☐ Audited

☐ Certified

RK ANALYSIS SHEET - DMEA PROJEC

Analysis as of September
Incl. Voucher for August

☐ Actual Cost

☑ Agreed Unit Costs

Name E.A. Ellis & Lin Carpenter

Docket No. 3682

State N.C.

Commodity Mica

Idm-E No. 806

OPERATION	AUTHORIZED Units	AUTHORIZED Cost	COMPLETED Units	COMPLETED Cost	NET COST
Drifting & Crosscutting					
Raising					
Shafts	75	3,375.00	—	—	—
Winzes					
Drilling (Specify)					
Surface Excavation		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		3688.00		200.00	200.00

Completed 8/17/55.

Prepared by [illegible]

71626

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

E. A. Ellis and Lin Carpenter
Spruce Pine, North Carolina

pertaining to Exploration Project Contract No. Idm-8806, Docket No. DMEA-3682, for the month of August 1955, covering a project for the exploration of mica on property, known as the Cook or Rube Sparks Mine, located in Mitchell 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 work performed 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 units 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

E. D. Talbert, Auditor

September 26, 1955

Division Copy

RECEIVED
JUN 13 1955

MF-200A
(Revised June 1954)

Docket No. DMEA 3582

Commodity Mica

Contract No. Idm-E 806

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

It is agreed this 3rd day of June, 1955, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2] E. A. Ellis and Lin Carpenter, partners,

whose mailing address is c/o E. A. Ellis
Spruce Pine, 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 Mitchell, and is described in Annex I.[3]

(b) The Operator represents and undertakes that:

(1) The Operator is the [4] Lessee of [5] the mineral rights in the land, in possession and entitled to possession for all of the purposes of this contract, under and by virtue of a [6] lease, un 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: Consent to Lien of Owner

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

16—70618-1

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

ARTICLE 3. *The exploration project.*—The project is a search for indicated or undeveloped deposits of Mica. The work to be performed is described in Exhibit "A." The Operator on or before JUL 15 1955 shall commence the work, and on or before November 15, 1955 (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 $3,688.00 The Government will contribute 75 percent of the fixed unit costs as work is performed, in a total sum not in excess of $2,766.00: *Provided,* That until the Operator has rendered to the Government his final report, and any final auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of 10 percent of the estimated total cost of the work. The Government will make its contribution on the basis of the monthly vouchers referred to in Article 6(b), but all payments by the Government are provisional only, subject to audit, until the account between the Operator and the Government is finally audited and settled. To the extent that excesses over fixed unit costs or any excess over the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such excesses for his own account without contribution by the Government. The Government may make payments directly to independent contractors and suppliers for the account of the Operator rather than to the Operator.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

ARTICLE 11. *Changes and added provisions.*—

Executed in sextuplicate the day and year first above written.

C. A. EARL AND SAM CARPENTER
(Operator) (partners)

By Sam Carpenter (partner)

By E R Ellis (partner)

THE UNITED STATES OF AMERICA

By O Mittendorf
Administrator, Defense Minerals Exploration Administration

Arthur Hoffland
"Appd. Sol. Off."
Hopkins
Clement
Hoyt
Selfridge

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

RECEIVED
JUN 13 1955

EXPLORATION PROJECT CONTRACT
E. A. ELLIS AND LIN CARPENTER
DOCKET NO. DMEA-3682

ANNEX I

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

Beginning on a double poplar running thence North 11 degrees West 245' to a stake; thence North 37 degrees West 170' to a triple poplar; thence North 80 degrees East 528' to a stake; thence South 40 degrees East 245' to a stake in the branch; thence up with the said branch South 41 degrees West 363' to a stake; thence leaving the branch running South 85 degrees West 200' to a stake; thence North 77 degrees 30 West 100' back to the beginning. Containing four and one half acres (4½).

RECEIVED
JUN 13 1955

EXPLORATION PROJECT CONTRACT
E. A. ELLIS AND LIN CARPENTER
DOCKET NO. DMEA-3682

EXHIBIT "A"

Description of the Work

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

Stage I

With a D-4 bulldozer or equivalent, cut a trench, 25 feet wide and 6 feet deep, along the strike of the pegmatite for a distance of not more than 100 feet.

The approximate location of the trench is shown on the sketch entitled, "Sketch of Cook or Rube Sparks Mine, DMEA-3682 (mica)" attached hereto and made a part hereof.

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 toolhouse, minimum dimensions 8 feet by 10 feet by 7 feet high.

An exploder magazine, minimum dimensions 2 feet by 1½ feet by 1 foot.

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

The toolhouse may be unfloored; shall be made from rough 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 hardwood or 3-inch softwood lumber; and shall be braced at the corners. No metal

shall be exposed, and the lids or doors shall be securely locked with the equivalent of a 5-tumbler jar-proof lock.

2. Sink a 75-foot, 2 compartment shaft, in the pegmatite at a point agreed upon between the Government and the Operator. The shaft shall be timbered as necessary, and shall have minimum cross-sectional dimensions of 5 feet by 7 feet in the clear of timber.

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

FIXED UNIT COSTS

Stage I

Bulldoze 20 hours @ $10.00/hr.	$ 200.00	
		$ 200.00

Stage II

Construct:		
Toolhouse 1/	$ 75.00	
Exploder magazine 1/	13.00	
Powder magazine 1/	25.00	
Sink 75 feet of shaft @ $45.00 per foot	3,375.00	
Estimated Total Cost of Stage II		$3,488.00
Estimated Total Cost of Project		$3,688.00
Government participation @ 75%		$2,766.00

1/ The completed work constitutes the unit.

MF-203
Revised March 24, 1955

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 1 3 1955

RECEIVED
JUN 1 3 1955

For Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator _____
Docket No. DMEA- _____
Contract No. Idm-E _____
Contract Date _____

CONSENT TO LIEN

To the United States of America:

Referring to that certain land in the County of Mitchell, State of North Carolina, described as follows:1/

Beginning on a double poplar, running thence north 11 degrees west 245' to a stake; thence north 37 degrees west 170' to a triple poplar; thence north 80 degrees east 528' to a stake; thence south 40 degrees east 245' to a stake in the branch; thence up with the said branch south 41 degrees west 363' to a stake; thence leaving the branch running south 85 degrees west 200' to a stake; thence north 77 degrees 30 west 100' back to the beginning. Containing four and one half (4½) acres.

which is the subject of a proposed exploration project contract, hereinafter called the "contract," with the United States of America, hereinafter called the "Government;" in consideration of the contract and as an inducement to the Government to enter into it, the undersigned hereby--

1. Undertakes and agrees that property in which the Government may acquire an interest or equity under the contract may be dismantled, severed from the land, and removed, as may be provided in the contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned;

2. Grants to the Government a lien upon all of the undersigned's right, title, and interest in the land and upon any production of minerals therefrom to secure the payment to the Government of a percentage royalty on production as may be provided for by the contract;2/ and represents and undertakes that there are no claims, liens, or encumbrances upon the undersigned's right, title, or interest in the land prior to that hereby granted to the Government other than the following:3/

NONE

3. Undertakes and agrees neither to commit any act nor assert any claim in conflict with the provisions of this Consent to Lien; and to give advance notice of the Government's rights under this Consent to Lien to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, or interest in the land; and

1/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated _____, and recorded in book _____ page _____ official records of said county." If (b) is used, the book and page of recordation cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

2/ Mining or production from the land is not required, and in the absence of production there is no obligation to repay the Government.

3/ Write "none" if that is the case. Do not leave lines blank.

4. Consents to all amendments and assignments of the contract without notice thereof, and agrees that this Consent to Lien shall extend and apply thereto.

5. Added provision: _____

_____

_____

_____

_____

_____

_____

_____

Dated this 12th day of May, 1955.

