DMEA 3746

DOCKET INDEX

ACTION DOCUMENTS

1. APPLICATION DATE RECEIVED 4-1-55

2. CONTRACT DATE 6-27-55

3. TERMINATION AGREEMENT: DATE

   a. Mutual (with/without repayment provision).
   b. Unilateral.
   c. Amendment with automatic termination clause and with/without repayment provision.

4. CERTIFICATION DATE

5. AUDIT REPORT DATE

6. AMENDMENTS - NUMBERS DATE

Docket Copy

a

MF-200A
(Revised June 1954)

RECEIVED
JUL 15 1955

Docket No. DMEA-[illegible]

Commodity Mica

Contract No. Idm-E 825

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

It is agreed this 27th 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] John Jarrett, whose mailing address is Route 3, Bakersville, 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 none.

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, [7] recorded in Book —, page —, official records of said County; and

(2) The Operator's right, title, or interest (whether as owner, lessee, or otherwise) is subject only to the following claims, liens, or encumbrances: None

(c) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above, and (if the Operator does not hold the legal title) the Consent to Lien of any holder of the legal title of the land (lessor, seller, optionor, etc.), are attached, as follows: Guaranty of Equity by Tom L. Phillips to the Bond in Lieu of a Consent to Lien.

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

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

ARTICLE 3. *The exploration project.*—The project is a search for indicated or undeveloped deposits of [illegible] The work to be performed is described in Exhibit "A." The Operator on or before AUG 15 1955 shall commence the work, and on or before [illegible] (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 $[illegible] The Government will contribute [illegible] percent of the fixed unit costs as work is performed, in a total sum not in excess of $[illegible]: *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.

JOHN JARRETT
(Operator)

By John Jarrett

THE UNITED STATES OF AMERICA

By C O Mittendorf

Administrator, Defense
Minerals Exploration
Administration

Appd. Sol. Off.
Anderson
Talbot
Hoch
Selfridge
Johnson

I, ..., certify that I am the ..... secretary of the corporation named as Operator herein; that ..... who signed this contract on behalf of the Operator, was then ..... of said corporation; that said contract was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

.....

[CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE 16—70618-1

EXPLORATION PROJECT CONTRACT
JOHN JARRETT
DOCKET NO. DMEA-3746

ANNEX I

The land referred to in Article 2 of the contract form is known as the Ralph Jarrett Prospect and was leased for mining purposes to John Jarrett by Ralph Jarrett in an instrument dated March 17, 1955. It is located 0.5 airline miles S 20° E of Bandana Post Office, Mitchell County, North Carolina on the northeast side of the first knob north of Gouge Knob, and is described as follows:

> Beginning on a large Hickory tree located approximately 125 feet Southwest of the old shaft of the Ralph Jarrett Prospect and running 250 feet North; thence 250 feet West; thence 500 feet South; thence 500 feet East; thence 500 feet North; thence 250 feet West to a point of closing.

EXPLORATION PROJECT CONTRACT
JOHN JARRETT
DOCKET NO. DMEA-3746

EXHIBIT "A"

Description of the Work

Exploration for concentrations of strategic mica shall be accomplished in the area indicated on the map entitled "Sketch of Ralph Jarrett Pros. Mitchell Co., N. C. DMEA-3746 (mica) May 5, 1955," attached hereto and made a part hereof, in two stages as follows:

The Operator shall complete Stage I and so much of the work under Stage II as is approved in writing in advance by the Government.

STAGE I

Bulldoze (with a D-4 or equivalent) two trenches, each about 100 feet long by 15 feet wide by 10 feet deep, along the strike of the pegmatite.

STAGE II

1. Construct:

(a) Access road about 700 feet long with a D-4 or equivalent bulldozer.

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

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

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

The toolhouse may be unfloored; shall be made from rough, unfinished lumber, with a 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 jarproof lock.

2. Sink on the pegmatite a 2-compartment shaft to a total depth of not more than 50 feet.

3. Explore the pegmatite by driving drifts and/or crosscuts from the shaft for a total distance of not more than 80 feet.

The shaft, and the drifts and/or crosscuts, shall be timbered as necessary and shall have cross-sectional dimensions of not less than 5 feet by 7 feet in the clear of timber.

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

FIXED UNIT COSTS
(The unit costs include all costs whatsoever necessary to complete the work)

Bulldozing trenches on pegmatite 30 hours @ $10.00/hr.	$ 300.00	
Construction:		
Access road - Bulldozer, 10 hours @ $10.00/hr.	100.00	
Toolhouse 1/	78.00	
Powder magazine 1/	25.00	
Exploder magazine 1/	13.00	
Sinking 50 feet of shaft @ $40.00/ft.	2,000.00	
Driving 80 feet of drifts and/or crosscuts @ $35.00/ft.	2,800.00	
Estimated total cost of project		$5,316.00
Government participation @ 75%		$3,987.00

1/ The completed work constitutes the unit.

EXPLORATION PROJECT CONTRACT
JOHN JARRETT
DOCKET NO. DMEA-3746

GUARANTY OF ROYALTY

WHEREAS, negotiations are now pending between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and John Jarrett of Route 3, Bakersville, North Carolina, for an Exploration Project Contract relating to certain land in the State of North Carolina, County of Mitchell, described as follows:

> Beginning on a large Hickory tree located approximately 125 feet Southwest of the old shaft of the Ralph Jarrett Prospect and running 250 feet North; thence 250 feet West; thence 500 feet South; thence 500 feet East; thence 500 feet North; thence 250 feet West to a point of closing. This property belonging to Ralph Jarrett and lying in Mitchell County, N. C. near Bandana, N. C.

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

Dated 7-5, 1955.

Sam L. Phillips

Sam L. Phillips, Guarantor
Spruce Pine, North Carolina

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

DOCKET COPY
Surname:
Anderson
Houk
Chambers
Selfridge
Johnson

JUL 2 - 1956

Mr. Sam L. Phillips

Spruce Pine, North Carolina

Re: Docket No. DMEA-3746-mica
John Jarrett
Ralph Jarrett Prospect
Mitchell County, North Carolina
Contract No. Idm-E825

Dear Mr. Phillips:

Reference is made to the Guaranty of Royalty which you executed on July 5, 1955, in connection with the DMEA contract for an exploration project on property belonging to Ralph Jarrett, located in Mitchell County, North Carolina.

For your information, there is enclosed a copy of our letter of this date to Mr. John Jarrett advising that the Government retains no claim or lien against the property described in the contract or any future production therefrom.

Sincerely yours,

G. O. Mittendorf

Administrator

WCAnderson:ms 6/28/56
Copy to: Docket
Operating Committee
Enclosure Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Anderson
Admr. R. File

DOCKET COPY
Surname:
Anderson
Chambers
Selfridge
Johnson

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

600

JUL 2 - 1956

Mr. John Jarrett
Route #3
Bakersville, North Carolina

Re: Docket No. DMEA-3746-mica
John Jarrett
Ralph Jarrett Prospect
Mitchell County, North Carolina
Contract No. I[illegible]-[illegible]825

Dear Mr. Jarrett:

Reference is made to your completed 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,

G. O. Mittendorf (for)

Administrator

WCAnderson:ms 6/28/56
Copy to: Docket
Operating Committee
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Anderson
Admr. R. File
Mr. Sam Phillips(Guarantor of Royalty)

R.C.S.

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

Project Summary Report

June 28, 1956

By: Walter C. Anderson

1. Docket No. DMEA-3746-mica
Contract No. Idm-E825
Ralph Jarrett Prospect
Mitchell County, North Carolina

Operator: John Jarrett
Route #3
Bakersville, North Carolina
Application: Form MF-103(April, 1952) received April 1, 1955
Work Proposed: Bulldoze trench to expose pegmatite, 85 feet of shaft, and 100 feet of drifts.
Amount Requested:
$8,165.00
Operator's Property Rights:
Mining lease for five years on the Ralph Jarrett property, covering 5+ acres, dated March 17, 1955.
Third Party Guaranty in lieu of Consent to Lien.

2. Contract: Form MF-200A(June, 1954) dated June 27, 1955
Work Authorized:

Stage I	
Bulldoze 2 trenches - 30 hrs. @ $10.00/hr.	$ 300.00
Stage II	
Construction - access road	100.00
- toolhouse, powder and exploder magazines	116.00
50 feet of shaft @ $40.00/ft.	2,000.00
80 feet of drifts and/or crosscuts @ $35.00/ft.	2,800.00
Estimated total cost of project.....	$ 5,316.00
Government participation @ 75%.....	$ 3,987.00

Amendments - none
Work Completed: same as authorized.

Work began on July 25, 1955 and was completed October 19, 1955.
Final Field Team report received November 16, 1955.
Final Operator's report dated November 8, 1955, received November 16, 1955.
Production during operation - about 2000 pounds "mine-run" mica.
Sales of mica amount to $981.00, royalty paid $49.05, which accounts for all of the mica produced.
Royalty due the Government - none.
No equipment purchased under contract.

