DMEA 3572

DOCKET INDEX

ACTION DOCUMENTS

1	APPLICATION	DATE RECEIVED	11/16/54
2	CONTRACT	DATE	2/1/55
3	TERMINATION AGREEMENT	DATE	3-15-55
4	CERTIFICATION	DATE	
5	AUDIT REPORT	DATE	
6	AMENDMENTS - NUMBERS	DATE	

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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

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

ARTICLE 3. *The exploration project.*—The project is a search for indicated or undeveloped deposits of mica. The work to be performed is described in Exhibit "A." The Operator on or before 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

16—70618-1

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

ARTICLE 11. *Changes and added provisions.*—

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Executed in sextuplicate the day and year first above written.

NON-METALLIC MINERALS CORP.
(Operator)

By W. Howard Simpson
PRES. & GEN. MGR.

THE UNITED STATES OF AMERICA

By O. Meredith
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 securely locked with the equivalent of a 5-tumbler lock.

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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.

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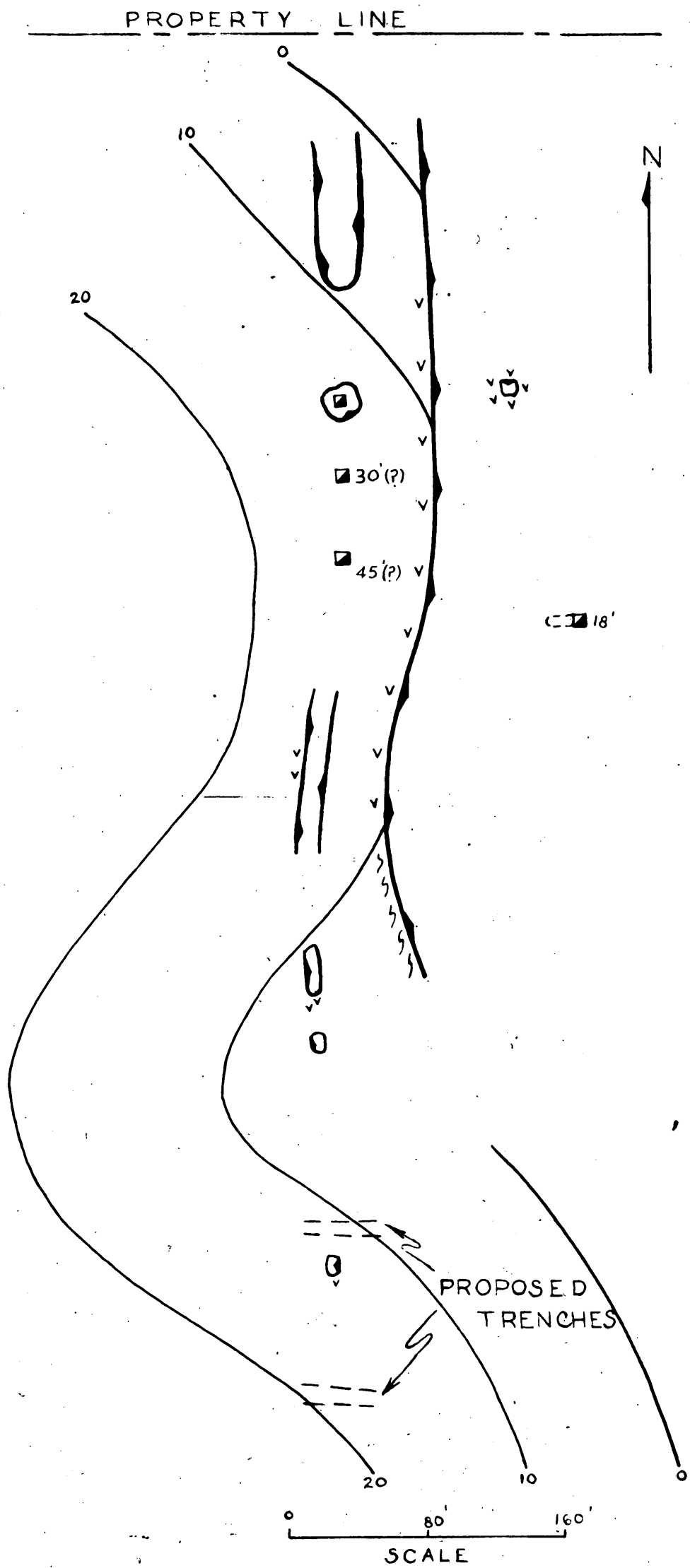


IRBY CUT MINE
YANCEY CO., N.C.

