the project be terminated.

The problem here is whether a contract exists, not whether the Government has received copies of the executed contract. If a contract exists, the lack of executed copies thereof does not authorize the Government to rescind the contract.

The facts are meager, but a good case can be made by the Operator that a contract exists. In these circumstances, it is our suggestion that the contract be terminated by an agreement which provides for payment to the Operator of the Government's share of the bulldozing costs. If you agree, we shall prepare such an agreement.

HCRubin/emd
Copy to: DMEA Docket
Solicitor's docket
L. G.Houk (2)
J. L. Hofflund
H. C. Rubin
chron.

/s/ Henry C. Rubin
For J. L. Hofflund
Acting Assistant Solicitor
Defense Minerals

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

JUN 21 1955

Memorandum

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

From: Acting Assistant Solicitor, Defense Minerals

Subject: Docket No. DMEA-3572, Non-Metallic Minerals Corporation (Mica)

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Henry C. Rubin
For J. L. Hofflund
Acting Assistant Solicitor
Defense Minerals

HCRubin/emd
Copy to: DMEA Docket
Solicitor's docket
L. G.Houk (2)
J. L. Hofflund
H. C. Rubin
chron.

MAY - 5 1955

Mr. W. Howard Simpson, President
Non-Metallic Minerals Corp.
Box 39
Burnsville, North Carolina

Re: Docket No. DMA-3572 - Mica
Non-Metallic Minerals Corp.
Iron Cut
Yancey County, North Carolina
Contract No. Idm-6761

Dear Mr. Simpson:

A search of our files in Washington shows that the executed copies of the cited contract which you mailed in Cale, North Carolina, have not been received. Will you therefore kindly request the postmaster at Cale to send a tracer for these documents. In the meantime, please send your executed copy of the contract to this office.

No reimbursement of Government funds expended can be made until we have definite evidence that the contract has been properly executed.

Sincerely yours,

SIGNED

Lawrence G. Hauk, Chief
Nonmetallic Minerals Division

JHopkins:ad 5/4/55
Copy to: Admr. R. File
Docket
Field Team, Region V
Mr. Killagaard, 5222
Mr. Dietrich, 3061
Mr. Hauk

600

APR 11 1955

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

Subject: Docket No. DMEA-3572 - Mica
Non-Metallic Minerals Corp.
Irby Cut
Yancey County, North Carolina
Contract No. Idm-2761

Dear Mr. Laurence:

Reference is made to the original and five copies of the subject contract forwarded to the Operator for execution.

A search of our files and other records here in Washington fails to show the executed contract has been returned by the Operator. Please contact the Operator at your next opportunity and make another attempt to have the contract executed if it can be found. If the Operator fails to find the contract we may be forced to cancel it. Please notify the Operator that no reimbursement will be made until the executed contract is returned.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

J. H. Hedges

Member, Bureau of Mines

Thor H. Kiilsgaard

Member, Geological Survey

LGHouk:gad 4/6/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

Hopkins

INTERIM REPORT

DMEA-3572, Idm-K761 (mica) INKY CUT MINE

Operator: Non-Metallic Minerals Corp. Box 39, Burnsville, North Carolina

Location: Along the east end of Bailey Mountain, 1.3 airline miles N. 72° E. of Celo, Yancey County, North Carolina

This visit to the exploration site was made, while in the area, to acquaint the Operator with the proposed trenching in Stage I of the contract. Instructions were given and locations were spotted for the two bulldozer trenches and the Operator indicated that work would begin within the coming week.

Inspected: Feb. 18, 1955.

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

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

Inspected.

FEB 1 1955 600

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

Subject: Docket No. DMEA-3572 - Mica
Non-Metallic Minerals Corp.
Irby Cut
Yancey County, North Carolina

Dear Mr. Laurence:

Please find herewith the original and five copies of a contract covering the subject exploration project which have been signed by the Government with register number and effective date as shown.

If the contract meets with your approval present it to the Operator for approval and signature. Please explain to the Operator that the contract, when executed, is a firm commitment under the terms of which it 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.

After execution of the contract, the copies are to be distributed in the usual manner. Copies of memoranda from the Geological Survey, dated January 11, 1955, and from the Bureau of Mines, dated January 26, 1955, are enclosed.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee

Approved:

J. H. Hedges
Member, Bureau of Mines

Thor H. Kiilsgaard
Member, Geological Survey

Enclosures 10

JHopkins:gad 1/28/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

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

Defense Minerals Administration
RECEIVED
JAN 26 1955

January 26, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-3572 (mica)

Applicant: Non-Metallic Minerals Corp.