3. Audit: Report of Review issued November 29, 1955

Accepted Cost	$5,316.00
Government contribution	$3,987.00

4. Certification of Discovery - none issued

5. Comments:

How conducted:

All of the work in which the Government participated was acceptable.

Operation:

Good

Engineering:

Reporting by operator was better than the average. Sufficient work was done to prove mica does not exist in commercial quantities.

Geological premise:

The premise that the downward extension of the pegmatite would contain 5 to 10% mica as indicated on the dump did not materialize as no worthwhile deposit of mica was discovered.

Geological criteria upon which work was based:

1. No pegmatite exposed for observation. Dump indicates pegmatite to be about 4 feet thick and containing plagioclase, quartz, muscovite and garnet. Country rock - hornblende gneiss.
2. Mica - both brown and green, clear and free-splitting, some curved and cracked.

Criteria developed during project:

1. Pegmatite - Two trenches exposed pegmatite along strike. No. 1 trench exposed 2 pegmatites, 2 feet apart, 6 to 18 inches in thickness over a length of 50 feet. They are conformable to a mixed mica gneiss and hornblende wall rock. Trench No. 2 exposed a pinching and swelling pegmatite, averaging 2.5 feet in thickness for a distance of 140 feet.
2. Mica - abundant in narrow wall zone of pegmatites. Small in size and of non-strategic quality.

Future possibilities:

This property will not sustain an economic operation.

Recommendation:

Because insufficient mica exists for an economical operation, the Field Team recommends that a certification of discovery not be issued. The Nonmetallic Minerals Division and the Commodity Members of the Geological Survey and Bureau of Mines concur.

Walter C. Anderson

Walter C. Anderson
Nonmetallic Minerals Division

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

RECEIVED
JUN - 4 1956

June 1, 1956

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region V - Knoxville

Subject: DMEA-3746, Idm-E825 (mica) John Jarrett Prospect, Mitchell County, N. C.

Reference is made to Mr. Mittendorf's letter of May 25 to the Operator.

I have been advised by the Operator that the $49.05 royalty represents 5% of the value of all mica recovered during the project and 6-month period afterwards. No sales, other than those reported, have been made. No mica or other minerals of value are on hand.

Robert A. Laurence

Robert A. Laurence

DOCKET COPY
Surname:
Anderson
Houk
Hefferman

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

MAY 25 1956

Mr. John Jarrett
Route #3
Bakersville, North Carolina

Re: Docket No. DMEA-3746-mica
John Jarrett
Ralph Jarrett Prospect
Mitchell County, North Carolina
Contract No. Idm-E825

Dear Mr. Jarrett:

Reference is made to the subject exploration contract which has been completed.

Our reports indicate that a total of about 2000 pounds of mine-run mica was produced during the operation and royalties paid the Government from sales of mica amount to $49.05. Under Article 7(b) of the subject contract, you are obligated to pay the Government a royalty on all minerals mined or produced from the land "---regardless of any certification of discovery or development, from the date of the contract until the lapse of time within which the Government may make such certification, or until the net amount contributed by the Government without interest is fully repaid, whichever occurs first."

If you have made any sales, other than already reported, of mica or other minerals produced during the project or during the six-month period after November 8, 1955, please forward a royalty check in the amount of 5% of sales receipts, accompanied by certified copies of sales slips, to Mr. Robert A. Lawrence, Executive Officer, DMEA Field Team, Region V, Room 13, Post Office Building, Knoxville, 2, Tennessee. Otherwise, please report to this office whether you have any mica on hand produced during the aforesaid six-month period that is salable or has value. Regardless of whether the mica is of strategic, scrap, or any other grade, an accounting must be made to the Government.

Upon your compliance with the foregoing request, we will write you a closing letter, which will remove the Government's lien on any future production.

Sincerely yours,

C. O. Mittendorf

Administrator

Mr. Anderson
Admr. R. File
Field Team, Region V

Operating Committee
Mr. Killsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

Copy to Comptroller

IN REPLY REFER TO:

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

RECEIVED
DEC - 5 1955

December 2, 1955

Re: DMEA 3746, Idm-E825
John Jarrett
Ralph Jarrett prospect
Mitchell Co., N. C.
$5,316.00 - Mica

Memorandum

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

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

Subject: Review of Final Field Team report.

The contract was approved in the amount of $5,316.00 and that amount was expended.

The work done consisted of:--

2 trenches totalling	320 feet
Shaft sinking	50 "
Drifting	80 "

Three narrow pegmatite dikes were uncovered by the trenches. Two are 6" to 8" wide, and the third 2.5 feet with a maximum width of 3.5 feet. The underground work was done on the third dike.

Some mica was recovered in the trenching and $300.00 was sold and a royalty of $15.00 paid. Little or no mica was found in the shaft and drift and certification is not recommended.

I concur with the recommendation.

N. E. Nelson

N. E. Nelson

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

RECEIVED
NOV 22 1955

November 21, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-3746 (mica)

Applicant: John Jarrett

Name and Location of Property: Ralph Jarrett Prospect, Mitchel Co., N. C.

Contract Number: Idm-E 825

Date of Field Team Report: 11/10/55

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 11/18/55

Field Team Recommendation: Recommend no certification of discovery.

Comments:

1. The mica occurs in sizes too small for strategic uses.

2. Sufficient work has been done to indicate the pegmatite is not suitable for producing large quantities of strategic mica.

3. Mica was recovered during DMEA exploration.

4. Expenditures -

Total approved	$5,316.00
Total cost	5,316.00
Gov't share of the cost	3,987.00
Value of production during operation	300.00 (approximately)

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

W. F. Dietrich

W. F. Dietrich

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~KNOXVILLE, TENNESSEE~~
KNOXVILLE, TENNESSEE

RECEIVED
NOV 16 1955

November 14, 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: DMEA Field Team, Region V - Knoxville

Subject: Final Reports, DMEA-3746, Idm-E825 (mica) John Jarrett, Bakersville, Mitchell County, N. C. Ralph Jarrett Pros.

Enclosed are four copies each of the Operator's and Field Team reports on the subject contract. We do not recommend certification of discovery.

Royalty payment of $15.00, representing 5% of sale value of 1200 pounds of mica was received September 21, 1955.

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

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

RECEIVED

NOV 16 1955

Spruce Pine, North Carolina
November 8, 1955

Mr. Robert A. Laurence, Executive Officer
D.M.E.A., Region V
Room 13, Post Office Building
Knoxville, Tennessee

Re: DMEA-3746, Idm-E 825 (Mica)
Ralph Jarrett Prospect
Mitchell County, N.C.

Dear Mr. Laurence:

Work began on the above project on July 22, and was completed on October 20.

We bulldozed two trenches, as called for in Stage I of the contract, and after uncovering some vein material, Stage II was begun. We moved in equipment, constructed tool house, powder and exploder magazines, and prepared to lower shaft. At the beginning, the shaft was in about 2½' of vein, and several bags of mica were recovered during the first few feet. The shaft was lowered a total of 50', the vein narrowing all the way. At the 50' depth the vein was about 18" wide.

From the bottom of the shaft, we drove a drift in the direction suggested by the field team for a total distance of 80'. The drift was in vein material all the way, but no mica was encountered. At the completion of the 80' of drift, work was discontinued. About 1000# of mica was recovered from the entire operation.

We wish to thank the field team for their assistance.

Very truly yours,

John Jarrett

John Jarrett (O)

B/b

hold for memo
from O. C.

RECEIVED
NOV 16 1955

Spruce Pine, North Carolina
November 8, 1955

Mr. Robert A. Laurence, Executive Officer
D.M.E.A., Region V
Room 13, Post Office Building
Knoxville, Tennessee

Re: DMEA-3746, Idm-E 825 (Mica)
Ralph Jarrett Prospect
Mitchell County, N.C.

Dear Mr. Laurence:

Work began on the above project on July 22, and was completed on October 20.

We bulldozed two trenches, as called for in Stage I of the contract, and after uncovering some vein material, Stage II was begun. We moved in equipment, constructed tool house, powder and exploder magazines, and prepared to lower shaft. At the beginning, the shaft was in about 2½' of vein, and several bags of mica were recovered during the first few feet. The shaft was lowered a total of 50', the vein narrowing all the way. At the 50' depth the vein was about 18" wide.

From the bottom of the shaft, we drove a drift in the direction suggested by the field team for a total distance of 80'. The drift was in vein material all the way, but no mica was encountered. At the completion of the 80' of drift, work was discontinued. About 1000# of mica was recovered from the entire operation.

We wish to thank the field team for their assistance.

Very truly yours,

John Jarrett

John Jarrett

B/b

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

COPY

~~WASHINGTON 25, D.C.~~

ROOM 13, POST OFFICE BLDG.
KNOXVILLE, TENNESSEE
November 14, 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: DMEA Field Team, Region V - Knoxville

Subject: Final Reports, DMEA-3746, Idm-E825 (mica) John Jarrett, Bakersville, Mitchell County, N. C. Ralph Jarrett Pros.

