DMEA 3793

DOCKET INDEX

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2	CONTRACT		DATE 6-30-55
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4	CERTIFICATION		DATE
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		3	4-27-56

Docket copy

Indexed 7/6/56

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"Appd. Sol. Off."

TERMINATION AGREEMENT

It is agreed this 13th day of July, 1956, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and J. R. Beam and John Phillips, hereinafter called the "Operator," parties to that certain Exploration Project Contract Idm-2832 (Docket No. DMEA-3793), dated June 30, 1955, hereinafter called the "Contract," that:

1. Effective June 30, 1956, the Contract and all obligations of the parties thereunder, except as otherwise herein expressly provided, shall be and are hereby terminated.

2. The Government shall contribute only to the fixed unit costs of work performed prior to said effective date.

3. The Operator shall promptly perform all winding-up and settlement actions provided for in the Contract, including the rendering of the final report and final account.

4. All rights of the Government provided for in the Contract with respect to certification of discovery or development, percentage royalty and lien for its payment, records, audit, and recovery of any overpayment, are preserved.

5. The Operator hereby releases and agrees to save the Government harmless from all claims or demands under or arising out of said Contract, except as otherwise provided in this termination agreement.

IN WITNESS WHEREOF, these parties have executed this agreement as of the day and year first above written.

THE UNITED STATES OF AMERICA

By C. Mathewson

Administrator, Defense Minerals Exploration Administration

J. R. Beam

J. R. Beam

John Phillips

John Phillips

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EXPLORATION PROJECT CONTRACT

AMENDMENT NO. II

DMEA-3793, Idm-E832 (mica) WILLIE SHANTY PROSPECT

Contract Idm-E832, DMEA-3793, between the United States of America, acting through the Department of the Interior Defense Minerals Exploration Administration and J. R. Beam and John Phillips, partners of Spruce Pine, North Carolina, dated June 30, 1955 is further amended as follows:

1. Article 3 is amended to read...." the Operator shall on or before May 1, 1956 complete the work," instead of January 31, 1956 as first written.

Dated: January 30, 1956

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be required to contribute, or the agreed unit cost of any item of work.

J. R. BEAM AND JOHN PHILLIPS

By J. R. Beam
Partner

By John Phillips
Partner

THE UNITED STATES OF AMERICA

By Robert A. Lawrence
Executive Officer, DMEA
Field Team, Region V

Docket Copy

EXPLORATION PROJECT CONTRACT
DMEA-3793, Idm-E832
AMENDMENT No. 3

Contract Idm-E832, DMEA-3793, between the United States of American, acting through the Department of the Interior, Defense Minerals Exploration Administration, and J. R. Beam and John Phillips, partners, of Spruce Pine, North Carolina, dated June 30, 1955, is further amended as follows:

1. Article 3 is amended to read...."the Operator shall on or before September 1, 1956 complete the work," instead of May 1, 1956 as written in Amendment No. 2.

Dated: April 27, 1956

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be required to contribute, or the agreed unit cost of any item of work.

J. R. BEAM AND JOHN PHILLIPS

By J. R. Beam
(Partner)

By John Phillips
(Partner)

THE UNITED STATES OF AMERICA

By V. J. Lynch
Acting Executive Officer, DMEA
Field Team, Region V

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AMENDMENT NO. 1
To
EXPLORATION PROJECT CONTRACT Idm-E832, DOCKET NO. DMEA-3793
Between
UNITED STATES OF AMERICA AND J. R. BEAM AND JOHN PHILLIPS, PARTNERS

It is agreed between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and J. R. Beam and John Phillips, partners, that Contract Idm-E832 (Docket No. DMEA-3793) dated June 30, 1955 is amended as of ~~September 7,~~ 1955 as follows:

1. In Exhibit "A" under "Description of the Work":

(a) Under Stage I, delete "75-foot incline" and add "91-foot incline."

(b) Under Stage II, Item 2, delete "Sink 40 feet of new incline from the bottom of the existing 75-foot incline," and add, "Sink 36 4/5 feet of incline from the bottom of the existing 91-foot incline."

2. In Exhibit "A" under "Fixed Unit Costs":

(a) Under Stage I, change "75 feet" to read "91 feet," and change "$750.00" to read "$910.00."

(b) Under Stage II, second item, change "40 feet" to read "36 4/5 feet" and change "$2000.00" to read "$1840.00."

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be required to contribute, or the agreed unit cost of any item of work.

Executed in sextuplicate this 1st day of November, 1955.

THE UNITED STATES OF AMERICA

By Frank E. Johnson
Acting Administrator, Defense Minerals Exploration Administration

J. R. BEAM AND JOHN PHILLIPS

By J. R. Beam
(Partner)

By John Phillips
(Partner)

Inf'd 10/27/55
F. Kenneth Humphrey 10/28/55
"Appd. Sol. Off."
Chambers
Selfridge
Hopkins

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

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DMEA
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		225

April 19, 1957

Memorandum

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

From: Executive Officer, DMEA Field Team, Region V

Subject: Docket No. DMEA-3793 - mica
J. R. Beam and John Phillips - Contract No. Idm-E832
Willie Shanty Prospect, Yancey County, North Carolina

We have forwarded the two letters to the signers of the Consent to Lien under the subject contract as requested in your letter of April 17.

The only copies of letters to Mrs. D. A. Higgins and Mrs. Julia Wray enclosed with your letter were the two Field Team copies, so we are unable to return the others to you as requested. We used Burnsville, North Carolina, as the address for each of letters.

Robert A. Laurence

Robert A. Laurence

Docket Copy

MF-200A
(Revised June 1954)

Docket No. DMEA-3723

Commodity Mica

Contract No. Idm-E 832

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

It is agreed this 30th 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] J. K. Dean and John Phillips, partners,

whose mailing address is Spruce Pine
North Carolina
hereinafter called the "Operator," as follows:

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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 map

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

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

(b) The Operator represents and undertakes that:

(1) The Operator is the [4] 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] unrecorded in Book *, page *, official records of said County; and

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

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

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

16—70619-1

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

ARTICLE 3. *The exploration project.*—The project is a search for indicated or undeveloped deposits of Mica The work to be performed is described in Exhibit "A." The Operator on or before Aug. 15, 1955 shall commence the work, and on or before January 3[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],324.00 The Government will contribute [illegible] percent of the fixed unit costs as work is performed, in a total sum not in excess of $4,368.00: *Provided,* That until the Operator has rendered to the Government his final report, and any final auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of 10 percent of the estimated total cost of the work. The Government will make its contribution on the basis of the monthly vouchers referred to in Article 6(b), but all payments by the Government are provisional only, subject to audit, until the account between the Operator and the Government is finally audited and settled. To the extent that excesses over fixed unit costs or any excess over the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such excesses for his own account without contribution by the Government. The Government may make payments directly to independent contractors and suppliers for the account of the Operator rather than to the Operator.

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

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

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JUL 11 1955

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.

J. R. BEAM & JOHN PHILLIPS
(Operator) (partners)

By J. R. Beam
(partner)

By John Phillips
(partner)

THE UNITED STATES OF AMERICA

By O. P. Mitchendorf
Administrator, Defense Minerals
Exploration Administration

Appd. Sol. Off.
Hopkins
Koch
Chandler
Detroit

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]

Selfridge
Johnson

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

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EXPLORATION PROJECT CONTRACT
J. R. BEAM and JOHN PHILLIPS
DOCKET NO. DMEA-3793

ANNEX I

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

BEGINNING at the center of the shaft of what is known as the Willie Shanty Prospect, located approximately 175 feet Northwest of a large Hickory Tree, and running thence North 250 feet; thence West 250 feet; thence South 500 feet; thence East 500 feet; thence North 500 feet; thence West 250 feet to a point of closing. Said parcel of land being known as the Willie Shanty Mine.

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EXPLORATION PROJECT CONTRACT
J. R. BEAM and JOHN PHILLIPS
DOCKET NO. DMEA-3793

EXHIBIT "A"

Description of the Work

The location of the exploration work is shown in part on the map entitled, "Sketch of Willie Shanty Mine, Yancey Co. N. C. DMEA-3793 June 3, 1955," attached hereto and made a part hereof. The work shall be performed in two successive stages as follows:

STAGE I

Clean out, timber where necessary, and install ladders in the existing 75-foot incline.

STAGE II

The Operator shall perform so much of the work set forth under Stage II as is approved in advance by the Government.

1. Construct:
   (a) A toolhouse, minimum dimensions 8 feet by 10 feet by 7 feet.
   (b) A powder storage magazine, minimum dimensions 4 feet by 3 feet by 2½ feet.
   (c) An exploder magazine, minimum dimensions 2 feet by 1½ feet by 1 foot.

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JUL 11 1955

The toolhouse may be unfloored; shall have 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, and shall be braced at the corners. No metal shall be exposed, and the lids shall be securely locked with the equivalent of a 5-tumbler jarproof lock.

2. Sink 40 feet of new incline from the bottom of the existing 75-foot incline, having minimum cross sectional

dimensions of 5 feet by 7 feet in the clear of timber.

3. At a point 5 feet above the bottom of the new incline, drive 80 feet of drifts on the pegmatite having minimum cross-sectional dimensions of 5 feet by 7 feet in the clear of timber.

All work shall be timbered as necessary.

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

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

STAGE I

Shaft Rehabilitation 75 feet @ $10.00/ft.	$ 750.00	

STAGE II

Construct Toolhouse 1/	75.00	
Powder Magazine 1/	25.00	
Exploder Magazine 1/	14.00	
Sink 40 feet of incline shaft @ $50.00/ft.	2,000.00	
Drive 80 feet of drifts @ $37.00/ft.	2,960.00	
Estimated total cost of Stage II	$5,074.00	
Estimated Total Cost of Project		$5,824.00
Government Participation @ 75%		$4,368.00

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1/ The completed work constitutes the unit.

MF-203
Revised March 24, 1955

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

CONSENT TO LIEN

To the United States of America:

Referring to that certain land in the County of Yancey, State of North Carolina, described as follows:1/ BEGINNING at the center of the shaft of what is known as the Willie Shanty Prospect, located approximately 175 feet Northwest of a large hickory tree, and running thence North 250'; thence West 250'; thence South 500'; thence East 500'; thence North 500'; thence West 250' to a point of closing. Said parcel of land being known as the Willie Shanty Mine.

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

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

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

None

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JUL 11 1955

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

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

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

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

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

5. Added provision: _____

Dated this 1st. day of April, 1955.

Witness:

Mrs. T. G. Higgins [Seal]

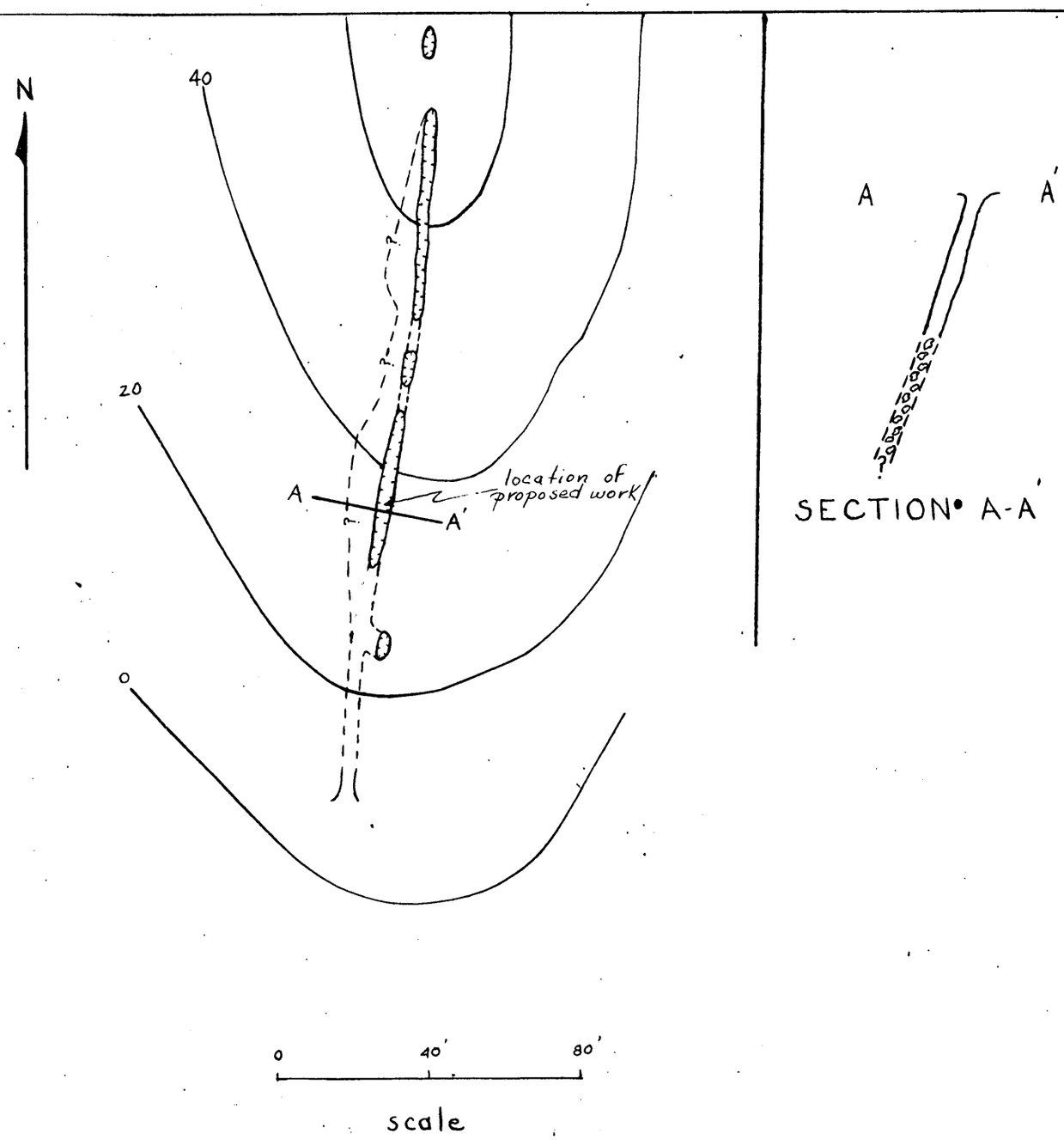
Nu-Wray, Inc. [Seal]

By Mrs Julia Wray [Seal]
President

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

Rush T. Wray

[Corporate Seal]



SKETCH OF WILLIE SHANTY MINE

YANCEY CO., N.C.