DMEA-3572 (mica)

DOCKET COPY
Surname:

Hopkins
Houk
Alexander
Selfridge
J E Johnson

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

MAR - 2 1956

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

Re: Docket No. DMEA-3572-Mica
Non-Metallic Minerals Corporation
Irby Cut Mine
Yancey County, North Carolina
Contract No. Idm-E761

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. Mittenbergh

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

R.S.

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

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.

IN REPLY REFER TO:

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

RECEIVED

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

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-E 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 $5,428 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.

W. F. Dietrich

W. F. Dietrich

RECEIVED
AUG 2[illegible] 1955

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D.C.
ROOM 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-3572, 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
Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION V

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

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, IRBY 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, IRBY CUT MINE (mica)
Idm-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:

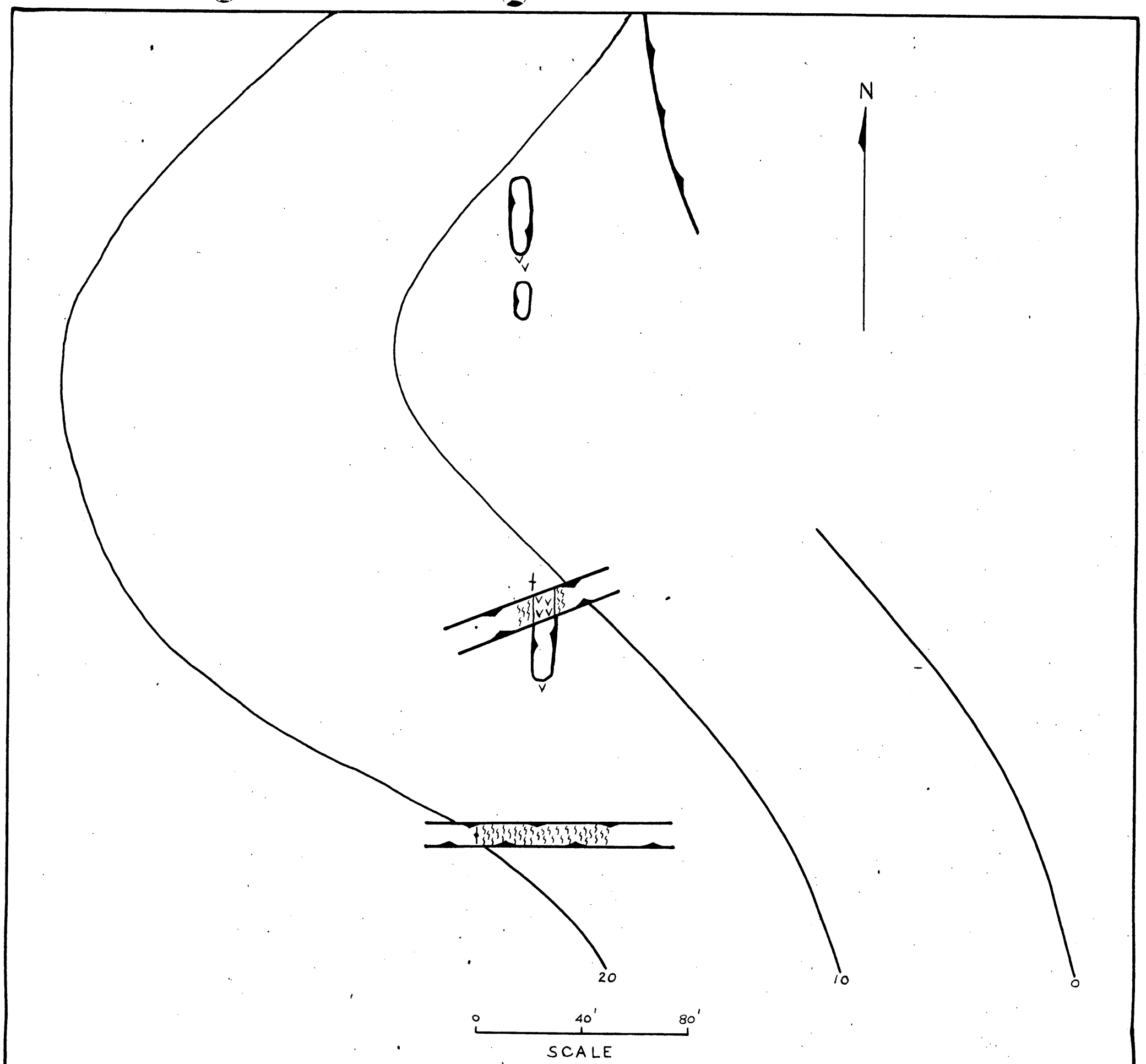
(a)	Total approved	$5,428.00
(b)	Total cost of project	200.00
(c)	Government's participation	150.00
(d)	Government's share unexpended	3,921.00
(e)	Value of production during opr.	none

