DMEA 3823

DOCKET INDEX

ACTION DOCUMENTS

1. APPLICATION DATE RECEIVED 5-20-55

2. CONTRACT DATE 8-15-55

3. TERMINATION AGREEMENT: DATE

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

4. CERTIFICATION DATE

5. AUDIT REPORT DATE

6. AMENDMENTS - NUMBERS DATE

Docket Co

RECEIVED

SEP 14 1955

MF-200A
(Revised June 1954)

Docket No. DMEA-[illegible]

Commodity Mica

Contract No. Idm-E 855

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

It is agreed this AUG 15 1955 day of ....., 195...., between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2] John Phillips

whose mailing address is Spruce Pine, North Carolina

hereinafter called the "Operator," as follows:

ARTICLE 1. *This contract* is entered into under the authority of the Defense Production Act of 1950, as amended. It consists of this form (MF-200A), the attached Exhibit "A," Annex I, and map.

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

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

(b) The Operator represents and undertakes that:

(1) The Operator is the [4] lessee of [5] the mineral rights in the land, in possession and entitled to possession for all of the purposes of this contract, under and by virtue of a [6] lease, [7] 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 ....Gas.... The work to be performed is described in Exhibit "A." The Operator on or before OCT 15 1955 shall commence the work, and on or before January 20, 1956 (unless the Operator's obligation to complete the work is terminated—see Article 8) shall complete the work.

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

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

ARTICLE 5. *Contribution by the Government.*—A fixed cost for each unit of work to be performed (per foot of drifting, per foot of drilling, per hour of operations, etc.) is hereby agreed upon, and is set forth in Exhibit "A" in connection with the estimated total cost of the project in the sum of $5,000.00 The Government will contribute 75 percent of the fixed unit costs as work is performed, in a total sum not in excess of $3,222.00: *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.

JOHN PHILLIPS
(Operator)

By John Phillips

THE UNITED STATES OF AMERICA

By C. Mittendorf
Administrator, Defense
Mineral Exploration
Administration

Hoffland
"Appd. Sol. Off."
Anderson
F. L. Kinsman
Talbot
Martin
Jackson

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

.....

[CORPORATE SEAL]

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

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SEP 14 1955

EXPLORATION PROJECT CONTRACT
JOHN PHILLIPS
DOCKET NO. DMEA-3823

ANNEX I

The land referred to in Article 2 of the contract form is known as the Laws Prospect. The prospect is located on the east side of Bluerock Knob, 3.2 airline miles S 35° W of Micaville, Yancey County, North Carolina, and is described as follows:

BEGINNING on a Black Gum tree located 220 feet Northeast from the center of what is known as the Laws Prospect and runs 250 feet North; thence 250 feet East; thence 500 feet South; thence 500 feet West; thence 500 feet North; thence 250 feet East to a point of closing, containing 5 3/4 acres, more or less.

EXPLORATION PROJECT CONTRACT
JOHN PHILLIPS
DOCKET NO. DMEA-3823

EXHIBIT "A"

Description of the Work

Exploration for concentrations of strategic mica shall be accomplished in the area indicated on the map entitled "Sketch of Laws Pros. Yancey Co., N. C. DMEA-3823 (mica) June 17, 1955," attached hereto and made a part hereof, as follows:

1. Construct:

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

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

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

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

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

2. Rehabilitate the existing 40-foot stope by removing 20 feet of muck and slabbing sufficiently to accommodate a 2-compartment shaft.

3. Sink a 2-compartment shaft on the pegmatite an additional 30 feet.

4. Explore the pegmatite by driving from the shaft not more than 80 feet of drifts and/or crosscuts.

The rehabilitated shaft (item 2), the additional shaft (item 3), and the drifts and/or crosscuts (item 4) shall be timbered as necessary and shall be of 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.)

Construction - Toolhouse 1/	$ 78.00	
Powder Magazine 1/	25.00	
Exploder Magazine 1/	13.00	
Rehabilitation - 40 feet of existing stope @ $12.50/ft.	500.00	
Sinking - 30 feet of additional shaft @ $48.00/ft.	1,440.00	
Driving - 80 feet of drifts and/or crosscuts @ $38.00/ft.	3,040.00	
Estimated total cost of project		$5,096.00
Government participation @ 75%		$3,822.00

1/ The completed work constitutes the unit.

MF-203
Revised March 24, 1955

RECEIVED
JUL 14 1955

For Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator
Docket No. DMEA-
Contract No. Idm-E 855
Contract Date AUG 15 1955

CONSENT TO LIEN

To the United States of America:

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

Beginning on a Black Gum tree located 220 feet Northeast from the center of that is known as the Lava Prospect and runs 250' North; thence 250' East; thence 500' South; thence 500' West; thence 500' North; thence 250' East to a point of closing, containing 5 3/4 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/

None.

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

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

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

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

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

5. Added provision: _____

Dated this 23 day of May, 1955.

W W Hennessee [Seal]

Ruby Hennessee [Seal]

The Northwestern Bank [Seal]
by Edward Vice Pres

I, W. G. Young Feldspar Milling Co. by Carol Rogers, Jr. Asst. Treas. hereby certify that I am the ASST. SECRETARY (Secretary, etc.) of the corporation named herein; that EDWARD DUNCAN, who signed this agreement was then VICE-PRESIDENT. (President or Vice-President, etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

W G Young

[Corporate Seal]

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SEP 14 1955

MF-201
Revised March 24, 1955

For Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator John Phillips
Docket No. DMEA- 3823
Contract No. Idm-E 855
Contract Date AUG 15 1955

SUBORDINATION AGREEMENT

To the United States of America:

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

BEGINNING on a Black Gum tree located 220 feet Northeast from the center of what is known as the Laws Prospect and runs 250 feet North; thence 250 feet East; thence 500 feet South; thence 500 feet West; thence 500 feet North; thence 250 feet East to a point of closing, containing 5-3/4 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. Subordinates whatever right, claim, lien or encumbrance the undersigned may have in or against the land to whatever interests, equities, and rights the Government may acquire under the contract (a) with respect to purchased property in or upon the land to the cost of which it has contributed, including the right to dismantle, sever, and remove it from the land; and (b) with respect to a percentage royalty on production from the land and a lien to secure the payment thereof; and

2. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflict with the provisions of this Subordination Agreement; and (b) to give advance notice of this Subordination Agreement to any transferee of the right, claim, lien, or encumbrance hereby subordinated; and

3. Consents to all amendments and assignments of the contract without notice thereof, and agrees that this Subordination Agreement shall extend and apply thereto.