DME A-3793

June 3, 1955

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
3/27	Anderson	600
4/15	Hinder	600
4-5	Chambers	800
4/17	Sellnedy	130
4/17	Jones	110
"	Whatendorf	100
4/18	C	220
		225

Killegaard
Lamb

600

APR 17 1957

Messrs. J. H. Bean and
John Phillips
Spruce Pine, North Carolina

Re: Docket No. DMEA-37 3-miles
J. H. Bean and John Phillips
Millie Shanty Prospect
Yancey County, North Carolina
Contract No. Ida-[illegible]

Gentlemen:

Reference is made to your terminated exploration contract with the Government.

We sincerely regret that the work performed did not result in a certification of discovery or development under the provisions of the contract. In the absence of such certification, the Government retains no claim or lien against the property subject to the contract or any future production therefrom. We, therefore, are closing our books and records on this project. Your attention, however, is called to the provisions of the contract which require the Operator to keep and preserve certain records for the period indicated.

Your interest in the DMEA exploration program and participation therein are fully appreciated.

Sincerely yours,

E. O. Wittendorf

Administrator

WCAnderson:mm 3/27/57
Copy to: Docket
Admr. H. File
Code 600
Mr. Chambers
Mr. Killegaard, 5222
Mr. Dietrich, 3061
Field Team, Region V

Mrs. D. A. Higgins
NU-Wray, Inc.
(Mrs. Julia Wray, Pres.)
} landowners

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
4/16	Anderson	600
4/18	Smith	600
4-17	Chandler	800
4/17	Selfridge	130
"	Johnson	110
"	Mittendorf	100
		VVO

600

APR 17 1957

Mrs. D. A. Higgins

Kilsgaard
Lamb

Re: Docket No. DMSA-3793-mtom
J. R. Bean and John Phillips
Willie Shanty Prospect
Yancey County, North Carolina
Contract No. Idm-8632

Dear Mrs. Higgins:

Enclosed is a copy of a self-explanatory letter of today to the Operator under the above-cited contract.

This correspondence relates to the Consent to Lien signed by you on April 1, 1955.

Sincerely yours,

D. D. Mittendorf

Administrator

Enclosure

WCAnderson:ms 4/16/57
Copy to: Docket
Admr. R. File
Code 600
Mr. Kilsgaard, 5222
Mr. Dietrich, 3061
Field Team, Region V

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
4/16	Anderson	600
4/10	Hoch	600
4-17	Chapman	800
4/17	Selfridge	130
"	Johnson	110
"	Kittendorf	100
		220

600

APR 17 1957

Mrs. Julia Wray, President
NU-Wray, Inc.

1 Kilsgaard
Lamb

Re: Docket No. DMEA-3793-mica
J. R. Beam and John Phillips
Willis Shanty Prospect
Yancey County, North Carolina
Contract No. Idm-E832

Dear Mrs. Wray:

Enclosed is a copy of a self-explanatory letter of today to the Operator under the above-cited contract.

This correspondence relates to the Consent to Lien signed by you on April 1, 1955.

Sincerely yours,

R. D. Kittendorf (for)

Administrator

Enclosure

WCAnderson:ms 4/16/57
Copy to: Docket
Admr. R. File
Code 600
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Field Team, Region V

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
4/4	Anderson	600
4/5	Hock	600
4-5	Chambers	800
4/17		130
"	Johnson	110
"	Westerberg	100
4/18	C	200
		225

1 Kilsgaard
Lamb

600

APR 17 1957

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

Re: Docket No. DMEA-3793-nlca
J. R. Beam and John Phillips
Willie Shanty Prospect
Yancey County, North Carolina
Contract No. Idm-1832

Dear Mr. Laurence:

Enclosed are two letters to be forwarded to the signers of the Consent to Lien under the subject contract.

Kindly complete the addresses and forward, retaining your copies and returning our copies.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (HB)
WCAnderson:ms 4/4/57
Copy to: Docket
Admr. R. File
Code 600
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Operating Committee

Approved:

Frank D. Lamb
Member, Bureau of Mines (HB)

Thor H. Kiilsgaard
Member, Geological Survey (HB)

Enclosures: 2

8623

MEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
3/27	Anderson	600
4/5	Hunter	600
4/10		800
		130
		110
		100
		220
		225

600

Project Summary Report

March 26, 1957

By: Walter C. Anderson

1. Docket No. DMEA-3793-mica
Contract No. Idm-E832
Willie Shanty Prospect
Yancey County, North Carolina

Application: Form MF-103 (April, 1952) received April 28, 1955

Work proposed by applicant

Rehabilitate 40 feet shaft @ $12/ft.	$ 480.00
70 feet of shaft @ $50/ft.	3,500.00
60 feet of drifts @ $35/ft.	2,100.00
Amount requested	$6,080.00

Operators: J. R. Beam and John Phillips
Spruce Pine, North Carolina

Operators' Property Rights:
Five year mining lease on the Higgins property comprising 5 7 acres, dated April 1, 1955.
Consent to Lien of Owner - dated April 1, 1955

2. Contract: Form MF-200A (June, 1954) dated June 30, 1955

Work authorized:

Stage I	
75 feet of shaft rehabilitation @ $10/ft.	$ 750.00
Stage II	
Construction - toolhouse, powder and exploder magazines	114.00
40 feet of inclined shaft @ $50/ft.	2,000.00
80 feet of drifts @ $37/ft.	2,960.00
Estimated total cost of project	$5,824.00
Government participation @ 75%	$4,368.00

8623

Amendments:

No. 1 - 11/1/55	Shaft rehabilitation was changed to 91 feet and shaft sinking to 36 4/5 feet.
No. 2 - 1/30/56	Completion date was extended 3 months
No. 3 - 4/27/56	Completion date was again extended 4 months or to September 1, 1956

Work completed:

91 feet of shaft rehabilitation	$ 910.00
Construction - buildings	114.00
12 feet of inclined shaft	600.00
49 feet of drifts	1,813.00
Total accepted cost	$3,437.00
Government participation	$2,577.75

Work commenced on July 25, 1955 and was terminated by mutual agreement on July 13, 1956.

Field Team Final Report received September 4, 1956.

Operators' Final Report dated June 29, 1956.

No equipment purchased under contract.

Value of production during project $315.00

Amount of royalty paid $19.05, which accounts for all the production during project.

No reserves of strategic mica. Last mica sold contained too much heavy stained mica.

3. Audit:

Report of Review issued August 30, 1956

Accepted cost	$3,437.00
Government participation	$2,577.75

4. Certification of Discovery - none issued.

5. Comments:

How conducted:

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

Operation:
Satisfactory, but hampered by difficult access and severe weather conditions.

Engineering:
Reporting above average.

Geological premise:
That a strategic mica-bearing pegmatite would occur below the depth previously mined was not realized, since the little mica found was unacceptable for the National stockpile.

Geological criteria upon which work was based:
1. Pegmatite - conformably enclosed by kyanitic mica gneiss, pinching and swelling down-dip, consisting chiefly of quartz and plagioclase, subordinate mica, and minor kyanite and garnet.
2. Mica - reddish brown and in general of good quality.
3. Past Production

Criteria developed during project:
1. Pegmatite - swelling and pinching 1 inch to 1½ feet, contained in a 3 to 5 foot thick biotite schist zone; composed chiefly of sodic plagioclase, disseminated quartz, relatively abundant muscovite and minor garnet.
2. Mica - reddish brown, flat and in thin books 3 to 8 inches across, fine mineral intergrowth or staining.

Future possibilities:
Because of the heavy-stained character of the mica, this mine has no future as a strategic mica producer.

Recommendation:

In view of the above, the Field Team recommends that no certification be made. The Nonmetallic Minerals Division and the Commodity Members of the Bureau of Mines and Geological Survey concur.

WCAnderson:ms 3/27/57
Copy to: Docket
Admr. R. File
Code 600
Mr. Anderson

Walter C. Anderson

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

RECEIVED
FEB - 2 1956

January 31, 1956

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Final Reports, DMEA-3799, Idm-E840 (mica), J. R. Beam, Spruce Pine, N. C. Bennett Mine, Cherokee County, Ga.

Enclosed are four copies each of the final Operator's and Field Team reports on the subject contract. A significant deposit of strategic mica was discovered, and we recommend certification of discovery.

About 7000 lbs. of mica were recovered during the operation, and we understand that this mica has been delivered to the Spruce Pine Depot for preparation. Final settlement on such sales is not received by the Operator for a period of two to four months; although no royalty has been received, we expect that it will be paid promptly when the Operator receives his settlement. Mr. Beam has always been prompt and accurate in meeting his obligations on previous contracts.

Robert A. Laurence
Executive Officer, DMEA
Region V

RAL/am
Opr. Com.-3
Lynch
Book
Files

V. J. Lynch, Member
Bureau of Mines

Reviewed by
DMEA OPERATING COMMITTEE
2-6-56
(date)

3799

Date 2-7

Referred to:

1. ~~[illegible]~~
2. ~~[illegible]~~
3. ~~[illegible]~~
4. ~~Docket Control Mails and Files~~
5. ~~War Industries Board Division~~
6. Docket Control Mails and Files

Note comments in reports regarding:

1. Certification recommended
2.
3.
4.

and take appropriate action.

- - - - - -

Action taken by Division: Concur in recommendation & will write Certification at earliest opportunity

Initials

UNITED STATES
DEPARTMENT OF THE INTERIOR

RECEIVED
FEB 2 1956

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DMEA FIELD TEAM, REGION V
FINAL REPORT

On

DMEA-3799 (mica) BENNETT MINE
Cherokee County, Georgia

By

Wm. A. Beck, Mining Engineer
U. S. Bureau of Mines

and

A. R. Taylor, Geologist
U. S. Geological Survey

January 30, 1956

Reviewed by
DMEA OPERATING COMMITTEE
2-6-56
(date)

FINAL REPORT
On
DMEA-3799, Idm-E840 (mica) BENNETT MINE
Cherokee County, Georgia

RECEIVED
FEB - 2 1956

Operator: J. R. Beam, Route # 2, Spruce Pine, North Carolina

Location: On Lot 229, 13th District, 2nd Section, Cherokee County, Georgia, and 5.6 airline miles S 85° W of Nelson, Georgia

Summary

Abundant (approximately 7000 lbs.) of strategic quality muscovite was produced in 80 feet of shaft and 100 feet of drift. The Operator intends to continue work. No further exploration seems warranted. It is the recommendation of the field examiners that the Bennett Mine be certified as a discovery.

Introduction

Work began at the Bennett Mine (known locally as the "mica-field") under contract on July 18, 1955, and was completed December 20, 1955. A two-compartment shaft (timbered to the 55 ft level) was sunk to a depth of 80 ft to intersect the pegmatite. A drift was driven from the bottom of the shaft for 104 ft. It followed pegmatite with a discontinuous quartz core for 18 ft S 55° W. from the shaft bottom, then 86 ft in the S 35° W direction. No timbering was necessary in the drift.

Surface facilities consist of a toolhouse, bunk house, hoist shed with hoist, compressor, and powder and exploder magazines.

Geology

Pegmatite:

A zoned pegmatite, containing perthite, plagioclase, quartz, and muscovite, is conformable to the foliation of a mica-garnet-graphite gneiss. At the surface of the old cut (map) it strikes N-S to N 15° E., and dips 35 - 40° SE. Beryl has been reported (not observed in new work) in a 3 - 6 ft thick, sill-like, zoned pegmatite with a 2 ft medial quartz core (examination report, May 24, 1955).

Pegmatite, 2.5 ft thick, was encountered in the shaft between the 65 and 75 ft levels. It strike: and dip was N. 25° E and 25 - 30° S. E. The drift to the southwest followed the pegmatite which had an average thickness of 2.5 ft. Strike and dip at the 18 ft point in the drift was N. 55° E., 30° S. E., and at 32 ft point it was N 35°E and 28° S. E. Throughout the drift from the 18 ft point to the heading at 104 ft, it maintained a strike of N 35° E., and a dip of 25-30 S. E., except for a flattening of the dip at the 104 ft point, It was 18 inches thick at the 104 ft point (sections A -A' and B - B' on map).

Muscovite:

Good, abundant strategic quality ruby muscovite was recovered from the shaft and drift. It consisted generally of large books (some 13" x 15" wide) of hard, free-splitting, flat ruby mica. Some books, however, contain black inclusions (stained) and are cracked, bent, and ruled.

Previous Production:

An average of 4,500 pounds of "run-of-mine" book mica was produced per week from the cut nearby before the present contract was started (Examination Report, May 24, 1955), which was appraised as worth $1000.00 per ton by Spruce Pine Government Depot officials (at 80% of true value). Substantial quantities were recovered during the period 1918-20.

Present Production:

Work done under contract seems to substantiate the previous reports because the mica is of good to excellent quality, and has been found in abundance.

At some places in the new drift, the large books (8-15 in. wide and 2-3 in. thick) would make up 50 - 60 percent of the pegmatite. Generally, the large books were aligned along both the hanging and footwalls of the pegmatite. Books recovered from the 18 ft point in the drift, measured 13" x 15" x 3" ; at the 46 ft point they were up to 8 in. in diameter, and at the 72 ft point they were measured to be 12" x 9" x 2", and of excellent quality.

