☐ Audited

☐ Certified

K ANALYSIS SHEET - DMEA PROJEC

Analysis as of Sept 1
Incl. Voucher for August

☐ Actual Cost

☑ Agreed Unit Costs

Name Dave Wise and Ray Wise

Docket No. 3801

State North Carolina

Commodity Mica

Idm-E No. 836

OPERATION	AUTHORIZED Units	AUTHORIZED Cost	COMPLETED Units	COMPLETED Cost	NET COST
Drifting & Crosscutting	50	1650.00	24	792.00	792.00
Raising					
Shafts	30	1200.00	25	1000.00	1000.00
Winzes					
Drilling (Specify)					
Surface Excavation					
Underground Excavation					
Roads and Trails					
Operating Equipment Purchased					
Surface Rehabilitation & Repairs		135.00		135.00	135.00
Underground Rehabilitation					
New Building, Improvements, etc.		114		—	
Other (Specify)					
Totals		3300.00		1927.00	1927.00

Terminated by Mutual Agreement

Prepared by [signature]

71626

Division Copy

TERMINATION AGREEMENT

It is agreed this 20th day of September, 1955, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Dave Wise and Ray Wise, partners, hereinafter called the "Operators," parties of that certain Exploration Project Contract Idm-E836, Docket No. DMEA-3801, dated 1st day of July 1955, hereinafter called the "Contract," that:

1. Effective August 25, 1955, the contract and all obligations of the parties thereunder, except as otherwise herein expressly provided, shall be and are hereby terminated.

2. The Government shall contribute only to the fixed unit cost 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 a certification of discovery or development and a percentage royalty and lien for its payment 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 Robert A. Laurence
Robert A. Laurence, Executive Officer, DMEA Field Team, Region V

By Dave Wise
Dave Wise, Partner

By Ray Wise
Ray Wise, Partner.

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Dave Wise and Ray Wise
Route 3
Newland, North Carolina

pertaining to Exploration Project Contract No. Idm-2836, Docket No. DMEA-3801, for the months of July 1955 and August 1955, covering a project for the exploration of mica on property, known as the Toney Mine, located in Cleveland County, North Carolina.

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

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

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

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

Total cost as billed by Contractor		$1,927.00
Exceptions:		
By DMEA Finance Officer	$ -0-	
Herewith	-0-	-0-
Total Accepted Cost		$1,927.00

The contract calls for a 75 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of One thousand four hundred forty-five and 25/100 Dollars

$1,445.25

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

E. D. Talbert

E. D. Talbert, Auditor

September 7, 1955

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

July 8, 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer - DMEA Field Team, Region 5

Subject: Signed Contract - DMEA-3801, Idm-E036, Dave & Ray Wise (mica) Newland, N. C.

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

Robert A. Laurence

BM.
cc:
Lynch
Finance Office
Shirley
Files

RECEIVED
JUL 11 1955

RECEIVED
JUL 11 1955

Division copy

MF-200A
(Revised June 1954)

Docket No. DMEA 3301

Commodity Mica

Contract No. Idm-E 836

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

It is agreed this 1st day of July, 1955, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2] Dave Wise and Ray Wise, partners,

whose mailing address is Route #3
Newland, North Carolina,

hereinafter called the "Operator," as follows:

ARTICLE 1. *This contract* is entered into under the authority of the Defense Production Act of 1950, as amended. It consists of this form (MF-200A), the attached Exhibit "A," Annex I, and 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 Cleveland, 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] un recorded in Book ____, page ____, official records of said County; and

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

(c) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above, and (if the Operator does not hold the legal title) the Consent to Lien of any holder of the legal title of the land (lessor, seller, optionor, etc.), are attached, as follows: Consent to Lien of 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—70618-1

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

ARTICLE 3. *The exploration project.*—The project is a search for indicated or undeveloped deposits of mica. The work to be performed is described in Exhibit "A." The Operator on or before August 22, 1955 shall commence the work, and on or before November 30, 1955 (unless the Operator's obligation to complete the work is terminated—see Article 8) shall complete the work.

ARTICLE 4. *Performance of the work.*—(a) *Operator's responsibility.*—The work shall be performed with reasonable diligence, efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for liability insurance covering employment; and with suitable and adequate equipment, facilities, materials, supplies, and labor, to bring it to completion within the time fixed.

(b) *Government may inspect.*—The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract, and also after a certification of discovery or development to inspect production operations and underground workings. The operator shall provide the Government with all reasonable means of access for such inspections.

ARTICLE 5. *Contribution by the Government.*—A fixed cost for each unit of work to be performed (per foot of drifting, per foot of drilling, per hour of operations, etc.) is hereby agreed upon, and is set forth in Exhibit "A" in connection with the estimated total cost of the project in the sum of $3,100.00 The Government will contribute 75 percent of the fixed unit costs as work is performed, in a total sum not in excess of $2,325.00: *Provided,* That until the Operator has rendered to the Government his final report, and any final auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of 10 percent of the estimated total cost of the work. The Government will make its contribution on the basis of the monthly vouchers referred to in Article 6(b), but all payments by the Government are provisional only, subject to audit, until the account between the Operator and the Government is finally audited and settled. To the extent that excesses over fixed unit costs or any excess over the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such excesses for his own account without contribution by the Government. The Government may make payments directly to independent contractors and suppliers for the account of the Operator rather than to the Operator.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

ARTICLE 11. *Changes and added provisions.*—

Executed in sextuplicate the day and year first above written.

DAVE WISE and RAY WISE, partners
(Operator)

By Ray Wise (Partner)

By Dave Wise (Partner)

THE UNITED STATES OF AMERICA

By C. J. Mitchell
Administrator, Defense Minerals Exploration Administration

Rubin

"Appd. Sol. Off."

Hopkins

Chambers

Hook

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

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

EXPLORATION PROJECT CONTRACT
DAVE WISE and RAY WISE
DOCKET NO. DMEA-3801

ANNEX I

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

BEGINNING in the L. B. Harris and Fred Toney line at a stake about 300 feet South of the mine workings and runs with said line North 420 feet to an iron stake; thence East 500 feet to an iron stake; thence South 420 feet to an iron stake; thence West 500 feet to the BEGINNING, containing 5 acres more or less.

EXPLORATION PROJECT CONTRACT
DAVE WISE and RAY WISE
DOCKET NO. DMEA-3801

EXHIBIT "A"

Description of the Work

The location of the exploration work is shown, in part, on the map entitled "Sketch of Toney Mine, Cleveland Co., N. C. DMEA-3801," attached hereto and made a part hereof. The work shall consist of the following:

1. Construct:

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

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

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

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

The powder and exploder magazines shall be boxed on all sides; shall be made from 2-inch hardwood or 3-inch softwood lumber; and shall be braced at the corners. No metal shall be exposed, and the lids or doors shall be securely locked with the equivalent of a 5-tumbler jarproof lock.