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.

(OVER)

Dated this AUG 1 5 1955 day of _____, 195__.

THE NORTHWESTERN BANK [Seal]

By _____ [Seal]

C. P. Randolph, Trustee

_____ [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]

RECEIVED

SEP 14 1955

MF-201
Revised March 24, 1955

For Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator John Phillips
Docket No. DMEA- 3823
Contract No. Idm-E 855
Contract Date AUG 15 1955

SUBORDINATION AGREEMENT

To the United States of America:

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

BEGINNING on a Black Gum tree located 220 feet Northeast from the center of what is known as the Laws Prospect and runs 250 feet North; thence 250 feet East; thence 500 feet South; thence 500 feet West; thence 500 feet North; thence 250 feet East to a point of closing, containing 5-3/4 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. Subordinates whatever right, claim, lien or encumbrance the undersigned may have in or against the land to whatever interests, equities, and rights the Government may acquire under the contract (a) with respect to purchased property in or upon the land to the cost of which it has contributed, including the right to dismantle, sever, and remove it from the land; and (b) with respect to a percentage royalty on production from the land and a lien to secure the payment thereof; and

2. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflict with the provisions of this Subordination Agreement; and (b) to give advance notice of this Subordination Agreement to any transferee of the right, claim, lien, or encumbrance hereby subordinated; and

3. Consents to all amendments and assignments of the contract without notice thereof, and agrees that this Subordination Agreement shall extend and apply thereto.

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.

(OVER)

Dated this AUG 1 5 1955 day of _____, 195__.

FELDSPAR MILLING COMPANY, INC. [redacted]

By Carroll Rogers Jr [redacted]

_____ [redacted]

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]

Docket Copy
Surname:
Anderson
Houk
Chambers
Johnson

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 60

JUN 11 1956

Mr. John Phillips

Spruce Pine, North Carolina

Re: Docket No. DMEA-3823 - Miss
John Phillips
Laws Prospect
Yancey County, North Carolina
Contract No. Idm-E855

Dear Mr. Phillips:

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

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

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

Sincerely yours,

G. O. Mittendorf

Administrator

LGHouk:gad 4/18/56

Copy to: Mr. W. W. Hennessee and Mrs. Ruby Hennessee, 8 Sunset Trail, Asheville, N.C.
The Northwestern Bank, Burnsville, N.C.
Feldspar Milling Company, Inc. ~~(Attached to Field Team copies for forwarding)~~
Admr. R. File
Docket
Mr. Chambers
Field Team, Region V
Mr. Dietrich, 3061
Mr. Kiilsgaard, 5222
Mr. Houk

R.C.S.

Docket Copy
Surname:
Anderson
Houk
Chambers
Johnson

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

600

JUN 11 1956

Mr. W. W. Hennessee
8 Sunset Trail
Asheville, North Carolina

Re: Docket No. DMEA-3823 - Mica
John Phillips
Laws Prospect
Yancey County, North Carolina
Contract No. Idm-E855

Dear Mr. Hennessee:

Reference is made to your recent letter advising this office that the mining lease to John Phillips has been automatically terminated for non-performance.

Transmitted herewith for your information is a copy of the closing letter issued as a result of the exploration program on the Laws Prospect. It is not the intention of the Government to make a certification of discovery. Therefore, the Government retains no claim or lien against the property nor is future production subject to any claim.

The Northwestern Bank of Burnsville, North Carolina, and the Feldspar Milling Company, Inc., will be advised that the Government has no claim upon any production from the land described in the contract.

Sincerely yours,

G. O. Mittendorf

Administrator

Enclosure

LGHouk:gad 4/18/56
Copy to: Admr. R. File
Docket
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Chambers
Mr. Houk

R.C.S.

Docket Copy
Surname:
Anderson
Houk
Chambers
Johnson

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

600

JUN 11 1956

The Northwestern Bank

Burnsville, North Carolina

Re: Docket No. DMEA-3823 - Mica
John Phillips
Laws Prospect
Yancey County, North Carolina
Contract No. Idm-E855

Gentlemen:

Transmitted herewith for your information is a copy of a closing letter to the Operator of the Defense Minerals Exploration Administration contract mentioned above.

Sincerely yours,

C. O. Mittendorf

Administrator

Enclosure

LGHouk:gad 4/18/56
Copy to: Admr. R. File
Docket
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Chambers
Mr. Houk

R.C.L.

Docket Copy
Surname:
Anderson
Houk
Chambers
Johnson

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

600

JUN 11 1956

Feldspar Milling Company, Inc.

Bowditch, North Carolina

Re: Docket No. DMEA-3823 - Mica
John Phillips
Laws Prospect
Yancey County, North Carolina
Contract No. Idm-E855

Gentlemen:

Transmitted herewith for your information is a copy of a closing letter to the Operator of the Defense Minerals Exploration Administration contract mentioned above.

Sincerely yours,

G. O. Mittendorf

Administrator

Enclosure

LGHouk:gad 4/18/56
Copy to: Admr. R. File
Docket
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Chambers
Mr. Houk

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

RECEIVED
JUN 8 1956

June 6, 1956

Mr. W. E. Anglin
Attorney at Law
Burnsville, North Carolina

Re: DMEA-3823, Idm-E855 (Mica)
John Phillips
Laws Prospect
Yancey County, North Carolina

Dear Mr. Anglin:

Reference is made to your letter of June 5 in behalf of your client Mr. W. W. Hennessee.

The period in which the Government might certify a discovery on the Laws prospect terminated on May 28, 1956. As it was not certified, the production lien is automatically terminated, as of that date.