About 2200 pounds of good mica came from the section between the 42 and 72 ft points in the drift.

The total produced under contract was about 7000 pounds of "mine-run" block mica.

Reserves

Indicated reserves up-dip for a minimum of 60 ft are good, and can be mined at a profit.

There is a possible indicated reserve of 60,000 pounds of "mine-run" block mica, and about 100,000 pounds of inferred "mine-run" block mica.

Future Work

The Operator plans to continue work up-dip from the drift, and may drive another drift from the shaft bottom in the northeast direction. Work down-dip would also produce a good quantity of strategic muscovite.

Conclusion

Although hampered by water, the Operator had an efficient crew, and conducted the work in a satisfactory manner. The foreman is to be commended on a well-conducted operation. No equipment was purchased.

Ruby mica is abundant, hard, generally clear, and free-splitting.

Reserves of strategic mica are indicated. The field examiners recommend that the Bennett Mine be certified without further exploration.

Expenditures:

(a)	Total approved	$8316.00
(b)	Total cost of project	7376.00
(c)	Government's share spent	5532.00
(d)	Government's share unexpended	705.00
(e)	Produced during operation	7000 lbs.
(f)	Value of production	Unknown
(g)	Royalty paid to date	None

?

January 30, 1956

Wm. A. Beck, Mining Engineer
U. S. Bureau of Mines

A. R. Taylor, Geologist
U. S. Geological Survey

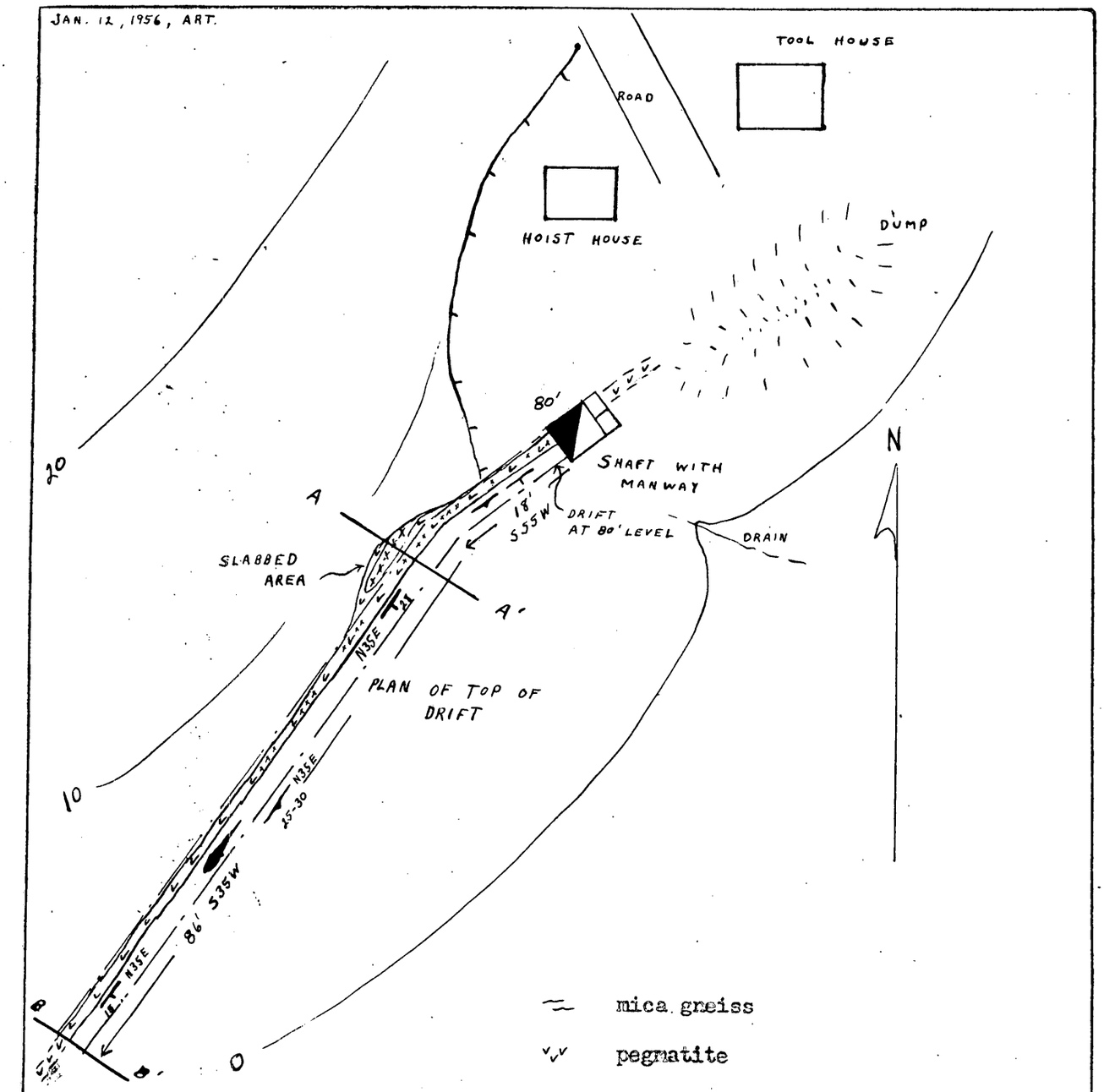
References:

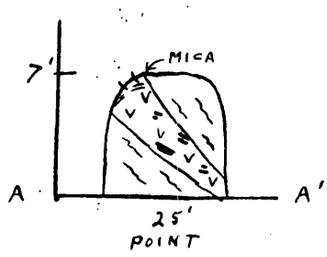
1. Examination Report of DMEA-3799, Bennett Mine (mica) K. H. Teague, U. S. G. S. and Wm. A. Beck, U. S. B. M.: May 24, 1955.

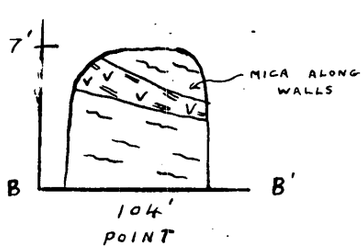
2. Furcron, A. S. and Teague, K. H. (1943) Mica Bearing Pegmatites of Georgia; Georgia Geological Survey, Bull. 48, p 96.

BENNETT MINE (MICA)

CHEROKEE CO., GA, DMEA-3799







SECTIONS

mica gneiss

pegmatite

quartz core

contact, dashed where inferred

cut

underground workings

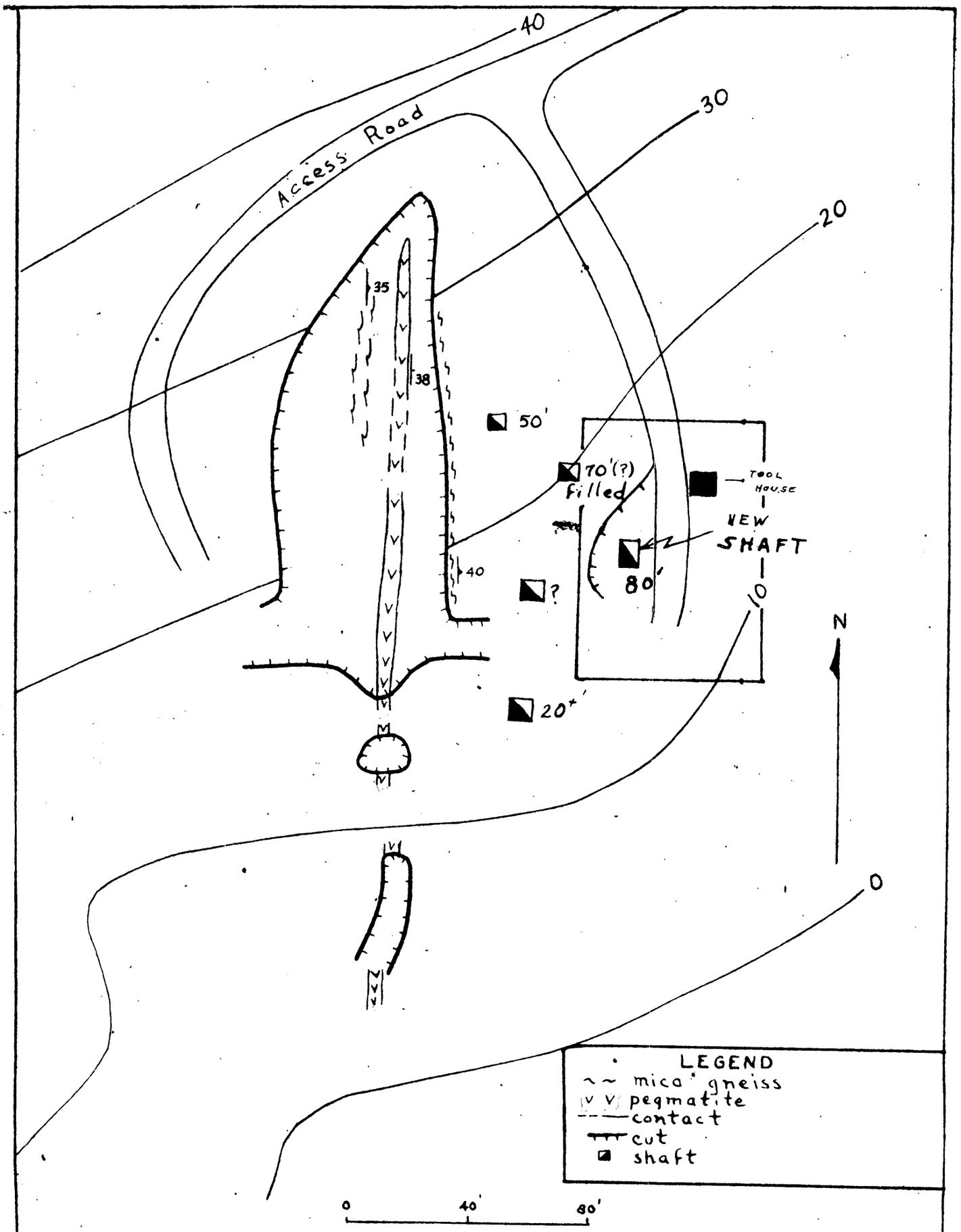
shaft

strike & dip of pegmatite

strike & dip of country rock foliation

0' 20' 40'
scale

Mapped by Wm. A. Beck, USBM and A. R. Taylor, USGS; December 20, 1955



SKETCH OF
BENNETT MINE
CHEROKEE CO., GA. · DMEA-3799

IN REPLY REFER TO:

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

RECEIVED
OCT 22 1956

October 19, 1956

Re: DMEA 3793, Idm-E832
J. R. Beam and John Phillips
Willie Shanty Prospect
Yancey Co., N. C.
$5,824.00 - Mica

Memorandum

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

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

Subject: Review of Field Team Final Report.

The contract approved the expenditure of $5,824.00 on the further exploration of a 3- to 5-foot schist zone by deepening a 91-foot shaft and drifting. The schist zone contains 1/8- to 1/2-inch stringers of pegmatite and a more or less centrally located swelling and pinching 1- to 12-inch pegmatite. Mica is in the pegmatite and disseminated in the intervening schist.

The shaft was cleaned of water and debris and deepened 12 feet. A drift 49 feet long was driven. The examiners estimate 1000 pounds of low grade, non-strategic mica was recovered.

Because of the unfavorable results the project was terminated, $3,437.00 having been expended.

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

I concur with that recommendation.

N. E. Nelson

N. E. Nelson

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

RECEIVED

September 20, 1956

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: W. F. Dietrich, Chief
Branch of Ceramic and Fertilizer Materials

Subject: DMEA-3793 (mica)

Applicant: J. R. Beam and J. Phillips

Name and Location of Property: Willie Shanty Prospect, Yancey County, N. C.

Contract Number: Idm-E 832

Date of Field Team Report: 8/31/56

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 9/6/56

Field Team Recommendation: Recommend no certification of discovery.

Comments:

1. All mica recovered during exploration project was heavy stained and rejected by Spruce Pine depot.
2. Sufficient work has been done to indicate the pegmatite is not suitable for producing large quantities of strategic mica.
3. Expenditures -

Total approved	$ 5,824.00
Total cost	3,437.00
Gov't. share of the cost	2,577.75
Value of production during operation	315.00 (Est.)

Recommendation:

I concur with the field team's recommendation for no certification.

W. F. Dietrich

W. F. Dietrich

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

RECEIVED
SEP - 4 1956

August 31, 1956

Memorandum

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

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

Subject: Field Team Final Report, DMEA-3793, Idm-E832 (Mica)
J. R. Beam and John Phillips, Spruce Pine, N. C.
Willie Shanty Prospect, Yancey County, North Carolina

Enclosed are the original and three copies of the subject final report.

Certification is not recommended.

Robert A. Laurence
Robert A. Laurence
Executive Officer

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

Enclosures 4

Reviewed by
DMEA OPERATING COMMITTEE
9-7-56
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR

RECEIVED
SEP - 4 1956

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT

On

DMEA-3793, Idm-E832 (mica) WILLIE SHANTY PROSPECT
Yancey County, North Carolina

By

S. C. Bergman, Geologist
U. S. Geological Survey

and

A. L. Peyton, Mining Engineer
U. S. Bureau of Mines

August 31, 1956

DMEA Operations Command
9-7-56
(date)

EXPLORATION PROJECT

FIELD TEAM FINAL REPORT, REGION V

RECEIVED SEP - 4 1956

On

DMEA-3793, Idm-E832 (mica) WILLIE SHANTY PROSPECT

Operators: Mr. J. R. Beam and Mr. John Phillips, Spruce Pine, N. C.

Location:

The prospect is located on the southeast slope, near the crest, of Joe Young Ridge a southwest extension of Bowlens Pyramid at an elevation of approximately 3960 feet. It is 1.06 airline miles S. 30° E. of the Bowlens Creek Church and 3.15 airline mailes S. 28° E. of the bench mark in Burnsville, Yancey County, North Carolina (Burnsville, N. C. quadrangle, TVA Ed. 1939, 1:24,000).