Name and Location of Property: Irby Cut
Yancey County, North Carolina

Date of Field Team Report: 12/31/54

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 1/7/55

Field Team Recommendation:

1. Approval of contract for exploration on south portion in two stages.

Comments:

1. Proposed exploration outlined by the field team is consistent with good engineering practices and estimated costs are in line with other DMEA projects.

2. Since it is questionable what quality of mica may be encountered, Stage II should be considered only if Stage I is encouraging.

Recommendation:

I concur in the field team's recommendation for a two-stage project in the amount of $5,428.

Signed

W. F. Dietrich

IN REPLY REFER TO:

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

Defense Minerals Administration
RECEIVED
JAN 12 1955

January 11, 1955

Re: DMEA-3572
Non-Metallics Minerals Corp.
(Irby Cut Prospect)
Yancey Co., N. C.
$5,428 - Mica

Memorandum

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

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

Subject: Review of Field Team examination report

Inasmuch as there is some doubt as to the quality of the mica on this property, the two-stage project recommended by the Field Team for approval appears to be the best procedure to follow.

The Stage I trenching should indicate whether or not further exploration is warranted.

I recommend the proposed two-stage conditional program be approved.

E. L. Newcomb

ELNewcomb:hlm
G-1/11/55

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

ROOM 13 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

December 31, 1954

Memorandum

To: Operating Committee, DMEA, Washington, D. C.

From: Field Team, Region VII

Subject: Field Examination Report on DMEA-3572
Irby Cut Mine (mica), Yancey County, North Carolina
Non-Metallic Minerals Corp., Box 39, Burnsville, N. C.

Enclosed are the original and three copies of the subject report and six extra copies of the map. The Field Team is in agreement with the recommendations.

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

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

mg
Enclosures 10
cc - Division File - DMEA
Mr. Beck
Mr. Lynch
Files

Reviewed by
DMEA OPERATING COMMITTEE
1-7-55
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR

RECEIVED
JAN 1 1955

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM - REGION VII

on

DMEA-3572, IRBY CUT MINE (Mica)
Yancey County, North Carolina

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

and

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

December 31, 1954

Reviewed by
DMEA OPERATING COMMITTEE
1-7-55
(date)

EXAMINATION REPORT BY FIELD TEAM
on
DMEA-3572, IRBY CUT MINE (Mica)

Applicant: Non-Metallic Minerals Corp., Box 39, Burnsville, N. C.

Extensive, although relatively shallow workings exist at the north end of this property. Little has been done over the south portion of the property. Exploration assistance is recommended on the south portion of the property -- to be conducted in two stages.

The property was examined on December 17, 1954. Messrs. W. Howard Simpson, Autry, and Gibbs accompanied the examiners on the inspection which required two hours.

The Irby Cut Mine is along the east end of Bailey Mountain 1.3 airline miles N. 72° E. of Celo, Yancey County, North Carolina. Access is good at all times.

The applicant has some mica mining experience and is competent to conduct the proposed work. The property is owned by the applicant, area of which is adequate for the proposed work.

Extent of existing workings is shown on the attached sketch map. All openings are inaccessible and little pegmatite is exposed in place. Apparently north of the small draw most of the pegmatite has been removed above the 45-foot level. The eastern portion of the area shown on the sketch has been worked for scrap mica and should not be considered in this application.

South of the small draw only one shallow pit has been made. This opening is in pegmatite, apparently the same one worked more extensively to the north. This area is the one on which exploration assistance is recommended.

As previously mentioned little pegmatite is exposed in place. Dump material indicates that the pegmatite is composed of plagioclase, quartz, perthite, muscovite, and garnet, listed in order of abundance. The pegmatite trends due north and is apparently conformable to the hornblende gneiss country rock. Considerable coarse alaskite, having a high scrap mica content, is exposed east of the pegmatite. Dip of the pegmatite is not known, although from the distribution of old openings and reports from the applicant, it appears to be near vertical or at a high angle to the west. Thickness is not known.