E A Ellis [Seal]

J E Ellis [Seal]

_____ [Seal]

I, _____ certify that I am the _____ (Secretary, etc.) of the corporation named herein; that _____ who signed this agreement was then _____ (President or Vice-President, etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

_____

[Corporate Seal]

603

MAY 11 1956

Messrs. E. A. Ellis and Lin Carpenter
c/o Mr. E. A. Ellis
Spruce Pine, North Carolina

Re: Docket No. DMEA-3682-mica
E. A. Ellis and Lin Carpenter
Ellis and Carpenter
Babe Sparks Mine
Mitchell County, North Carolina
Contract No. Idm-E806

Gentlemen:

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. G. Mittendorf

Administrator

JHopkins:mm 5/10/56
Copy to: Docket
Mr. Chambers
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Hopkins
Adm. R. File
E. A. Ellis) land owners
F. E. Ellis)

(Copies to Field Team for forwarding)

May 10, 1956

Project Summary Report

By: James Hopkins

1. Docket No. DMKA-3682-mica
Contract No. Idm-2806
Rube Sparks Mine
Mitchell County, North Carolina

Operators: E. A. Ellis and Lin Carpenter
Spruce Pine, North Carolina
Operators' Property Rights:
Lessees of the mineral rights of the Rube Sparks Mine

2. Contract: dated June 3, 1955
a) Work Authorized:

Stage I	
Trench excavation	$ 200.00
Stage II	
New Buildings	113.00
Shaft Sinking 75 feet @ $45.00	3,375.00
Estimated Total Cost	$3,688.00

b) Amendments: none
c) Work Completed:

Trench excavation	$ 200.00

Work began June 30, 1955.
Work completed July 2, 1955.
Final Field Team Report September 16, 1955.
Final Operators Report waived (September 16, 1955).

3. Audit: Report of Review - dated September 26, 1955

Total Cost as billed by Operator	$ 200.00
Exceptions	none
Total Accepted Cost	$ 200.00
Government participation @ 75%	$ 150.00

4. Certification of Discovery - none issued

5. Comments:

The Rube Sparks Mine had a production valued at $8,000.00 during World War II.

The main workings consisted of a 95-foot shaft with subsequent drifts and stopes.

5. Comments(continued)

The project was set up to attempt to explore an extension of the pegmatite by first trenching along the strike from the old workings.

Trenching conducted under this contract failed to disclose an extension of the mica-bearing zone previously worked or any new zone; therefore, the work was terminated at the conclusion of Stage I.

This entire area is underlain by Alaskite and pegmatite with narrow bands of north-trending mica schist. The Trench is entirely in Alaskite and Coarser pegmatite. The pegmatite appears as pod-like lenses and contains coarse potash-feldspar, scattered small quartz, and lenses of quartz, green muscovite and scattered garnet.

Mica recovered during the project was 4,000 lbs. and sold for $580.75. Royalty of $28.84 has been paid.

There are no mica reserves.

The project was terminated after completing the trench because it was apparent that a significant discovery was not within the realm of a possibility and no further work was warranted.

The Field Team recommends that no certification of discovery be issued.

The Nonmetallic Minerals Division concurs in the recommendation.

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

James Hopkins
Nonmetallic Minerals Division

JHopkins:ms 5/10/56
Copy to: Mr. Houk
Mr. Hopkins
Admr. R. File

C
O
P
Y

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
APR 9, 1956

~~WASHINGTON 25, D.C.~~
Knoxville, 2, Tenn.
April 6, 1956

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Letter of March 23, 1956 pertaining to production and royalties on six uncertified projects-

A check of the records at the Government Buying Depot in Spruce Pine, N. C., was made to determine what sales had been made from these projects and an inquiry as to their present status:

DMEA-3575, Idn-E776, S. P. McKinney Mine: Not operating. The only sale made was one for 1170 pounds of hand cobbed mica under the old amended "B" program for which they received $539.66, royalty of $26.98 has been paid.

DMEA-3682, Idn-E806, Rube Sparks Mine: Operator made one sale from this operation for 4000 lbs. of poor quality hand cobbed mica for which an initial payment of $800.01 was made. Upon processing the mica it was found its value was only $580.75. A charge of $4.01 was made for rifting and trimming, so the Operator had to refund $223.27 to the Government. Royalty of $28.84 has been paid.

DMEA-3728, Idn-E824, Walter Grindstaff Prospect: No sales were made to the Government Depot. Operator made one sale of 375 lbs. of run-of-mine mica to the Ralph Jarrett Mining Company at 40¢ per lb. and received $150.00 for it. Royalty on this sale in the amount of $7.50 has been paid to the Government.

DMEA-3611, Idn-E785, Little Hawk Mine: Mine not operating. John Phillips one of the partners in the contract stated that no mica was sold from the property. He stated that all recovered was a few hundred pounds of scrap and it was not worth bothering with.

DMEA-3877, Idn-E864, Jasper Smith Mine: Mine not operating. Operators made one sale of $17.06 lbs of sheet mica to the Government Depot for which they received $234.96. They also sold 447 lbs. of scrap to Tar Heel Mica Company for $6.70. Royalties in the amount of $12.08 has been paid.

IMEA-3731, Idu-E815, Randolph Mine: Mine not operating. Operators made one sale of 9.30 pounds of sheet mica to the Government Depot for $154.16. Also sold 202 lbs. of scrap to Herman Johnson for $2.02. Royalty on these sales in the amounts of $7.71 and 10¢ respectively has been made.

V. J. Lynch,

WAB/sm
cc;
Opr. Com.-2
Lynch
Beck
Files

copied by ms 4/11/56

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1 ASH POST OFFICE BLDG.
KNOXVILLE 2, TENN.

RECEIVED
APR 5 - 1956

April 3, 1956

Memorandum

To: Helen Miller, Ass't Administrative Officer, Region V

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

Subject: Royalty payment on Idm-E806, DMEA-3682-Mica. Rube Sparks Mine, Mitchell County, N. C.

Transmitted are initial and final settlement sheet on the sale of 4000 lbs. of hand cobbed mica for which the Operators of the subject mine received $576.74. A check for $28.84 for the Government's 5 percent royalty on this sale is also enclosed.

Robert A. Laurence

WAB/zm
cc:
Lynch
Mittendorf
Shirley
Files

Copy

GENERAL SERVICES ADMINISTRATION
MICA PURCHASING DEPOT, SPRUCE PINE, N. C.

DATE: 10-31-55

Acceptance No.
BO-4 - 137

Certificate of Authorization No. EPS-4-248 B

LOT No. 137

maximum $540/ton

RUBY [ ] NON-RUBY [X]

	TOTAL LBS.	Lbs of G.S. & Better	Lbs. Stained Mica	TOTAL VALUE
TOTAL PAYMENT				
~~LESS~~ INITIAL PAYMENT	4000.00	24.10	80.00	800.01
AMT DUE Gov [ ] SELLER [ ]				

DMEA- 3682 IDm-E 806

E. A. Ellis & Lin Carpenter Seller: Ruby Mining Co

MINE; Ruby Sparks Address c/o Mayland Motor Co

Mitchell County Spruce Pine, N.C.

Copy

GENERAL SERVICES ADMINISTRATION
MICA PURCHASING DEPOT, SPRUCE PINE, N. C.