Enclosed are four copies each of the Operator's and Field Team reports on the subject contract. We do not recommend certification of discovery.

Royalty payment of $15.00, representing 5% of sale value of 1200 pounds of mica was received September 21, 1955.

/s/ ROBERT A. LAURENCE
Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION V

/s/ V. J. LYNCH
V. J. Lynch, Member
Bureau of Mines

Received by
DMEA Operating Committee
11/18/55

RECEIVED
NOV 16 1955

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT

RALPH JARRETT PROSPECT
DMEA-3746, Idm-E825 (mica)
Mitchell County, N. C.

By

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

and

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

November 10, 1955

Reviewed by
DMEA OPERATING COMMITTEE
11/18/55
(Date)

FINAL REPORT
On

RECEIVED
NOV 16 1955

DMEA-3746, RALPH JARRETT PROSPECT

Operator: John Jarrett, R#3, Bakersville, North Carolina

Location: 0.5 miles S. 20° E. of Bandana, Mitchell County, N. C.

This project was completed without making a worthwhile discovery of mica. Insufficient mica occurs to permit an economical operation and additional work is not justified. The field examiners do not recommend that a certification of discovery be issued.

Work began on this project July 25 and was completed October 19, 1955. Work completed consisted of two stages. Under Stage I - two near parallel trenches were cut, the south trench is 150-feet long, 12 feet wide, and up to 10 feet deep. The trend is N. 70° E. It explores two thin pegmatites. These pegmatites are about two feet apart and range in thickness from 6" to 18". They are exposed about 50 feet on the strike which is N. 45° E. They dip steeply to the southeast. These pegmatites are essentially conformable to the mixed mica gneissand hornblende wall rock. Mica is abundant in both in both pegmatites, but occurs in sizes too small for strategic material.

Trench No. 2 is about 50 feet north of Trench No. 1. It trends N. 80° E. if 170' long, 12' - 15' wide, and up to 16' deep. The pegmatite trends N. 60° E and dips 50° SE. It pinches and swells along the strike and has a maximum thickness of 3.5 feet, averaging about 2.5 feet. The pegmatite is exposed along its strike over a length of about 140 feet. It is composed of plagioclase, quartz, and non-ruby mica. Mica is relatively abundant with sizes up to 6 inches across.

The pegmatite explored under Stage II thickens and thins on both strike and dip. It cuts out abruptly to the southwest in the bottom of the incline. The pegmatite branches and converges and contains a wall rock parting up to 15 inches thick in places. It is essentially conformable to the mixed mica and hornblende gneiss wall rock, striking about N. 55° E and dipping 40 - 50° SE. There is a suggestion that the body rakes to the northeast at about 45° .

The pegmatite is composed of plagiocalse, quartz, green muscovite, and scattered garnet. Most of the mica occurs in the foot-wall zone in association with abundant quartz. Otherwise, there are no zoning characteristics.

During the project approximately 2000 pounds of mine-run mica was obtained. This mica was mostly in small sizes and its value

unknown. The mica is essentially clear; however, in the northeast end of the level some of it contains small black spots. It is hard, flat, green in color, and averages 3-4 inches in diameter. Many of the books are rather badly cracked and some contain "A" structures.

Expenditures:

(a)	Total approved	$5,316.00
(b)	Total cost of project	5,316.00
(c)	Government's share of cost	3,987.00
(d)	Government's share unexpended	none
(e)	Value of production during opr. ...	unknown

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

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

and

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

November 10, 1955

RECEIVED
OCT 28 1955

INTERIM REPORT

DMEA-3746, Idm-E825 (mica) RALPH JARRETT PROSPECT

OPERATOR: John Jarrett, Route #3, Bakersville, N. C.

LOCATION: 0.5 miles S20°E of Bandana, N. C.

This contract has been completed without making a worthwhile discovery of strategic mica. The operator has indicated that no additional exploration will be continued at his own expense, and the field examiners see no justification for additional exploration by amendment to the present contract.

Work completed under contract consisted of two stages. Stage I authorized the excavation of two trenches by bulldozer, described in earlier reports, conducted along the strike of the pegmatite, and requiring 30 hours machine time. Stage II consisted of building an access road requiring 10 hours machine time, a tool house, powder magazine, cap magazine, sinking an inclined shaft to a total depth of 50 feet, and driving a drift a total distance of 80 feet. All underground work was conducted in Trench No. 2; the shaft followed the inclination of the body which varied from -40° to -50°, and all drift work was conducted on the ~~southwest~~ NE end of the body from the shaft bottom. The body varied in thickness from 1.5 to 3.5 feet and was composed of weathered feldspar, scattered quartz, and green muscovite mica. The majority of the mica recovered came from the excavation of the two trenches in Stage I; scant production resulted from underground work.

The project was conducted very satisfactorily. Necessary timbering was adequate in both the shaft and drift, and good equipment was used throughout the life of the contract.

L. E. Shirley

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

K. H. Teague

K. H. Teague, S. C. Bergman, and A. R. Taylor
Geologists, U. S. Geological Survey

October 19, 1955

INTERIM REPORT

RECEIVED
OCT 17 1955

DMEA-3746, Idm-E825 (mica) RALPH JARRETT PROSPECT

OPERATOR: John Jarrett, Route #3, Bakersville, N. C.

LOCATION: 0.5 miles S20°E of Bandana, N. C.

Drifting continues on this contract and now totals 62 feet. The direction of the work has not changed and continues to the ~~southwest~~ N.E. following the strike of the body. In the present face, the body is about 2 feet thick and is feldspathic with the exception of narrow rind zone at the hanging wall contact composed of quartz and small mica. About 200 pounds of mica has been recovered during the past two weeks works. The enclosing country rocks remain weathered, and the operator was advised to use timber where necessary. Drifting will continue to the ~~southwest~~ N.E. Progress on this contract is satisfactory.

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

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

October 5, 1955

INTERIM REPORT

DMEA-3746, Idm-E825 (mica) RALPH JARRETT PROSPECT

OPERATOR: John Jarrett, Route #3, Bakersville, N. C.

LOCATION: 0.5 mile S20°E of Bandana, N. C.

Incline shaft sinking has been completed to a total depth of 50 feet, turnoff has been made from the shaft bottom, and a drift is being driven to the southwest. Twenty-three feet of drift has been accomplished along the body, which has averaged 3 feet in thickness, and contains a gneiss parting near the center about 6 inches in thickness. The body strikes N60°E and dips 40°SE, and is composed of feldspar, minor quartz, and small scattered blocks of muscovite mica. The enclosing biotite and hornblende gneiss is highly weathered, and the operator was advised to use extreme caution in shooting, and to timber where necessary. Mica recovery from level work has been scant. A sale of 1,750 pounds of block mica, produced from all work, has been made to the GSA Depot, Spruce Pine, N. C. Progress on this contract is satisfactory. Rwy?

Messrs. V. J. Lynch and R. A. Laurence, accompanied the Field Examiners on this visit to the mine.

L. E. Shirley

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

K. H. Teague

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

September 21, 1955

INTERIM REPORT

RECEIVED
SEP 12 1955

DMEA-3746, Idm-E825 (mica) RALPH JARRETT PROSPECT

OPERATOR: John Jarrett, Route #3, Bakersville, North Carolina

LOCATION: 0.5 mile S20°E of Bandona, North Carolina

Incline shaft sinking continues on this contract, and is now at 44 feet. Recent shaft sinking has followed two narrow pegmatites separated by 1.5 feet of weathered hornblende gneiss. Both bodies are composed of feldspar, principally, with minor amounts of quartz and occasional small blocks of mica. Recent mica recovery has been scant.

Progress on this contract has been satisfactory.

L. E. Shirley

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

K. H. Teague

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

September 7, 1955

RECEIVED
NOV 16 1955

Spruce Pine, North Carolina
November 8, 1955

Mr. Robert A. Laurence, Executive Officer
D.M.E.A., Region V
Room 13, Post Office Building
Knoxville, Tennessee

Re: DMEA-3746, Idm-E 825 (Mica)
Ralph Jarrett Prospect
Mitchell County, N.C.

Dear Mr. Laurence:

Work began on the above project on July 22, and was completed on October 20.

We bulldozed two trenches, as called for in Stage I of the contract, and after uncovering some vein material, Stage II was begun. We moved in equipment, constructed tool house, powder and exploder magazines, and prepared to lower shaft. At the beginning, the shaft was in about 2½' of vein, and several bags of mica were recovered during the first few feet. The shaft was lowered a total of 50', the vein narrowing all the way. At the 50' depth the vein was about 18" wide.

From the bottom of the shaft, we drove a drift in the direction suggested by the field team for a total distance of 80'. The drift was in vein material all the way, but no mica was encountered. At the completion of the 80' of drift, work was discontinued. About 1000# of mica was recovered from the entire operation.