Introduction:

Work commenced on July 25, 1955, and consisted of rehabilitation of the existing inclined shaft. An amendment was granted to extend the rehabilitation from 75 to 91 feet and reduce the additional contract incline from 40 feet to 36 4/5 feet. From the bottom of the rehabilitated shaft, 12 feet of new incline was sunk before the project was recessed because of bad weather and difficult access. About 400 pounds of block muscovite was recovered from the 12 feet of new shaft. The project was amended to extend the completion date from January 31, 1956 to May 1, 1956. Work was not resumed until May 17, 1956, so that another amendment was prepared to extend the completion date to September 1, 1956. From the 91-foot level of the incline a drift was driven 29 feet N. 3° W. and 20 feet S. 7° W. on a 3 to 5-foot schist zone carrying thin parallel 1/8 - 1/2 inch thick stringers of pegmatite and a more or less centrally located

swelling and pinching 1 to 12 inch pegmatite. Mica is in the pegmatite and disseminated in the intervening schist. Work continued until a communication was received from the Government Mica Depot in Spruce Pine, N. C. saying that the mica had been examined and found to contain too much heavy-stained muscovite to be accepted at the depot. The project was terminated by mutual agreement on this basis as of July 13, 1956. No reserves of strategic muscivite were outlined and no certification as a discovery is recommended. The Operators reported a recovery of 200 pounds of block mica from the drift area. The examiners have seen more than this amount and estimate the drift recovery at closer to 600 pounds or a total recovery of approximately 1000 pounds of block muscovite, most of which would go as punch and scrap. The estimated value of this material is about $315.00.

Access is gained from an old adit driven to the north into the hillside intersecting the old stoped shaft opening about 57 feet below the shaft collar. A tool house, powder magazine and exploder magazine were built under the contract. The government retains no lien or interest on any of the equipment, supplies, or buildings.

Geology:

Previous mining has extended over a horizontal distance of 225 feet and an indicated depth of about 80 feet locally. All mining has been conducted in a 3 to 5 foot thick biotite schist zone which contains numerous thin parallel feldspathic stringers 1/8 to 1/2 inch thick and a single swelling and pinching pegmatite 1 inch to 1½ foot thick more or less centrally located in the zone. Attitude of the zone is N. 7° E. to N. 3° W. dipping west 58 - 64°. The pegmatite is composed chiefly of sodic plagioclase,

disseminated quartz, relatively abundant muscovite and minor garnet. Muscovite is reddish-brown in color, flat and in relatively thin books 3 to 8 inches across. Fine mineral intergrowth or staining is very common. The mica is contained in the main pegmatite and aligned along the feldspathic stringers in the schist over most of the width of the zone. The schist zone is conformably enclosed in a kyanite-biotite gneiss.

Conclusions:

Under the contract 91 feet of old inclined shaft was unwatered and cleaned of muck. Twelve feet of new shaft was sunk and 49 feet of roughly north-south trending drift driven. About 1000 pounds of mine run block muscovite was recovered from the contract work, which was examined and declared unacceptable to the Government buying depot at Spruce Pine. The project was terminated because of the heavy-stained character of the mica. No interest is retained by the government on buildings or equipment. The project was satisfactorily operated, but was hampered by difficult access and severe weather conditions at the elevation of the prospect. No certification is recommended.

Expenditures:

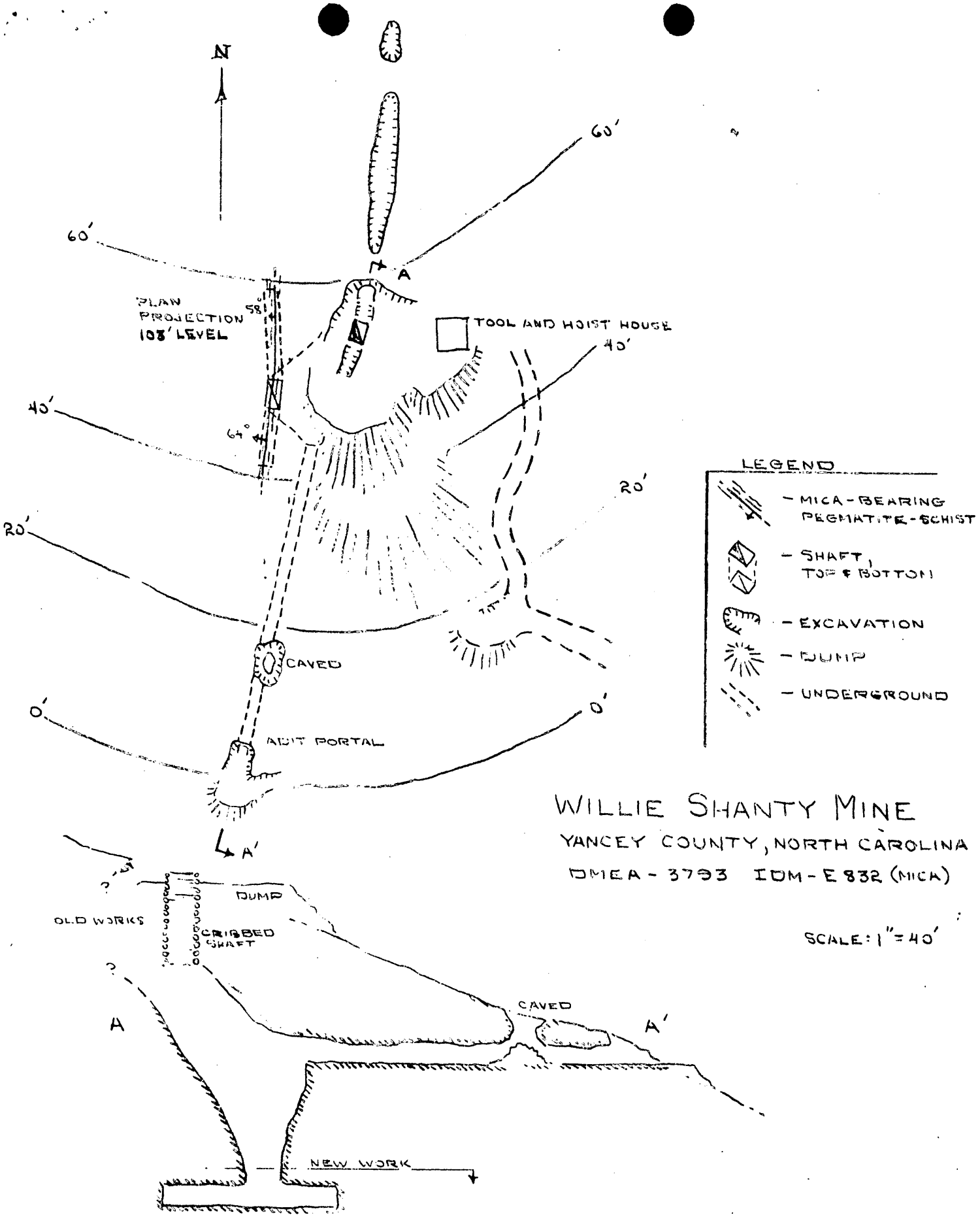
(a)	Total approved	$5,824.00	
(b)	Total cost of project	3,437.00	
(c)	Government's share of cost	2,577.75	
(d)	Government's share unexpended	1,780.25	
(e)	Value of Production (Estimated)	315.00	
(f)	Royalties paid to date	14.81	(7/16/56)

August 31, 1956

S. C. Bergman, Geologist
U. S. Geological Survey

A. L. Peyton, Mining Engineer
U. S. Bureau of Mines

g


N
60'
60'
A
PLAN
PROJECTION
103' LEVEL
58°
64°
TOOL AND HOIST HOUSE
40'
40'
20'
20'
CAVED
0'
0'
ADIT PORTAL
A'
LEGEND
- MICA-BEARING PEGMATITE-SCHIST
- SHAFT, TOP & BOTTOM
- EXCAVATION
- DUMP
- UNDERGROUND
WILLIE SHANTY MINE
YANCEY COUNTY, NORTH CAROLINA
DMEA - 3793 IDM - E 832 (MICA)
SCALE: 1" = 40'
?
DUMP
OLD WORKS
CRIBBED SHAFT
?
A
CAVED
A'
NEW WORK

8/56

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

RECEIVED
JUL 25 1956

July 23, 1956

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: T ermination Agreement - Idm-E832, DMEA-3793 (mica)
Beam and Phillips, Spruce Pine, N.C.

Transmitted are three signed copies of the subject Termination Agreement. The usual distribution of the other copies has been made.

Robert A. Laurence
Robert A. Laurence
Executive Officer, DMEA
Region V

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

DOCKET COPY
Surname:

Hopkins
Houk
Selfridge
Nelson
Matthews

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

JUL 1956

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

Re: Docket No. DMEA-3793-mica
J. R. Beam and John Phillips
Willie Shanty Prospect
Yancey County, North Carolina
Contract No. Idm-E832

Dear Mr. Laurence:

Reference is made to your memorandum of June 28, 1956, requesting permission to terminate the subject contract.

We have prepared and enclose the original and five copies of a Termination Agreement which have been signed by the Administrator for the Government with effective date as shown. If it meets with your approval, please present it to the operators for approval and signatures.

After execution of the agreement, the copies are to be distributed in the usual manner.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee (GCS)

JHopkins:ms 7/10/56
Copy to: Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Admr. R. File

Approved:

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

N. E. Nelson (NES)
Member, Geological Survey

Enclosures: 6

R.C.L.

JUL 1 0 1956

INTERIM REPORT

DMEA-3793, Idm-E832 (mica) WILLIE SHANTY PROSPECT

Operators: J. R. Beam and John Phillips, Spruce Pine, N. C.

Location: 3.12 airline miles S 28° E of Burnsville, Yancey County, N.C.

Drift with the pegmatite totals 49 feet. The pegmatite will average less than 1-foot throughout the drift. The mica recovered to date is of good size and color, but contains considerable mineral stain (black dots). The Spruce Pine Depot turned the mica down. The Operator requested termination of the contract, the Field Examiners concur.

A. L. Peyton, Mining Engineer
Bureau of Mines

S. C. Bergman

S. C. Bergman, Geologist
Geological Survey

Inspected: July 10, 1956

Z

3793

ACTION ON INTERIM
OR FINAL FIELD TEAM REPORT

Date 7-19

Referred to:

1. ~~Mr. Mittendorf~~
2. ~~Mr. Johnson~~
3. ~~Mr. Chambers~~
4. ~~Docket Control Mails and Files~~
5. ~~Mr. Jim Tolliver Division~~
6. Docket Control Mails and Files

Note comments in report regarding:

1. Rec. Termination

2.

3.

4.

and take appropriate action.

- - - - - - - -

Action taken by Division:

Will Terminate Jan 77

Robert L. Adams

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

July 5, 1956

Memorandum

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

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

Subject: Operator's Final Report, DMEA-3793, Idm-E832 (Mica)
J. R. Beam and J. R. Phillips
Willie Shanty Mine, Yancey County, North Carolina

Enclosed are four copies of the Operator's final report on the subject exploration project.

The Operator's statement that work was stopped "upon termination of the contract on June 20, 1956" is slightly incorrect. We have requested permission to terminate, but as yet, no termination agreement has been executed.

Robert A. Laurence
Robert A. Laurence
Executive Officer

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

Enclosures 4

RECEIVED
JUL 9 - 1956

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

July 5, 1956

Memorandum

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

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

Subject: Operator's Final Report, DMEA-3793, Idm-E832 (Mica)
J. R. Beam and J. R. Phillips
Willie Shanty Mine, Yancey County, North Carolina

Enclosed are four copies of the Operator's final report on the subject exploration project.

The Operator's statement that work was stopped "upon termination of the contract on June 20, 1956" is slightly incorrect. We have requested permission to terminate, but as yet, no termination agreement has been executed.

Robert A. Laurence
Executive Officer

V. J. Lynch, Member
Bureau of Mines

RAL/mg
Enclosures 4
cc
Operating Committee (3)
Lynch
Shirley
files

RECEIVED
JUL 9 - 1956

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
ROOM 15 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

July 5, 1956

Memorandum

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

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

Subject: Operator's Final Report, DMEA-3793, Idm-E832 (Mica)
J. R. Beam and J. R. Phillips
Willie Shanty Mine, Yancey County, North Carolina

Enclosed are four copies of the Operator's final report on the subject exploration project.

The Operator's statement that work was stopped "upon termination of the contract on June 20, 1956" is slightly incorrect. We have requested permission to terminate, but as yet, no termination agreement has been executed.

Robert A. Laurence
Executive Officer

V. J. Lynch, Member
Bureau of Mines

RAL/mg
Enclosures 4
cc
Operating Committee (3)
Lynch
Shirley
files

RECEIVED
JUL 9 - 1956

Spruce Pine, N. C.
June 29, 1956

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

Re: DMEA-3793, Idm-E 832 (Mica)
Willie Shanty Mine, Yancey Co., N.C.
Final Report

Dear Mr. Laurence:

We began work on the above project on July 25, 1955, and stopped work upon termination of the contract on June 20, 1956.

We completed rehabilitation work on 91 feet of old shaft, timbering and installing ladders, then sank a shaft an additional 12'. We recovered about 400# of mica in the shaft. Due to weather conditions work was stopped in December and again resumed in May.

We drove 49 feet of drift; 10' in one direction and running out of vein, then 39' the opposite direction. We recovered about 200# of inferior quality mica in the drift, and the vein narrowed throughout the drift. By mutual agreement, the contract was terminated at this point on June 20, 1956.

We wish to thank the field team for their assistance on the Willie Shanty Project. If further details are necessary, please contact us.

Very truly yours,

WILLIE SHANTY MINING COMPANY

John Phillips

John Phillips

P/b

RECEIVED
JUL 9 - 1956

RECEIVED
JUL 2 - 1956
Knoxville, Tenn.