DATE: 3-13-56

Acceptance No.
BO-4-137(a)

Certificate of Authorization No. EPS-4-248-B

LOT No. 137(a)

Maximum #540 per Ton

RUBY [ ] NON-RUBY [X]

	TOTAL LBS.	Lbs of G.S. & Better	Lbs. Stained Mica	TOTAL VALUE
TOTAL PAYMENT	4000.00	17.31	26.87	560.75
LESS INITIAL PAYMENT		24.00	80.00	800.01
AMT DUE Gov [X] SELLER [ ]	~~Less cost of rifting + trimming~~			4.01 223.27

DMEA-3682 IDm-E806 (E.A. Ellis & Lin Carpenter)

Seller: Ruhe Mining Co

MINE; Ruhe Sparko Mine
Mitchell County, N.C

Address c/o Mayland Motor Co
Spruce Pine, N.C

RECEIVED
APR 5 - 1956

600

MAR 23 1956

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

Dear Mr. Lawrence:

Reference is made to the following uncertified projects which have been completed or terminated, but no closing letters can be written because of incomplete information on the production and the royalties which may be due the Government:

Bankook No. DMEA-	Contract No. IDm-	Production during Project	Value of Production	Royalties Due	Royalties Paid	End of Certification Period (6 mos. from date Final Report)
3575	E776	1000 lbs.	$559.86	$26.98	$26.98	Feb. 8, 1956
3682	E836	few hundred pounds.	?	?	None	Mar. 26, 1956
3728	E824	100 lbs.	$150.00	$ 7.50	$ 7.50	Mar. 26, 1956
3611	E785	about 800 lbs.	?	?	None	Apr. 4, 1956
3877	E864	approx. 750 lbs.	$241.66	$12.08	$12.08	Apr. 31, 1956
3731	E815	about 300 lbs.	$156.20	$ 7.81	$ 7.81	May 17, 1956

In order to close out these contracts it will be appreciated if you will take whatever action you deem necessary for collection of the unpaid royalties. On those projects where royalties have been paid, please ascertain whether there has been, or whether there is likely to be, any production made between the time of the last royalty payment and the end of the period in which certification may be made.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee

Approved:

/s/ Robert W. Geehan
Member, Bureau of Mines

Thor H. Kiilsgaard
Member, Geological Survey

Jhopkins: 3/20/56
Copy to: Bankook(6)
Operating Committee
Mr. Chambers
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061

/Mr. Bank(6)
Mr. Hopkins
Adm. R. File

Mr Gt

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

RECEIVED
OCT 14 1955

October 14, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-3682 (mica)

Applicant: E. A. Ellis and L. Carpenter

Name and Location of Property: Rube Sparks (Cook) Mine, Mitchell Co., N.C.

Contract Number: Idm-E 806

Date of Field Team Report: 9/16/55

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 10/3/55

Field Team Recommendation: Recommend no certification of discovery.

Comments:

1. No extension of the mica-bearing zone was disclosed.

2. Most of the small quantity of mica discovered was of poor quality.

3. Expenditures -

Total approved	$3,688.00
Total cost	200.00
Gov't. share of the cost	175.00
Value of production during operation	None

Recommendation: I concur with the field team's recommendation.

Signed
W. F. Dietrich

Kuwae

IN REPLY REFER TO:

Mr Hopkins

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

October 5, 1955

Re: DMEA 3682, Idm-2806
Ellis and Carpenter
Rube Sparks (Cook) mine
Mitchell Co., N. C.
$3,688.00 - Mica

Memorandum

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

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

Subject: Review of Field Team Final report.

The information furnished by a long bulldozer trench costing $200 indicated to the examiners and the operator that further expenditure was not justified. The pegmatite explored occurs in alaskite in a mica-bearing zone previously worked. The mica revealed by the bulldozer is of poor quality. A few hundred pounds of mica was recovered but none was sold.

The contract was terminated by mutual agreement.

The examiners and the Field Team recommend that no certification of discovery be made.

I concur with that recommendation.

N. E. Nelson

N. E. Nelson

NENelson:iml
G-10/5/55

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

Mr Hopkins

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

COPY

ROOM 13, POST OFFICE BLDG.
KNOXVILLE 2, TENN.

September 27, 1955

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Field Team Final Reports.

Transmitted are four copies each on the following:

✓ DMEA-3801, Dave and Ray Wise (mica) Newland, N. C.

✓ DMEA-3728, Walter and Lucian Grandstaff (mica) Bakersville, N. C.

✓ DMEA-3814, C. R. Phillips and Brown Sparks (mica) Bakersville, N. C.

✓ DMEA-3682, E. A. Ellis and Lin Carpenter (mica) Spruce Pine, N. C.

✓ DMEA-3755, W. C. Crotts, Shelby, North Carolina (mica)

Operators final report has been waived on each of the above reports.

/s/ V. J. LYNCH
V. J. Lynch, Acting
EXECUTIVE OFFICER
DMEA REGION V

/s/ K. H. TEAGUE
K. H. Teague, Geologist
U. S. Geological Survey

Reviewed by
DMEA OPERATING COMMITTEE
10-3-55
(date)

RECEIVED
SEP 2 2 1955

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT

FIELD TEAM, REGION V

On

DMEA-3682 (mica) RUBE SPARKS (Cook) MINE
Mitchell County, N. C.

By

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

and

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

September 16, 1955

10-3-55

RECEIVED
SEP 2 2 1955

FINAL REPORT
On
DMEA-3682, RUBE SPARKS (Cook) MINE
Idm-E806.

Operator: E. A. Ellis and Lin Gappenter, c/o E. A. Ellis, Spruce Pine, N. C.

The Rube Sparks (Cook) Mine is 1.5 miles northwest of Spruce Pine, along the south side of the North Toe River, and about 0.6 mile southwest of Mimpro, Mitchell County, N. C.

Trenching conducted under this contract failed to disclose an extension of the mica-bearing zone previously worked or any new zone; therefore, the work was terminated at the conclusion of Stage I. No additional work is warranted, nor should a certification of discovery be issued.

The project began June 30, and was completed July 2, 1955 (Operator's narrative incorrectly gave the working dates as Aug. 15-17, 1955). A trench was cut by bulldozer, beginning at the north side of the existing open cut and extending 125 feet to the north. The cut is 17 feet wide and has an average depth of about 15 feet.

This entire area is underlain by Alaskite and pemgatite with narrow bands of north-trending mica schist. The trench is entirely in Alaskite and coarser pemgatite. Contacts between the two types are gradational. The pegmatite appears as pod-like lenses and contains coarse potash feldspar, scattered small quartz, and lenses of quartz, green muscovite, and scattered garnet. The mica is associated with the coarse potash feldspar.

About 90 percent of the mica is of very poor quality. It is Wedge "A" and badly stained. Also "flattened" garnet inclusions are numerous. A small amount of the mica is flat and clear, but constitutes an insufficient percentage to justify additional work. Mica recovered during the project amounted to a few hundred pounds, but was not removed from the property.

Expenditures:	(a)	Total approved	$3,688.00
	(b)	Total cost of project	200.00
	(c)	Government participation	175.00
	(d)	Government's shase unexpended	2,591.00
	(e)	Value of production during opr.	none

The project was conducted in a satisfactory manner. No equipment was purchased for the project.

September 16, 1955.

K. H. Teague, Geologist
U. S. G. S.

L. E. Shirley, Mining Engineer
U. S. B. M.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
ROOM 13 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

RECEIVED
SEP 28 1955

September 26, 1955

Mr. E. A. Ellis

Spruce Pine, N. C.

Re: DMEA-3682, Idm-8806 (mica)
Ellis & Carpenter
Rube Sparks Mine, Mitchell County, N. C

Dear Mr. Ellis:

As the results of Stage I of this contract indicate that the work proposed under Stage II is not justified, the contract is automatically terminated, and this letter will serve in lieu of the usual termination agreement.

We have already received and processed your final voucher. Because the narrative accompanying that voucher described the work of the entire project, we are accepting it in lieu of the usual final report.

Very truly yours,

Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION V

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

600

SEP 22 1955

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

Subject: Docket No. DMEA-3682 - Mica
E. A. Ellis and Lin Carpenter
Ellis & Carpenter
Babe Sparks Mine
Mitchell County, North Carolina
Contract No. Idm-2806

Dear Mr. Laurence:

Reference is made to your memoranda of August 3, 1955, and September 14, 1955, requesting permission to terminate the subject contract by mutual agreement, effective July 12, 1955.