Some question exists as to the quality of the mica from this pegmatite. Reports indicate that during previous mining (date unknown) much good quality mica in large sizes was obtained. However, all mica examined from the dump contained small black spots to a greater or lesser degree. The mica is hard, splits well, and is non-ruby in color (greenish brown).

History of mining on this deposit is not known. General reports suggest that most of the mining was done prior to World War I. A Col. Irby is reported to have done most of the work. There are no published or unpublished reports on the deposit.

Because of the unknown quality of the mica and questionable extent of the pegmatite on the south end, exploration is recommended in two stages.

Stage I should consist of cutting two trenches across the pegmatite as shown on the sketch and sinking an 8-foot test pit in each trench. If the mica recovered from Stage I is of strategic grade and the pegmatite of sufficient extent,

Stage II should consist of sinking a 50-foot shaft in the pegmatite and driving 75 feet of drift.

Estimated Cost:

Stage I	
2 - Bulldozer trenches, 60'x6'x12'	
Bulldozer, 20 hrs @ $10/hr.	$200.00
2 - 8-foot test pits @ $15/ft.	240.00
Stage II	
Toolhouse	75.00
Powder magazine	25.00
Exploder Magazine	13.00
Sink 50 foot, 5'x7' shaft, timbered where necessary (25 shifts)	
Labor:	
1 - Miner @ $1.50/hr.	$300.00
1 - Hoistman @ $1.25/hr.	250.00
1 - Laborer @ $1.00/hr.	200.00
Equipment (rental):	
Compressor, drill, and pump @ $240/mo.	300.00
Hoist @ $50/mr.	62.50

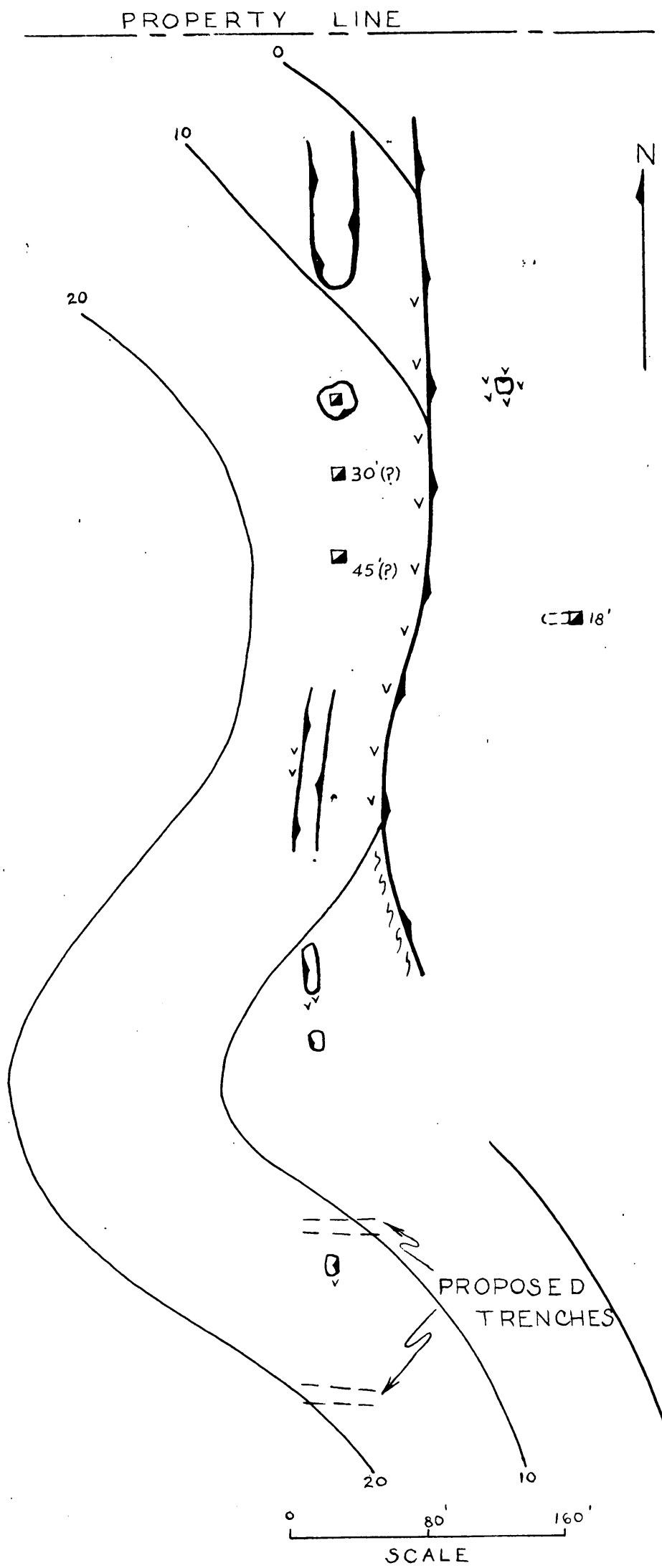
Supplies:		
Explosives	$200.00	
Gasoline and oil	100.00	
Drill steel	100.00	
Timber, 3,000 b.f. @ $65/M	195.00	
Pipe	75.00	
Small tools	100.00	
Miscellaneous	100.50	
Insurance and Social Security	267.00	$2250.00
Drive 75 feet of drift (30 shifts)		
Labor:		
1 - Miner @ $1.50/hr.	360.00	
1 - Hoistmen @ $1.25/hr.	300.00	
2 - Laborers @ $1.00/hr.	480.00	
Equipment (rental):		
Compressor, pump, jackleg and drill @ $250/Mo.	375.00	
Hoist @ $50/Mo.	75.00	
Supplies:		
Explosives	250.00	
Gasoline and oil	150.00	
Drill steel	125.00	
Pipe	75.00	
Small tools	100.00	
Miscellaneous	150.00	
Insurance and Social Security	185.00	$2625.00
Estimated Total Cost Stages I and II		$5428.00