Spruce Pine, N.C.
June 29, 1956

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

Re: DMEA-3793, Idm-E 832 (Mica)
Willie Shanty Mine, Yancey Co., N.C.
Final Report

Dear Mr. Laurence:

We began work on the above project on July 25, 1955, and stopped work upon termination of the contract on June 20, 1956.

We completed rehabilitation work on 91 feet of old shaft, timbering and installing ladders, then sank a shaft an additional 12'. We recovered about 400# of mica in the shaft. Due to weather conditions work was stopped in December and again resumed in May.

We drove 49 feet of drift; 10' in one direction and running out of vein, then 39' the opposite direction. We recovered about 200# of inferior quality mica in the drift, and the vein narrowed throughout the drift. By mutual agreement, the contract was terminated at this point on June 20, 1956.

We wish to thank the field team for their assistance on the Willie Shanty Project. If further details are necessary, please contact us.

Very truly yours,

WILLIE SHANTY MINING COMPANY

John Phillips

John Phillips

P/b

RECEIVED
JUL 9 - 1956

Spruce Pine, N. C.
June 29, 1956

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

Re: DMEA-3793, Idm-E 832 (Mica)
Willie Shanty Mine, Yancey Co., N.C.
Final Report

Dear Mr. Laurence:

We began work on the above project on July 25, 1955, and stopped work upon termination of the contract on June 20, 1956.

We completed rehabilitation work on 91 feet of old shaft, timbering and installing ladders, then sunk a shaft an additional 12'. We recovered about 400# of mica in the shaft. Due to weather conditions work was stopped in December and again resumed in May.

We drove 49 feet of drift; 10' in one direction and running out of vein, then 39' the opposite direction. We recovered about 200# of inferior quality mica in the drift, and the vein narrowed throughout the drift. By mutual agreement, the contract was terminated at this point on June 20, 1956.

We wish to thank the field team for their assistance on the Willie Shanty Project. If further details are necessary, please contact us.

Very truly yours,

WILLIE SHANTY MINING COMPANY

John Phillips

John Phillips

P/b

RECEIVED
JUL 9 - 1956

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

RECEIVED
JUL 2 - 1956

June 28, 1956

Memorandum

To: Operating Committee, DMEA - Washington

From: DMEA Field Team, Region V - Knoxville, Tenn.

Subject: DMEA-3793, Idm-E832 (mica) J. R. Beam and John Phillips, Spruce Pine, N. C. Willie Shanty Prospect, Yancey County, N.C.

Enclosed are 4 copies of the latest interim report on the subject contract.

The Operator has requested permission to terminate the contract, because none of the mica recovered from the work has been acceptable as strategic mica at the Government Depot in Spruce Pine. Three copies of a letter from the Superintendent of the Depot are enclosed.

It appears unlikely that further work would result in discovery of strategic mica, as the black staining is a mineral stain and is not local. Therefore, we request permission to terminate the contract, effective June 30, 1956.

Certification will not be recommended.

Robert A. Laurence
Executive Officer, DMEA
Region V

V. O. Lynch, Member
Bureau of Mines

ACTION ON INTERIM 3793
OR FINAL FIELD TEAM REPORT
Date 7-2

Referred to:

1. ~~Mr. Mitchelmore~~
2. ~~Mr. Johnson~~
3. ~~Mr. Cramer~~
4. ~~Docket Control Mails and Files~~
5. Non Metallics Division
6. Docket Control Mails and Files

Note comments in report regarding:

1. Request approval to terminate
2.
3.
4.

and take appropriate action.

- - - - - - - -

Action taken by Division:

Preparing Termination

Robert E. Adams

RECEIVED
JUL 2 - 1956

INTERIM REPORT

DMEA-3793, Idm-F832 (mica) WILLIE SHANTY PROSPECT

Operator: J. R. Beam and John Phillips, Spruce Pine, North Carolina

Location: 3.12 airline miles S 28° E of Burnsville, Yancey County, N. C.

The Operator has drifted 26 feet since the last inspection. The pegmatite remains about the same, less than 1 foot in width. The mica observed is of good size and color with considerable black stain. Drift footage todate totals 48 feet. The contract calls for 80 feet of drift.

The Operator has requested termination of this contract because the mica produced was rejected by General Services Administration Depot at Spruce Pine, North Carolina.

Inspected: June 19, 1956

A. L. Peyton

A. L. Peyton, Mining Engineer
Bureau of Mines

S. C. Bergman

S. C. Bergman, Geologist
Geological Survey

z

DMEA-3793

GENERAL SERVICES ADMINISTRATION

Spruce Pine, N. C. RECEIVED

June 20, 1956 JUL 2 - 1956

Willie Shanty Mining Co.
Spruce Pine, N. C.

Gentlemen:

Mr. Ed Burleson our Head Buyer examined a lot of Hand-Cobbed Mica from the Willie Shanty Mine today at the request of Mr. Sam Phillips.

He found that the mica which he examined would not be acceptable on our present mica buying program because he found no good stained mica in the lot and most of the mica contains Black Spots, Black Dots, and Black Stains.

Yours very truly,

J. P. McKinney

J. P. McKinney
Depot Superintendent

6 copies

DME A-3293

C
O
P
Y

GENERAL SERVICES ADMINISTRATION

RECEIVED
JUL 2 - 1956

Spruce Pine, N. C.

June 20, 1956

Willie Shanty Mining Co.

Spruce Pine, N. C.

Gentlemen:

Mr. Ed Burleson our Head Buyer examined a lot of Hand-Cobbed Mica from the Willie Shanty Mine today at the request of Mr. Sam Phillips.

He found that the mica which he examined would not be acceptable on our present mica buying program because he found no good stained mica in the lot and most of the mica contains Black Spots, Black Dots, and Black Stains.

Yours very truly,

s/ J. P. McKinney
Depot Superintendent

C
O
P
Y

Copied by ZM (sic)
Opr. Com.-3
Lynch
Files

INTERIM REPORT

DMEA-3793, Idm-E832 (mica) WILLIE SHANTY PROSPECT

Operator: J. R. Beam and John Phillips, Spruce Pine, North Carolina

Location: 3.12 airline miles S 28° E of Burnsville, Yancey County, N.C.

Drifting on the pegmatite each way from the bottom of the shaft got underway on May 24. Drift progress todate totals 20 feet. Width of pegmatite is less than one foot. However, muscovite crystals larger than vein width were observed imbedded in the schist wall. Mica recovered from drifting is around 200 pounds of mine-run. Drifting along the narrow pegmatite will continue.

Progress is satisfactory.

Inspected: June 6, 1956.

A. L. Peyton

A. L. Peyton, Mining Engineer
Bureau of Mines

S. C. Bergman

S. C. Bergman, Geologist
Geological Survey.

z

RECEIVED
JUN - 3 1956

INTERIM REPORT

DMEA-3793, Idm-E832 (mica) WILLIE SHANTY PROSPECT

Operator: J. R. Beam and John Phillips, Spruce Pine, North Carolina

Location: 3.12 airline miles S 28° E of Burnsville, Yancey County, N. C.

The project has been recessed since December 1, because of impossible road conditions due to inclement weather.

The Operator has dewatered the shaft and is preparing to drift in each direction from the 100-foot point in the incline shaft.

Inspected: May 23, 1956

A. L. Peyton

A. L. Peyton, Mining Engineer
Bureau of Mines

S. C. Bergman

S. C. Bergman, Geologist
Geological Survey

z

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

May 4, 1956

To: Administrator

From: Nonmetallic Minerals Division

Subject: Amendment No. 3 - Docket No. DMEA-3793-mica
J. R. Beam and John Phillips
Willie Shanty Prospect
Yancey County, North Carolina
Contract No. Idm-E832

The Nonmetallic Minerals Division concurs in Amendment No. 3 to the subject contract as written and executed in the Field. This Amendment extends the completion date from May 1, 1956 as written in Amendment No. 2 to September 1, 1956.

Amendment No. 3 is necessary because progress has been slowed by bad weather conditions.

James Hopkins
Nonmetallic Minerals Division

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1070 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

May 1, 1956

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Amendment No. 3, DMEA-3793, Idm-E832, J. R. Beam and John Phillips, Spruce Pine, N. C.

Transmitted are three signed copies of the subject amendment.

The usual distribution of the other copies has been made.

V. J. Lynch

V. J. Lynch

RECEIVED
MAY 3 - 1956

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

April 26, 1956

Memorandum

To: Operating Committee, DMEA, Washington 25, D. C.

From: Executive Officer, DMEA Field Team, Region V

Subject: DMEA-3793, Idm-E832 (Mica)
J. R. Beam and John Phillips
Willie Shanty Mine, Yancey County, North Carolina

No progress has been made since Amendment 2 was signed in January. This is understandable, as access conditions were poor, and there have been heavy snows in the area as late as mid-April.

Our field examiners will contact the Operators this week to attempt to get the project going again. Meanwhile, we are preparing an amendment providing an additional four months time for completion.

Robert A. Laurence
Robert A. Laurence

RECEIVED
APR 30 1956

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

February 16, 1956

FEB 21 1956

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: Amendment No. 2 - Docket No. DMEA-3793-Mica
J. R. Beam and John Phillips
Willie Shanty Prospect
Yancey County, North Carolina
Contract No. Idm-E832

The Nonmetallic Minerals Division concurs in Amendment No. 2 to the subject contract as written and executed in the field. This Amendment extends the completion date from January 31, 1956 to May 1, 1956.

Amendment No. 2 is necessary because progress has been slow on the project, which was caused by bad weather conditions and difficult access.

James Hopkins
Nonmetallic Minerals Division

C B

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

RECEIVED
FEB 15 1956

February 13, 1956

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA- Region V

Subject: Amendment No. 2 - Idm-E832, DMEA-3793, Beam & Phillips, Spruce Pine, North Carolina (mica).

Transmitted are three signed copies of the subject amendment. The usual distribution of the other copies has been made.

Robert A. Laurence
Robert A. Laurence

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1 POST OFFICE BLDG.
WASHINGTON 25, D.C.
KNOXVILLE 2, TENN.

RECEIVED
FEB 10 1956

February 8, 1956

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: DMEA-3793, Idm-E832 (mica) J. R. Beam and John Phillips, Spruce Pine, N. C. Willie Shanty Mine, Yancey County, NC.

We are sending the Operator an amendment extending the completion date until May 1, 1956.

Progress on this contract has been slow; during the past few weeks no work has been done because of bad weather conditions and difficult access. The Operator did not request a formal recess, and resumption is planned for an early date, depending upon the weather. Therefore, we have written the usual time extension, rather than requesting a formal recess agreement.

Robert A. Laurence
Robert A. Laurence
Executive Officer, DMEA
Region V

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

INTERIM REPORT

RECEIVED
DEC 19 1955

DMEA-3793, Idm-E832 (mica) WILLIE SHANTY PROSPECT

OPERATOR: J. R. Beam and John Phillips, Spruce Pine, N. C.

LOCATION: 0.71 miles S82°E of Old Bowlens Creek Postoffice, and 3.12 airline miles S28°E of Burnsville, Yancey County, N. C.

Inclined shaft sinking continues from the rehabilitated 91 foot incline portion, and new works total 14 feet. The pegmatite at this point is from 4 inches to 12 inches thick, contains narrow biotite gneiss stringers and small muscovite mica. Sinking will continue until another visit can be made. Progress on this contract has been slow because of equipment failure.

L. E. Shirley, by E.R.

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

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

December 1, 1955

INTERIM REPORT

DMEA-3793, Idm-E832 (mica) WILLIE SHANTY PROSPECT

OPERATOR: J. R. Beam and John Phillips, Spruce Pine, N. C.

LOCATION: 0.71 miles S82°E of Old Bowlens Creek Postoffice, and 3.12 airline miles S28°W of Burnsville, Yancey County, N. C.

Inclined shaft sinking progresses slowly on this contract and is now at 11 feet. This places the present bottom at 102 feet from the beginning rehabilitation point and includes 91 feet of incline rehabilitation. No change was noted in material encountered. A thin pegmatite, extremely rich in medium to large size crystals of mica, continues to be followed. The operator was advised to continue sinking until another visit can be made.

A heavy double-drum gasoline-powered hoist has been moved in to replace a lighter hoist which has been in use since the contract began. This change in equipment is partially responsible for the slow progress made recently.

L. E. Shirley

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

S. C. Bergman

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

November 16, 1955

RECEIVED
NOV 25 1955

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

November 7, 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: Acting Executive Officer - DMEA - Region V

Subject: Signed Amendments: Idm-E832, DMEA-3793, Beam & Phillips, Ptners
and
Idm-E785, DMEA-3611, Phillips & McKinney

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

V J. Lynch

JM,
cc:
Lynch
Finance Office-2
Shirley
Files-2

Docket Copy
Surname:

Hopkins
Chambers
Johnson
Selfridge
Kjelmson

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

NOV - 1 1955

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

Subject: Docket No. DMEA-3793 - Mica
J. R. Beam and John Phillips
Willie Shanty Mine
Yancey County, North Carolina
Contract No. Idm-E832

Dear Mr. Laurence:

Reference is made to the Field Team memorandum of October 13, 1955, concerning the proposed amendment to the subject contract.

There are transmitted herewith the original and five copies of Amendment No. 1 which have been signed by the Administrator for the Government. If the amendment meets with your approval present it to the Operator for approval and signature. If any part of this amendment 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 are to be returned to this office, together with the proposed changes for consideration.

After execution of the amendment, the copies are to be distributed in the usual manner.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (JB)

Approved:

/s/ Robert W. Geohen (JB)
Member, Bureau of Mines

W. P. Williams (JB)
Member, Geological Survey

JHopkins:gad 10/25/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Hopkins

Enclosures 8

P.S. We are also enclosing two extra copies of the amendment.