We concur with the Field Team's recommendation that the proposed work be terminated. However, in lieu of the termination by mutual agreement, we suggest you write a simple letter to the Operator explaining that since the results obtained from Stage I work do not justify additional work, the work described under Stage II of the contract will not be approved.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

/s/ Robert W. Geehan
Member, Bureau of Mines

N. E. Nelson
Member, Geological Survey

JHopkins:gad 9/19/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Hopkins

P. O. Box 217
September 19, 1955

Memorandum

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

From: Administrative Assistant, Electrotechnical Experiment Station, Bureau of Mines, Region V, Norris, Tennessee

Subject: Monthly report and voucher

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

Idm-2-806 E. A. Ellis and Lin Carpenter
DMEA Docket No. 3682
1st and final payment - month of June-July
Starting Date: 6-30-55
Completed: 7/2/55
Amount $150.00

Helen R. Miller

Attachments
/hm
copies to Lynch
Laurence
Norris files
Day files

Form DMEA-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- 23

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of August, 1955 Docket No. DMEA 3682 RECEIVED Contract No. Idm-3806

Operator's Name E. A. Ellis and Ian Carpenter Minerals mica

Address Spruce Pine, N. C. SEP 21 1955

Contract Amount, $ 3,688.00 Government Participation: 75 % Amount, $ 2,766.00

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 20 hours	200	None	200			
Bulldozing						
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		200	200.00		200.00

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

Date _____ *Payee _____

Per E. A. Ellis Title _____

*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 SEP 19 1955 Vou. No. 62

(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. ..... in accordance with the terms of the contract.

Signature Keyton H. Teague Title Geologist, U.S.G.S. Date 9/15/55

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature V. J. Lynch ACTING EXECUTIVE OFFICER Title DMEA REGION V Date SEP 16 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.

F[illegible]-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
SEP 21 1955

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of August 1955 Docket No. DMEA [illegible] Contract No. [illegible]
Operator's Name [illegible] Minerals [illegible]
Address [illegible]

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Building	20	220.00	20	220.00	20	1960.00	20	110.00
TOTAL DISTRIBUTED COSTS		2[illegible].00	20	220.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc								
TOTAL COSTS								

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.

Date 9-12-55 Operator [illegible]

Per E. A. Ellis Title [illegible]

REMARKS:

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) Kepton 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

OPERATOR'S MONTHLY PROGRESS REPORT

MONTH OF AUGUST 1955

DMEA 3682
Idm E 006

WORK ACCOMPLISHED:

August 15, 16 and 17 - 20 hours bulldozing, stripped 25 ft. wide, 6 ft. deep and 100 ft. long.

Spruce Pine, North Carolina
September 12, 1955

Mr. Robert A. Laurence
DMEA Region VII
Room 13, Post Office Building
Knoxville, Tennessee

RE: DMEA No. 3682
Idn E 806
Final Report

Dear Mr. Laurence:

We started work on this project August 15, 1955, bulldozing the 15th, 16th and 17th of August, stripping 25 feet wide, 100 feet long and 6 feet deep. No mica was encountered.

We wish to express our sincere thanks to the field team for their cooperation on this project. If you should need further information please contact us.

Very truly yours,

ELLIS & CARPENTER

E A Ellis

E. A. Ellis
Partner

EAE:tb
Encls.

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

RECEIVED
SEP 21 1955

September 16, 1955

Memorandum

To: Helen Miller, Ass't Administrative Officer, Region V

From: Executive Officer, DMEA - Region V

Subject: Idm-E606, DMEA-3682, Ellis & Carpenter, Rube Sparks Pros. (mica), Mitchell County, N. C.

Transmitted are three copies of the first and final report on the subject contract. This project was started June 30, 1955 and completed July 2.

The Operator's narrative incorrectly states this work was done August 15, 16, 17. Actually the work was done June 30, July 1 and 2, and the completed work was inspected by Mr. Teague and Mr. Shirley on July 12.

Robert A. Laurence

RAL/sm
cc:
Lynch
Shirley
Finance Office-3
Files

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

RECEIVED
SEP 16 1955

September 14, 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: DMEA Field Team, Region V

Subject: DMEA-3682, Idm-E806 (mica) E. A. Ellis & Lin Carpenter, Oprs.
Rube Sparks Mine, Mitchell County, N. C.
Request for permission to terminate.

References: Our memorandum of August 3, 1955

As our field examiners did not give approval for Stage II, no work has been done at this project since completion of Stage I, on July 12. However, we have received no answer to our request for permission to terminate.

Therefore, we again request permission to terminate this contract by mutual agreement, effective July 12, 1955. Certification will not be recommended.

Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION V

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

RAL/mm
cc:
Lynch
Shirley
Files

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

RECEIVED
AUG - 5 1955

August 3, 1955

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: DMEA-3632 (misc) Kan-DM06. E. A. Ellis and Lin Carpenter. Rube Sparks (Cook) Mine. Mitchell County, N. C.

Stage I of the subject contract has been completed. As noted in the interim report of July 12, the field examiners selected a test-pit site as the beginning of Stage II. However, no work has been done on Stage II as the Operators, after thorough study of the mica recovered and exposed by Stage I, have concluded that the quality of the mica does not warrant further work. The field examiners (who were dubious about Stage II anyway, as indicated in the July 12 report) agreed with this conclusion.

Therefore, we request permission to terminate this contract, by mutual agreement, effective July 12, 1955. Certification will not be recommended.

Robert A. Lawrence
EXECUTIVE OFFICER
DMEA REGION V

Mr. A. Cook, for V. J. Lynch
Member, Bureau of Mines

/jm
cc:
Lynch
Shirley
Files

7-16

C-4

RECEIVED
JUL 25 1955

INTERIM REPORT

IMEA-3682, Idn-E806 (mica) RUBE SPARKS (COOK) MINE

Operator: E. A. Ellis and Lin Carpenter, c/o E. A. Ellis, Spruce Pine, N. C.

Location: 1.5 miles northwest of Spruce Pine, along the south side of the North Toe River, and about 0.6 mile southwest of Minpro, Mitchell County, N. C.

The starting date on this contract is June 30, 1955. Stage I of the contract has been completed, and consisted of cutting a single North-South trending trench 125 feet long, 17 ft. wide, and 12 to 20 ft. deep. The trench extends from an old shaft, as shown on the surface map accompanying the original examination report, and exposed alaskite, containing some pegmatite along both walls and the bottom of the cut. Approximately 100 pounds of grassy green, wedge "A", stained mica was recovered from the trench work. A few pieces of 2" x 3" mica that was flat, and clear of any stain, was observed.

The Operator is of the opinion, based on his previous experience during World War II, that sufficient mica can be produced from this locality to make this a paying mine. Exposed material by trenching under this program, does not indicate a proper location for shaft sinking. A test pit, not exceeding 25 feet in depth, was recommended at a point in the cut about 20 feet north of the head. If this pit does not show workable pegmatite, no further exploration should be attempted under contract.

Inspected: July 12, 1955.

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

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

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

RECEIVED
JUN 13 1955

June 9, 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region 5, Knoxville, Tennessee

Subject: Signed Contract - Idm-E806, DMEA-3682, Ellis & Carpenter c/o E. A. Ellis, Spruce Pine, N. C.

Transmitted are three copies of the subject contract that have been signed by the partners. The usual distribution of the other copies has been made by this office.

Robert A. Laurence

ZM.
cc:
Finance Office
Lynch
Shirley
Files

JUN - 3 1955

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

Subject: Docket No. DMEA-3621 - Mica
E. A. Ellis and Lin Carpenter
Ellis & Carpenter
Ruby Sparks Mine
Mitchell County, North Carolina

Dear Mr. Lawrence:

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 Operators for their approval and signature. Please explain to the Operators that the contract, when executed, is a firm commitment under the terms of which they are 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 Operators 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.

Please fill in the starting date in Article 3 before the contract is signed by the Operators.