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

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

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

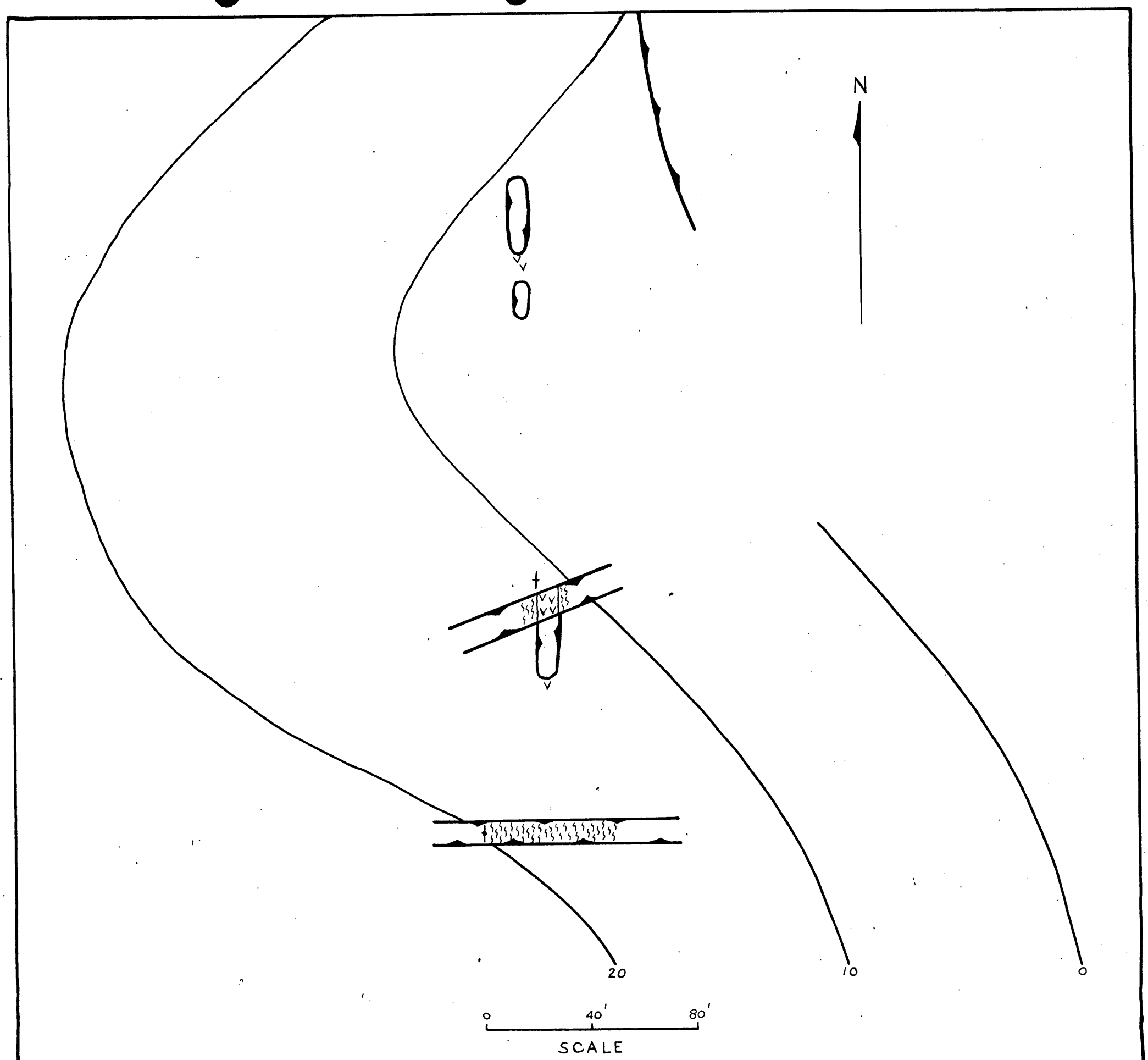
z
August 8, 1955



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

DME A-3572 (mica)

AUG 8 1955



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

DMEA-3572 (mica)
AUG 8 1955

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

RECEIVED
AUG - 8 1955

August 5, 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Field Team, Region V

Subject: Termination Agreement - Idm-E761, DMEA-3572 (mica)
Non-Metallic Minerals Corp. North Carolina

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

Robert A. Laurence
Robert A. Laurence

RECEIVED
AUG 23 1955
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1 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, Idm-2761 (mica)
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 MF-104 and MF-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. Laurence
EXECUTIVE OFFICER
DMEA REGION V

RAL/an
cc:
Lynch
Opr. Con.
Files

Docket Copy
Surname:

Hopkins
FL Kennedy
Hoffman
Talbert
Martin
Johnson
Atterbury

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

600

JUL 29 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 Mine
Yancey County, North Carolina
Contract No. Idm-E761

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 (S/G)

Approved:

/s/ Robert W. Geehan (S/G)
Member, Bureau of Mines

Thor H. Kiilsgaard (S/G)
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

R.G.

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-E761

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 ~~his~~ its original copy of the contract and are returning the photostatic copy, but if ~~he~~ the Corp. objects to this procedure a copy will be made for ~~his signature.~~ 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.