It is our understanding that no mica of value was produced during the period from August 15, 1955 to May 28, 1956.

A copy of the closing letter will be sent to Mr. Hennessee by our Washington office, in the near future.

Very truly yours,

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

RAL/mg
cc
Operating Committee (2)
Lynch
Files

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

RECEIVED
MAY 7 - 1956

May 2, 1956

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region V - Knoxville

Subject: DMEA-3823, Idm-E855, Mica, John Phillips, Applicant
Laws Prospect, Yancey County, N. C.

Attached is the original and two copies of a letter from John Phillips, Spruce Pine, N. C., stating that no mica has been sold from the Laws Mine. The letter is in response to one Mr. Phillips received from Mr. Mittendorf concerning the sale of mica, from the subject contract.

Robert A. Laurence

Robert A. Laurence

RECEIVED
MAY 7 - 1956

Spruce Pine, N. C.
April 30, 1956

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

Re: DMEA-3823, Idm-E 855, Mica
Laws Prospect, Yancey Co., N. C.

Dear Mr. Laurence:

We have received a letter from Mr. Mittendorf asking that an accounting be made on approximately 700# mine-run mica which we recovered at the Laws Mine.

This mica was scrap and we did not bring it off the mountain because it's value would not have paid the hauling expense. No sale was made of any mica from the Laws Prospect.

Very truly yours,

John Phillips

John Phillips

P/b

RECEIVED
MAY 1 - 1956
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

Docket Copy
Surname:

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

APR 26 1956

Mr. W. W. Hennessee
8 Sunset Trail
Asheville, North Carolina

Re: Docket No. DMEA-3823 - Mica
John Phillips
Laws Prospect
Yancey County, North Carolina
Contract No. Idm-E855

Dear Mr. Hennessee:

Reference is made to your recent letter advising that the mining lease to John Phillips has been terminated for non-performance and requesting that the lien against the property be cancelled.

It is not our intention to certify the project as a discovery thus creating a ten-year production lien upon the land described in the contract. The period in which the Government may certify does not terminate until May 28, 1956. Before the case can be closed it will be necessary to determine whether any royalty is due the Government on the mica produced during the life of the contract. Mr. John Phillips has been requested to supply this office with information on the value of production, and to pay any royalty that may be due. When this is received you will be advised, and a copy of the closing letter removing the lien will be sent to you. We expect to have Mr. Phillips' reply within the next 30 days.

Sincerely yours,

C. O. Mittendorf

Administrator

LGHouk:gad 4/24/56
Copy to: Admr. R. File
Docket
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

Docket Copy
Surname:

Hank Selfridge
H Johnson

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

APR 26 1956

Mr. John Phillips

Spruce Pine, North Carolina

Re: Docket No. DMEA-3823 - Mica
John Phillips
Laws Prospect
Yancey County, North Carolina
Contract No. Idm-E855

Dear Mr. Phillips:

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

Your final report indicates that a total of about 700 pounds of "mine-run" mica was produced during the project operation. Please report to this office whether the mica is salable or is without value. Whether the mica is salable as strategic, punch or scrap mica, or valueless, an accounting must be made to the Government. Any royalty due, however small, must be paid before the case can be closed. Under Article 7(b) of the subject contract you are obligated to pay the Government a royalty on all minerals mined or produced from the land "...regardless of any certification of discovery or development, from the date of the contract until the lapse of time within which the Government may make such certification".

If you have sold any mica or other minerals produced during the project or during the six-month period after November 28, 1955, please forward a royalty check to Mr. Robert A. Laurence as you have on other projects in the past.

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

Sincerely yours,

C. O. Mittendorf

Administrator

LGHouk:gad 4/25/56
Copy to: Admr. R. File
Docket
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

R.S.J.

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

April 20, 1956

Project Summary Report

By: Walter C. Anderson

1. Docket No. DMEA-3823-Mica
Contract No. Idm-E855
Laws Prospect
Yancey County, North Carolina

Operator: John Phillips
Spruce Pine, North Carolina
Application:
Form MF-103(April 1952) received May 20, 1955
Work proposed:
Bulldoze access road, rehabilitate 80 feet of adit, sink 50 feet of winze and drive 80 feet of drifts.
Amount requested:
$7,900.00
Operator's property rights:
Mining lease for 10 years on the W. W. Hennessee property covering 5 3/4 acres, dated May 2, 1955.
Owner's Consent to Lien dated August 15, 1955
Subordination Agreement - The Northwestern Bank, dated August 15, 1955
Subordination Agreement - Feldspar Milling Company, Inc., dated August 15, 1955

2. Contract: Form MF-200A(June 1954) dated August 15, 1955
Work authorized:

Construction - toolhouse, powder and exploder magazines	$ 116.00
Rehabilitation - 40 feet of stope @ $12.50/ft.	500.00
30 feet of shaft @ $48.00/ft.	1440.00
80 feet of drifts and/or crosscuts	3040.00
Estimated total cost of project	$5096.00
Government participation @ 75%	$3822.00

Amendments:
none

Work completed:

Construction - toolhouse, exploder and powder magazines	$ 116.00
Underground rehabilitation	500.00
15 feet of shaft @ $48.00/ft.	720.00
80 feet of drifts @ $38.00/ft.	3040.00
Total accepted cost	$4376.00
Government participation	$3282.00

Work began on September 1, 1955 and was completed November 23, 1955.
Field Team Final Report received on December 22, 1955.
Operator's Final Report dated November 28, 1955, received December 22, 1955.
Production during operation - about 700 pounds "mine-run" block mica.
No mica sold and no royalty paid. Mica probably of too poor quality for sales.
No equipment was purchased under the contract.

3. Audit: Report of Review issued December 20, 1955.

Accepted cost	$4376.00
Government participation	$3282.00

4. Certification of Discovery:
none issued...Mica produced was small and of poor quality, and no indication of good quality or abundant mica reserves.