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

OCT 25 1955

Memorandum

To: The Administrator, DMEA
Attention: Acting Chief, Non-Metallic Minerals Division

From: Associate Solicitor, Division of Mineral Resources

Subject: Amendment No. 1 to Contract Idm-E832 (Docket No. DMEA-3793 with J. R. Beam and John Phillips)

Pursuant to your request, a proposed Amendment No. 1 to this contract is attached.

Robert P. Dwyer

Attachment

Docket Copy

Remarks

AMENDMENT NO. 1
To
EXPLORATION PROJECT CONTRACT Idm-E832, DOCKET NO. DMEA-3793
Between
UNITED STATES OF AMERICA AND J. R. BEAM AND JOHN PHILLIPS, PARTNERS

It is agreed between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and J. R. Beam and John Phillips, partners, that Contract Idm-E832 (Docket No. DMEA-3793) dated May 24, 1954 is amended as of _____ _____ as follows:

1. In Exhibit "A" under "Description of the Work."

(a) Under Stage I delete "75-foot incline" and substitute "91-foot incline."

(b) Under Stage II Item 2 delete "Sink 40 feet of new incline from the bottom of the existing 75-foot incline," and substitute, "Sink 36 4/5 feet of new incline from the bottom of the existing 91-feet incline."

2. In Exhibit "A" under "Fixed Unit Costs"

(a) Under Stage I, change "75 feet" to read "91 feet," and change "$750.00" to read "$910.00."

(b) Under Stage [illegible] second item change "40 feet" to read "36 4/5 feet" and char[illegible]000.00" to read "$1840.00."

This amendment [illegible] construed to increase the estimated total cos[illegible] t, [illegible] aggregate total amount which the Govern[illegible] uired [illegible] contribute, nor the agreed unit cost of [illegible] work.

Executed in [illegible] sextulicate this ____ day of _____, 195_.

THE UNITED STATES OF AMERICA

By _____
Executive Officer, DMEA
Field Team, Region V

J. R. BEAM AND JOHN PHILLIPS

By _____
(Partner)

By _____
(Partner)

Industry
Dwyer
"Appd. Sol. Off."

Hopkins
Chamberlin

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

OCT 25 1955

Memorandum

To: The Administrator, DMRA
Attention: Acting Chief, Non-Metallic Minerals Division

From: Associate Solicitor, Division of Mineral Resources

Subject: Amendment No. 1 to Contract Idm-E832 (Docket No. DMRA-1293 with J. R. Beam and John Phillips)

Pursuant to your request, a proposed Amendment No. 1 to this contract is attached.

Robert P. Dwyer

Robert P. Dwyer

Attachment

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

Indritz

OCT 25 1955

Memorandum

To: The Administrator, DMEA
Attention: Acting Chief, Non-Metallic Minerals Division

From: Associate Solicitor, Division of Minerals Resources

Subject: Amendment No. 1 to Contract Idm-E832 (Docket No. DMEA-3793 with J. R. Beam and John Phillips)

Pursuant to your request, a proposed Amendment No. 1 to this contract is attached.

Robert P. Dwyer

Robert P. Dwyer

Attachment

PIndritz/fvh 10-21-55

Copies to:
Docket
Sol. Docket (2)
~~XXXXXXXXXX~~ F. L. Knouse (2)
R. P. Dwyer
P. Indritz
Chron.

RECEIVED
OCT 28 1955

INTERIM REPORT

DMEA-3793, Idm-E832 (mica) WILLIE SHANTY PROSPECT

OPERATOR: J. R. Beam and John Phillips, Spruce Pine, N. C.

LOCATION: 0.71 miles S82°E of Old Bowlens Creek Postoffice and 3.12 airline miles S28°E of Burnsville, Yancey County, N. C.

Inclined shaft sinking continues on this contract, and 6 feet of work in new ground has been completed. The work is following the inclination of a narrow pegmatite about 18 inches thick, which contains large blocks of muscovite mica and stringers of biotite gneiss. The operator was instructed to continue sinking until another visit can be made. The operator was advised to anchor temporary ladders securely and to remove loose material from the adit level and along the footwall. 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, S. C. Bergman, and A. R. Taylor
Geologists, U. S. Geological Survey

October 19, 1955

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

RECEIVED
OCT 1 1955

October 13, 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: DMEA Field Team, Region V - Knoxville

Subject: DMEA-3793, Idm-E832 (mica) J. R. Beam & John Phillips, Spruce Pine, N. C. Willie Shanty Prospect, Yancey Co.N.C

The latest interim report (4 copies enclosed herewith) states that the shaft rehabilitation has been completed at 91 feet.

Therefore, we request preparation of an amendment authorizing a total of 91 feet of shaft rehabilitation at $10 per foot, and reducing the total amount of new shaft-sinking accordingly.

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

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

INTERIM REPORT

RECEIVED
OCT 17 1955

DMEA-3793, Idm-E832 (mica) WILLIE SHANTY PROSPECT

OPERATOR: J. R. Beam and John Phillips, Spruce Pine, N. C.

LOCATION: 0.71 miles S82°E of Old Bowlens Creek Postoffice, and 3.12 airline miles S28°E of Burnsville, Yancey County, N. C.

The rehabilitation of an existing incline has been completed to a total depth of 91 feet. In addition to this work, 2 feet of sinking has been accomplished in new ground which places the total depth at 93 feet from the surface. New work has been in pegmatite containing large blocks of mica, observed in place. Sinking will continue until another visit can be made.

The original contract provided for 75 feet of shaft rehabilitation. It was necessary to rehabilitate a total of 91 feet or 16 feet more than the contract provision. The Field Examiners recommend that an amendment be prepared for the additional 16 feet of shaft rehabilitation at $10.00 per foot, and that the amendment be presented to the operator for his signature.

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

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

September 30, 1955

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: DMEA-3793, Idm-E832 (mica) J. R. Beam and Frank Phillips
Willie Shanty Prospect, Yancey County, N. C.

Enclosed are 4 copies of the latest interim report on the subject contract.

As there is still uncertainty as to just how much old shaft footage remains to be rehabilitated, we recommend delaying the proposed amendment until the rehabilitation is complete, and then preparing an amendment to provide for the actual footage rehabilitated. Total shaft depth will not exceed 115 feet, as provided in the contract, unless it appears advisable as rehabilitation proceeds; in that case it can also be provided in the amendment.

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

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

INTERIM REPORT

DMEA-3793, Idm-E832 (mica) WILLIE SHANTY PROSPECT

OPERATOR: J. R. Beam and John Phillips, Spruce Pine, N. C.

LOCATION: 0.71 miles S82°E of Old Bowlens Creek Postoffice, and 3.12 airline miles S28°E of Burnsville, Yancey Co., N. C.

Rehabilitation of an existing incline shaft continues and is nearing completion on this contract. Present depth reached is 78 feet, and the operator estimates at least an additional 10 feet of muck exists in the bottom. It would be advisable for the contract to be amended to take care of this additional rehabilitation, before sinking in new ground gets underway. The examiners recommend that an amendment authorizing 25 feet of additional rehabilitation be prepared in conformance with costs recommended for the original work.

Material encountered in recent work consists of loose muck - a few large blocks of mica is found from time to time in this material. Several suggestions were made for making the operation safer. Progress on this contract is satisfactory.

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 10 1955

DMEA-3793, ldm-E832 (mica) WILLIE SHANTY PROSPECT

OPERATOR: J. R. Beam and John Phillips, Spruce Pine, North Carolina

LOCATION: 0.71 mile S82°E of Old Bowlens Creek Postoffice, and 3.12 miles S28°E of Burnsville, Yancey County, North Carolina

Rehabilitation of an existing incline shaft continues on this contract, and is nearing completion. Sixty-eight feet of work has been finished to date, and the operator estimates about 4 feet of muck remains in the bottom. As soon as rehabilitation is complete, incline sinking on the pegmatite will begin. Necessary timbering has been partially completed. Bucket skids, as an aid to hoisting, have been installed. An original adit has been opened up and is now used as a manway. The foreman was instructed to scale the roof area of the adit thoroughly because of the weathered condition of the rock. The hoist operator was advised to change the position of cable clamps on the hoisting rope, which had been placed in the wrong position. 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

September 7, 1955

RECEIVED
SEP - 2 1955

INTERIM REPORT

DMEA-3793, Idm E 832 mica) WILLIE SHANTY PROSPECT

OPERATOR: J. R. Beam and John Phillips, Spruce Pine, N.C.

LOCATION: 0.71 miles S82°E of Old Bowlens Creek Postoffice, and 3.12 airline miles S28°E of Burnsville, Yancey County, N. C.

Shaft rehabilitation is progressing on this contract and is now at 66 feet, which includes 13 feet of cribbing with round timbers from the surface. Considerable muck has been removed from the old incline, and removal of additional muck will continue until the bottom is reached. Incline skids will be installed to facilitate the hoisting of muck. A separate entrance for workers will be via and old adit, as soon as this level is reached and the adit is rehabilitated. Progress on this contract is satisfactory.

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

D. H. Amos
D. H. Amos, Geologist
U. S. Geological Survey

August 23, 1955

INTERIM REPORT

DMEA-3793, Idm-E 832 (mica) WILLIE SHANTY PROSPECT

OPERATOR: J. R. Beam and John Phillips, Spruce Pine, N. C.

LOCATION: 0.71 miles S82°E at Old Bowlens Creek postoffice and 3.12 airline miles S28°E of Burnsville, Yancey County, North Carolina

Access road construction, at the operators' own expense, has been completed on this project. Shaft rehabilitation is now underway, but very little has been accomplished. Much of the time has been expended in cutting round timbers on the property for cribbing and moving equipment to the mine site. A conventional hoisting frame has been constructed and a gasoline-powered hoist will be used for moving muck during shaft rehabilitation. Another examination will be made in the near future.

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 10, 1955

RECEIVED
AUG 22 1955

Docket File
Surname:
FLKnouse

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

JUL 19 1955

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

Subject: Docket No. DMEA-3793 - Mica
J. R. Beam and John Phillips
Willie Shanty Mine
Yancey County, North Carolina
Contract No. Idm-E832

Docket No. DMEA-3801 - Mica
Dave Wise, et al.
Toney Mine
Cleveland County, North Carolina
Contract No. Idm-E836

Dear Mr. Laurence:

This will acknowledge receipt of your memorandum, dated July 11, 1955, commenting on the subject contracts and recommending changes in future contracts to explore pegmatites for mica that would simplify the administration problem.

We wish to thank you for your comments on this question and also assure you of our future cooperation.

Sincerely yours,

W. S. Martin
ACTING Chairman, Operating Committee

Approved:

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

Thor H. Kiilsgaard
Member, Geological Survey

FLKnouse:pk 7/15/55
Copy to: Admr. R. File
Docket 3801
Docket 3793
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
ROOM 1055 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

July 7, 1955

RECEIVED
JUL 11 1955

Memorandum

To: Operating Committee - DMEA - Washington

From: Executive Officer, DMEA Field Team, Region V

Subject: Signed Contracts.

Transmitted are three signed copies each of the following:

DMEA-3774, John Lewis Biggerstaff, Spruce Pine, N. C. (mica)

DMEA-3793, J. R. Beam and John Phillips, Spruce Pine, N. C. (mica)

The usual distribution of the other copies has been made by this office.

Robert A. Laurence

Robert A. Laurence

Docket File
Surname:
Hope
Houk
Chandler
Dietrich
Selfridge
Ferguson

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

JUN 29 1955

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

Subject: Docket No. DMEA-3[illegible] - Mica
J. R. Beam and John Billings
Willis Sunny Prospect
Yancey County, North Carolina

Dear Mr. Laurence.

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

If the contract meets with your approval present it to the Operator for their approval and signature. Please explain to the Operators that the contract, when executed, is a firm commitment under the terms of which they are obligated to complete the work outlined at the agreed unit cost. If any part of this contract does not have either your approval or that of the Operators and cannot be amended within your delegated authority, then the original and all copies of the contract are to be returned to this office, together with the proposed changes for consideration.

After execution of the contract, the copies are to be distributed in the usual manner. Copies of a memorandum from R. D. Trace of the Geological Survey, dated June 17, 1955, are enclosed.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (JHB)

Approved.

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

Thor H. Kiilsgaard
Member, Geological Survey (JHB)

JHopkins:pk 6/27/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

Enclosures 8

L.
B.

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

RECEIVED
JUN 28 1955

June 27, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA - 3793 (mica)

Applicant: Beam, Phillips

Name and Location of Property: Willis Shanty Mine
Yancey County, N. C.

Date of Field Team Report: June 3, 1955

Date Rec'd by Br. of Ceramic & Fertilizer Materials: June 17, 1955

Field Team Recommendation: Exploration program at a cost of $5,823

Comments:

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

2. Total estimated costs are in the amount of $5,823.00

Recommendation:

I concur with the field team's recommendation for an exploration program.

W. F. Dietrich

W. F. Dietrich

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

RECEIVED
JUN 28 1955

June 27, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA - 3793 (mica)

Applicant: Beam, Phillips

Name and Location of Property: Willis Shanty Mine
Yancey County, N. C.

Date of Field Team Report: June 3, 1955

Date Rec'd by Br. of Ceramic & Fertilizer Materials: June 17, 1955

Field Team Recommendation: Exploration program at a cost of $5,823

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Recommendation:

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W. F. Dietrich

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

RECEIVED
JUN 28 1955

June 27, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

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Applicant: Beam, Phillips

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W. F. Dietrich

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

RECEIVED
JUN 28 1955

June 27, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

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Subject: DMEA - 3793 (mica)

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Name and Location of Property: Willis Shanty Mine
Yancey County, N. C.

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Recommendation:

I concur with the field team's recommendation for an exploration program.

W. F. Dietrich

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
ROOM 6 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

June 13, 1955

RECEIVED
JUN 1 5 1955

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Field Examination report - DMEA-3793 (mica) J. R. Beam, and John Phillips, Spruce Pine, N. C. Willis Shanty Mine, Yancey County, N. C.