Approved:

B. M.

G. S.

Sincerely yours,

Chairman, Operating Committee

Enclosures 3

RECEIVED
JUL 25 1955
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

DEFENSE MINERALS ADMINISTRATION

97021

PRODUCTION EXPANSION DIVISION

LOAN APPLICATIONS

Name of Company and Address _____

Name of Mine and Location _____

Docket No. DMA - _____ Date received by P.E.D. _____

Metals or Minerals involved _____

Amount of loan and interest rate _____

Type of Loan (R.F.C. or Guaranteed Bank Loan) _____

Term of Loan _____

Purpose of Loan — Mine Equipment _____

Mill or Reduction Plant _____

Operating Funds _____

Other _____

Repayment and Rate _____

Comments on Contract: _____

_____

_____

_____

_____

Date sent to Legal Division: _____

Date of Recommendation to D.P.A. for Certification _____

Date Certification sent to R.F.C. by D.P.A. _____

Date Signed into Contract by R.F.C. _____

Additional Remarks: _____

_____

_____

_____

_____

terior—Duplicating Section, Washington, D. C.

Signed _____

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

RECEIVED
JUL 1 9 1955

July 15, 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 execution 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
Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION V

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

Rubin
Houk
G. Johnson

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

JUN 2 9 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-E761

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. Laurence'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.

~~XXXXXXXXXX~~ HCRubin:gjb 6/27/55

Sincerely yours,

C. O. Mittendorf

Administrator

Copy to: DMEA Docket
~~Sol. Docket~~
Adm. R. File
Operating Committee
T. H. Kiilsgaard, GS
Mr. Dietrich, BM
L. G. Houk
Field Team, Region V (2)
J. L. Hofflund
H. C. Rubin
Chron. File
Pending File

R.C.R.