We wish to thank the field team for their assistance.

Very truly yours,

John Jarrett

John Jarrett (JS)

B/b

C

INTERIM REPORT

RECEIVED
SEP - 2 1955

DMEA-3746, Idm-E825 (mica) RALPH JARRETT PROSPECT

OPERATOR: John Jarrett, Route #3, Bakersville, N. C.

LOCATION: 0.5 miles S20°E of Bandana, N. C.

Incline shaft sinking is underway in Trench No. 2 and is now at 23 feet. The incline has followed a pegmatite of variable thickness that has narrowed with depth. The body is predominantly feldspathic, but contains scattered quartz and small to medium-sized blocks of green muscovite mica. About 300 pounds of block mica has been recovered from incline work and approximately 1,000 pounds from trenching by bulldozer, as Stage I of the contract. A toolhouse, powder magazine and cap magazine has been built and is now in use. A 105 c.f.m. air compressor, jackhammer, and other necessary drilling equipment, and a single-drum gasoline-powered hoist and conventional hoisting rig is in use.

Cribbing has been extended vertically from the floor of the cut to the original surface, and the incline has been cribbed to the present depth with 2 x 6 inches sawed timbers. All underground workers were advised to wear safety hats. Progress on this contract has been good.

L. E. Shirley

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

K. H. Teague D. H. Amos

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

August 24, 1955

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

RECEIVED
AUG - 8 1955

August 5, 1955

Memorandum

To: Operating Committee - DMEA - Washington

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

Subject: DMEA-3746, Idm-E825 (mica) John Jarrett, Bakersville, N. C.
Ralph Jarrett Prospect, Mitchell County, N. C.

Enclosed are four copies of the latest interim report on the subject contract, and four copies of the written authorization to begin Stage II. A copy of the letter is being sent the Finance Office.

Please note that this situation is similar to that described in a Field Team memorandum of July 18, on DMEA-3774 and DMEA-3717. It is impractical to authorize any specific amount of Stage II work in advance; therefore we are now authorizing the shaft-sinking and when that is complete, we will write another authorization for the drifting, if it is warranted.

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

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

GOVERNMENT COPY

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

August 5, 1955

Mr. John Jarrett
Route # 3
Bakersville, North Carolina

Re: DMEA-3746, Idm-E025 (mica)
Ralph Jarrett Prospect
Mitchell County, N. C.

Dear Mr. Jarrett:

This will confirm the verbal authorization to begin the shaft-sinking under Stage II of the contract, given you by Mr. Teague and Mr. Shirley last week.

Very truly yours,

Robert A. Laurence

RAL/zm.
Cpr. Con.-3
Finance Office
Lynch
Shirley
Blake

RECEIVED
AUG - 8 1955

INTERIM REPORT

DMEA-3746, Idm-E825, RALPH JARRETT PROSPECT (mica)

Operator: John Jarrett, Route # 3, Bakersville, North Carolina

Location: 0.5 miles S. 20° E. of Bandana, North Carolina

Work on this project began July 25, 1955. Two near parallel trenches were cut. The south trench is 150 feet long, 12 feet wide, and up to 10 feet deep. The trend is N. 70° E. It explores two thin parallel pegmatites. These pegmatites are about two feet apart and range in thickness from 6" to 18". They are exposed about 50 feet on the strike which is N. 45° E. They dip steeply to the southeast. These pegmatites are essentially conformable to the mixed mica gneiss and hornblende wall rock. Mica is abundant in both pegmatites, but occurs in sizes too small for strategic material. No additional work is recommended from this trench.

Trench No. 2 is about 50 feet north of Trench No. 1. Trench No.2 trends N. 80° E. is 170' long, 12' - 15' wide, and up to 16' deep. The pegmatite trends about N. 60° E and dips 50° SE. It pinches and swells along the strike and has a maximum thickness of 3.5 feet, averaging about 2.5 feet. The pegmatite is exposed along its strike over a length of about 140 feet. It is composed of plagioclase, quartz, and non-ruby mica. Mica is relatively abundant with sizes up to 6 inches across. About 200 pounds of mica were recovered during the trenching.

Additional work on the pegmatite exposed in Trench No.2 appears warranted. The Operator was given verbal permission to begin Stage II.

Date Inspected: July 26 and 27, 1955.

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

K. H. Teague and D. H. Amos, Geologists
U. S. G. S.

z

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 45 POST OFF. BLDG.
WASHINGTON 25, D. C.
KNOXVILLE 2, TENN.

July 13, 1955

RECEIVED
JUL 15 1955

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Signed Contract: Idm-E825, DMEA-3746 (mica) John Jarrett, R#3, Bakersville, N. C. Ralph Jarrett Prospect.

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

V. J. Lynch

V. J. Lynch

Docket File:
Surname:
Anderson
Houk
Talbot
Selfridge
Johnson

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

JUN 27 1955

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

Subject: Docket No. DMEA-3746 - Mica
John Jarrett
Ralph Jarrett Prospect
Mitchell County, North Carolina

Dear Mr. Laurence:

Please find herewith the original and five copies of a contract covering the subject exploration project which have been signed by the Government with register number and effective date. Execution and distribution of these copies are contingent upon the execution and attachment of the copies of the Guaranty of Royalty, the original and five copies of which are enclosed.

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

After execution of the contract, the copies are to be distributed in the usual manner. Copies of menoranda from N. E. Nelson of the Geological Survey, dated June 3, 1955, and from W. F. Dietrich of the Bureau of Mines, dated June 7, 1955, are enclosed.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee (JB)

Approved:

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

Thor H. Kiilsgaard (JB)
Member, Geological Survey

WCAnderson:pk 6/22/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

Enclosures 16

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

RECEIVED
JUN - 7 1955

June 7, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-3746 (mica)

Applicant: John Jarrett

Name and Location of Property: Ralph Jarrett Prospect
Mitchell County, North Carolina

Date of Field Team Report: May 25, 1955

Date Rec'd. by Br. of Ceram. & Fert. Mat.: June 1, 1955

Field Team Recommendation:

1. Approval of contract.

Comments:

1. Mica found in the dump is of strategic quality.

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

Recommendation:

I concur with the field team's recommendation for a two-stage exploration project in the amount of $5,313.

W. F. Dietrich

W. F. Dietrich

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

June 6, 1955

Memorandum

To: Files

From: Walter C. Anderson, Nonmetallic Minerals Division

Subject: Evaluation of application and field examination report.
Docket No. DMEA 3746 - Mica
John Jarrett
Ralph Jarrett Prospect
Mitchell County, North Carolina
A contract is recommended.

Mica: Colored both brown and green, clear and free splitting. Some is curved and cracked.

Pegmatite: No exposures for observation. Not much information revealed in report. Estimated thickness at least 4 feet. Country rock is hornblende gneiss exhibits layering and foliation having same altitude as pegmatite. 5-10% mica in dump material indicated.

Old workings: Two inaccessible 25-foot deep shafts and 2 caved adits. No record on past production. No evidence of stoping.

Method of exploration: The field team plan which is approximately the same as proposed by the applicant will be carried out in two stages. Stage I consists of bulldozing for a distance of 200 feet to explore the pegmatite. Stage II will be done only is a promising pegmatite is exposed and will consist of 50 feet of shaft and 80 feet of drifts in pegmatite.

Economics and costs: From the appearance of the dump no country rock will need to be broken and the pegmatite contains 5 to 10% mica. Except for the initial bulldozing cost of $300.00 work will be confined to pegmatite and there will be no rehabilitation costs. Project appears to have promise and therefore a contract is recommended.

Walter C. Anderson

Walter C. Anderson, Mining Engineer

IN REPLY REFER TO:

NCa

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

RECEIVED
JUN - 6 1955

June 3, 1955

Re: DMEA-3746
John Jarrett
Ralph Jarrett Prospect
Mitchell Co., N. C.
$5,313.00 - Mica

Memorandum

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

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

Subject: Review of application

By staging the recommended work on this prospect this application assumes practicality. Apparently it would be expecting too much to ask for $300.00 worth of dozing to be done for the account of the applicant.

I concur with the recommendations of the Field Team.

N. E. Nelson

N. E. Nelson

Sam L. Phillips — June 3, 1955

ASSETS =

Farm in Mitchell County, N.C.	10,000.00
Newland Motor Center, Avery County N.C.	5,000.00
House in Alexandria, Va.	5,000.00
1900 acres land in S.C.	25,000.00
Mining Machinery	10,000.00
Stocks	2800-00
Cash on hand	20,000.00

Liabilities NONE

Sam L. Phillips
June 3, 1955

Mr. L. G. Houk

In answer to your letter of April 27, 1955 regarding the Ralph Jarrett Prospect (DMEA-3036) please be advised that I wish to use the credit of the writer guarantee of it as responsible third party. I will be the third party and the above are my assets & liabilities.