After execution of the contract, the copies are to be distributed in the usual manner. Copies of memoranda from E. L. Newcomb of the Geological Survey, dated May 3, 1955, and from W. F. Dietrich of the Bureau of Mines, dated May 9, 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

JHopkins:ad 6/1/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

Enclosures 10

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

MAY 25 1955

Memorandum

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

From: Acting Assistant Solicitor, Defense Minerals

Subject: Docket No. DMEA-3682 (mica), Ellis & Carpenter, Mitchell County, North Carolina

There is attached hereto in proper legal form for execution a contract, covering the above-identified project, subject to execution of a Consent to Lien signed by E. A. Ellis and F. E. Ellis.

J. L. Hofflund

J. L. Hofflund
Acting Assistant Solicitor,
Defense Minerals

HCRubin:gjb 5/24/55

Copy to: DMEA Docket
Sol. Docket
L. G. Houk
J. L. Hofflund
H. C. Rubin
Chron. File

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

Memorandum

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

From: Acting Assistant Solicitor, Defense Minerals

Subject: Docket No. DMEA-3682 (mica), Ellis & Carpenter, Mitchell County, North Carolina

There is attached hereto in proper legal form for execution a contract, covering the above-identified project, subject to execution of a Consent to Lien signed by E. A. Ellis and F. E. Ellis.

J. L. Hofflund

J. L. Hofflund
Acting Assistant Solicitor,
Defense Minerals

HCRubin:gjb 5/24/55

Copy to: DMEA Docket
Sol. Docket
L. G. Houk
J. L. Hofflund
H. C. Rubin
Chron. File

MAY 1 0 1955

Ellis & Carpenter
C/o E. A. Ellis
Spruce Pine, North Carolina

Re: Docket No. DMA-3682 -- Mica
E. A. Ellis and Lin Carpenter
(Partnership)
Ellis & Carpenter
Rube Sparks Mine
Mitchell County, North Carolina

Gentlemen:

We are returning the four executed copies of Owner's Consent to Lien on the old form and enclosing six copies of the new form to be executed by the property owners.

When completed, kindly return the six copies to this office in order that we may continue processing your application.

Sincerely yours,

SIGNED

Lawrence G. Houk, Chief
Nonmetallic Minerals Division

Enclosures 10

JHopkins:sd 5/9/55
Copy to: Admr. R. File
Docket
Operating Committee
Field Team, Region V
Mr. Killagaard, 5222
Mr. Dietrich, 3061
Mr. Houk

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 10 1955

May 9, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-3682 (mica)

Applicant: E. A. Ellis and Len Carpenter

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

Date of Field Team Memo: April 13, 1955

Date Rec'd. by Br. of Ceramic and Fertilizer Materials: 5-5-55

Field Team Recommendation:

1. Approval of contract.

Comments:

1. Subject application was recommended for denial on basis of Field Team Report dated March 10, 1955.

2. Memorandum dated April 13, 1955 from Field Team to Operating Committee, DMEA, furnishes additional information. It appears that no mica-bearing pegmatite exists south of the open cut but it is possible a mica-bearing dike occurs north of the open cut.

3. Field Team recommends a two-stage project. Stage I, trench to determine the existence of additional mica shoots. If Stage I is successful, stage II can be conducted.

4. Proposed plan of exploration should determine value of ground not previously mined but adjacent to a productive section.

5. From all indications, it is likely that the pegmatite dike may extend north.

Recommendation:

I concur with the field team recommendation to approve a two-stage project in the amount of $3,588.

Signed

W. F. Dietrich

IN REPLY REFER TO:

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

May 3, 1955

Re: DMEA-3682
E. A. Ellis and
L. Carpenter
(Rube Sparks Mine)
Mitchell Co., N. C.
$3,588 - Mica

Memorandum

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

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

Subject: Recommendation for approval of Field Team's proposed program

The Field Team has recommended a two-stage project be approved.

Stage I -- 100 foot trench
Stage II -- 75 foot shaft

Inasmuch as exploration has not been conducted north of the open cut and along the trend of the favorable pegmatite, the staged program appears to be warranted. If trenching results are unfavorable or inconclusive the Stage II work should not be carried out.

I recommend the two-stage project be approved for a contract.

E. L. Newcomb

ELNewcomb:hlm
G-5/3/55

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

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

March 22, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-3682 (mica)

Applicant: E. A. Ellis and Lin Carpenter

Name and Location of Property: Rube Sparks (Cook) Mine
Mitchell County, North Carolina

Date of Field Team Report: March 10, 1955

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: March 15, 1955

Field Team Recommendation:

1. Denial of the application.

Comments:

1. It is doubtful if a DMEA project will develop additional pegmatite areas.

Recommendation:

I concur with the field team recommendation to deny this application.

Signed
W. F. Dietrich

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

March 22, 1955

Memorandum:

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-3682 (mica)

Applicant: E. A. Ellis and Lin Carpenter

Name and Location of Property: Rube Sparks (Cook) Mine
Mitchell County, North Carolina

Date of Field Team Report: March 10, 1955

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: March 15, 1955

Field Team Recommendation:

1. Denial of the application.

Comments:

1. It is doubtful if a DMEA project will develop additional pegmatite areas.

Recommendation:

I concur with the field team recommendation to deny this application.

Signed
W. F. Dietrich

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

March 22, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-3682 (mica)

Applicant: E. A. Ellis and Lin Carpenter

Name and Location of Property: Rube Sparks (Cook) Mine
Mitchell County, North Carolina

Date of Field Team Report: March 10, 1955

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: March 15, 1955

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1. Denial of the application.

Comments:

1. It is doubtful if a DMEA project will develop additional pegmatite areas.

Recommendation:

I concur with the field team recommendation to deny this application.

Signed

W. F. Dietrich

IN REPLY REFER TO:

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

March 17, 1955

Re: DMEA-3682
E. A. Ellis and
L. Carpenter
(Rube Sparks Mine)
Mitchell Co., N. C.
$5,113 - Mica

Memorandum

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

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

Subject: Review of Field Team examination report

The Field Team has recommended the application be denied.

The Rube Sparks mine was considered previously for possible exploration assistance, DMEA-1917X. This earlier application was denied.

There is no new evidence presented which indicates the property is now more promising for successful exploration than in 1951 when the earlier proposal was denied.

Information in the reports submitted by the Field Team is unfavorable. In the light of this data, rehabilitation of the mine for possible deeper development is not geologically warranted.

I recommend this application be denied.

E. L. Newcomb

ELNewcomb:hlm
G-3/17/55

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

IN REPLY REFER TO:

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

March 17, 1955

Re: DMEA-3082
E. A. Ellis and
L. Carpenter
(Rube Sparks Mine)
Mitchell Co., N. C.
$5,113 - 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

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I recommend this application be denied.

E. L. Newcomb

ELNewcomb:hlm
G-3/17/55

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

IN REPLY REFER TO:

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

March 17, 1955

Re: DMEA-3682
E. A. Ellis and
L. Carpenter
(Rube Sparks Mine)
Mitchell Co., N. C.
$5,113 - Mica

Memorandum

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

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

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I recommend this application be denied.

E. L. Newcomb

ELNewcomb:hlm
G-3/17/55

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

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

April 13, 1955

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Docket No. 3682 (mica) E. A. Ellis and Lin Carpenter (Partnership) Ellis & Carpenter. Rube Sparks Mine, Mitchell County, N. C.

Reference is made to a letter from the Operating Committee, dated March 18, 1955, on the subject application.

Only one mica shoot is known to occur on this property. The shoot which has been mined trends about due north, dips to the east, and plunges at a moderate angle to the south. As the shaft shown on the map which accompanied the examination report did not encounter any mica bearing pegmatite above the one mined, it is apparent that there is no need to explore the area south of the large open cut.

No prospecting has been conducted north of the large open cut. This cut apparently represents the outcrop of the mica shoot which has been mined. Outcrops are rare north of the open cut as the rock is deeply weathered. It is entirely possible that mica-bearing pegmatite occurs north of the cut. Relatively shallow trenches, made along the apparent trend of the pegmatite would determine the presence or absence of additional mica shoots in this area.