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.

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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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.

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

DOCKET FILE
Surname:

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

600

MAY - 5 1955

Hopkins
Houk
Chambers
Zuccos

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-E761

Dear Mr. Simpson:

A search of our files in Washington shows that the executed copies of the cited contract which you mailed in Celo, North Carolina, have not been received. Will you therefore kindly request the postmaster at Celo 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. Houk, Chief
Nonmetallic Minerals Division

JHopkins:ad 5/4/55
Copy to: Admr. R. File
Docket
Field Team, Region V (✓)
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

R.C.

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

April 29, 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region 5, Knoxville, Tenn.

Subject: Contract Idm-E761, DMEA-3572 (mica) Non-Metallic Minerals Corp. Irby Cut Mine, Yancey County, North Carolina

Mr. Simpson says he has his copy of the executed contract, but insists that he mailed all the other copies to Washington. The Field Examiners did not see the executed copy.

Mr. Simpson promised to check with the postmaster at Celo, North Carolina where he said he mailed the contracts, and would write to me last Friday (April 22) the results of any of that investigation. Nothing further has been heard from him.

What is the next step in this?

Robert A. Laurence

Robert A. Laurence

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

April 29, 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region 5, Knoxville, Tenn.

Subject: Contract Idm-E761, DMEA-3572 (mica) Non-Metallic Minerals Corp. Irby Cut Mine, Yancey County, North Carolina

Mr. Simpson says he has his copy of the executed contract, but insists that he mailed all the other copies to Washington. The Field Examiners did not see the executed copy.

Mr. Simpson promised to check with the postmaster at Celo, North Carolina where he said he mailed the contracts, and would write to me last Friday (April 22) the results of any of that investigation. Nothing further has been heard from him.

What is the next step in this?

Robert A. Laurence

RAL/xm

cc:
Lynch
Shirley
Files

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1051 POST OFFICE BLDG.
WASHINGTON 25, D. C.
KNOXVILLE 2, TENN.

Department of the Interior
Defense Minerals Administration
RECEIVED
APR 14 1955

April 12, 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA- Region V - Knoxville

Subject: DMEA-3572, Idm-E761 (mica) Irby Cut Mine, Non-Metallic Mineral Corporation, Yancey County, North Carolina

Transmitted is an interim report on a visit by the field examiners to the subject mine.

On February 3 this office sent Mr. W. Howard Simpson, President of the subject corporation the original and five copies of the contract which had been signed by the Administrator and requested that he sign them for the Contractor. To date these have not been returned to this office. On March 4th, 28th, and April 4th, Mr. Simpson told the field examiners that he had sent them to Washington. On March 16 he told Mr. Beck and Mr. C. E. Fisher the DMEA Auditor, the same thing. If this is true and you have them in your files, please send the Field Team Copy to this office. If you do not have them, please advise us what to do in a case like this.

We have never received a monthly report and voucher from the Operator, yet the bulldozing part of Stage I has been completed and the field examiners recommend that due to the poor showing, the contract be terminated.

Please prepare the necessary termination papers, effective March 4, 1955.

Robert A. Laurence
Robert A. Laurence

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

Defense Minerals Administration
RECEIVED
APR 14 1955

April 12, 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA- Region V - Knoxville

Subject: DMEA-3572, Idm-8761 (mica) Irby Cut Mine, Non-Metallic Mineral Corporation, Yancey County, North Carolina

Transmitted is an interim report on a visit by the field examiners to the subject mine.

On February 3 this office sent Mr. W. Howard Simpson, President of the subject corporation the original and five copies of the contract which had been signed by the Administrator and requested that he sign them for the Contracter. To date these have not been returned to this office. On March 4th, 28th, and April 4th, Mr. Simpson told the field examiners that he had sent them to Washington. On March 16 he told Mr. Beck and Mr. C. E. Fisher the DMEA Auditor, the same thing. If this is true and you have them in your files, please send the Field Team Copy to this office. If you do not have them, please advise us what to do in a case like this.