Sam L. Phillips

C O P Y

Sam L. Phillips June 3, 1955

ASSETS -

Farm in Mitchell County, N. C.	$10,000.00
Newland Motor Center, Avery County, N. C.	5,000.00
House in Alexandria, Va.	5,000.00
1900 acres land in S. C.	25,000.00
Mining machinery	10,000.00
Stocks	2,800.00
Cash on hand	20,000.00

Liabilities - none

Sam L. Phillips
June 3, 1955

Mr. L. G. Houk

In answer to your letter of April 27, 1955, regarding the Ralph Jarrett Prospect (DMEA-3736) please be advised that I wish to use the devise of the written guarantee of a responsible third party. I will be the third party and the above are my assets and liabilities.

/s/ Sam L. Phillips

C O P Y

COPY

Sam L. Phillips June 3, 1955

ASSETS -

Farm in Mitchell County, N. C.	$10,000.00
Newland Motor Center, Avery County, N. C.	5,000.00
House in Alexandria, Va.	5,000.00
1900 acres land in S. C.	25,000.00
Mining machinery	10,000.00
Stocks	2,800.00
Cash on hand	20,000.00

Liabilities - none

Sam L. Phillips
June 3, 1955

Mr. L. G. Houk

In answer to your letter of April 27, 1955, regarding the Ralph Jarrett Prospect (DMEA-3736) please be advised that I wish to use the devise of the written guarantee of a responsible third party. I will be the third party and the above are my assets and liabilities.

/s/ Sam L. Phillips

COPY

COPY

Sam L. Phillips June 3, 1955

ASSETS -

Farm in Mitchell County, N. C.	$10,000.00
Newland Motor Center, Avery County, N. C.	5,000.00
House in Alexandria, Va.	5,000.00
1900 acres land in S. C.	25,000.00
Mining machinery	10,000.00
Stocks	2,800.00
Cash on hand	20,000.00

Liabilities - none

Sam L. Phillips
June 3, 1955

Mr. L. G. Houk

In answer to your letter of April 27, 1955, regarding the Ralph Jarrett Prospect (DMEA-3736) please be advised that I wish to use the devise of the written guarantee of a responsible third party. I will be the third party and the above are my assets and liabilities.

/s/ Sam L. Phillips

COPY

COPY

Sam L. Phillips June 3, 1955

ASSETS -

Farm in Mitchell County, N. C.	$10,000.00
Newland Motor Center, Avery County, N. C.	5,000.00
House in Alexandria, Va.	5,000.00
1900 acres land in S. C.	25,000.00
Mining machinery	10,000.00
Stocks	2,800.00
Cash on hand	20,000.00

Liabilities - none

Sam L. Phillips
June 3, 1955

Mr. L. G. Houk

In answer to your letter of April 27, 1955, regarding the Ralph Jarrett Prospect (DMEA-3736) please be advised that I wish to use the devise of the written guarantee of a responsible third party. I will be the third party and the above are my assets and liabilities.

/s/ Sam L. Phillips

COPY

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

Defense Minerals Administration
RECEIVED
MAY 27 1955

May 25, 1955

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Field Examination Report, DMEA-3746 (mica) Ralph Jarrett Prospect, Mitchell County, N. C. John Jarrett, Applicant Bakersville, North Carolina

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

This pegmatite appears promising for the occurrence of strategic mica and we recommend approval of the two-stage project as outlined in the report.

Robert A. Laurence
Robert A. Laurence
EXECUTIVE OFFICER
DMEA REG

V. J. Lynch
V. J. Lynch, Mining Engineer
U. S. Bureau of Mines

Reviewed by
DMEA OPERATING COMMITTEE
6-1-55
(Date)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION V

On

DMEA-3746, RALPH JARRETT PROSPECT (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

May 5, 1955

Reviewed by
DMEA OPERATING COMMITTEE
6-1-55

FIELD EXAMINATION REPORT

DMEA-3746, RALPH JARRETT PROSPECT (mica)

Applicant: John Narrett, Route # 3, Bakersville, North Carolina

Dumps of inaccessible workings on this property contain considerable mica of strategic quality. It is recommended that exploration assistance be granted - the program to be staged.

The property was examined on May 5, 1955, accompanied by Messrs. John Jarrett and Sam L. Phillips. One hour was spent on the property.

The Ralph Jarrett Prospect is 0.5 airline miles S. 20° E. of Bandana Post Office, Mitchell County, North Carolina on the northeast side of the first knob north of Gouge Knob.

Access is available by road to within 700 feet of the prospect. No surface facilities are present on the property. Manpower and supplies are locally available.

The applicant is competent and has had considerable mica mining experience. He holds the property under a 5 year lease with a 5 year renewal option.

Old works consist of two shallow shafts, both inaccessible and about 25 feet deep, and two caved adits. The size of the dumps indicates that no appreciable amount of stoping was conducted from these openings. Neither the dates of past operations nor amounts of production are known.

No pegmatite in place is accessible for observation. Distribution of openings suggests that the pegmatite strikes about N. 80° E., and dips steeply to the southeast. Hornblende gneiss exposed at the portal of the lower adit (see attached sketch map) exhibits layering and foliation having the same attitude. Pegmatite in the dump consists of plagioclase, quartz, muscovite and garnet, in order of abundance. An estimated 5-10% mica is present in the dumps. No country rock occurs in the dumps from the shafts; thus the body is probably at least about 4 feet thick.

Both brown and green colored mica is present. It is clear and free splitting. Some is curved and cracked.

It is proposed that the pegmatite be exposed for about 200 feet along its strike by bulldozing two trenches. If this reveals promising pegmatite then construct an access road, toolhouse, and two magazines, sink a 50-foot shaft and drive 80 feet of levels from the shaft.

Estimated Costs:

Stage I :	Bulldoze two trenches each about 100' x 15' x 10' deep with a D-4 or equivalent dozer along the strike of the pegmatite, 30 hours @ $10/hr. ...	$300.00	
Stage II:	Construct access road about 700 ft. long with D-4 or equivalent dozer, 10 hours @ $10/hr.	100.00	
Construct:			
	Toolhouse	75.00	
	Powder magazine	25.00	
	Exploder "	13.00	$113.00

Sink and timber (if necessary) a two-compartment 50-foot vertical shaft or incline (30 shifts).

Labor:		
1 - Driller @ $1.50/hr.	$360.00	
1 - Hoistman @ $1.25/hr.	300.00	
1 - Laborer @ $1.00/hr.	240.00	
Equipment (rental):		
Compressor and drill @ $240/Mo.	300.00	
Hoist @ $50/Mo.	62.50	
Supplies:		
Timber, 2000 b.f. @ $60/M	120.00	
Explosives	150.00	
Drill steel	100.00	
Gasoline and oil	120.00	
Small tools	75.00	
Insurance and Social Security	172.50	$2,000.00

40.00

Drive 80 feet of drifts or crosscuts 5' x 7' in cross section (30 shifts)

Labor:	
1 - driller @ $1.50/hr.	360.00
1 - hoistman @ $1.25/hr.	300.00
2 - laborers @ $1.00/hr.	480.00
Equipment (rental)	
Compressor, drill, and jackleg, @ $250/Mo.	375.00
Hoist @ $50/Mo.	62.50
Pump @ $40/Mo.	50.00

Supplies:		
Gasoline and oil	$200.00	
Explosives	190.00	
Timber, 1000 b.f. @ $60/M	60.00	
Drill steel	170.00	
Hand tools	75.00	
Miscellaneous	177.50	
Insurance and Social Security	300.00	$2,800.00
Estimated Total Cost.....		$5,313.00

35

May 17, 1955

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

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

z

SURNAME
Houk

Rewritten by:

Hofflund
Houk
Mitchenley

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

APR 27 1955

Mr. Sam L. Phillips
Spruce Pine
North Carolina

Re: Docket No. DMEA-3746 (Mica)
John Jarrett
Ralph Jarrett Prospect
Mitchell County, North Carolina

Dear Mr. Phillips:

In your letter to me of March 30 you state that your landlord will not sign a consent to lien, and you ask ". . . exactly what is to be done in cases where the landlord will not sign the regular Owner's Consent to Lien forms."

We cannot process your application without either the required consent to lien or something in lieu thereof. We would accept, in lieu of the consent to lien, the written guaranty of a responsible third party or the surety bond of a company authorized to write bonds for the benefit of the Government.

The bond can be written on a standard performance bond form, which any surety company will have at hand. There are no forms for the guaranty, but if you wish to use that device please advise us of the name of the proposed guarantor, furnish us with a signed statement of his assets and liabilities, and if we approve we will draft a suitable form for his signature which will be sent to you.

If you wish to use a surety-company bond, it may be necessary to wait until an exploration project contract has been drafted for your signature, as the surety company will need to know the amount of money involved before it can write a bond.