5. Comments:
How conducted:
all of the work in which the Government participated was acceptable.
Operation:
good
Engineering:
only as much work was done as was necessary to establish that no concentrations of mica existed in this deposit. Operator submitted satisfactory reports.
Geological premise:
the premise that a mica-bearing pegmatite exposed in the accessible part of an inclined stope would continue laterally and in depth did not materialize.
Geological criteria upon which work was based:
1. Unzoned pegmatite, elongated tabular in form, 3 to 5 feet thick, conformable to biotite gneiss country rock and weathered to less than 10 feet from surface.

2. Mica - ruby colored, hard, flat, free-splitting and occurring in moderately large sizes. Most is of strategic quality.
3. Past production - no data

Criteria developed during project:

1. Pegmatite narrowed from 3 feet in thickness to 4 to 8 inch stringers. Consists of sodic-plagioclase, quartz and muscovite.
2. Country rock consists of biotite, hornblende and quartz
3. Mica - small and poor in quality.

Future possibilities:

none because of narrowing of pegmatite and the poor quality of mica and sparse occurrence.

Recommendations:

The Nonmetallic Minerals Division concurs in the Field Team's recommendation not to issue a certification. The commodity members of the Geological Survey and Bureau of Mines agree.

Walter C. Anderson

Walter C. Anderson
Nonmetallic Minerals Division

R m Ea
3823

RECEIVED
APR 16 1956

8 Sunset Trail
Asheville
North Carolina

Mr. C. O. Mittendorf, Administrator
Defense Minerals Exploration Administration
Department of Interior
Washington 25, D. C.

In re: John Phillips Lease

Under date of 2 May 1955 my wife and I, as owners, executed a Mining Lease to John Phillips on a 5 3/4 acre tract of land in Crabtree Township, Yancey County, North Carolina, on which was located the Laws Prospect. Thereafter, we executed the Owner's Consent so that the Lessee could obtain a loan for mining on that property.

No mining has been done on the property described in the Lease since about November 1955. The Lease, under its terms, automatically terminated for failure of the Lessee to conduct mining operations for a period of 60 days.

The 5 3/4 acre tract covered by the aforesaid Lease was a part of an 1100 acre boundary. We have sold and conveyed the entire boundary, including the 5 3/4 acre tract and have been required to deposit funds as a protection against any government lien arising by the Owner's Consent executed by us.

It is most respectfully requested that the lien, if any, on this 5 3/4 acre tract be canceled at the earliest possible time so that I may receive the funds being held by reason of the possibility of an outstanding lien.

Sincerely yours,

W W Hennessee

W. W. Hennessee

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

January 5, 1956

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA - 3823 (mica)

Applicant: J. Phillips

Name and Location of Property: Laws prospect, Yancey County, N. C.

Contract Number: Idm-E 855

Date of Field Team Report: 12/19/55

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 12/30/55

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

Comments:

1. No strategic quality mica was encountered in the pegmatite dike.

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

3. Expenditures -

Total approved	$5,096
Total cost	4,376
Gov't. share of the cost	3,282
Value of production during operation	None

Recommendation:

I concur with the field team's recommendation.

RECEIVED
JAN 9 1956

W. F. Dietrich

W. F. Dietrich

IN REPLY REFER TO:

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

January 2, 1956

Re: DMEA 3823 Idm E855
John Phillips
Laws prospect
Yancey County, N. C.
$5,096.00 - Mica

Memorandum

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

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

Subject: Review of Final Field Team report.

The work program approved for this project was estimated to cost $5,096.00. The work completed consists of:

Rehabilitation Shaft sinking 15 ft. Drifting 81 ft. No mica was sold and no royalty paid	Cost $4,376.00

The pegmatite was found to be essentially bare of strategic mica.

Because of the poor quality of the mica produced by the exploratory work and lack of abundant indicated reserves the examiners and the Field Team recommend that no certificate of discovery be issued.

I concur with the recommendation.

N. E. Nelson

N. E. Nelson

RECEIVED
JAN 3 1956

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

RECEIVED
DEC 22 1955

December 20, 1955

Memorandum

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

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

Subject: Final Reports, DMEA-3823, Idm-E855 (Mica)
John Phillips, Spruce Pine, North Carolina
Laws Prospect, Yancey County, North Carolina

Enclosed are four copies each of the Field Team and Operator's final reports on the subject exploration project.

We agree with the recommendation that certification of discovery should not be issued.

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

L. E. Shirley
L. E. Shirley, for V. J. Lynch
Member, U. S. Bureau of Mines

Enclosures 8

RECEIVED
DEC 22 1955

Spruce Pine, North Carolina
November 28, 1955

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

Re: DMEA-3823, Idm-E 855 (Mica)
Laws Prospect
Yancey County, North Carolina
Final Report

Dear Mr. Laurence:

Work began on the above project on September 1, and was completed on November 23, 1955.

We moved in equipment and began rehabilitation work on the old shaft on Sept. 1. Forty feet of existing shaft had to be cleaned out and timbered. From the bottom of this old shaft, we sank an additional fifteen feet, running completely out of vein. Upon advice from the field team, we turned off at the 15' level with a drift and drove a total distance of 80'. At about the 30' distance in the drift we began to pick up some small scrap mica, and continued to recover some scrap and poor quality mica up to about 60' in the drift. The vein began to narrow at this point and by the end had almost pinched out. We recovered a total of 600-700# of scrap and poor quality mica from the entire operation.

No particular difficulty was encountered. The material was rock and slate and the drift was in vein all of the 80'. Work was discontinued upon completion of the contract, as we did not deem it advisable to continue.

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

Very truly yours,

John Phillips

John Phillips

P/b

RECEIVED
DEC 1 1955
Knoxville, Tenn.

RECEIVED
DEC 28 1955

Spruce Pine, North Carolina
November 28, 1955

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

Re: DMEA-3823, Idm-E 855 (Mica)
Laws Prospect
Yancey County, North Carolina
Final Report

Dear Mr. Laurence:

Work began on the above project on September 1, and was completed on November 23, 1955.