To test the possible presence of additional mica shoots north of the one previously mined, the following program of exploration is recommended:

(1) Cut a bulldozer trench 25' x 6' x 100' along the apparent trend of the pegmatite, beginning north of the existing slumped open cut.

(2) Sink 75 feet of shaft or incline on mica-bearing pegmatite, if results from (1) are favorable:

Estimated Cost:

Stage I.

Cut trench 25' x 6' x 100'

Bulldozer (D-6 or equivalent) 20 hrs. @ $10/hr.	$200.00

Stage II

Construct - toolhouse	75.00
Exploder Magazine	13.00
Powder "	25.00

Sink 75-foot, 5' x 7'; 2-compartment shaft,

Denver 1 $313.00

timbered where necessary @ $45/ft. $3,375.00

Estimated total cost..... ~~$3,588.00~~ → 3,688.00

Get authorized 75% → 2766.00

Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION V

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

KHT/mm
cc:
Lynch
Shirley
Files

Gs

600

MAR 1 8 1955

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

Subject: Docket No. DMEA-3652 - Mica
E. A. Ellis and Lin Carpenter
(Partnership)
Ellis & Carpenter
Rube Sparks Mine
Mitchell County, North Carolina

Dear Mr. Laurence:

Reference is made to the Field Team's examination report, dated March 2, 1955, on the subject property and your transmittal memorandum and comments, dated March 10, 1955.

Because exploration of the Rube Sparks pegmatite below the old workings does not appear to be justified, we would be interested in knowing if exploration for new mica shoots along the strike has been given consideration, or if the possibility of the existence of another pegmatite on the property has been investigated.

We will defer final action on the application until we hear from you again.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

J. H. Hedges
Member, Bureau of Mines

Thor H. Kiilsgaard
Member, Geological Survey

JHopkins:ad 3/17/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Henk

MF

Hopkins

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

REFERENCE SLIP

DATE 3-11

REFERRED TO:

1. 600
2.
3.
4.

FOR:

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

REMARKS: Ask F.T. of Thursday possibilities of another geologist for if possible to explore for manganese along this strike

Check (X) before the items needing attention.

ROBERT E. ADAMS

Initials of sender.

GPO 16—63815-1

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 15, POST OFFICE BLDG.
KNOXVILLE 2, TENN.

DEPARTMENT OF THE INTERIOR
Minerals Administration
RECEIVED
MAR 11 1955

March 10, 1955

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Examination Report, DMEA-3682, Rube Sparks Mine, Mitchell County, North Carolina

Enclosed are the original and four copies of the Field Team report with six extra copies of the map attached on the subject mine.

The field examiners do not strongly recommend exploration of this property because the old mine workings are inaccessible and no information can be obtained concerning the pegmatite in the lower workings; and also because any exploration work on the property would have to be done directly below the former mica producing zone.

While this apparently is a borderline case it is the opinion of the Field Team that the application should be denied.

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

Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION V

VJL/zm

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 12 1955

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

EXAMINATION REPORT BY FIELD TEAM, REGION V

ON

DMEA-3682, RUBE SPARKS (COOK) MINE
(mica) Mitchell 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

March 2, 1955

FIELD TEAM EXAMINATION REPORT- REGION V.

On

DMEA-3682, RUBE SPARKS (Cook)MINE (mica)

Applicant: E. A. Ellis and Lin Carpenter, Spruce Pine, North Carolina

This deposit had been the subject of a previous application (DMEA-1917X). The previous application was denied because the mica is non-ruby. This is an old mine, with extensive stopes above the 120-foot level. The examiners cannot make a firm recommendation because of the lack of sufficient information on the pegmatite in the bottom of the old works. If exploration is undertaken it will be directed toward the development of mica-bearing pegmatite below a known producing zone.

The mine was examined on March 2, 1955. Mr. E. A. Ellis accompanied the examiners on the inspection which required two hours.

This mine is 1 1/2 miles northwest of Spruce Pine, Along the south side of North Toe River, and about 0.6 mile southwest of Minpro, Mitchell County, N. C. Access is good at all times. Area covered is sufficient.

The Cook or Rube Sparks Mine has been developed by an open cut, several crosscutting adits, and one vertical shaft. The pegmatite has been mined along the strike for approximately 200-feet and considerable stoping has been done above the 100-foot level. In the vicinity of the vertical shaft (see map, south end of mine) mining has been conducted to a depth of approximately 140-feet. Apparently when the mine was abandoned (early in 1945-see attached report) production was from this 140-foot level. The shaft is vertical for a depth of 100-feet, and below this depth is inclined.

An examination of the manuscript mine map (prepared in June and September 1943 and February 1945 - Knoxville files) indicates that the pegmatite is poorly zoned; however, the attached Colonial Mica Corp., report states that the mica was obtained from the border of quartz lenses. The mine is now inaccessible, and is flooded below the 100-foot level, thus the examiners have not had an opportunity to examine the pegmatite in place.

At this place the pegmatite trends about north-south, dipping steeply eastward. It is enclosed in a coarse granite (alaskite) which contains occasional bands of mica schist and gneiss. Weathering has progressed to a depth of approximately 50-feet; however, dump material which apparently came from near the bottom of the mine is entirely fresh.

Mica found about the old dump is relatively flat, clear, and splits well. It is green in color. According to the attached report by Carr, most

of the mica obtained was large flat "A". Specimens reported on page 89, G. S. Professional Paper 225, 1950, indicate that dielectric properties of mica from this mine are satisfactory.

In addition to the production of sheet mica from the deposit, considerable potash feldspar is reported as a by-product. Also several hundred pounds of columbite are reported to have been produced during the last operation. Colonial Mica Corporation's records indicate that approximately $8,000 worth of mica was produced during World War II.

Two types of exploration are indicated in the application-trenching or stripping and shaft sinking. The examiners see no advantage to be gained from this approach.

From the above, and a copy of a report by Kenneth Carr, which is attached, it is apparent that the chances of developing a successful operation on this deposit are not good.

If any work is undertaken, it should be conducted from the existing 95-foot shaft. This should consist of timbering the shaft, dewatering, and cleaning muck out from the inclined stope, deepening incline down dip of pegmatite for an additional 40 feet, and driving about 60 feet of level from the incline.

Estimated Cost:

Timber shaft, dewater, and clean out muck	$1,500.00
Sink 40 ft. of incline @ $50/ft.	2,000.00
Drive 60 ft. of drift @ $35/ft.	2,100.00
Toolhouse	75.00
Powder magazine	25.00
Exploder "	13.00
Total	$5,113.00

Examined: March 2, 1955

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

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

COPY ~~OF~~ COLONIAL MICA CORPORATION REPORT ON
COOK OR RUBE SPARKS MINE- obtained from
U. S. Bureau of Mines, Norris, Tenn.
(DMEA-1917X).

RUBE SPARKS MINE

Location: 1 1/2 mile W. of Spruce Pine on property of Sarah M. Cook.

Operator: E. A. Ellis

Period of operation: 6-4-43 to 12-31-44.

Advance: $1,000.00

Projected Work: Sink new shaft to approx. 75' to pick up vein beyond old works.

Funds Expended: $1,000.00. Operator's funds expended: $8,000.00 (est.)

WALL ROCKS

Formation: N. 10° E. Strike: NW. Dip: NE

Fresh X

PEGMATITE:

Strike N 10° W Dip: N 80° E Width: 40-50 ft. Length: 200' plus

Character of Mineralization:

Hard pegmatite consisting of potash and a little soda feldspar with large quartz vein in center.

Mica concentration:

Location and dimensions: Mica near quartz in center of vein.

Degree of concentration: Fairly rich in pockets

Color: Green Size: up to 6" x 8" Structure: A, some large, some hair cracked, recovery of strategic mica low.