2. Trim and crib existing test pit and cut to original surface, a distance of 18 feet.

3. Extend the enlarged test pit (item 2) as a shaft for 30 feet, to a new depth of 48 feet.

4. At a point 5 feet above the bottom of the shaft, drive 50 feet of drifts on the pegmatite.

All work shall be timbered as necessary.

The shafts and drifts shall have minimum cross-sectional dimensions of 5 feet by 7 feet in the clear of timber.

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

Fixed Unit Costs

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

Construct:		
Toolhouse 1/	$ 75.00	
Powder magazine 1/	26.00	
Exploder magazine 1/	14.00	
Trim and crib existing test pit, 18 feet @ $7.50/ft.	135.00	
Sink 30 feet of shaft @ $40.00/ft.	1,200.00	
Drive 50 feet of drifts @ $33.00/ft.	1,650.00	
Estimated Total Cost of Project		$3,100.00
Government Participation @ 75%		$2,325.00

1/ The completed work constitutes the unit.

MF-203
Revised March 24, 1955

RECEIVED
JUN 15 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 CLEVELAND, State of NORTH CAROLINA, described as follows:1/

[illegible] in the L. D. Parsons and Fred Toney line at a stake about 300 feet south of the [illegible] buildings and runs with said line north 300 feet to an iron stake; thence east 500 feet to an iron stake; thence south 200 feet to an iron stake; thence west 500 feet to the beginning, containing 5 acres, more or less.

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/

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 2nd day of June, 195 5

Fred Toney [Seal]

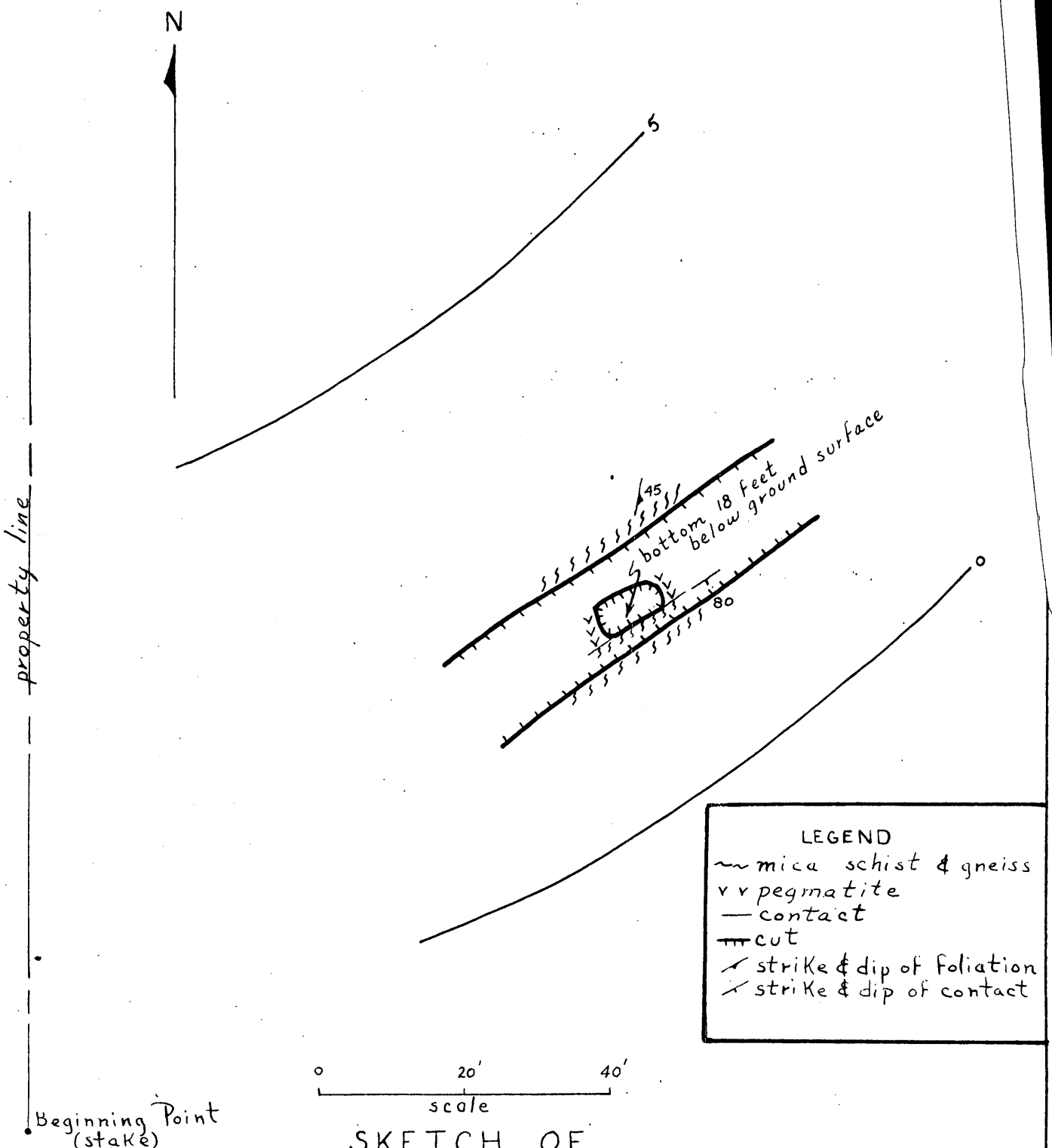
Lois Toney [Seal]

_____ [Seal]

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

_____

[Corporate Seal]



SKETCH OF
TONEY MINE
CLEVELAND CO., N.C.

DMEA-3801
May 31, 1955

SEP 21 1956

Messrs. Dave Wise and Ray Wise
Route #3
Kenland, North Carolina

Re: Docket No. DMA-3301-wise
Dave Wise and Ray Wise
Tonny Mine
Cleveland County, North Carolina
Contract No. Ida-5636

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 DMA exploration program and participation therein are fully appreciated.

Sincerely yours,

G. O. Mittendorf

Administrator

JHopkins:mm 9/19/56
Copy to: Docket
Field Team, Region V
Mr. Chambers
Mr. Killagnard, 5222
Mr. Dietrich, 3061
Mr. Houk
Admr. R. File

Mr. and Mrs. Fred Tonny (landowners)....To Field for forwarding

Hope Anderson

Project Summary Report

September 20, 1956

By: James Hopkins

1. Docket No. DMEA-3801-mica
Dave Wise and Ray Wise
Toney Mine
Cleveland County, North Carolina
Contract No. Idm-E836

Operators: Dave Wise and Ray Wise
Route #3
Newland, North Carolina

Operators' Property Rights:
Lessee of the mineral rights on land owned by Fred and Lois Toney.