Sincerely yours,

SIGNED

Lawrence G. Houk, Chief
Nonmetallic Minerals Division

LGHouk:JLHofflund:gjb
4/20/55 - 4/22/55
Copy to: DMEA Docket
Sol. Docket
Adm. R. File
L. G. Houk
J. L. Hofflund
T. H. Kiilsgaard, GS
W. F. Dietrich, BM
Field Team, Region V (2)
Chron. File
Pending File

R.C.B.

DOCKET FILE
Surname:
Anderson
Houk
Selfridge
F E Johnson

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

600

APR 20 1955

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

Subject: Docket No. DMEA-3746 - Mica
John Jarrett
Ralph Jarrett Prospect
Mitchell County, North Carolina

Dear Mr. Laurence:

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

We have been informed by Mr. Sam L. Phillips in a letter dated March 30, 1955, copies of which are enclosed, that the landowner who leased the subject property did not sign an Owner's Consent to Lien. If a contract is to be offered the applicant please advise him that in the case of leased property it is mandatory to furnish an Owner's Consent to Lien. An exception can be made if a diligent effort has been made to secure one and evidence furnished that the landowner will not sign a consent to lien. In such case the Government may accept a third-party bond or guaranty in lieu of an Owner's Consent to Lien.

Copies of memoranda from E. L. Newcomb of the Geological Survey, dated April 5, 1955, and from W. F. Dietrich of the Bureau of Mines, dated April 13, 1955, are enclosed for your information.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (2/B)

WCAnderson
~~JHDPKKMS~~:ad 4/18/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

Approved:

J. H. Hedges (2/B)
Member, Bureau of Mines

Thor H. Kiilsgaard (2/B)
Member, Geological Survey

Enclosures 6

R.C.S.

DOCKET FILE
Surname:
Anderson
Houk
Kiilsgaard
Hidgro
Selfridge

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

APR 20 1955

Mr. John Jarrett
Route 3
Bakersville, North Carolina

Re: Docket No. DMEA-3746 - Mica
John Jarrett
Ralph Jarrett Prospect
Mitchell County, North Carolina

Dear Mr. Jarrett:

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

Frank E. Johnson

ACTING Administrator

WCAnderson
~~XXXXXXX~~:ad 4/18/55
Copy to: Admr. R. File
Docket
Field Team, Region V
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

R.C.

IN REPLY REFER TO:

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 6 1955

April 5, 1955

Re: DMEA-3746
John Jarrett
(Ralph Jarrett
Prospect)
Mitchell Co., N. C.
$8,165 - Mica

Memorandum

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

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

Subject: Review of application

The applicant proposes to bulldoze a long trench, sink an 85 foot shaft and drift 100 feet.

We do not have any information in our files on the Ralph Jarrett prospect.

From the limited information in the application there is a strong possibility that further prospecting may be required. Some trenching may be warranted, if mica is exposed on the prospect.

I recommend the application be referred to the Field Team for a possible examination if information in their files indicates a visit to the property is warranted.

E. L. Newcomb
E. L. Newcomb

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

RECEIVED
APR 14 1955

April 13, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-3746 (mica)

Applicant: John Jarrett

Name and Location of Property: Ralph Jarrett Prospect
Mitchell County, North Carolina

Date Application Rec'd. by Br. of Ceram. & Fert. Mat.: April 4, 1955

Comments:

1. No data available in this office on this property.

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

Recommendation:

It is recommended that the field team visit this mine when in that vicinity to ascertain if an exploration project is justified. If so, the field team and applicant should agree on a definite plan of exploration on a unit-cost basis.

W. F. Dietrich

W. F. Dietrich

April 1, 1955
Subject: DMEA 3746
Re: Exploration Assistance
Ralph Jarrett Prospect

Mr. John Jarrett
Route 3
Bakersville
North Carolina

Dear Mr. Jarrett:

The receipt of your application dated March 30, 1955 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA 3746 and referred to the Nonmetallic Minerals Division.

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

Sincerely yours,

Robert E. Adams, Chief
Operations Control and
Statistics Division

Department of the Interior
Defense Minerals Administration
RECEIVED
APR - 1 1955

Spruce Pine, North Carolina
March 30, 1955

Mr. Lawrence G. Houk, Chief
Nonmetallic Minerals Division
U. S. Dept. of the Interior, DMEA
Washington 25, D. C.

Dear Mr. Houk:

The landlord whose property we leased for this application did not sign a Consent to Lien. The applicant will sign an agreement to the effect that he will be responsible for repayment of 5% on any mica sold from this place for a period of ten years if and when the field team recommends that work be done at this property. The applicant will furnish whatever is necessary to comply with regulations.

Please notify me exactly what is to be done in cases where the landlord will not sign the regular Owner's Consent to Lien forms.

Very truly yours,

Sam

Sam L. Phillips

P/b

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Form Approved.
Budget Bureau No. 42-R1035.2.

DEPARTMENT OF THE INTERIOR
RECEIVED
APR - 1 1955

APPLICATION FOR AID IN AN EXPLORATION PROJECT, PURSUANT TO DMEA ORDER 1, UNDER THE DEFENSE PRODUCTION ACT OF 1950, AS AMENDED

Not to be filled in by applicant

Docket No. 3746
Metal or Mineral Mica
Date Received 4-1-55
Estimated Cost $8,165
Participation (Government %)

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address: John Jarrett
Route 3, Bakersville, N. C.

(*b*) If other than an individual, add to your name above whether a corporation, partnership, etc., and the name of the State in which incorporated or otherwise organized.

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

(*d*) If a partnership, add to the above statement the names and addresses of all partners.

2. *General.*—Read DMEA Order 1, "Government Aid in Defense Exploration Projects," before completing this application. Submit this application and all accompanying papers in quadruplicate (four copies), with your name and address on each sheet of the application and on all accompanying papers. Where sufficient space is not provided on the form for all required information, state it on an accompanying paper, with a reference in each case to the instruction to which it refers by number. Comply with all applicable instructions; or, if not applicable, so state. File the application with Defense Minerals Exploration Administration, Department of the Interior, Washington 25, D. C., or with the nearest field executive officer thereof.

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract Legal description given on lease.

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

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

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

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

(*f*) If the land consists of unpatented claims, add to the description above, the book and page numbers for each recorded location notice. None

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

(*b*) State past and current production, and ore reserves, if any, giving quantities and grades.

(*c*) Describe the geologic features of the property, including mineralization, type of deposit (vein, bedded, etc.), and your reasons for wishing to explore. Illustrate with maps or sketches. Send with your application (but not necessarily as a part of it) any geologic or engineering report, assay maps, or other technologic information you may have, indicating on each whether you require its return to you.

(*d*) State the facts with respect to the accessibility of the project: Access roads, distances to shipping, supply and residence points.

(*e*) State the availability of manpower, materials, supplies, equipment, water, and power.

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

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

(*c*) The work will start within 30 days and be completed within ..... months from the date of an exploration project contract.

(*d*) State the operating experience and background of the applicant with relation to the ability to carry out such exploration project, and also that of the person or persons who will supervise the operations. Now on file with DMEA.

6. *Estimate of costs.*—Furnish a detailed estimate of the costs of the proposed work (you will have to use a separate sheet), under the following headings. Add the totals under all headings to give the estimated total cost of the project: See sheet.

(*a*) *Independent contracts.*—(Note.—If the applicant does not intend to let any of the work to contractors, write "none" after this item. To the extent that the work is to be contracted, do not repeat the cost of the contract-work in subsequent items.) State the cost of any proposed independent contracts for the performance of all or any part of the work, expressed in terms of units of work (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved, etc.).

(*b*) *Labor, supervision, consultants.*—Include an itemized schedule of numbers, classes and rates of wages, salaries or fees for necessary labor, supervision and engineering and geological consultants.

(*c*) *Operating materials and supplies.*—Furnish an itemized list, including items of equipment costing less than $50 each, and power, water and fuel.

(*d*) *Operating equipment.*—Furnish an itemized list of any operating equipment to be rented, purchased, or which is owned and will be furnished by the Operator, with the estimated rental, purchase price, or suggested use-allowance based on present value, as the case may be.

(*e*) *Rehabilitation and repairs.*—Furnish a detailed list showing the cost of any necessary initial rehabilitation or repairs of existing buildings, installations, fixtures, and movable operating equipment, now owned by the Operator and which will be devoted to the exploration project.

(*f*) *New buildings, improvements, installations.*—Furnish a detailed list showing the cost of any necessary buildings, fixed improvements, or installations to be purchased, installed or constructed for the benefit of the exploration project.

(*g*) *Miscellaneous.*—Furnish a detailed list showing the cost of repairs to and maintenance of operating equipment (not including initial rehabilitation or repairs of the Operator's equipment), analytical work, accounting, workmen's compensation and employers' liability insurance, and payroll taxes.

(*h*) *Contingencies.*—Give an estimate of any necessary allowances for contingencies not included in the costs stated above.

NOTE.—No items of general overhead, corporate management, interest, taxes (other than payroll and sales taxes), or any other indirect costs, or work performed or costs incurred before the date of the contract, should be included in the estimate of costs.