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

We are in agreement with the examiners' findings, and therefore recommend approval of a contract as outlined in the report, for work on a unit-cost basis. Cleaning out and deepening the existing inclined shaft appear to be the best method of exploring this pegmatite.

This mine has been variously known as Willis Shanty, Willie Shanty and Willie's Shanty. As "Willis Shanty" is used in Geological Survey Reports, we have followed that usuage in the text of this report, but have used "Willie Shanty" on the sketch map to conform with usage in the legal description in the lease.

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

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

Reviewed by
DMEA [illegible]
6-17-55
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

EXAMINATION REPORT BY REGION V

On

RECEIVED
JUN 15 1955

DMEA-3793, WILLIS SHANTY MINE
(mica)
Yancey County, North Carolina

BY

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

June 3, 1955

6-17-55

FIELD EXAMINATION REPORT
On

DMEA-3793 (mica) WILLIS SHANTY MINE

Applicants: J. R. Beam, R#2, Spruce Pine, N. C., John Phillips, Spruce Pine, North Carolina

All mineable pegmatite has been removed above a caved drift on the south end for a distance of about 225 feet to the north. At the north end the inclined stope is reported to be 80 feet deep. Mica of strategic grade occurs and judging from the extent of the stopes, it has been a rather substantial producer. Apparently additional mica-bearing pegmatite occurs below the depth previously mined. Exploration assistance is recommended.

This deposit was examined on June 3, 1955. Messrs. J. R. Beam and John Phillips accompanied the examiners on the inspection which required three hours.

The Willis Shanty Mine is on the east side and near the top of Joe Young Ridge, 0.71 miles S. 82° E. of old Bowlens Creek Post Office and 3.12 airline miles S. 28° E. of Burnsville, North Carolina. A rough, steep jeep road extends for the last 1.5 miles to the mine.

Both applicants are competent to conduct the proposed work. They are at present operating successfully a mine nearby (Little Ray). The applicants hold the property by lease, the area under lease contains slightly in excess of 5 acres which is sufficient for the proposed program of exploration.

The workings include discontinuous narrow, steeply sloping inclined stopes that trend N. 15° E. and are 225 feet long, three shafts, a tunnel at the south end of the mine area. One of the shafts is said to be 80 feet deep. The pegmatite body, which is less than 5 feet in maximum thickness, has been mined out for a strike distance of 225 feet and a maximum slope distance of 80 feet.

The deposit strikes N. 15° E. and dips 70° WNW. It is conformably enclosed by kyanitic mica gneiss, and pinches and swells so markedly along the strike and down the dip that it has been termed a "peanut vein" by the local miners. It consists cheifly of quartz and plagioclase, with subordinate mica and minor kyanite and garnet. The mica is reddish brown in color and in general of good quality. Some is ruled. The books are reported to be most abundant in the thinnest parts of the deposit.

All of the stopes appear to plunge to the south at 60-70°, which suggests that the thicker portions of the pegmatite as well as the mica concentrations rake at a steep angle to the south.

The best approach to exploration on this deposit is to clean out the muck from the central inclined stope and deepen it an additional 40 feet. After the incline is completed, 80 feet of drift are recommended.

Estimated Cost:

Toolhouse		$75.00
Powder Magazine		25.00
Exploder Magazine		13.00
Clean out, timber where necessary, and install ladders in an existing 75-foot incline (30-40 feet of muck in bottom) @ $10/foot	$750.00	$750.00
Sink 40 feet of new incline from bottom of existing 75-foot incline (30 shifts) (If a headframe is required the Operator agrees to install it at his own expense).		
Labor:		
1 - Miner @ $1.50/hr.	360.00	
1 - Hoistman @ $1.25/hr.	300.00	
1 - Laborer @ $1.00/hr.	240.00	
Equipment (rental)		
Compressor, drill, and pump @ $240/Mo.	360.00	
Hoist @ $50/Mo.	75.00	
Supplies:		
Explosives	160.00	
Drill steel	80.00	
Timber, 1 M b.f. @ $65/M	65.00	
Gasoline and oil	75.00	
Small tools & pipe	85.00	
Miscellaneous	75.00	
Insurance and Social Security	125.00	$2,000.00
Drive 80 feet of drift (40 shifts)		
Labor:		
1 - miner @ $1.50/hr.	480.00	
1 - hoistman @ $1.25/hr.	400.00	
2 - laborers @ $1.00/hr.	640.00	

Equipment (rental)

Compressor, drill, pump and jackleg @ $250/Mo.	$500.00	
Hoist @ $50/Mo.	100.00	
Supplies:		
Explosives	240.00	
Drill steel	100.00	
Gasoline and oil	150.00	
Small tools and pipe	100.00	
Miscellaneous	100.00	
Insurance and Social Security	150.00	$2,960.00
Estimated total cost.....		$5,823.00

Examined: June 3, 1955

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

z

Government's copy

AMENDMENT NO. 1
To
EXPLORATION PROJECT CONTRACT Idm-E832, DOCKET NO. DMEA-3793
Between
UNITED STATES OF AMERICA AND J. R. BEAM AND JOHN PHILLIPS, PARTNERS

It is agreed between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and J. R. Beam and John Phillips, partners, that Contract Idm-E832 (Docket No. DMEA-3793) dated June 30, 1955 is amended as of _____ _____ as follows:

1. In Exhibit "A" under "Description of the Work."

(a) Under Stage I, delete "75-foot incline" and add "91-foot incline."

(b) Under Stage II, Item 2, delete "Sink 40 feet of new incline from the bottom of the existing 75-foot incline," and add, "Sink 36 4/5 feet of incline from the bottom of the existing 91-foot incline."

2. In Exhibit "A" under "Fixed Unit Costs"

(a) Under Stage I, change "75 feet" to read "91 feet," and change "$750.00" to read "$910.00."

(b) Under Stage II, second item, change "40 feet" to read "36 4/5 feet" and change "$2000.00" to read "$1840.00."

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be required to contribute, or the agreed unit cost of any item of work.

Executed in sextuplicate this ____ day of _____, 195_.

THE UNITED STATES OF AMERICA

By Frank E. Johnson
Executive Officer, DMEA
Field Team, Region V

J. R. BEAM AND JOHN PHILLIPS

By _____
(Partner)

By _____
(Partner)

Operator's copy

AMENDMENT NO. 1
To
EXPLORATION PROJECT CONTRACT Idm-E832, DOCKET NO. DMEA-3793
Between
UNITED STATES OF AMERICA AND J. R. BEAM AND JOHN PHILLIPS, PARTNERS

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Executed in sextuplicate this ____day of _____, 195_.

THE UNITED STATES OF AMERICA

By Frank E. Johnson
Executive Officer, DMEA
Field Team, Region V

J. R. BEAM AND JOHN PHILLIPS

By _____
(Partner)

By _____
(Partner)

Finance Office copy

AMENDMENT NO. 1
To
EXPLORATION PROJECT CONTRACT Idm-E832, DOCKET NO. DMEA-3793
Between
UNITED STATES OF AMERICA AND J. R. BEAM AND JOHN PHILLIPS, PARTNERS

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(b) Under Stage II, second item, change "40 feet" to read "36 4/5 feet" and change "$2000.00" to read "$1840.00."

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be required to contribute, or the agreed unit cost of any item of work.

Executed in sextuplicate this ____day of _____, 195_.

THE UNITED STATES OF AMERICA

By Frank E. Johnson
Executive Officer, DMEA
Field Team, Region V

J. R. BEAM AND JOHN PHILLIPS

By _____
(Partner)

By _____
(Partner)

Field Team

AMENDMENT NO. 1
To
EXPLORATION PROJECT CONTRACT Idm-E832, DOCKET NO. DMEA-3793
Between
UNITED STATES OF AMERICA AND J. R. BEAM AND JOHN PHILLIPS, PARTNERS

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This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be required to contribute, or the agreed unit cost of any item of work.

Executed in sextuplicate this ____day of _____, 195_.

THE UNITED STATES OF AMERICA

By Frank E. Johnson
Executive Officer, DMEA
Field Team, Region V

J. R. BEAM AND JOHN PHILLIPS

By _____
(Partner)

By _____
(Partner)

Extra Copy

AMENDMENT NO. 1
To
EXPLORATION PROJECT CONTRACT Idm-E832, DOCKET NO. DMEA-3793
Between
UNITED STATES OF AMERICA AND J. R. BEAM AND JOHN PHILLIPS, PARTNERS

It is agreed between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and J. R. Beam and John Phillips, partners, that Contract Idm-E832 (Docket No. DMEA-3793) dated June 30, 1955 is amended as of _____ _____ as follows:

1. In Exhibit "A" under "Description of the Work."

(a) Under Stage I, delete "75-foot incline" and add "91-foot incline."

(b) Under Stage II, Item 2, delete "Sink 40 feet of new incline from the bottom of the existing 75-foot incline," and add, "Sink 36 4/5 feet of incline from the bottom of the existing 91-foot incline."

2. In Exhibit "A" under "Fixed Unit Costs"

(a) Under Stage I, change "75 feet" to read "91 feet," and change "$750.00" to read "$910.00."

(b) Under Stage II, second item, change "40 feet" to read "36 4/5 feet" and change "$2000.00" to read "$1840.00."

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be required to contribute, or the agreed unit cost of any item of work.

Executed in sextuplicate this ____ day of _____, 195_.

THE UNITED STATES OF AMERICA

Frank E. Johnson

By _____
Executive Officer, DMEA
Field Team, Region V

J. R. BEAM AND JOHN PHILLIPS

By _____
(Partner)

By _____
(Partner)

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THE UNITED STATES OF AMERICA

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Executive Officer, DMEA
Field Team, Region V

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By _____
(Partner)

By _____
(Partner)

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Executed in sextuplicate this ____day of _____, 195_.

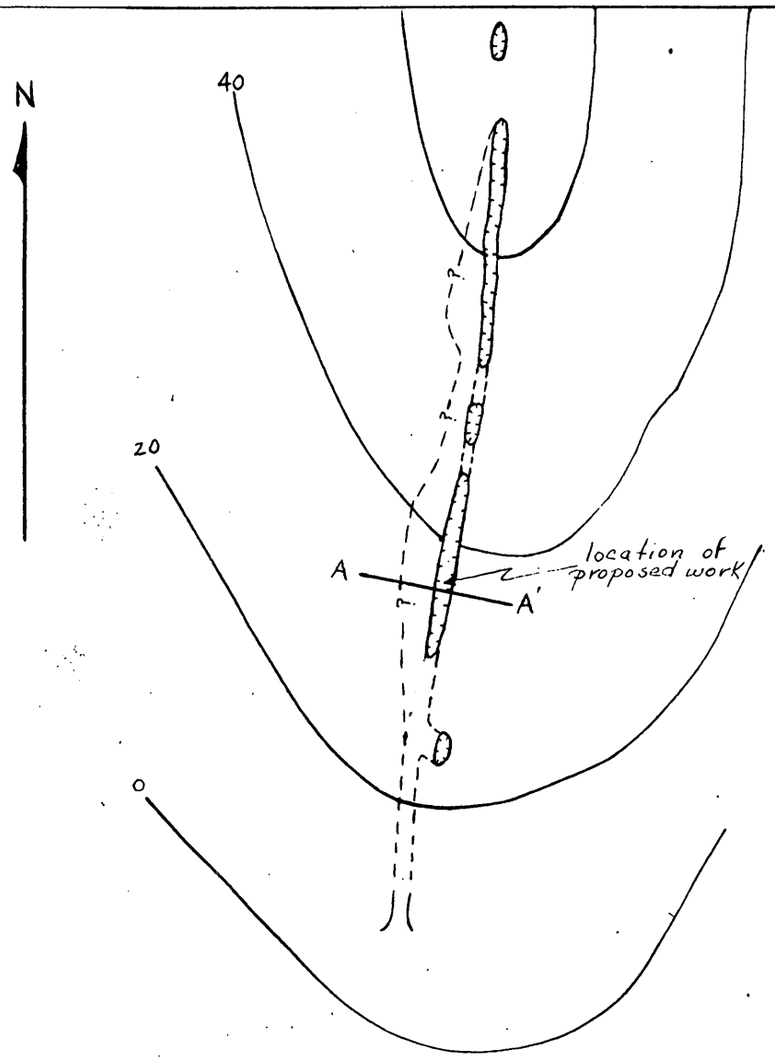
THE UNITED STATES OF AMERICA

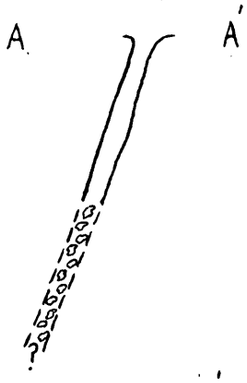
By Frank E. Johnson
Executive Officer, DMEA
Field Team, Region V

J. R. BEAM AND JOHN PHILLIPS

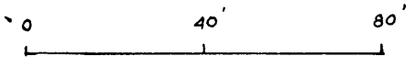
By _____
(Partner)

By _____
(Partner)





SECTION A-A'



scale

SKETCH OF WILLIE SHANTY MINE

YANCEY CO., N.C.

DMEA-3793

June 3, 1955

IN REPLY REFER TO:

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

RECEIVED
JUN 20 1955

June 17, 1955

Re: DMEA-3793
J. R. Beam
Willis Shantz Mine
Yancey Co., N. C.
$5,823 - Mica

Memorandum

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

From: R. D. Trace, U. S. Geological Survey

Subject: Review of Field Team report

The Field Team recommends that the subject application be approved. They propose that a part (shaft size) of an inclined stope be cleaned out, a shaft sunk an additional 40 feet, and 80 feet of drifting. I concur with the recommendation.

The mine has a good production record of strategic mica and there is no evidence that the bottom has been reached.