2. Contract: dated July 1, 1955

(a) Work Authorized:

Construction - buildings	$ 115.00
Trim and Crib Test Pit 18 ft. @ $7.50/ft.	135.00
Shaft Sinking 30 ft. @ $40.00/ft.	1,200.00
Drifting 50 ft. @ $33.00/ft.	1,650.00
Estimated Total Cost	$3,100.00

(b) Amendments - none

(c) Work Completed:

Trim and Crib 18' of Pit @ $7.50/ft.	$ 135.00
Shaft Sinking 25 ft. @ $40.00/ft.	1,000.00
Drifting 24 ft. @ $33.00/ft.	792.00
Total Cost of Project	$1,927.00

Work began July 9, 1955 and ended August 22, 1955.
Contract terminated by mutual agreement September 20, 1955.
Final Field Team Report dated September 27, 1955.
Final Operator's Report waived by the Field Team.

3. Audit: Report of Review dated September 7, 1955.

Total Cost as billed by the operators	$1,927.00
Exceptions	none
Total Accepted Cost	$1,927.00
Government participation	$1,445.25

4. Certification of Discovery - none issued.

MAY 21 1956

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

Dear Mr. Laurence:

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

Docket No. DMRA	Contract No. Idn	Production during Project	Value of Production	Royalties Due	Royalties Paid	End of Certification (6 mos. from date Final Report)
3726	E813	1100 lbs.	Unknown	?	None	April 27, 1956
3801	E836	100 lbs.	Unknown	?	None	March 27, 1956
3815	E848	60 lbs.	Unknown	?	None	April 30, 1956
3926	E881	200 lbs.	$112.00	$5.60	None	Aug. 14, 1956
3930	E872	250 lbs.	$175.00 (about)	$8.75	None	June 30, 1956

In order to close out these contracts it will be appreciated if you will take whatever action you deem necessary for collection of the unpaid royalties.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee

Approved:

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

Thor H. Kiilsgaard
Member, Geological Survey

JHopkins:ms 5/17/56
Copy to: Docket(5)
Operating Committee
Mr. Chambers
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk(5)
Admr. R. File

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D.C.
ROOM POST OFFICE BLDG.
KNOXVILLE 2, TENN.
June 13, 1956

RECEIVED
JUN 15 1956

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Production from Completed Uncertified Projects.

Reference is made to your letter of May 23, requesting information on production and royalties due from several uncertified projects:

Following is all the information we have been able to obtain from a check of the Spruce Pine Depot records and from the Operators:

Docket No.	Date of sale	Lbs.	Value
DMEA-3726	11/15/55	29.81	$243.06
DMEA-3801	none		
DMEA-3815	none		
DMEA-3926	none		
DMEA-3930	none		

In most of these cases the small amount of mica recovered during the project was not good enough to make a sale. It appears that royalty is due only on DMEA-3726, Idm-E813, from which $12.15 is due.

V. J. Lynch, Member
Bureau of Mines

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

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

RECEIVED
OCT 14 1955

October 13, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-3801 (mica)

Applicant: Dave and Ray Wise

Name and Location of Property: Toney Mine, Cleveland County, N. C.

Contract Number: Idm-E 836

Date of Field Team Report: 9/27/55

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

Field Team Recommendation: Recommend no certification of discovery be issued.

Comments:

1. The pegmatite did not extend in depth, thus no reserves of mica were disclosed.

2. The royalty on mica produced during exploration should be collected.

3. Expenditures -

Total approved	$3,100.00
Total cost	1,927.00
Gov't share of the cost	1,445.25
Value of production during operation	unknown

Recommendation: I concur with the recommendation of the field team.

Signed
W. F. Dietrich

IN REPLY REFER TO:

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

October 5, 1955

Re: DMEA 3801, Idm-2836
Dave and Ray Wise
Toney Mine
Cleveland Co., N. C.
$3,100 - 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.

Of the $3,100 approved for this project, $1,927 was expended in cleaning out and extending a shaft 25 feet and drifting 25 feet.

The work showed the pegmatite to be pinching out. About 100 pounds of mine run mica was recovered mostly near the bottom of the vertical part of the shaft.

The contract was terminated by agreement. The examiners and Field Team concluded no discovery was made and little strategic mica was put in reserve.

I concur with the recommendation of the Field Team that certification should not be made.

N. E. Nelson

N. E. Nelson

NENelson:iml
G-10/5/55
cc: Director's reading, 4212
Branch reading, 4212
DMEA (3)
Docket file
W. F. Dietrich, 3061

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

September 29, 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: Acting Executive Officer, DMEA - Region V

Subject: Termination Agreement - DMEA-3801, Idm-E836, Dave & Ray Wise.

Transmitted are three signed copies of the subject termination agreement.

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

Wm. A. Beck

ZM.
cc:
Lynch
Finance Office
Shirley
Files

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

RECEIVED
SEP 28 1955

September 27, 1955

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Field Team Final Reports.

Transmitted are four copies each on the following:

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

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

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

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

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

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

V. J. Lynch, Acting
EXECUTIVE OFFICER
DMEA REGION V

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

ZM.
cc:
Lynch
Shirley
Laurence

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

RECEIVED
SEP 28 1955

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT
FIELD TEAM, REGION V

On

DMEA-3801, TONEY MINE (mica)
Cleveland County, N. C.

By

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

and

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

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

September 27, 1955

FINAL REPORT

DMEA-3801, Idm-E836, TONEY MINE
(mica)

RECEIVED
SEP 28 1955

Operators: Dave and Ray Wise, Route # 3, Newland, North Carolina

Location: In the western edge of Cleveland County, 2.5 airline miles S. 66° East of Ellenboro, N. C.

Limited underground work at this mine revealed that the pegmatite did not extend downdip; thus, the contract was terminated by mutual agreement. No certification of discovery should be issued nor is additional exploratory work warranted.

Work under the contract began July 9, 1955 and ended August 22, 1955. An existing 18-foot vertical shaft was cleaned out, trimmed and timbered then sunk an additional 7 feet. At this point an incline was begun in order to remain with the pegmatite and was sunk 18 feet due east at a -30° inclination. From this incline a drift was driven 25 feet in a N. 50° E. direction (see attached sketch map). This work revealed that the pegmatite bottomed; thus the contract was terminated by mutual agreement, effective August 25, 1955.

A disconformable pemgatite which "feathered out" down dip was exposed by the underground workings. It strikes N. 50-80° E. and dips 30-65° SE. The body is about 6 feet thick at the surface but thins gradually downdip and branches about 25 feet below the surface. These branches terminate about 30 feet below the surface. The pemgaitte consists of plagioclase, quartz, perthite, and muscovite, in order of abundance. The quartz and muscovite tend to be concentrated in pods. Enclosing country rock is interlayered mica-sillimanite schist and fine-grained granite.

About 100 pounds of "mine-run" mica were recovered from the opening made under the contract, mostly from near the bottom of the vertical shaft. It is ruby-colored, clear and hard. Some was cracked and clay-stained. In general, the quality was excellent, except very small.