7. (*a*) Are you prepared to furnish your share of the cost of the proposed project in accordance with the regulations on Government participation (Sec. 7, DMEA No. 1)? Yes. Will furnish required 25%.

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

[x] Money [ ] Use of equipment owned by you [ ] Other

Explain in detail on acompanying paper.

CERTIFICATION

The undersigned, whether as an individual, corporate officer, partner, or otherwise, both in his own behalf and acting for the applicant, certifies that the information set forth in this form and accompanying papers is correct and complete, to the best of his knowledge and belief.

Dated March 30, 1955

John Jarrett
(Applicant)

By John Jarrett

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

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

MF-103 (Continuation Sheet)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR - 1 1955

4. (a) No previous exploration operations. Project is accessible for examination.

(b) No past production; new prospect.

(c) A small hole has been dug which shows some mica in vein material between two slates. It is believed a good mica vein may be uncovered by exploring this site.

(d) Project is accessible to roads, shipping, etc.

(e) Manpower and equipment available. Power is within 800'.

5. (b) We propose to bulldoze a long trench to uncover vein, sink a 5'x7' shaft to a depth of 85', then drift best way with vein or crosscut 100'.

6. Estimate of costs:

30 hrs. Bulldozing @ $10.00 per hour	$ 300.00
Toolhouse	77.00
Construct Powder Magazine	25.00
Construct Exploder Magazine	13.00
Sink shaft 85' @ $50.00 ft.	4250.00
Drift 100' @ $35.00 ft.	3500.00
Total Estimated Cost	$ 8165.00

Docket Copy
Surname:
Houk

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

Mr. Sam L. Phillips

Spruce Pine, North Carolina

Re: Docket No. DMEA-3746 - Mica
John Jarrett
Ralph Jarrett Prospect
Mitchell County, North Carolina

Dear Mr. Phillips:

Reference is made to your letter of March 30, 1955, requesting the exact procedure when the lessor will not sign the Owner's Consent to Lien forms.

Please be informed that it is required that the applicant furnish an Owner's Consent to Lien. An exception can be made if a diligent effort has been made to secure one and evidence furnished that the landowner will not sign a consent to lien. In such case the Government may accept surety company's performance bond or a third-party guaranty in lieu of an Owner's Consent to Lien. In the present contract form the Operator grants the Government a lien on 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.

Sincerely yours,

Lawrence G. Houk, Chief
Nonmetallic Minerals Division

LGHouk:gad 4/20/55
Copy to: Admr. R. File
Docket
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

Division of Mineral Administration
RECEIVED
APR - 1 1955

MINING LEASE

State of North Carolina Mitchell County:

This indenture made this 17th day of March, 1955, ~~1955~~,

between Ralph Jarrett

of Mitchell County and State of North Carolina as party of the first part, and known as lessor, and John Jarrett

of Mitchell County and State of North Carolina, party of the second part and known as lessee.

WITNESSETH, That the party of the first part in consideration of One Dollar in hand received and hereby acknowledged by the lessor, and in consideration of the agreements hereinafter contained, on the part of the party of the second part to be performed, hereby bargains, leases and grants to the party of the second part, and his heirs and assigns, for the period of five years from the date of this agreement, the following described real property, for mining purposes, in the County and State first above written to wit:

Beginning on a large Hickory tree located approximately 125' Southwest of the old shaft of the Ralph Jarrett Prospect and running 250' North; thence 250' West; thence 500' South; thence 500' East; thence 500' North; thence 250' West to a point of closing. This property belonging to Ralph Jarrett and lying in Mitchell County, N. C. near Bandana, N.C.

TO HAVE AND TO HOLD the said lands to him, for mining purposes, the said lessee and his heirs and assigns for the aforesaid period of five years in compliance with the condition of this instrument, for the purpose and with the right to dig, quarry, search, explore for, obtain, and remove any kind of minerals, metals or fossils, and particularly mica, and to conduct the same to any extent the said party of the second part, the lessee, may desire. And it is hereby agreed between the parties to this agreement that the party of the second part is to have the use of any unoccupied buildings on said lands for mining purposes, and that he shall have the right to erect such buildings as he needs to carry on such mining operatins during the period of this lease, and that the party of the second part shall keep the same in as good condition as when received, unavoidable accidents excepted. And it is also agreed by the party of the second part that no unnecessary damage is to be done to the lands herein leased during the period of this lease and the continuance of said lease, but the said party of the second part shall have the right to take from said lands leased to the party of the second part any wood or timber the party of the second part may need to carry on said mining operations or which may be needed to carry on the addition to existing buildings or to erect new buildings or sheds on said lands. (Timber of high or special market value is excepted and shall not be used by the lessee.) And it is hereby agreed that the party of the second part, the lessee, is to have right-of-way of ingress and egress to said mines or land upon which exploration is being conducted.

AND IT IS FURTHER AGREED That the party of the second part, the lessee hereby agrees to pay to the said part of the first part, or his or their heirs or assigns, a rental royalty of 1/8

on the minerals taken and sold from said mines which shall be for the use of the said lands for the aforesaid period of five years. The said amounts shall be payable on the computation of selling bills on the tenth day of each month covering sales made during the previous month. Any minerals other than those set forth above which may be taken and sold shall be paid for and at the usual royalty rate of the minerals taken.

AND IT IS FURTHER AGREED That the lessee, the party of the second part, his heirs or assigns, shall have the option to renew this lease and to extend the period of its running for an additional five years from the date of its present termination. The option shall be exercised by giving formal written notice to the party of the first part or by the continuation of any mining operations then being conducted. The lessor reserve the right to use the land, or convey the same not conflicting with this lease, but under any conveyance the terms of this lease must be recognized by the grantee, purchaser, or assigns thereof. And it is agreed that the lessee may assign this mining lease or any part thereof and that he may sublease.

AND IT IS FURTHER AGREED That the lessee, the party of the second part, his heirs or assigns, is hereby given an option to purchase all the right, title and interest, legal and equitable to and in the real estate described and set forth in this lease for a total purchase price of _____, said purchase price to be paid in full within three years from the date of this instrument and it is agreed that all rental royalties paid to the party of the first part shall apply toward and be a part of the total purchase price above set forth, and that at such time that the total purchase price is paid in the form of royalties or a lump sum payment or a combination of both, the party of the first part will execute a special warranty deed to the party of the second part and that a tender of the remaining purchase price at any time within the next three years shall entitle the party of the second part to specific performance of this option contract.

BUT IT IS EXPRESSLY AGREED That unless mineral or fossil material of practical value for mining purposes shall be found within a period of two years from the date of this instrument, the lease may be terminated by the lessee at any time thereafter on thirty days notice to the lessor. The lessee agrees that during the period of this lease or the continuance of this lease work in said mines or exploration for new mines within the area leased shall not cease longer than ninety days at any one time, unavoidable accidents excepted.

WITNESS our hands and seals the day and year first above written.

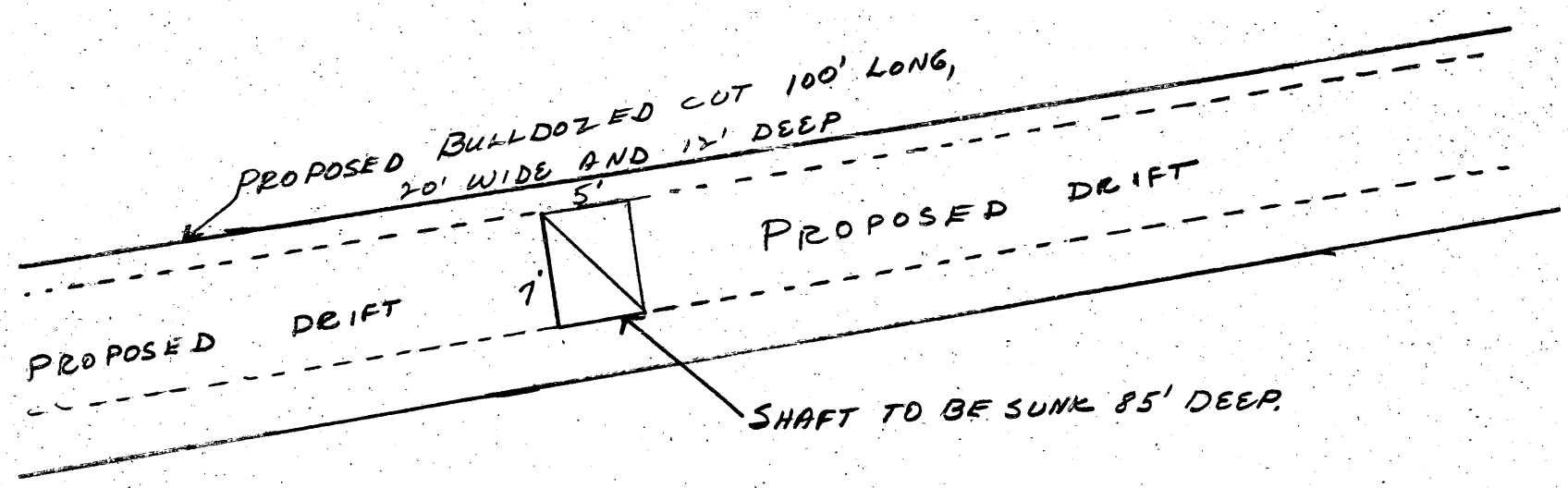
Witness: Ralph Jarrett (Seal)