We have never received a monthly report and voucher from the Operator, yet the bulldozing part of Stage I has been completed and the field examiners recommend that due to the poor showing, the contract be terminated.

Please prepare the necessary termination papers, effective March 4, 1955.

Robert A. Laurence

RAL/sm
cc:
Lynch
Shirley
Files

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 14 1955

INTERIM REPORT

DMEA-3572, Idm-E761 (mica) IRBY CUT MINE

Operator: Non-Metallics Mineral 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, N. C.

Stage I of this contract, consisting of two trenches cut by the bulldozer, has been completed. Due to the poor showing of exposed pegmatite in both trenches, the field examiners recommend that Stage II of the Contract not be understaken.

Trench No. 1 trends about N. 50° E. and exposes a pegmatite of variable thickness over an area of about 18 feet, and composed of scattered quartz, feldspar and small blocks of hard, green muscovite mica, some of which was stained. Trench dimensions were 50' x 15' x 8' (maximum depth). No additional work is recommended.

Trench No. 2, which is south of Trench No. 1, trends N. 85° W and is 100' x 15' x 15' 6-8'. This cut exposed several pegmatitic pods or stringers with limited extent and composed of feldspar, scattered quartz, and biotite and scrap size muscovite mica. No additional work is recommended.

A later contact with the Operator disclosed that mica recovered from Trench No. 1 during excavation would be shown the Field Examiners during their next visit to the area.

Inspected: March 4, 1955.

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

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

z

RECEIVED
APR 2 1955

INTERIM REPORT

DMEA-3572, Idm-2761 (mica) IRBY CUT MINE

Operator: Non-Metallics Mineral 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, N. C.

Stage I of this contract, consisting of two trenches cut by the bulldozer, has been completed. Due to the poor showing of exposed pegmatite in both trenches, the field examiners recommend that Stage II of the Contract not be undertaken.

Trench No. 1 trends about N. 50° E. and exposes a pegmatite of variable thickness over an area of about 18 feet, and composed of scattered quartz, feldspar and small blocks of hard, green muscovite mica, some of which was stained. Trench dimensions were 50' x 15' x 8' (maximum depth). No additional work is recommended.

Trench No. 2, which is south of Trench No. 1, trends N. 85° W and is 100' x 15' x 15' 6-8'. This cut exposed several pegmatitic pods or stringers with limited extent and composed of feldspar, scattered quartz, and biotite and scrap size muscovite mica. No additional work is recommended.

A later contact with the Operator disclosed that mica recovered from Trench No. 1 during excavation would be shown the Field Examiners during their next visit to the area.

Inspected: March 4, 1955.

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

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

z

RECEIVED
APR 1 4 1955

INTERIM REPORT

DMEA-3572, Idm-E761 (mica) IREX CUT MINE

Operator: Non-Metallics Mineral 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, N. C.

Stage I of this contract, consisting of two trenches cut by the bulldozer, has been completed. Due to the poor showing of exposed pegmatite in both trenches, the field examiners recommend that Stage II of the Contract not be undertaken.

Trench No. 1 trends about N. 50° E. and exposes a pegmatite of variable thickness over an area of about 18 feet, and composed of scattered quartz, feldspar and small blocks of hard, green muscovite mica, some of which was stained. Trench dimensions were 50' x 15' x 8' (maximum depth). No additional work is recommended.

Trench No. 2, which is south of Trench No. 1, trends N. 85° W and is 100' x 15' x 15' 6-8'. This cut exposed several pegmatitic pods or stringers with limited extent and composed of feldspar, scattered quartz, and biotite and scrap size muscovite mica. No additional work is recommended.

A later contact with the Operator disclosed that mica recovered from Trench No. 1 during excavation would be shown the Field Examiners during their next visit to the area.

Inspected: March 4, 1955.

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

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

INTERIM REPORT

DMEA-3572, Idm-5761 (mica) IRBY CUT MINE

Operator: Non-Metallics Mineral Corp. Box 39, Burnsville, North Carolina

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

Stage I of this contract, consisting of two trenches cut by the bulldozer, has been completed. Due to the poor showing of exposed pegmatite in both trenches, the field examiners recommend that Stage II of the Contract not be undertaken.