No significant reserves of strategic mica were revealed by the work.

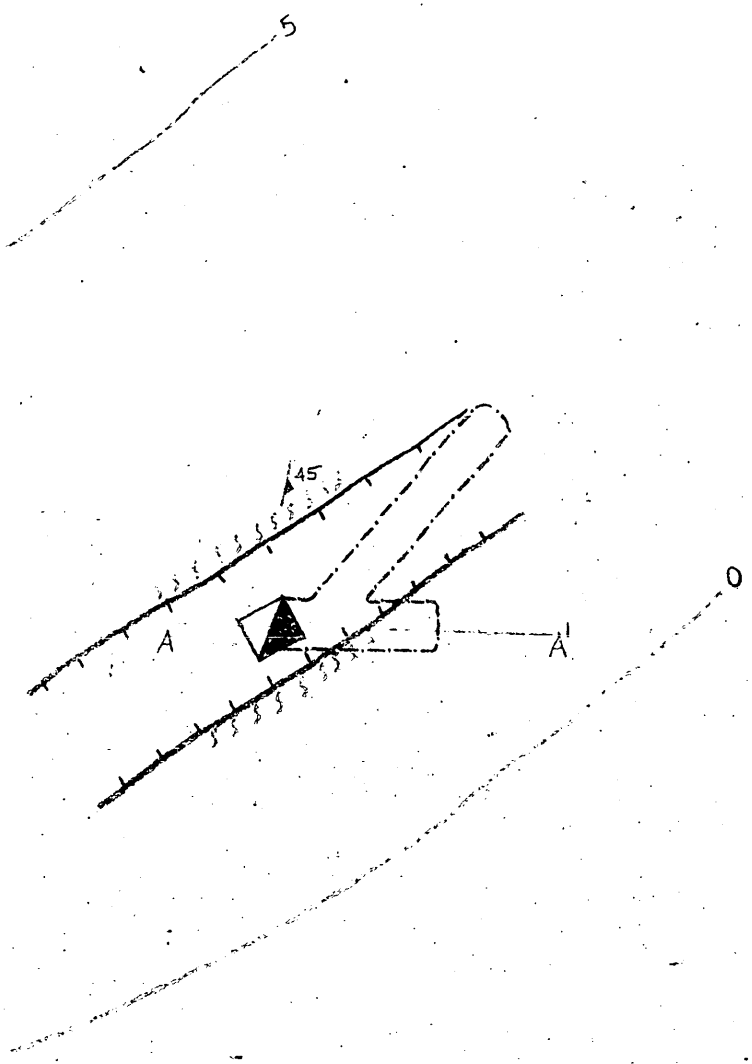
Expenditures:	(a)	Total approved	$3,100.00
	(b)	Total cost of project	1,927.00
	(c)	Government's share of cost	1,445.25
	(d)	Government's share unexpended	879.75
	(e)	Value of production during opr	?
	(f)	Royalty received to date	none

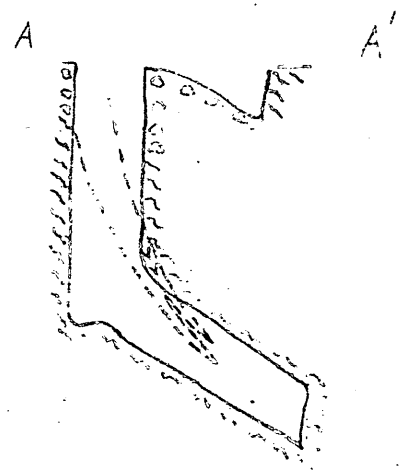
The work completed under the contract was conducted in an efficient and satisfactory manner. No equipment was purchased under the contract.

September 27, 1955

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

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





Section A A'

LEGEND

- mica-sillimanite schist
- pegmatite
- contact
- cut
- strike & dip of foliation
- projected contact
- outline of underground works

0 20' 40'
scale

SKETCH OF TONEY MINE

CLEVELAND CO., N.C.

DMEA-3801
Aug. 25, 1955

600

SEP 12 1955

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

Subject: Docket No. [illegible]-3801 - Mica
Dave Mine and Ray Mica
Toney Mine
Cleveland County, North Carolina
Contract No. [illegible]-2836

Dear Mr. Lawrence:

Reference is made to your memorandum dated August [illegible], 1955, requesting permission to terminate the subject contract by mutual consent.

Approval is granted to terminate the subject contract effective August 2[illegible], 1955, in accordance with the provisions of [illegible] Circular No. 3[illegible], June 30, 1954, employing the form "No. 6 Termination Agreement (all contract forms MF-2[illegible], MF-2 [illegible])".

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

P. F. Yopes

Member, Bureau of Mines

/s/ M. E. Nelson

Member, Geological Survey

JHopkins:pk 9/7/55

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

September 1, 1955

Memorandum

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

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

Subject: Monthly reports and vouchers

We are enclosing two copies each of the following monthly report and royalty statement:

Idm-E-836 — Dave Wise and Day Wise
DMEA Docket No. 3301
End and Final Payment - month of August
Termination Date: 8/25/55
Amount $1134.00

Idm-E-45h — U. S. Pipe & Foundry Company
Royalty Statement
No ore mined during July 1955

Helen R. Miller

Attachments
/hbm
Copies to V. J. Lynch
R. J. Lawrence
Norris files
Day files

Final

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.5

PAID ON VOUCHER & SCHEDULE
PAYMENTS K- 17

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of August, 1955 Docket No. DMEA 3802 RECEIVED Contract No. 836
Operator's Name Dave Wise & Ray Wise, Partners SEP - 2 1955 Minerals Mica
Address Rt #3, Newland, N. C.,
Contract Amount, $3100.00 Government Participation: 75 % Amount, $2325.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling Shaft 18 ft	720.00	280.00	1,000.00			
Bulldozing						
Crosscutting						
Drifting 24 ft	792.00	None	792.00			
Trim & Crib 18' pit	None	135.00	135.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	1512.00	415.00	$1927.00	1512.00	415.00	1927.00

I certify that the above bill is correct and just and that payment therefor has not been received.
Date Aug. 29, 1955 Payee Dave & Ray Wise, Partners
Per Dave Wise Title Partner

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

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

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:
$ 1134.00 ~~1445.25~~
Signature Helen R. Miller (Authorized Certifying Officer)
Date SEP 1 1955 Vou. No. 42
(See other side)

481.75

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

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

Signature Kelton H. Teague Title Geologist, U.S.G.S. Date 8/30/55

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature N. J. Lynch ACTING Title EXECUTIVE OFFICER DMEA REGION V Date AUG 30 1955

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

DMEA 3801
Idm E 836

RECEIVED
SEP - 2 1955

Month of August 1955

Work Accomplished:

Continued with sinking of shaft 18 additional feet. Then commenced drifting and continued with with this for 24 feet.