We moved in equipment and began rehabilitation work on the old shaft on Sept. 1. Forty feet of existing shaft had to be cleaned out and timbered. From the bottom of this old shaft, we sank an additional fifteen feet, running completely out of vein. Upon advice from the field team, we turned off at the 15' level with a drift and drove a total distance of 80'. At about the 30' distance in the drift we began to pick up some small scrap mica, and continued to recover some scrap and poor quality mica up to about 60' in the drift. The vein began to narrow at this point and by the end had almost pinched out. We recovered a total of 600-700# of scrap and poor quality mica from the entire operation.

No particular difficulty was encountered. The material was rock and slate and the drift was in vein all of the 30'. Work was discontinued upon completion of the contract, as we did not deem it advisable to continue.

We wish to thank the field team for their assitance on this project. If further details are necessary, please contact us.

Very truly yours,

John Phillips

John Phillips

P/b

RECEIVED
DEC 28 1955

Spruce Pine, North Carolina
November 28, 1955

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

Re: DMEA-3823, Idm-E 855 (Mica)
Laws Prospect
Yancey County, North Carolina
Final Report

Dear Mr. Laurence:

Work began on the above project on September 1, and was completed on November 23, 1955.

We moved in equipment and began rehabilitation work on the old shaft on Sept. 1. Forty feet of existing shaft had to be cleaned out and timbered. From the bottom of this old shaft, we sank an additional fifteen feet, running completely out of vein. Upon advice from the field team, we turned off at the 15' level with a drift and drove a total distance of 80'. At about the 30' distance in the drift we began to pick up some small scrap mica, and continued to recover some scrap and poor quality mica up to about 60' in the drift. The vein began to narrow at this point and by the end had almost pinched out. We recovered a total of 600-700# of scrap and poor quality mica from the entire operation.

No particular difficulty was encountered. The material was rock and slate and the drift was in vein all of the 80'. Work was discontinued upon completion of the contract, as we did not deem it advisable to continue.

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

Very truly yours,

John Phillips

John Phillips

P/b

UNITED STATES
DEPARTMENT OF THE INTERIOR

COPY

DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~

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

December 20, 1955

Memorandum

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

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

Subject: Final Reports, DMEA-3823, Idm-E855 (Mica)
John Phillips, Spruce Pine, North Carolina.
Laws prospect, Yancey County, North Carolina.

Enclosed are four copies each of the Field Team and Operator's final reports on the subject exploration project.

We agree with the recommendation that certification of discovery should not be issued.

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

/s/ L. E. Shirley, for V. J. Lynch
Member, U. S. Bureau of Mines

Enclosures 8

Reviewed by
DMEA OPERATING COMMITTEE
12-30-55
(date)

RECEIVED
DEC 23 1955

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT

On

DMEA-3823, Idm-E855 (mica) LAWS PROSPECT
Yancey County, North Carolina

BY

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

and

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

December 19, 1955

Reviewed by
DMEA OPERATING COMMITTEE
12-30-55
(date)

FINAL REPORT
On
DMEA-3823, Idm-E855, LAWS PROSPECT
(mica)

RECEIVED
DEC 28 1955

Operator: John Phillips, Spruce Pine, North Carolina

Location: On the east side of Bluerock Knob, 3.2 airline miles S 35° W. of Micaville, Yancey County, N. C.

Work under this contract has been conducted in a satisfactory manner. Mica of strategic grade was scarce and small. It is the field examiners' recommendation that this mine not be certified because of a lack of indicated reserves.

The Operator began work on this mine September 1, 1955 and it was completed November 23, 1955. The Operator carried out the contract in a very competent manner. The shaft was rehabilitated and sunk an additional 15 ft. At the bottom of the new shaft the pegmatite thinned to stringers. A drift trending N 10° E for 30 ft, and due N for 51 ft was driven following the pegmatite from the shaft bottom. At 30 ft in the drift is a stope 10 ft wide, 12 ft high, and 10 ft long.

About 700 lbs. of "mine-run block" mica was reported to have been produced. The pegmatite was essentially bare of mica from the shaft to the 30 ft point where some small sized mica was produced. Scrap mica persisted through-out the drift for about 30 ft. From the 60 ft point to the 80 ft point, the pegmatite narrowed gradually to stringers.

Pegmatite narrowed from 3 ft thick down to 4 ins. going down the shaft. This narrowing down in a vertical section persisted throughout the drift. At the 80 ft point in the heading are pegmatite stringers 4 to 8 in. wide with a brecciated appearance. Mica at this point is small, severely ruled, ruby with biotite inclusions.

Structurally, the pegmatite appears to have been offset about 1 ft at the 51 ft point in the drift. Slickensides and ruled mica at the 80 ft point in the drift, with vertically dipping stringers show vertical dispacement.

Mineralogically, the stringers and pegmatite consists primarily of sodic-plagiocalse, quartz, and musocivte. The country rock consists of biotite, hornblende, and quartz.

Although the mica was reported good at the surface in previous reports, little strategic mica has been produced during the new exploration. Some reserves may be in the top of the drift, because the pegmatite widens goin g up in a vertical section. Along this line some stoping has been done in which some mica was obtained, but it was only an increase in the amount of poor mica. Apparently the quality of mica will not increase with height in a

stoping operation.

On the basis of the small, poor quality mica produced by exploration, and with no indication of good quality or abundant reserves, the field examiners recommend that the Laws Prospect not be certified.

Expenditures:

(a)	Total contract -	$5,096.00
	Government's share	3,822.00
	Operator's share	1,274.00
	Total Spent	4,376.00
	Government's share	3,282.00
	Operator's share	1,094.00
	Government's share unexpended	340.00
	Royalty paid	None

December 19, 1955.

Lawrence E. Shirley, Mining Engineer
Bureau of Mines

and

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

z

INTERIM REPORT

RECEIVED
DEC 19 1955

DMEA-3823, Idm-E855 (mica) LAWS PROSPECT

OPERATOR: John Phillips, Spruce Pine, N. C.

LOCATION: On the east side of Bluerock Knob, 3.2 airline miles S35°W of Micaville, Yancey Co., N. C.