Trench No. 1 trends about N. 50° E. and exposes a pegmatite of variable thickness over an area of about 18 feet, and composed of scattered quartz, feldspar and small blocks of hard, green muscovite mica, some of which was stained. Trench dimensions were 50' x 15' x 8' (maximum depth). No additional work is recommended.

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A later contact with the Operator disclosed that mica recovered from Trench No. 1 during excavation would be shown the Field Examiners during their next visit to the area.

Dispected: March 4, 1955.

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

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

s

INTERIM REPORT

DMEA-3572, Idm-E761 (mica) IRBY 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.

Inpsected: Feb. 18, 1955.

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

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

Inspected.

z

Docket Copy
Surname:
Houk
Selfridge
Hedges
Kiilsgaard

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 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-E761

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 (HB)

Approved:

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

Thor H. Kiilsgaard (HB)
Member, Geological Survey

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

R.C.H.

Docket Copy
Surname:
Hopkins
Houk
Taffuto
Selfridge
Johnson

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

FEB 1 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

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 (GCS)

Approved:

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

Thor H. Kiilsgaard (THB)
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

R.C.S.

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

DEPARTMENT OF THE INTERIOR
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.

W. F. Dietrich

W. F. Dietrich

IN REPLY REFER TO:

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

Defense Minerals Administration
RECEIVED
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

E. L. Newcomb

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

Kelton H. Teague for
Robert A. Laurence
Executive Officer, DMEA Field Team
Region VII

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

Enclosures 10

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

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 - Hoistman @ $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

DOCKET FILE
Surname:

Hoyt
Houk
Selfridge
Yeghiaian

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

DEC - 8 1954

Mr. Robert A. Laurence
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. 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 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,

SIGNED

Chairman, Operating Committee (2LG)

Approved:

Member, Bureau of Mines (2HB)

Member, Geological Survey (2HB)

Enclosures 4

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

DOCKET FILE
Surname:

Hopkins
Houk
Kilsgaard
Selfridge
Hedges
E Johnson

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

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. 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

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

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 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

E. L. Newcomb

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

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-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.

W. F. Dietrich

W. F. Dietrich

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

November 17, 1954
Subject: DMEA-3572
Re: Exploration Assistance
Irby Cut

Non-Metallic Minerals Corp.
Box 39
Burnsville, N. Car.

Gentlemen:

The receipt of your application dated November 15, 1954 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA-3572 and referred to the Non-Metallic Minerals Division.

Kindly identify all future correspondence relating to your application by this docket number.

Sincerely yours,

Robert E. Adams, Chief
Operations Control and
Statistics Division

60932

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 16 1954

NON-METALLIC MINERALS CORP.

MICAVILLE NORTH CAROLINA
BURNSVILLE,
P. O. Box 39.

November 15, 1954

United States Dept of the Interior,
Defense Minerals Exploration Administration,
Washington, 25, ...D. C.

Atten: Mr. Lawrence G. Houk, Chief,
Nonmetallic Minerals Div.

Gentlemen:

We are attaching in quadruplicate application for a DMEA loan for Mica. We trust this application is in proper form and contains sufficient information to justify an inspection by your regional Mining Engineer.

If additional information is required, or if an inspection is to be scheduled, will you kindly address the writer or phone at our expense to: Burnsville 1731?

Thanking you for past courtesies and favors, and assuring you of our sincerity, we are,

Yours very truly,

Non-Metallic Minerals Corp.

W. Howard Simpson

W. Howard Simpson, Pres.

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Form Approved.
Budget Bureau No. 42-R0351
Defense Minerals Administration
RECEIVED
NOV 16 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. 3572
Metal or Mineral Mica
Date Received
Estimated Cost $5,700
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: Non-Metallic Minerals Corp., (a North Carolina Corp) Box 39, Burnsville, N. Car

(c) W. Howard Simpson, Pres., Burnsville; Nell B. Simpson, Sec't'y, Burnsville; Walter S. Simpson, V. P., New Orleans, La.