Daily Notes:

Aug 1-Worked on sinking shaft.
Aug 2- " " " "
Aug 3- Timbered and sank shaft
Aug. 4-Timbered
Aug. 5- Sinking shaft

Aug 9- Sinking shaft
Aug 10-Sinking shaft
Aug 11-Sinking shaft

Aug. 15- Drifting
Aug. 16- Drifting tunnel
Aug17- Drifting tunnel
Aug. 18- Drifting tunnel
Aug. 19- Drifting tunnel
Aug. 22- Drifting tunnel

104A
1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

RECEIVED
SEP - 2 1955

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of August 195 5 Docket No. DMEA 2801 Contract No. 836
Operator's Name Dave Wise & Ray Wise, Partners Minerals Mica
Address Rt 2, Newland, N. C.

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting	ft	792.00	24	792.00	24	33.00		
Crosscutting								
Raising								
Shafts	ft	720.00	12	$1000.00	25	40.00		
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Trim & Crib 18'	pit	None	None	135.00	18	7.50		
Total Distributed Costs		1512.00		1927.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		1512.00		1927.00				

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

Date Aug. 29, 1955 Operator Dave Wise & Ray Wise

Per Dave Wise Title Partner

Remarks:

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

(Instructions on reverse)

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

INSTRUCTIONS

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

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

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

GPO 872894

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

RECEIVED
SEP - 1 1955

August 30, 1955

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: DMEA-3801, Idm-E836, TONEY MINE, Request for Mutual Termination

Attached are four (4) copies of the latest Interim Report on the subject contract.

The Field Team requests permission to terminate the contract by mutual agreement, effective August 25, 1955.

Certification of discovery will not be recommended.

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

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

DHA/sm
cc:
Lynch
Shirley
Files

RECEIVED

SEP - 1 1955

INTERIM REPORT

DMEA-3801, Idm-E836, (mica) TONEY MINE

Operator: Dave and Ray Wise, Route #3, Newland, North Carolina

Location: In the western edge of Cleveland County, 2.5 airline miles S 66° E of Ellenboro, North Carolina.

Work completed to date under this contract consists of rehabilitating and timbering an existing 18-foot shaft, sinking this shaft an additional 25 feet (the last 18 feet of which was inclined) and driving 25 feet of drift. The drift was made in a N. 50° E direction from the incline.

Material encountered in the drift and the shaft is interlayered fine-grained pegmatite, granite and mica-sillimanite schist. The only muscovite recovered that was large enough to yield sheet mica was found in the shaft adjacent to a small quartz pod.

It is the opinion of the field examiners that no further work under this contract is warranted because of the absence of a well-defined ,ces-bearing pegmatite. It is recommended that the contract be terminated by mutual agreement. The Operators are in agreement.

Date of Exam: August 25, 1955.

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

and

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

INTERIM REPORT

DMEA-3801, Idm-E836 (mica) TONEY MINE

OPERATOR: Dave Wise and Ray Wise, Route #3, Newland, North Carolina

LOCATION: In the western edge of Cleveland County, 2.5 airline miles S66°E of Ellenboro, North Carolina

Incline shaft sinking has continued from the vertical portion previously sunk and new work totals 25 feet. 18 feet of incline has been driven due east on a 30° slope in a mixture of quartz, barren granitic stringers, and mica schist country rock. The first 6 feet of incline work encountered massive quartz on the north wall. Surrounding material contains muscovite scales, and the only mica recovery came from this area. Instructions were given for turning off to the northeast, following this massive quartz, in an effort to encounter more mica-bearing pegmatite.

Cribbing has been necessary in the vertical portion of the shaft. The incline has been timbered with stulls and top lagging back to the present face. Due to the weathered condition of the rock, timbering was recommended for additional drift work. Progress on this contract has been satisfactory.

RECEIVED
AUG 2 2 1955

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

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

August 11, 1955

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
ELECTROTECHINCAL LABORATORY
NORRIS, TENNESSEE

P. O. Box 217
August 9, 1955

Memorandum

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

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

Subject: Monthly reports and vouchers

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

Idm-E-676 American Zinc Company of Tennessee
DMEA Docket No. 2546
13th payment - month of July 1955
Amount $22,233.88

Idm-E-836 Dave Wise & Ray Wise
DMEA Docket No. 3801
1st payment - month of July 1955
Starting Date: 7-9-55
Amount $311.25

Helen Miller
Helen R. Miller

Attachments
/hbm
Copies to R. A. Laurence
V. J. Lynch
Norris files
Day files

RECEIVED
AUG 11 1955

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

VOUCHER & SUPPORTING DOCUMENTS

11

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of July 195 5 Docket No. DMEA 3801 Contract No. 836

Operator's Name Dave Wise & Ray Wise, Partners Minerals Mica

Address Route #3, Newland, N. C.

Contract Amount, $ 3100.00 Government Participation: 75% Amount, $ 2325.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Contracts: Short Form						
Drilling 7/7/ Shaft(7')	280.00	None	280.00			
Bulldozing						
Crosscutting						
Drifting Trim & Crib 18' pit	135.00	None	135.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$415.00	---	$415.00			

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

Date Aug. 5, 1955 *Payee Dave Wise

Per _____ Title Partners

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

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

(Instructions on reverse)

RECEIVED AUG 11 1955

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

$311.25

Signature Helen R. Miller
(Authorized Certifying Officer)

Date AUG 9 1955 Vou. No. _____
(See other side)

1 9/7 103.75

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. TdmE836 in accordance with the terms of the contract.

Signature Kelton H. Teague Title Geologist, U.S.G.S. Date 8/6/55

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lamenzo Title DMEA EXECUTIVE OFFICER REGION IV Date AUG 8 1955

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of July 1955 Docket No. DMEA 3801 Contract No. 836

Operator's Name Dave Wise and Ray Wise, Partners Minerals Mica

Address Route #3, Newlandm N. C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts	ft	280.00	7	280.00	7	40.00	30	40.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Trim & Crib 18' pit	ft	135.00	18	135.00	18	7.50	18	7.50
TOTAL DISTRIBUTED COSTS		415.00		415.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		415.00		415.00				

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

Date Aug. 5, 1955 Operator Dave Wise

Per _____ Title Partners

REMARKS:

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

(Instructions on reverse)

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

INSTRUCTIONS

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

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

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

GPO 872894

DMEA 3801
Idm. E 836

Month of July 1955 Date Work Began July 9, 1955.

Work Accomplished

Set up machinery, then went to work sinking shaft and sank shaft 20 feet. Worked four men on daylight shift only.

Daily Notes:

July 9-Set up hoist and engine. Had to haul from Yancey County to Cleveland County

July 11-Continued setting up machinery and making preparations.

July 12-Repairing machinery.