This contract has been completed without making a worthwhile discovery of strategic mica. The operator does not indicate that any additional exploration will be attempted at his own expense.

A brief description of work accomplished consists of rehabilitation of an existing 40 foot stope, sinking 15 feet of shaft from the bottom of the stope and driving a total of 80 feet of drift and crosscuts from the shaft bottom to the north. The thickness of the body varied from a few inches to 5 feet in the drift and contained scattered mica in the thicker portions. About 500 pounds of block mica was recovered from all work completed.

All work was completed satisfactorily and in accordance with terms of the contract. Timber was required in the rehabilitation and new shaft work, but was not required in the drift. Upon completion of the contract, some stoping and widening of the drift was attempted where the better mica occurred, but little mica resulted. The examiners are of the opinion that this mine will not warrant a recommendation for certification.

L. E. Shirley by E.R.

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

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

November 30, 1955

C

INTERIM REPORT

DMEA-3823, Idm-E-855 (mica) LAWS PROSPECT

OPERATOR: John Phillips, Spruce Pine, N. C.

LOCATION: On the east side of Bluerock Knob, 3.2 airline miles S35°W of Micaville, Yancey County, N. C.

Drifting continues on this contract and is now at 68 feet. The present drift direction is due north, and the last 17 feet have followed pegmatite which appears, in the roof section, to terminate near the heading. The present face, and a pegmatite section, was washed down for the Examiners and shows 3 pegmatite lenses aligned vertically near the east wall. The operator was advised to continue the drift in the present direction, and instructions were given for discontinuing work if pegmatite was not encountered in the next two rounds of holes. The operator, upon completion of the contract, plans to drive a raise and do some bench work in the drift floor at a point in the drift where the pegmatite contains the best mica. This work will be conducted at his own expense. Progress on this contract is satisfactory.

L. E. Shirley

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

RECEIVED
NOV 25 1955

S. C. Bergman

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

November 16, 1955

INTERIM REPORT

DMEA-3823, Idm-E855 (mica) LAWS PROSPECT

OPERATOR: John Phillips, Spruce Pine, North Carolina

LOCATION: On the east side of Bluerock Knob, 3.2 airline miles S35°W of Micaville, Yancey County, N. C.

Drifting continues on this contract and now totals 51 feet. All of the level work has been driven on the northward extension of the body. A narrow pegmatitic stringer was followed for about 34 feet, and at this point the body thickened from a few inches to about 5 feet. The present face shows from 2 to 3 feet of pegmatite narrowing toward the drift floor and enclosed by biotite gneiss country rock. About 300 pounds of mica of fair quality has been obtained from the thicker portion of the body. Twenty-nine feet of drift remains to be driven under contract, and the operator was instructed to continue driving to the north. Progress on this contract is satisfactory.

L. E. Shirley

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

K. H. Teague S. C. Bergman A. R. Taylor

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

November 2, 1955

RECEIVED
NOV 14 1955

RECEIVED
OCT 28 1955

INTERIM REPORT

DMEA-3823, Idm-E855 (mica) LAWS PROSPECT

OPERATOR: John Phillips, Spruce Pine, N. C.

LOCATION: On the east side of Bluerock Knob, 3.2 airline miles S35°W of Micaville, Yancey Co., N. C.

Drifting is underway on this contract and is now at 15 feet. The drift is being driven due north, and is following a narrow pegmatite along the same zone as that previously reported in the shaft. Material encountered is 4 to 6 inches thick and is composed of feldspar and quartz, and is barren of mica. The operator was advised to continue the drift in the present direction in an effort to pick up thicker pegmatite. Progress on this contract is satisfactory.

L. E. Shirley

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

K. H. Teague

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

October 19, 1955

RECEIVED
OCT 17 1955

INTERIM REPORT

DMTA-3823, Idm-E855 (mica) LAWS PROSPECT

OPERATOR: John Phillips, Spruce Pine, N. C.

LOCATION: On the east side of Bluerock Knob, 3.2 airline miles S35°W of Micaville, Yancey Co., N. C.

Vertical shaft sinking has been in progress on this contract since completion of rehabilitation and is now at 19 feet. The pegmatite has tapered from 3 feet to about 4 inches in 19 feet of vertical section, and shaft sinking was stopped at this point. The operator was instructed to turnoff from this bottom and start a drift to the north, following the narrow pegmatite present. Drift work is expected to get underway within the coming week. Progress on this contract is satisfactory.

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

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

October 5, 1955

INTERIM REPORT

DMEA-3823, Idm-E855 (mica) LAWS PROSPECT

OPERATOR: John Phillips, Spruce Pine, N. C.

LOCATION: On the east side of Bluerock Knob, 3.2 airline miles S35°W of Micaville, Yancey Co., N. C.

The starting date on this contract is September 6, 1955. Rehabilitation of an existing 40 foot stope from the surface has been completed, and sinking will get underway during the current week. Rehabilitation consisted of cleaning out loose muck and old timbers and retimbering to a total depth of 37 feet from the surface. The pegmatite as exposed in the bottom is 22 inches thick, but could not be examined clearly. Another visit will be made after sinking begins.

Equipment on the job consists of a 105 c.f.m. air compressor, gasoline-powered hoist, conventional hoisting frame and necessary hand tools.

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

L. E. Shirley

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

K. H. Teague

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

September 21, 1955

COPY - DMEA Op. Com

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

[redacted]

P. O. Box #431
Joplin, Missouri

September 19, 1955

Mr. Robert A. Laurence, Executive Officer
DMEA Field Team, Region IV
U. S. Geological Survey
Room 13, Postoffice Building
Knoxville 2, Tenn.

Re: Project Contract Idm-E855
DMEA-3823 (mica)

Dear Bob:

Forwarded herewith are copies of the cited contract received here this morning which I suppose were intended to be addressed to your office.

With best personal regards, I am

Sincerely yours,

Clinton C. Knox
Executive Officer
DMEA Field Team, Region IV

CCK/vks

cc: DMEA Op. Com (2)
General DMEA file

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

WASHINGTON 25, D.C.