Former Operators:

Mine has been worked from time to time for past 40 years. Last worked by Herb Young and Lloyd Stewart. Jesse McKinney also worked in this mine for Tennessee Mineral Company several years ago.

Present Operator:

Competency of Operator:	Good
Efficiency of Operator:	O.K.
Water Conditions:	Moderate, no timbering done
Reason for closing	Mica not ruby
Future possibilities:	Fair for feldspar and green mica

REMARKS:

This Operator was granted an advance of $1000. With these funds the Operator sank shaft A down 95' and contacted the old workings. No cribbing was done. The Operator, with his own funds, worked out the area shown in blue on the sketch. The area B was 20 feet broad and the area at C was 12 feet broad. This pegmatite is a very broad one, being 40 to 50 feet broad and the mica adjoins a large quartz vein in the center of the pegmatite. A lot of feldspar was mined and a considerable amount of mica. The mica was large green "A" and the recovery from it of strategic mica was low. This mine was operated in the past as a feldspar mine and would not pay to operate for mica only. Some columbite also occurs in the pegmatite and a few hundred pounds of it were sold by the Operator.

(signed) Kenneth Carr
3-15-45

No map came with this report.

MAR 7 - 1955 600

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

Subject: Docket No. DMEA-3662 - Mica
E. A. Ellis and Lin Carpenter
(Partnership)
Ellis & Carpenter
Ruby Sparks Mine
Mitchell County, North Carolina

Dear Mr. Lawrence:

Please review the subject application and arrange for a field examination if you deem it necessary. If a project is recommended please show location of proposed work with relation to the nearest property line or corner.

Copies of memoranda from the Geological Survey, dated February 18, 1955, and from the Bureau of Mines, dated February 24, 1955, are enclosed for your information.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

J. H. Hedges

Member, Bureau of Mines

E. L. Newcomb

Member, Geological Survey

Enclosures 4

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

600

MAR 7 - 1955

Ellis & Carpenter
C/o E. A. Ellis
Spruce Pine, North Carolina

Re: Docket No. DMEA-3682 - Mica
E. A. Ellis and Lin Carpenter
(Partnership)
Ellis & Carpenter
Hube Sparks Mine
Mitchell County, North Carolina

Gentlemen:

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 V, 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;AA 3/2/55
Copy to: Admr. R. File
Docket
Operating Committee
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 9061
Mr. Houk

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

February 24, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-3682 (mica)

Applicant: Ellis & Carpenter

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

Date Application Rec'd. by Br. of Ceram. & Fert. Mat.: Feb. 15, 1955

Comments:

1. Bureau of Mines records show that an average monthly purchase from May to September 1944 of $738.50 worth of mica were made by Colonial Mica from subject mine.

2. From the limited information presented, it is difficult to determine if an exploration program is justified or if the proposed plan would be the best method of exploring this property.

3. Estimated costs, shown under 6, appear to be high for exploration of a mica deposit.

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

IN REPLY REFER TO:

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

RECEIVED
FEB 18 1955

February 18, 1955

Re: DMEA-3682
Ellis & Carpenter
(Rube Sparks Mine)
Mitchell Co., N. C.
$11,460 - Mica

Memorandum

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

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

Subject: Review of application

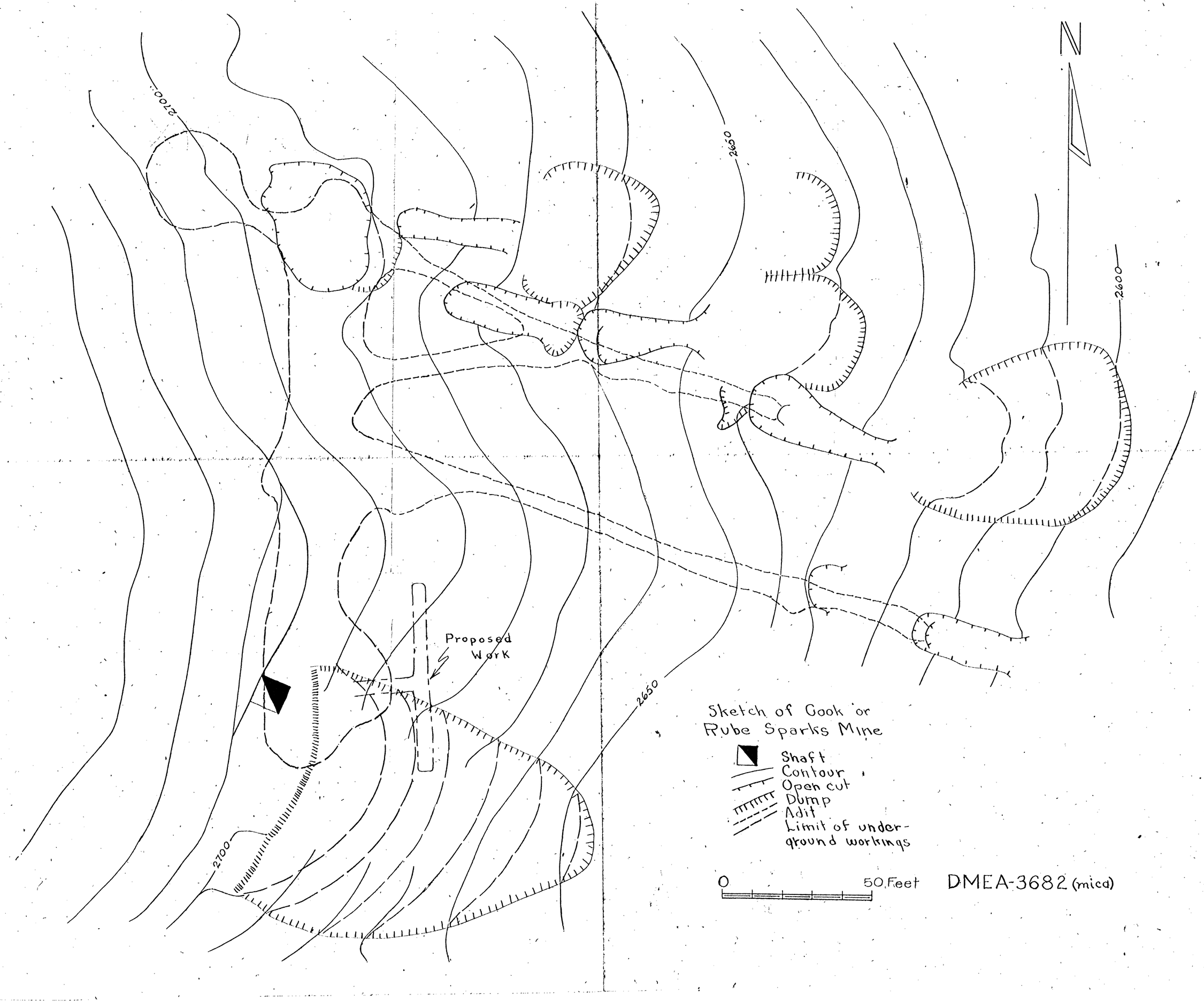
The operator has requested exploration assistance to further explore a mica-bearing pegmatite by bulldozing, and 250 feet of shaft sinking and drifting.

We do not have any available information on this property. The map referred to by the operator is undoubtedly in the files of the U.S.G.S. at Knoxville. The production figures as recorded by the Colonial Mica Corporation are also available at the Field Team office.

Although the data submitted are insufficient for a geologic appraisal of the merits of the proposed work, I recommend this application be referred to the Field Team for their comments. If data in their files indicates a field examination is warranted, the property should be examined at their convenience when the examining team is in the area.