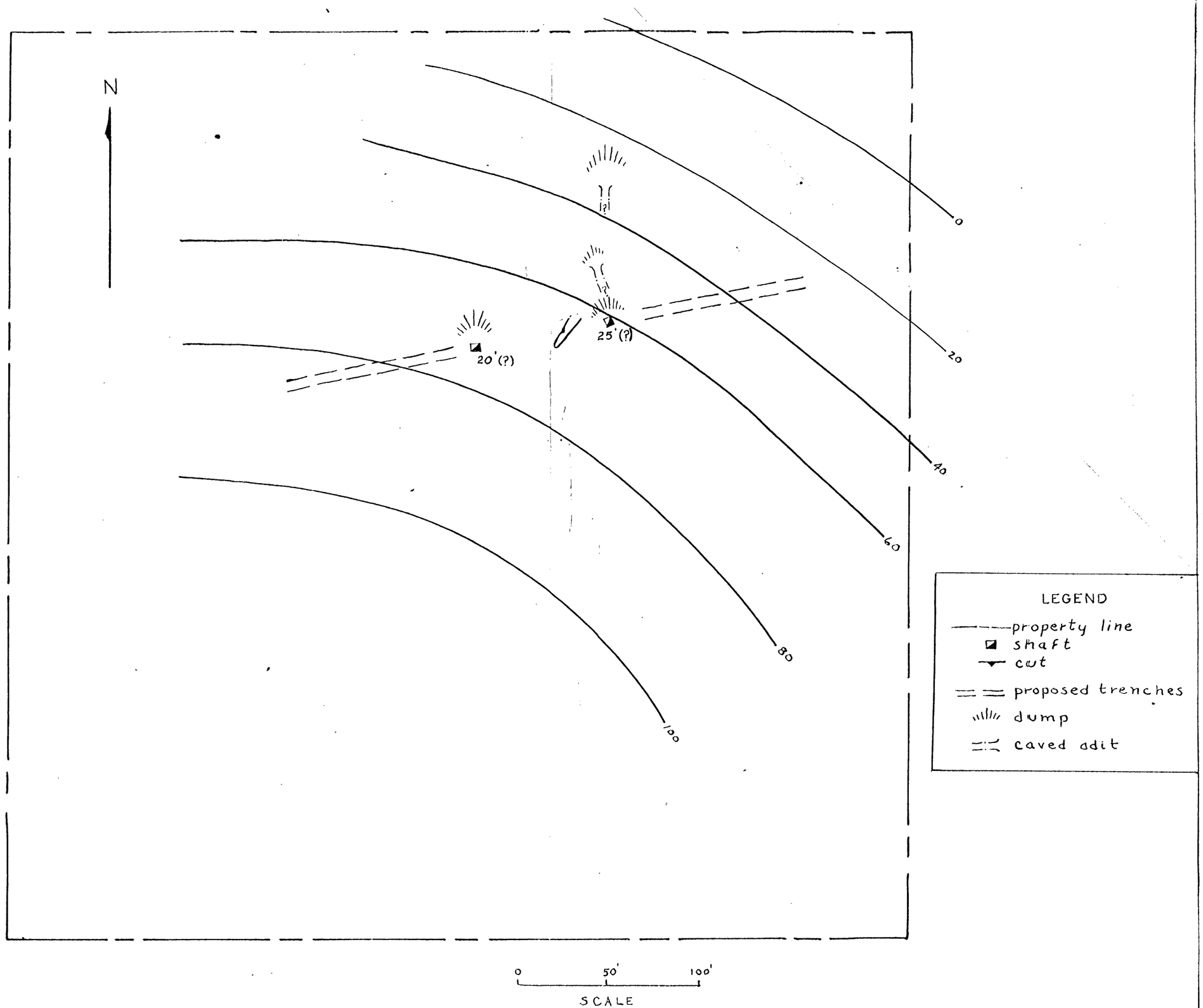
_____ _____ (Seal)

Kenneth R. McKinney
Notary Public
My Comm. Exp. 8/11/55

_____ (Seal)

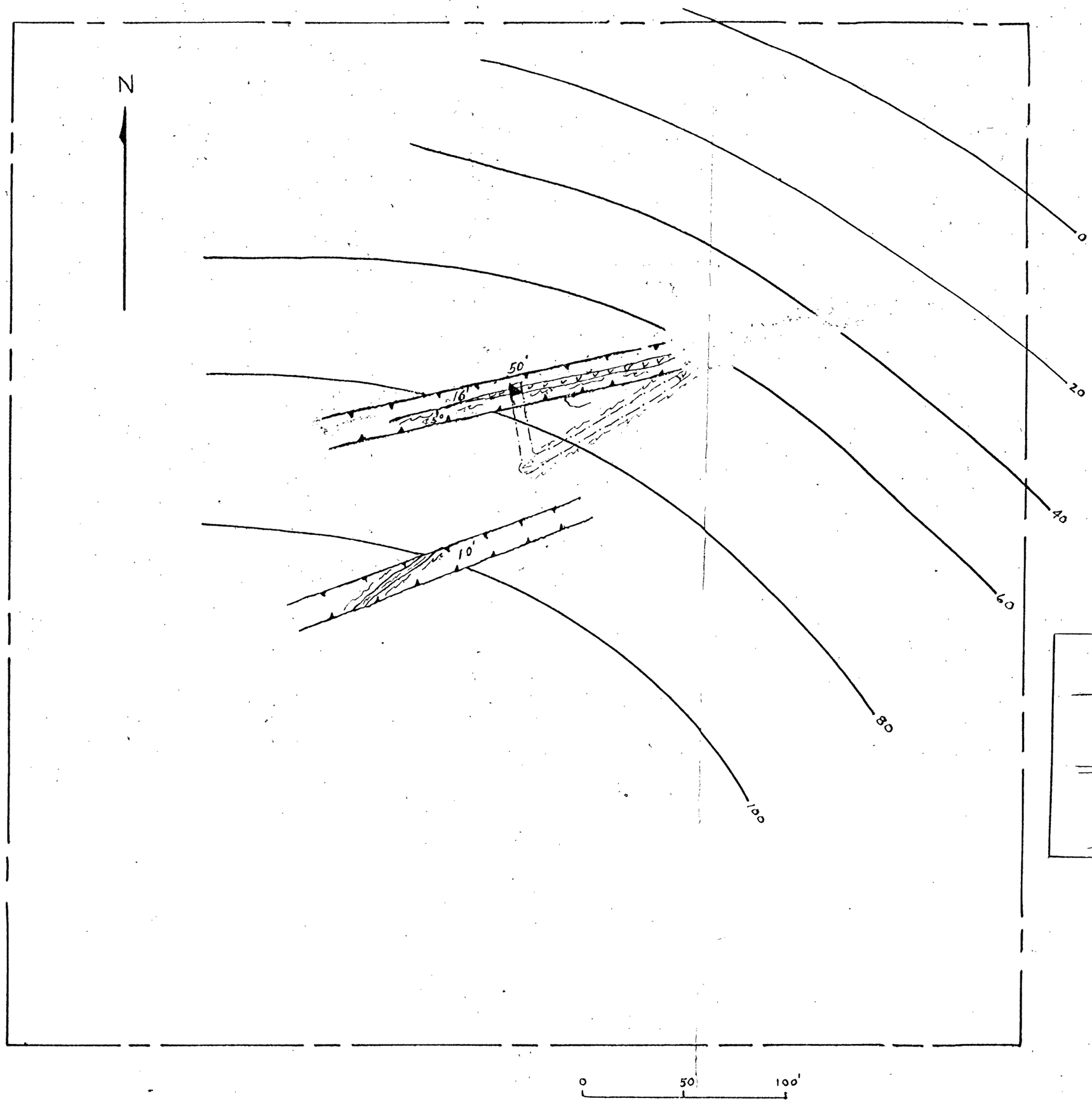
RALPH JARRETT PROSPECT





SKETCH OF
RALPH JARRETT PROS.
MITCHELL CO., N.C.

DMEA-3746 (mica)
May 5, 1955



LEGEND

- Pegmatite
- property line
- shaft
- cut
- proposed trenches
- dump
- caved adit
- Mica gneiss

0 50 100'

SCALE

SKETCH OF

RALPH JARRETT PROS.

MITCHELL CO., N.C.

DMEA-3746 (mica)

Nov. 9, 1955