July 14-Continued with setting up machinery and repairing same.

July 18-Sinking shaft.

July 19-Continued with sinking shaft.

July 20-Worked part of day sinking shaft.

July 25-Sinking shaft.

July 26-Sinking Shaft.

July 27-Sinking shaft.

July 28-Continued with sinking shaft.

July 29-Sinking shaft.

Mr. Krause
Mr. Hopkins

RECEIVED
AUG - 8 1955

INTERIM REPORT

DMEA-3801, Idm-E836 (mica) TONEY MINE

OPERATOR: Dave Wise and Ray Wise, Route #3, Newland, N. C.

LOCATION: In the western edge of Cleveland County, 2.5 airline miles S66°E of Ellenboro, N. C.

The starting date on this contract is July 17, 1955. Vertical shaft sinking is underway and is now at 10 feet. The pegmatite strikes N80°E, and the dip has changed from 65°SE at the surface, to 40°SE at the present depth. The operator was advised to start inclining with the body at this depth, and to continue sinking until another visit can be made. Material encountered is fine grained pegmatite containing small scrap size mica, and an occasional block of sheet mica.

The vertical shaft section has been cribbed with mixed 2" x 6" sawed lumber. It was suggested that additional timbering be accomplished at the surface opening. Progress on this contract is satisfactory.

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

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

July 28, 1955

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

Room 13, Post Office Bldg.
Knoxville 2, Tenn.

July 11, 1955

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Size of Sumps in Exploratory Shafts

We note that some of the recent contracts for mica exploration specify that a drift is to be driven at a started distance above the bottom of the shaft. For examples see DMEA-3793, Idm-E832, and DMEA-3801, Idm-E836.

We suggest the use of a more general wording as, "From a point at or near the bottom of the shaft, drive a drift." It is impossible to tell in advance just how deep a sump is required; in some cases only a foot or two is adequate but in others five to seven feet may be needed. Thus, it may become necessary to prepare amendments to make these minor adjustments, whereas the more general wording suggested above, plus the usual statement that "the location, inclination, and direction of all workings shall be subject to the Government's approval" provides adequate control of the position of the drifts. We consider it inadvisable to be so specific in the contract about the location and direction of exploratory workings.

/S/ Robert A. Laurence
Executive Officer
DMEA Region V

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

RAL/zm
cc:
Lynch
Shirley
Files
Allsman

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

July 1, 1955

Memorandum

To: Files

From: James Hopkins

Subject: Evaluation of application and Field Team report.

Docket No. DMEA 3801
Dave Wise and Ray Wise
Toney Mine
Cleveland County, North Carolina

Mica:

The mica recovered from stripping and one 10-foot test pit is of excellent quality and is very abundant, although mostly in small sizes. Inclusions of wall rock are common. It is ruby colored, clear, hard and free splitting. About 50 per cent is flat "A" and the remainder is flat. Bent and crooked books are not common. Books which weighed up to 20 pounds are reported. Examiners saw processed mica which measured 4" x 6" and was of "good stained" quality.

Pegmatite:

A trench has exposed the pegmatite for a strike length of 40 feet. It is from 5 feet to 6 feet thick and is disconformable to the mica sillimanite schist wall rock. It is fine to medium in texture and is composed of soda feldspar, scattered fine quartz, and muscovite.

Workings and method of exploring:

Work to date consists of a trench 20 feet wide, 8 feet and 50 feet long which has been cut along the strike of the pegmatite. One 10 foot test pit has been sunk from the floor of the trench on the pegmatite.

The proposal consists of deepening this test pit for an additional 30 feet and drifting 50 feet on the pegmatite.

This is good sound exploration work.

Economics:

About 1000 pounds of "run of mine" book mica has been recovered from the limited amount of work.

About 9000 cuff of rock and pegmatite material has been removed to recover this production or one pound per 9 cuff.

Value of mica sold was $800.00

Remarks:

Results obtained to date indicate further work is warranted. I concur in the field team recommendations of contract for his additional work.

James Hopkins, Mining Engineer

July 1, 1955

Memorandum

To: Files

From: James Hopkins

Subject: Evaluation of application and Field Team report.

Docket No. DMRA 3801
Dave Wise and Ray Wise
Toney Mine
Cleveland County, North Carolina

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A trench has exposed the pegmatite for a strike length of 40 feet. It is from 5 feet to 6 feet thick and is disconformable to the mica sillimanite schist wall rock. It is fine to medium in texture and is composed of soda feldspar, scattered fine quartz, and muscovite.

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Remarks:

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James Hopkins, Mining Engineer

JHopkins/ai
7/15/55
cc to: Admr. Reading File
Docket (original)
Mr. Houk
Mr. Hopkins

JUL - 1 1955

600

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

Subject: Docket No. DMEA-3801 - Mica
Dave Wise and Ray Wise
Toney Mine
Cleveland County, North Carolina

Dear Mr. Laurence: Su

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

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

After execution of the contract, the copies are to be distributed in the usual manner. Copies of memoranda from N. E. Nelson of the Geological Survey, dated June 23, 1955, and from W. F. Dietrich of the Bureau of Mines, dated June 27, 1955, are enclosed. The applicant's copy of the lease is also enclosed.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

J. H. Hedges

Member, Bureau of Mines

Thor H. Kiilsgaard

Member, Geological Survey

Enclosures 11

JHopkins:pk 6/28/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

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 - 3801 (mica)

Applicant: D. Wise and R. Wise

Name and Location of Property: Toney Mine,
Cleveland County, North Carolina

Date of Field Team Report: June 13, 1955

Date Rec'd by Br. of Ceramic & Fertilizer Materials: June 23, 1955

Field Team Recommendation: Recommend exploration program

Comments:

1. The possibility of encountering strategic mica is considered good.

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

Recommendation:

I concur with the field team's recommendation for an exploration program at a cost of $3,108.00.

W. F. Dietrich

IN REPLY REFER TO:

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

RECEIVED
JUN 24 1955

June 23, 1955

Re: DMEA-3801
Dave and Ray Wise
Toney Mine
Cleveland Co., N. C.
$3,108.00 - Mica

Memorandum

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

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

Subject: Review of Field Team report

This modest program should afford a fair test of this promising pegmatite.

I concur with the recommendation of the Field Team.

N. E. Nelson

N. E. Nelson

NENelson:hlm
G-6/23/55

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

July 1, 1955

Memorandum

To: Files

From: James Hopkins

Subject: Evaluation of application and Field Team report.

Docket No. DMFA 3801
Dave Wise and Ray Wise
Toney Mine
Cleveland County, North Carolina

Mica:

The mica recovered from stripping and one 10-foot test pit is of excellent quality and is very abundant, although mostly in small sizes. Inclusions of wall rock are common. It is ruby colored, clear, hard and free splitting. About 50 per cent is flat "A" and the remainder is flat. Bent and crooked books are not common. Books which weighed up to 20 pounds are reported. Examiners saw processed mica which measured 4" x 6" and was of "good stained" quality.