E. L. Newcomb

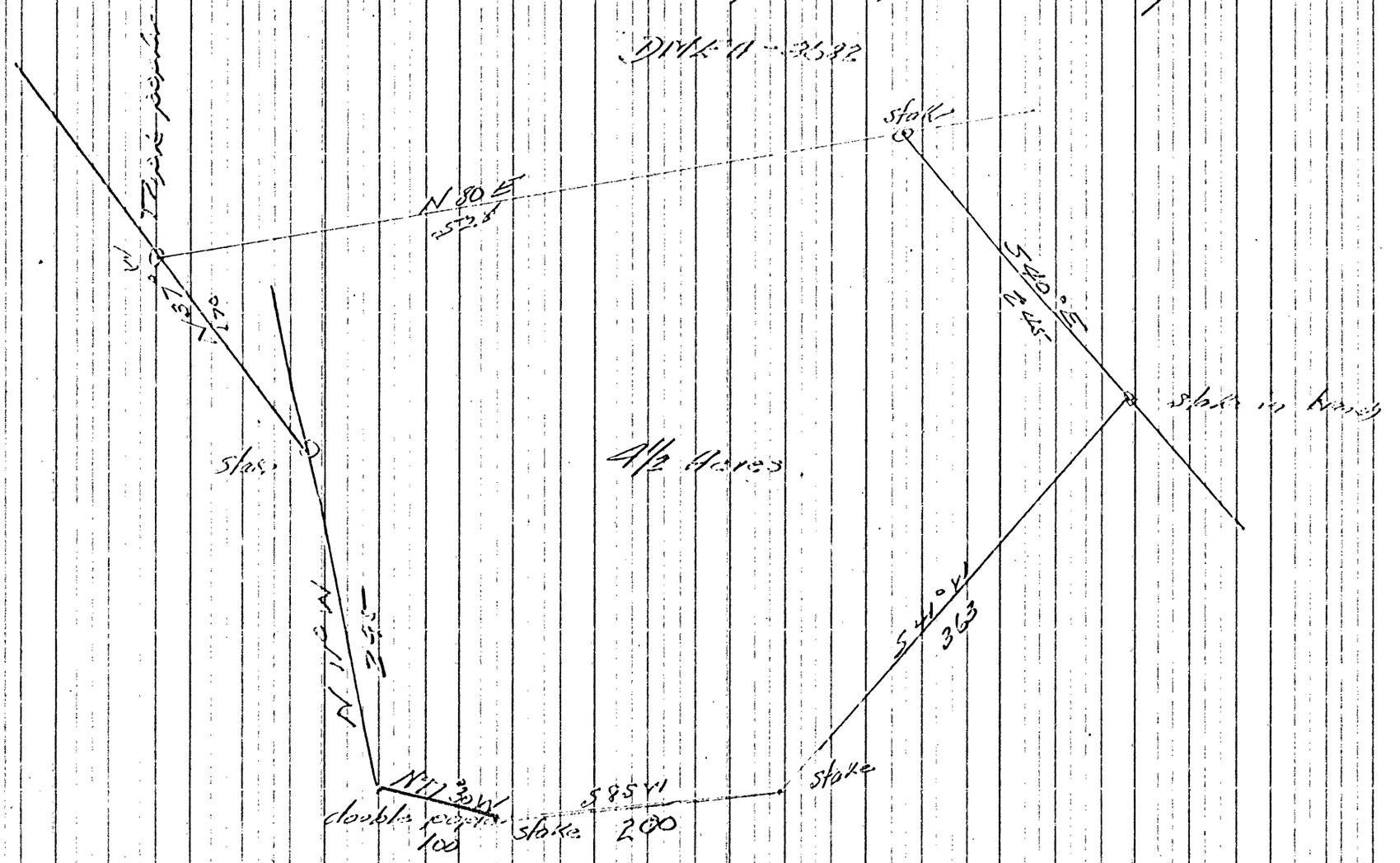
Copy to: DMEA (3)

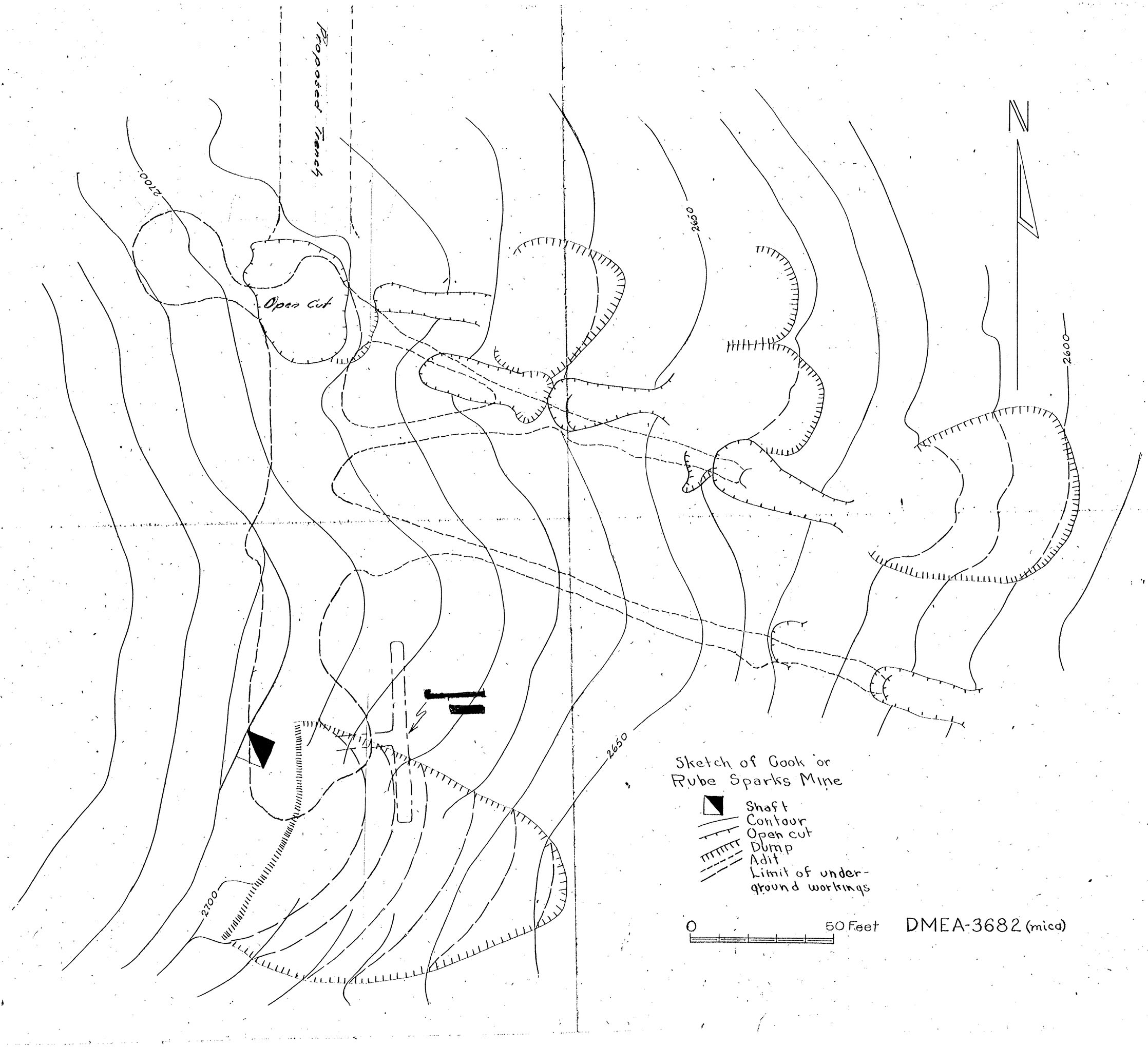


DMEA-3682 (mica)

Ellis - Canyon Fox, Mitchell County

DIVL-11-3582




Proposed Ranch
Open Cut
2700
2650
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2650
2700
N
Sketch of Cook or
Rube Sparks Mine
Shaft
Contour
Open cut
Dump
Adit
Limit of under-
ground workings
0
50 Feet
DMEA-3682 (mica)