RECEIVED
SEP 14 1955

September 12, 1955

Memorandum

To: Operating Committee, DMEA- Washington

From: Executive Officer, DMEA Field Team, Region V

Subject: Signed Contract - Idm-E855, DMEA-3823 (mica) John Phillips.

Transmitted are three signed copies of the subject contract, with two copies of subordination Agreements attached to each copy of the contract.

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

Robert A. Laurence

Robert A. Laurence

August 19, 1955

Mr. Sam Phillips calling Mr. F. L. Knouse -- Re: Docket No. DMEA-3823 - Mica
John Phillips
Laws Prospect
Yancey County, N. C.

Mr. Knouse: Did you get your problem thrashed out with General Services?

Mr. Phillips: They said we could sell 30 days provided we signed an agreement whereby we released the Government from all claims whatsoever as set forth in Revision 3.

Mr. Knouse: I do not know the background on it therefore I cannot offer any suggestions. You want to talk with me on DMEA-3823? I have asked Mr. Anderson who handles the case to get on the line to talk with you. Do you know Mr. Anderson?

Mr. Phillips: Yes. I know Mr. Anderson very well.

Mr. Anderson: Hello Mr. Phillips.

Mr. Phillips: Mr. Anderson on the Laws Prospect I sent you a Landlord's Consent to Lien signed by the Landlord himself and his wife. Now I have received some new Subordination Agreement forms from the Knoxville office.

Mr. Anderson: The contract was sent out on the 15th and Legal said it will be necessary to have Subordination Agreements from The Northwestern Bank and from Feldspar Milling Co., Inc. Both parties are named in the lease.

Mr. Phillips: Knoxville sent me a letter and said they are sending me the Subordination forms to have signed.

Mr. Anderson: Yes, I understand. Legal at first said the Owner's Consent to Lien forms would do, but when the contract was prepared Legal said we have to have the new subordination forms executed. I thought that we had everything, but Legal said the new forms were necessary.

Mr. Knouse: Mr. Phillips these Consent to Lien forms are different from the Subordination Agreement forms, and I understand there is a lien on this property, therefore, instead of Owner's Consent to Lien we would require the execution of Subordination Agreement forms. These particular parties signed the Owner's Consent to Lien not the subordination forms that is what your problem is. It is a metter of them subordinating their lien against the property to the Government of the royalty repayment provision in the contract.

Mr. Phillips: I thought that when you sent that other set of forms down from Washington that was all that was required.

Mr. Anderson: Yes. I thought so too, but Legal discovered that a Subordination Agreement was necessary.

Mr. Phillips: It will take a little time to get them signed and I wanted to get started before the 30 days GSA has given us.

Mr. Knouse: I regret the delay but I cannot see any alternative but to get the forms signed before the contract can be executed.

Mr. Phillips: Is there any way I can get around it?

Mr. Knouse: No I am afraid not Mr. Phillips.

Mr. Phillips: Ok. I will get it done.

Docket File
Surname:
Anderson
Talbert
Martin

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

AUG 15 1955

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

Subject: Docket No. DMEA-3823 - Mica
John Phillips
Lava Prospect
Yancey County, North Carolina

Dear Mr. Laurence:

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

As set forth in the enclosed memorandum from the Acting Assistant Solicitor, dated August 2, 1955, before presenting this proposed contract to the applicant, please obtain and attach to each copy of the contract a Subordination Agreement, Form MF-201, from both parties, the Northwestern Bank, and the Feldspar Milling Company, Inc. There are enclosed two prepared sets of seven copies each of the agreement for the signatures of the parties concerned.

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

After execution of the contract, the copies are to be distributed in the usual manner. Copies of memoranda from Mr. N. E. Nelson, dated July 15, 1955, and from Mr. W. F. Dietrich, dated July 25, 1955, Members of the Mica Commodity Committee, are enclosed.

Sincerely yours,

W. S. Martin
ACTING Chairman, Operating Committee (DB)

Approved:

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

Thor H. Kiilsgaard (DB)
Member, Geological Survey

Enclosures 24

WCAnderson:pk 8/11/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Anderson

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

AUG 2 1955

Memorandum

To: The Administrator, DMEA
Attention: Chief, Nonmetallic Minerals Division

From: Acting Assistant Solicitor, Defense Minerals

Subject: Docket No. DMEA-3823 (Mica) Application of John Phillips

The attached contract has been prepared from a draft submitted to this office on a routing slip dated July 19, received here July 20, and is approved for your signature subject to the following:

> It will be necessary to have subordination agreements from The Northwestern Bank and from Feldspar Milling Company, Inc., both of whom are among the parties named in the lease under which the Operator holds.

There is in the docket a consent to lien signed by the lessors and also signed by The Northwestern Bank and Feldspar Milling Company, Inc., but this consent to lien recites on its face that the bank and the milling company both hold liens against the land (trust deeds) which are and remain superior to the lien of the Government. Under these circumstances, the signatures of the bank and of the milling company on the consent to lien do not put the Government's lien in a prior position.

J. L. Hofflund
Acting Assistant Solicitor,
Defense Minerals

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

AUG 2 1955

Memorandum

To: The Administrator, DMEA
Attention: Chief, Nonmetallic Minerals Division

From: Acting Assistant Solicitor, Defense Minerals

Subject: Docket No. DMEA-3823 (Mica) Application of John Phillips

The attached contract has been prepared from a draft submitted to this office on a routing slip dated July 19, received here July 20, and is approved for your signature subject to the following:

> It will be necessary to have subordination agreements from The Northwestern Bank and from Feldspar Milling Company, Inc., both of whom are among the parties named in the lease under which the Operator holds.

There is in the docket a consent to lien signed by the lessors and also signed by The Northwestern Bank and Feldspar Milling Company, Inc., but this consent to lien recites on its face that the bank and the milling company both hold liens against the land (trust deeds) which are and remain superior to the lien of the Government. Under these circumstances, the signatures of the bank and of the milling company on the consent to lien do not put the Government's lien in a prior position.