R. D. Trace

Docket Copy
Surname:

Hopkins
Houk
Kiilsgaard
Valin
Selfridge
Johnson

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

600

MAY 13 1955

Mr. John Phillips

Spruce Pine, North Carolina

Re: Docket No. DMEA-3793 - Mica
J. R. Beam and John Phillips
Willie Shanty Prospect
Yancey County, North Carolina

Dear Mr. Phillips:

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,

R. O. Mittendorf (for)

Administrator

JHopkins:gad 5/10/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Dietrich, 3061
Mr. Kiilsgaard, 5222
Mr. Houk
Field Team, Region V

R.C.S.

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 10 1955

May 9, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-3793 (mica)

Applicant: J. R. Beam and J. Phillips

Name and Location of Property: Willie Shanty Prospect
Yancey County, North Carolina

Date Application Rec'd. by Br. of Ceramic & Fertilizer Materials: 4-28-55

Comments:

1. Existing workings consist of a 40-foot shaft and tunnel (length unknown).

2. Applicant states that high quality sheet mica was obtained during past operations.

3. It is difficult to determine from the data presented if the proposed project of shaft rehabilitation or an alternate plan is the best approach.

4. It appears a field examination is necessary to determine the feasibility of a project.

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 28, 1955
Subject: DMEA 3793
Re: Exploration Assistance
Willie Shanty Prospect

Mr. John Phillips
Spruce Pine
North Carolina

Dear Mr. Phillips:

The receipt of your application dated April 20, 1955 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA 3793 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

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

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. 3793
Metal or Mineral mica
Date Received 4-28-55
Estimated Cost $6,080
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: J. R. Beam, Spruce Pine, Rt. 2, N.C.
and John Phillips, Spruce Pine, N.C.

Partnership

(*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 attached lease.

(*b*) State any mine name by which the property is known. Willie Shanty 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 None

(*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 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, both applicants.

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 April 20, 1955

J. R. Beam and John Phillips
(Applicant)

By John Phillips
Partner

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)

4. (a) A tunnel has been run near where we wish to explore; which was put in during the Colonial program. A shaft has been lowered from the top of the ground to this tunnel. Applicants had to interest in previous operations. Project is accessible for examination by Jeep.

(b) Some high quality mica has been produced above the place where we wish to work. It is believed that more mica is below this place and at a different level.

(c) We believe strategic quality mica may be found by exploration work.

(d) Project may be reached by Jeep.

(e) Manpower, materials and equipment available to operate this project.

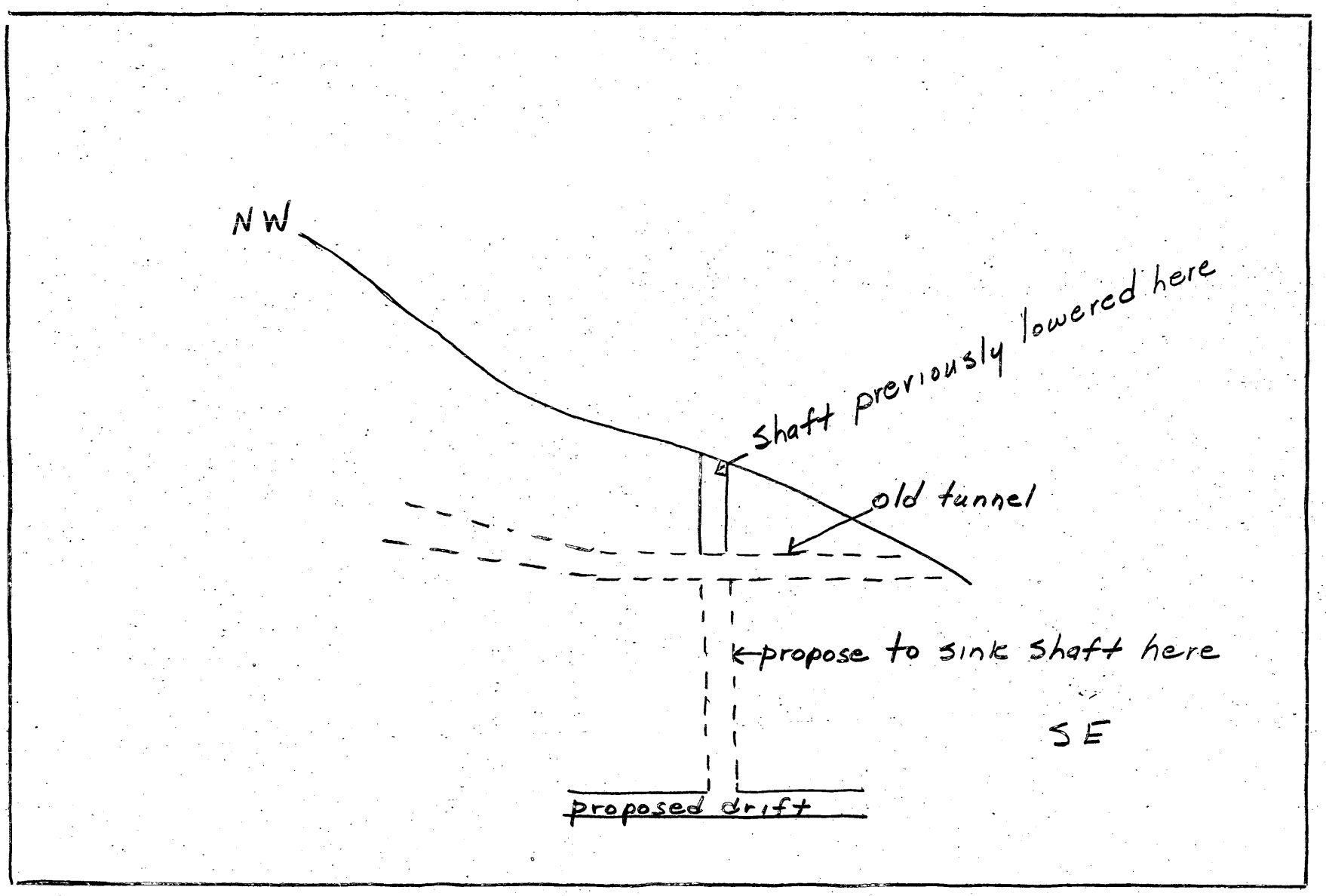
5. (b) It is proposed to rehabilitate 40' of existing shaft, lower shaft an additional 70'; then drift with vein 60' in another direction from the old works.

6. Estimate of costs:

Rehabilitate 40' shaft @ $12.00 ft.	$ 480.00
Sink shaft 70' at $50.00 per ft..	3500.00
Drift with vein 60' @ $35.00 ft..	2100.00
	$ 6080.00

WILLIE SHANTY PROSPECT

YANCEY CO., N.C.



Docket Copy
Surname:
Hopkins
Hoyle
Selfridge
Johnson

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

MAY 13 1955

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

Subject: Docket No. DMEA-3793 - Mica
J. R. Beam and John Phillips
Willie Shanty Prospect
Yancey County, North Carolina

Dear Mr. Laurence:

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

Copies of memoranda from E. L. Newcomb of the Geological Survey, dated May 2, 1955, and from W. F. Dietrich of the Bureau of Mines, dated May 9, 1955, are enclosed for your information.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (JHB)

Approved:

M. E. Volin for J. V. Kelley (JHB)
Member, Bureau of Mines

Thor H. Kiilsgaard (JHB)
Member, Geological Survey

Enclosures 4

JHopkins:gad 5/10/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Dietrich, 3061
Mr. Kiilsgaard, 5222
Mr. Houk

P.C.L.

IN REPLY REFER TO:

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

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

May 2, 1955

Re: DMEA-3793
J. R. Beam &
J. Phillips
(Willie Shanty
Prospect)
Yancey Co., N. C.
$6,080 - Mica

Memorandum

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

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

Subject: Review of application

The applicant has proposed to rehabilitate a 40 foot shaft, deepen the shaft 70 feet and drift 60 feet.

There is very little information in the application by which to appraise this proposal. It is reported the project is near a tunnel which produced during W.W. II under the Colonial Mica Corp.

If little is known of the underground workings, it may be more reasonable to sink a new shaft where best surface evidence is available or trenching should be done to expose an extension of previously mined pegmatite.

I recommend this application be referred to the Field Team for their review and a field examination.

E. L. Newcomb

E. L. Newcomb

4 copies of
lease received

STATE OF NORTH CAROLINA

COUNTY OF YANCEY

THIS LEASE made this the 1st. day of April, 1955, by MRS. J. A. HIGGINS, a widow, and NU-WRAY, INC., a corporation, all of the County of Yancey and State of North Carolina, hereinafter called parties of the first part, to J. R. BEAM and JOHN PHILLIPS of the County of Mitchell and State of North Carolina, hereinafter called parties of the second part.

W I T N E S S E T H:

THAT FOR AND IN CONSIDERATION of the sum of $1.00 in hand paid by the parties of the second part to the parties of the first part, the receipt of which is hereby acknowledged, and the further consideration of full compliance with the agreements hereinafter set forth, the parties of the first part have bargained and leased and do by these presents bargain and lease unto the parties of the second part, their successors and assigns, the exclusive right and privilege of mining and removing minerals from that tract or parcel of land situate in Burnsville Township, County of Yancey, State of North Carolina, on what is known as the G. D. Ray Boundary and being described as follows:

> BEGINNING at the center of the shaft of what is known as the Willie Shanty Prospect, located approximately 175 feet Northwest of a large Hickory Tree, and running thence North 250 feet; thence West 250 feet; thence South 500 feet; thence East 500 feet; thence North 500 feet; thence West 250 feet to a point of closing. Said parcel of land being known as the Willie Shanty Mine.

The terms and conditions of this Lease are as follows:

1. TERM. This Lease shall be for a period of five (5) years from this date with the privilege of renewal for an additional five (5) years, providing that the terms and conditions of said Lease are fully complied with.

2. RIGHTS CONVEYED. Full mining rights and privileges, including the right of ingress and egress, right to construct road ways, flume lines, power lines, tram roads; erection of machinery and buildings and the use of timber on said property, except such timber as would make saw timber, is hereby granted.

3. ROYALTY. The royalty to be paid shall be one-eighth (1/8) of the sale price of all mica mined and removed from said property; 50¢ per ton for

all feldspar mined and removed from said property; and for all other minerals mined and removed from said property the usual and customary royalty prevailing in Yancey County, North Carolina, shall be paid.

4. TIME OF PAYMENT. Royalty shall be paid on the 1st. and 15th. of each month and duplicate sales slips shall be furnished to the parties of the first part showing the amount of minerals sold and the price obtained therefor.

5. RIGHT OF INSPECTION. The parties of the first part, their successors, assigns or agents, shall have the right at all times to inspect the property herein leased and shall likewise have the right and privilege to examine the records pertaining to the production and sale of any minerals mined from said property.

6. METHODS OF MINING. The parties of the second part, their successors and assigns, shall carry on mining operations by approved methods and upon the surrender or abandonment of this Lease shall leave the mine or openings thereof in a reasonably clean and safe condition and no operations shall be conducted on said property which are commonly known in mining parlance as "ground hogging."

7. CESSATION OF MINING OPERATIONS. Mining operations shall begin on said property within ninety (90) days and shall continue with reasonable regularity and if mining operations cease for a period of forty-five (45) days, then this Lease shall be null and void, unless the cessation of mining operations is prevented by weather conditions or other conditions usually termed Acts of God.

8. BREACH OF LEASE. If the parties of the second part, their successors and assigns, fail to comply with any of the conditions or provisions of this Lease, then said Lease, or any renewal thereof, shall be null and void and all the rights granted hereunder shall cease. And the parties of the first part, their successors and assigns, may re-enter said property without any action at law to declare said Lease, or any renewal thereof, void. However, upon said Lease becoming null and void the parties of the second part, their successors and assigns, may have forty-five (45) days within which to remove any machinery from said property.

IN TESTIMONY WHEREOF, this Lease has been executed in duplicate in the way and manner hereinafter indicated by the affixing of hands and seals

as of the day and year first above written.

Witness: Dorothy Ricks

Mrs. J. A. Higgins (SEAL)
Mrs. J. A. Higgins

NU-WRAY, INC.

By Julia Wray
President

ATTEST:

Rush T. Wray
Secretary

_____ (SEAL)
J. R. Beam

_____ (SEAL)
John Phillips

STATE OF NORTH CAROLINA

COUNTY OF YANCEY

Personally came before me this day Mrs. J. A. Higgins, a widow, to me well known to be one of the persons who signed the foregoing Lease, who acknowledged the due execution of said instrument by herself for the purposes therein expressed.

Witness my hand and notarial seal this the 15th day of April, 1955.

J M Angel
Notary Public

My commission expires the 5 day of April, 1955.

STATE OF NORTH CAROLINA

COUNTY OF YANCEY

Personally came before me on this day Mrs. Julia Wray who, being first duly sworn, says:

That she is President of Nu-Wray, Inc., one of the Grantors in the foregoing Lease, and that Rush Wray is Secretary of said Corporation; that she knows the corporate seal of said Corporation; and that she, the said Julia Wray, signed said instrument as President of said Corporation and Rush Wray signed said instrument as Secretary in attestation thereof and he, the said Rush Wray, affixed the corporate seal to said instrument in the presence of said President and that said instrument is the act and deed of said Corporation

and the execution thereof was duly authorized by the Board of Directors duly given.

Witness my hand and notarial seal this the 15th day of April, 1955.

H M Angel

Notary Public

My commission expires the 5 day of April, 1955.

STATE OF NORTH CAROLINA

COUNTY OF MITCHELL

Personally came before me this day J. R. Beam and John Phillips, to me well known to be a part of the persons who signed the foregoing Lease, who acknowledged the due execution of said instrument by themselves for the purposes therein expressed.

Witness my hand and notarial seal this the ____ day of April, 1955.

Notary Public

My commission expires the ____ day of _____, 195____.