Pegmatite:

A trench has exposed the pegmatite for a strike length of 40 feet. It is from 5 feet to 6 feet thick and is disconformable to the mica sillimanite schist wall rock. It is fine to medium in texture and is composed of soda feldspar, scattered fine quartz, and muscovite.

Workings and method of exploring:

Work to date consists of a trench 20 feet wide, 8 feet and 50 feet long which has been cut along the strike of the pegmatite. One 10 foot test pit has been sunk from the floor of the trench on the pegmatite.

The proposal consists of deepening this test pit for an additional 30 feet and drifting 50 feet on the pegmatite.

This is good sound exploration work.

Economics:

About 1000 pounds of "run of mine" book mica has been recovered from the limited amount of work.

About 9000 cuff of rock and pegmatite material has been removed to recover this production or one pound per 9 cuff.

Value of mica sold was $800.00

Remarks:

Results obtained to date indicate further work is warranted. I concur in the field team recommendations of contract for his additional work.

James Hopkins, Mining Engineer

JHopkins/ai
7/15/55
cc to: Admr. Reading File
Docket (original)
Mr. Houk
Mr. Hopkins

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 45 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

June 13, 1955

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Field Examination Report, DMEA-3801 (mica) Dave and Ray Wise, Newland, N. C. Toney Mine, Cleveland County, N. C.

Enclosed are four copies of the subject examination report, accompanied by six extra copies of a new Consent to Lien, a copy of the lease and six extra copies of the sketch map.

Please note that, although the application was originally submitted by Dave and Ray Wise and M. Grindstaff, the lease is to Dave and Ray Wise. The Applicants advised us that Mr. Grindstaff is no longer interested in the project. If a contract is approved, it should be with Dave and Ray Wise as Operators.

This examination was made without referral from Washington, as the examiners were in the vicinity on other inspections.

We recommend approval of a contract, on a unit-cost basis as outlined in the report.

Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION V

V. J. Lynch, Member
Bureau of Mines

RAL/sm
cc:
Lynch
Shirley
Files

RECEIVED
JUN 15 1955

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FIELD EXAMINATION REPORT
REGION V

On

DMEA-3801 (mica) WONEY MINE
Cleveland County, N. C.

BY

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

May 31, 1955

RECEIVED
JUN 15 1955

FIELD EXAMINATION REPORT
ON
DMEA-3801 (mica) TONEY MINE

Applicants: Dave and Ray Wise, Route # 3, Newland, North Carolina

Recent stripping and one 10-foot test pit has resulted in the recovery of about 1000 pounds of "run-of-mine" book mica from this deposit. The mica is of excellent quality and additional reserves appear to be present. Exploration assistance is recommended.

The deposit was examined on May 31, 1955. Messrs. Dave Wise, Ray Wise, and Charles Dillinger and Fred Toney accompanied the examiners on the inspection which required two hours.

The Toney Mine is in the western edge of Cleveland County, 2.5 airline miles S. 66° E. of Ellenboro, North Carolina. The prospect is in a cultivated field and is readily accessible.

The applicants have had considerable mica mining experience and appear competent to conduct the proposed work. Area included in their lease is adequate for the proposed work. A new lease and 6 copies of new Owner's Consent to Lien are attached. When the necessary information has been obtained from the lease, it should be returned to the applicants. Note

There are no facilities on the leased area. Work accomplished to date consists of a trench 20 feet wide, 8 feet deep and 50 feet long, which has been cut along the strike of the pegmatite. One 10-foot test pit has been sunk from the floor of the trench on the pegmatite.

The trench exposes pegmatite on its strike for a length of 40 feet. The pegmatite strikes N. 80° E., dips 65° SE., is from 5 to 6 feet thick, and is disconformable to the mica sillimanite schist wall rock. It is fine to medium in texture and is composed of soda feldspar, scattered fine quartz and muscovite. The mica is very abundant, although mostly in small sizes. Inclusions of wall rock are common.

The mica is ruby colored, clear, hard, and free splitting. About 50 percent is flat "A" and the remainder is flat. Bent and cracked books are not common. The property owner reports that during trenching and sinking of the one test pit approximately 1000 pounds of "run-of-mine" book mica was recovered. Books which weighed up to 20 pounds are reported, and the examiners saw processed mica in the possession of the property owner which measured 4" x 6" and was of "good stained" quality.

The Examiners believe this deposit warrants additional exploration. We recommend that the existing 10-foot test pit be trimmed and cribbed to the original ground surface (18 ft.), 30 feet of new shaft sunk on the pegmatite, and 50 feet of level driven from the shaft.

Estimated Cost:

Toolhouse		$75.00
Powder Magazine	36.00 ~~25.00~~	
Exploder Magazine	14.00 ~~13.00~~	~~$113.00~~ 115.00

1 mo. Trim and crib existing test pit and cut to original ground surface, 18 ft. @ $7.50/ft. $135.00 135.00

Sink 30 feet of new shaft (15 shifts)

3/4 month

Labor:

1 - miner @ $1.50/hr.	180.00
1 - hoistman @ $1.25/hr.	150.00
1 - laborer @ $1.00/hr.	120.00

Equipment (rental)

Compressor and drill @ $220/mo.	165.00
Hoist @ $50/Mo.	37.50

Supplies:

Drill steel	50.00	
Explosives	100.00	
Gasoline and oil	60.00	
Timber, 2 M b. f. @ $65/M	125.00 ~~130.00~~	
Small tools	~~50.00~~	
Miscellaneous	45.00 92.50	
Insurance & Social Security	75.00	~~$1,365.00~~
	1200.00	

Drive 50 feet of drift (25 shifts)

1 1/4 mos.

Labor:

1 - miner @ $1.50/hr.	300.00
1 - hoistman @ $1.25/hr.	250.00
1 - Laborer @ $1.00/hr.	200.00

Equipment (rental)

Compressor, drill and jackleg @ $230/Mo.	287.50
Hoist @ $50/Mo.	62.50

Supplies:

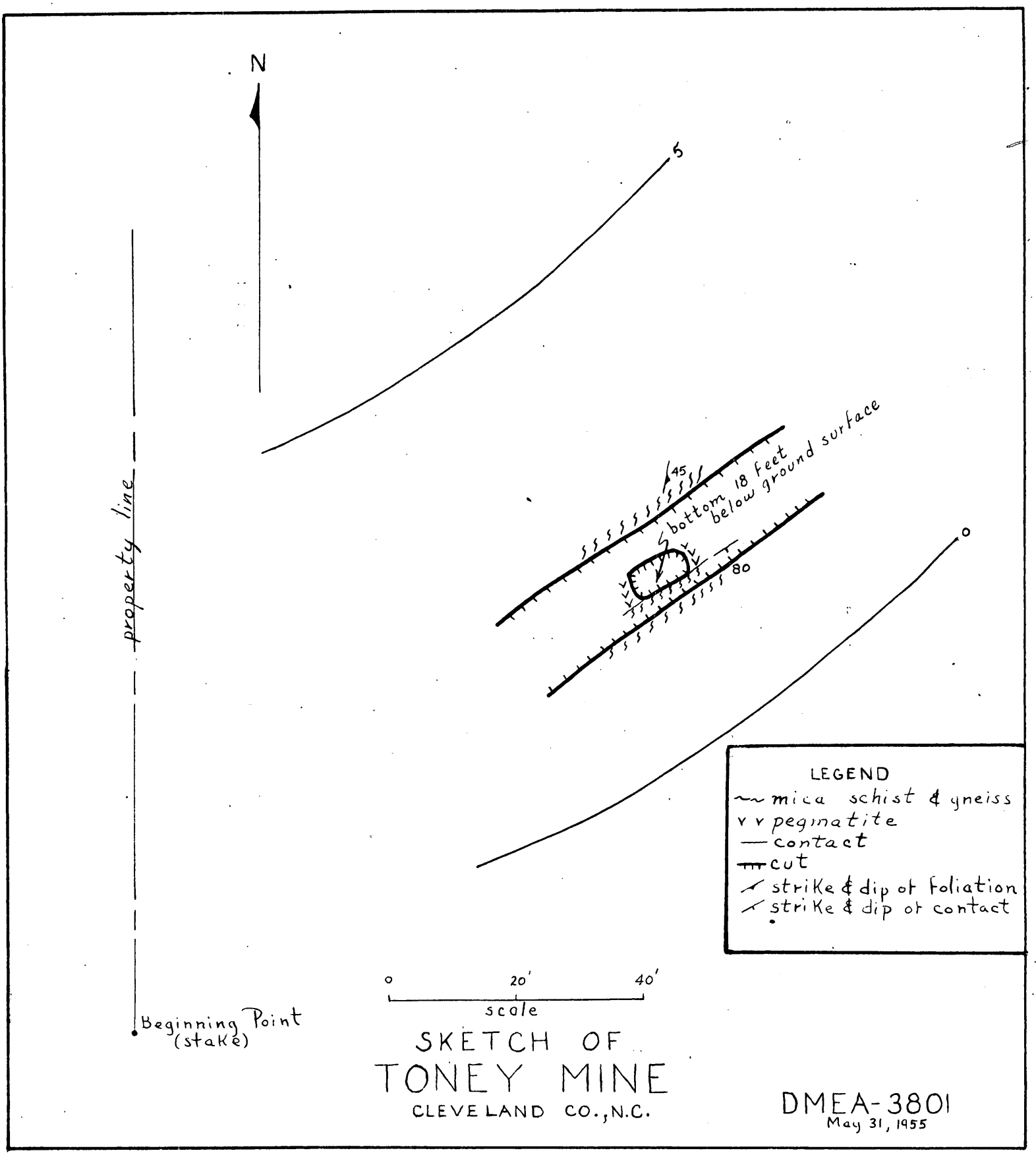
Drill steel	50.00	
Explosives	150.00	
Gasoline and oil	80.00	
Small tools and pipe	50.00	
Miscellaneous	100.00	
Insurance and Social Security	120.00	$1,650.00

Estimated Total cost..... ~~$3,108.00~~ $3100.00

June 9, 1955. Gov't Contribution $2325.00

Total Time = 3 mos

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



SKETCH OF
TONEY MINE
CLEVELAND CO., N.C.

DMEA-3801
May 31, 1955

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

May 19, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-3801 (mica)

Applicant: Dave Wise, Ray Wise, and Mack Grindstaff

Name and Location of Property: Toney Mine
Cleveland County, North Carolina

Date Application Rec'd. by Br. of Ceramic & Fertilizer Mtls.: 5/6/55

Comments:

1. Proposed exploration is not explicit and the estimate of expenditures should be made on a unit-cost basis.

2. Although it would be desirable for the applicant to furnish more complete information, it appears that a visit by an examiner would furnish more useful data.

3. The applicants report that Fred Toney recently sold about $800 worth of ruby mica from this property.

Recommendation:

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

Signed

W. F. Dietrich

600

MAY 1 2 1955

Messrs. Dave Wise, Ray Wise and
Mack Grindstaff
Route 3
Newland, North Carolina

Re: Docket No. DMEA-3501 - Mica
Dave Wise, Ray Wise and
Mack Grindstaff
Tomey Mine
Cleveland County, North Carolina

Gentlemen:

Reference is made to your application for exploration assistance, dated April 30, 1955, on the Tomey Mine.

It is noted that the property under lease to you comprises a plot of ground 200 feet long by 60 feet deep containing .27 acre. This acreage is inadequate for an exploration project. The smallest area acceptable to DMEA would be the area benefited by the exploration work, the minimum being five acres.

If you are able to acquire this additional acreage, you should have your lease amended. You should then submit the new lease together with six executed copies of the enclosed Owner's Consent to Lien forms. A sketch or map of the property showing the location of the proposed work with reference to the boundary of the property would also be appreciated.

Sincerely yours,

Lawrence G. Houk, Chief
Nonmetallic Minerals Division

Enclosures 7

JHopkins:gad 5/11/55
Copy to: Admr. R. File
Docket
Field Team, Region V
Mr. Dietrich, 3061
Mr. Killagaard, 5222
Mr. Houk

IN REPLY REFER TO:

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 12 1955

May 10, 1955

Re: DMEA-3801
Wise, Wise and Mack
Grindstaff
Toney Mine
Newland, N. C.
$3,295.00 - Mica

Memorandum

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

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

Subject: Review of application

The application is brief but to the point. If $800.00 worth of good mica was won from a small scale working there might be more.

A Field Team report is recommended.

N. E. Nelson

N. E. Nelson

NENelson:hlm
G-5/10/55

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

IN REPLY REFER TO:

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

May 10, 1955

Re: DMEA-3601
Wise, Wise and Mack
Grindstaff
Toney Mine
Rowland, N. C.
$3,295.00 - Mica

Memorandum

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

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

Subject: Review of application

The application is brief but to the point. If $800.00 worth of good mica was won from a small scale working there might be more.

A Field Team report is recommended.

N. E. Nelson

N. E. Nelson

NENelson:hlm
G-5/10/55

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DMEA (3)
Docket file
W. F. Dietrich, 3061 Interior

IN REPLY REFER TO:

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

Defense Minerals Administration
RECEIVED
MAY 12 1955

May 10, 1955

Re: DMEA-3001
Wise, Wise and Mack
Grindstaff
Tomay Mine
Newland, N. C.
$3,295.00 - Mica

Memorandum

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

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

Subject: Review of application

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A Field Team report is recommended.

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