December 31, 1954

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

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

mg



IRBY CUT MINE
YANCEY CO., N.C.

DMEA-3572 (mica)

DEC - 8 1954

Mr. W. Howard Simpson, President
Non-Metallic Minerals Corp.
Box 39
Burnsville, North Carolina

Re: Docket No. DMEA-3572 - Mica
Non-Metallic Minerals Corp.
Irby Cut
Yancey County, North Carolina

Dear Mr. Simpson:

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. Lawrence, 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

JHopkins:ad 12/6/54
Copy to: Admr. R. File
Docket
Operating Committee
Field Team, Region VII
Mr. Killsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

600

DEC - 8 1954

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

Subject: Docket No. DMEA-3572 - Mica
Non-Metallic Minerals Corp.
Irby Cut
Yancey County, North Carolina

Dear Mr. Lawrence:

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

Copies of memoranda from the Geological Survey, dated November 24, 1954, and from the Bureau of Mines, dated November 22, 1954, are enclosed for your information.

If a contract is recommended, a map should be prepared because a sketch or map of the property did not accompany the application.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

J. H. Hedges
Member, Bureau of Mines

Thor H. Kiilsgaard
Member, Geological Survey

Enclosures 4

JHopkins:ad 12/6/54
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Deitrich, 3061
Mr. Houk

IN REPLY REFER TO:

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

Defense Minerals
NOV 30 1954

November 24, 1954

Re: DMEA-3572
Non-Metallics Minerals Corp.
(Irby Cut Prospect)
Yancey Co., N. C.
$5,700 - Mica

Memorandum

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

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

Subject: Review of application

The proposed work consists of bulldozing, 50 feet of shaft, and 100 feet of drift.

The operator reports this property has been mined intermittently for a period of 75 years. There are several old open cuts, shafts and tunnels, but undoubtedly the underground workings are inaccessible.

There is no record of past production during World War II, according to the applicant, but old records at Knoxville should clarify this point.

I recommend this application be referred to the Field Team for their review and an examination if they consider it is necessary.

E. L. Newcomb

ELNewcomb:hlm
G-11/24/54

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

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

November 22, 1954

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-3572 (mica)

Applicant: Non-Metallic Minerals Corporation

Name and Location of Property: Irby Cut
Yancey County, North Carolina

Date Application Rec'd. by Ceramic & Fertilizer Mtls. Br.: 11/17/54

Comments:

1. Bureau of Mines records show that a mine under the name "Bailey Mountain" was classified by Colonial Mica on November 6, 1944 as a producer of non-ruby mica.

2. Proposed exploration consists of sinking a 50-foot shaft and drifting about 800 feet.

3. It appears from the information furnished by the applicant that any work done at this mine will be well supervised by technically trained mining personnel.

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.

Signed

W. F. Dietrich