(*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. Above

(*c*) If a corporation, add to above statement, titles, names and addresses of officers. Yes, above

(*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 From a blazed Poplar tree in the Phillips-Fox line, East approx. 300' toa 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 8 Acres

(*b*) State any mine name by which the property is known. Irby Cut

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise Minerals Ownership as recorded in Book Page Yancey County Recorder of Deeds Office.

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

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

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

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

(*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. See Exhibit "A"

(*d*) State the facts with respect to the accessibility of the project: Access roads, distances to shipping, supply and residence points. On "Fox" road, 1000' of County School Road

(*e*) State the availability of manpower, materials, supplies, equipment, water, and power. All equipment and/or Materials required are either owned or immediately available.

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

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

(*c*) The work will start within 30 days and be completed within 5 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. See Exhibit "A"

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)? Yes

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

[X] 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 November 15, 1954

Non-Metallic Minerals Corp.
(Applicant)

By [signature]
L. Howard Simpson, Pres.

[signature]
Nell B. Simpson, Sec'ty.

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

Non-Metallic Minerals Corp.,
P. O. Box 39, Burnsville, N. C.

Exhibit "A" of DMEA Loan Application

4. (a) Irby Cut Mine is known thruout the entire South Toe River area as having been one of the largest producers of "flat, large, Rum Mica". It has been worked at various times over a period of 75 years by open cuts and at least 3 tunnels reported to be approx. 400' long each to water level as evidenced by shafts to intersect and facilitate mucking. Pumping equipment was not available to work below water level 25-30 years ago and the only work since was 'robbing' the old tunnels. All tunnels were still in the "vein" and giving "plenty good Mica" when stopped by water. Authority for the above statements among 'old timers' in the area in Mica industry for years are: John Phillips, John Carroll, Louis Edge Ed. Edge, Roy Young, James Fox, Carey Hall, Roy Nichols, Lawrence Carroway, Mrs. Martha Gouge, and many others.

(b) No actual records available unless included in Dep't of Minerals bulletin, "Muscvite Mica in the Spruce Pine Area", 1941, under Bailey Mt.

(c) Tunnels were in a 'large horse of slate' following the N - S regional trend, and from surface workings and shafts to cut veins, must have followed the usual regional dip.

5. (b) It is proposed to sink a shaft approximately 50' deep in Mark Hollow, a natural cut in the 'slate horse', and tunnel off to both sides to intersect all veins. They will be worked North to the old workings, approx 300', and South 4 - 500'. Water will be handled by holes and Pumps to keep working face reasonably dry.

(d) Direct supervision by: W. Howard Simpson, 30 years experience as a Mechanical Engineer, 3 years Mica Mining, Member A.I.M.E., and Superintendant on recent White Face Mine on DMEA-3255, Idm-E 662, unsuccessful in results, but thoroly approved as to procedure and mining operations. He will be associated with and assisted by by Messrs J. Arthur Autrey and Ben F. Gouge, both of whom have been in and associated with Mica Mining for over 20 years. We will also have available for technical advice and direction if needed, the firm of Adair, Bailey, and Van Horn, Geologists and Mining Engineers of Burnsville and Murphy, N.C.

6 (a) None

(b) 1 Miner-foreman @ $1.50 per Hour
2 Muckers @ $1.06 " "
1 Hoist Man @ $1.25 " "

(d) Mining Equipment including Compressor, Jack Hammer, Hoist, Pump, Hoses Steel, ets., to be rented at total of $350.00 per month for 5 months. Bulldozing for 20 hours at $10.00 per hour to preceed Ming work.

(e) None

(f) None

Estimated total cost for Operations:

Preparation (Bulldozing)	$ 200.00
50' Shaft @ $50.00 per foot	2500.00
100' Tunnel (50' each side) @ $30.00 per foot	3000.00
Total Estimated Exploration Cost	$5700.00

Non-Metallic Minerals Corp.

by W. Howard Simpson, Pres

Nell B. Simpson, Sec't'y.