J. L. Hofflund

J. L. Hofflund
Acting Assistant Solicitor,
Defense Minerals

JLHofflund:gjb
Copy to: DMEA Docket
Sol. Docket
F. L. Knouse (2)
J. L. Hofflund
Chron. File

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

RECEIVED
JUL 26 1955

July 25, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA 3823 (mica)

Applicant: John Phillips

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

Date of Field Team Report: July 8, 1955

Date Rec'd. by Br. of Ceramic and Fertilizer Materials: July 21, 1955

Field Team Recommendation: Recommend exploration program at a cost of $5,093.00

Comments:

1. This deposit appears to have possibilities for the development of strategic mica.

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.

W. F. Dietrich

W. F. Dietrich

IN REPLY REFER TO:

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

July 15, 1955

Re: DMEA 3823
John Phillips
Laws Prospect
Yancey Co., N. C.
$5,093.00 - Mica

Memorandum

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

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

Subject: Review of Field Team report

The work done, as shown on sketch map of this prospect, made by the examiners, bears little resemblance to that shown on the section submitted with the application. The name is the same.

This is an abandoned mine which, from hearsay, produced a "large amount" of good mica, and mica is now exposed at one place near the portal of the inclined drift.

The proposed program is too heavy, history and present appearance considered.

N. E. Nelson

N. E. Nelson

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 5 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

RECEIVED
JUL 13 1955

July 11, 1955

Memorandum

To: Operating Committee - DMEA - Washington

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

Subject: Field Examination Report, DMEA-3823 (mica) John Phillips, Spruce Pine, N. C. Laws Prospect, Yancey County, N. C.

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

This pegmatite is worth exploring and we recommend approval of a unit-cost contract, as outlined in the report.

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

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

Reviewed by
DMEA OPERATING COMMITTEE
7-15-55
(date)

RECEIVED
JUL 13 1955

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FIELD TEAM EXAMINATION
On

DMEA-3823, LAWS PROSPECT (mica)
Yancey County, N. C.

BY

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

and
Lawrence E. Shirley, Mining Engineer
U. S. Bureau of Mines

July 8, 1955

Reviewed by
DMEA OPERATING COMMITTEE
7-15-55
(GAGO)

FIELD EXAMINATION REPORT
On

RECEIVED
JUL 13 1955

DMEA-3823, LAWS PROSPECT (mica)

Applicant: John Phillips, Spruce Pine, N. C.

This deposit was mined 30 - 40 years ago. Recent bulldozing at the south portal exposes wall rock and a little pegmatite. Pegmatite is exposed in the accessible part of the inclined stope. Mica of strategic grade occurs, apparently in considerable quantites. This deposit appears to offer good possibilities for exploration.

The mined was examined on June 17, 1955. Mr. S. L. Phillips accompanied the examiners on the inspection which required two hours.

The Laws Prospect is on the east side of Bluerock Knob, 3.2 airline miles S. 35° W. of Micaville, Yancey County, North Carolina. Access is possible at all times by jeep.

The applicant has had considerable mica mining experience and is competent to conduct the proposed work. This property is under lease, the area of which is adequate. One of the property lines is shown on the attached sketch. This is the nearest line to the deposit.

There are no surface facilities on the property. Old workings consist of an inclined drift from which the pegmatite has been stoped up dip to the point where it pinches out. Dimensions of the stope are approximately 95' x 30' - 40' x 5'. Workings are only partly accessible as the deeper portion of the workings are flooded. Muck has fallen from the "lofts," and the portal of the incline is caved. The floor of the incline is about a -15° slope.

The pegmatite is from 3 to 5 feet thick, conformable to the biotite gneiss country rock, strikes N-S., dips vertical to steeply westward, coarse textured, and contains soda feldspar, perthite, quartz, muscovite, and red garnet, listed in order of abundance.

Structurally the pegmatite appears to be an elongated tabular body which plunges to the north at about 15°. The pegmatite is weathered to a depth less than 10 feet. No zoning is apparent. Mica is abundant where the pegmatite is exposed near the portal of the inclined drift.

The mica is ruby colored, hard, flat, free splitting, and appears to occur in moderately large sizes. Some contains brown mineral stains and some books are broadly ruled, however, most of the mica is of strategic quality.

This mine is reported to have been worked about World War I, with little work having been done since that date.

Reports are that the World War I operation resulted in the production of a "large amount" of good mica and that the operation was abandoned because of water. The operator had no pump.

Recently the applicants stripped the dump below (south) the portal and removed overburden to bedrock. The pegmatite is only a thin band where recently exposed. Additional stripping will be of no benefit as unweathered rock occurs within 5-10 feet of the surface.

The examiners believe that the best way to explore this deposit is to clean out and enlarge the opening above the portal (position shown on the attached sketch), and then deepen as a vertical or steeply inclined shaft to a total depth of 70 feet. This will involve removing muck and water from 20 feet of stope and slabbing and timbering a total of approximately 40 feet. After the rehabilitating is completed, the shaft should be deepened an additional 30 feet. From the shaft a total of 80 feet of drifts are recommended.

Few operational difficulties should be encountered. With an adequate pump, water should be no problem and ground conditions are good.

Estimated Cost:

Construct :	Toolhouse	$75.00
	Powder Magazine	25.00
	Exploder Magazine	13.00
Rehabilitate existing 40-foot stope by removing 20 ft. of muck, slabbing to 5' x 7', and timbering where necessary		500.00
Sink 30 feet of shaft on pegmatite (20 shifts)		12.50
Labor:		
1 - Miner @ $1.50/hr.	$240.00	
1 - Hoistman @ $1.25/hr.	200.00	
1 - Laborer @ $1.00/hr.	160.00	
Equipment (rental)		
Compressor, drill, & pump @ $240/Mo.	240.00	
Hoist @ $50/Mo.	50.00	
Supplies:		
Drill steel	50.00	
Explosives	100.00	
Timber @ $65/M	65.00	
Gasoline and oil	75.00	
Small tools and pipe	75.00	
Miscellaneous	87.00	
Compensation Ins.	60.00	
Unemployment Ins.& Social Sec.	24.00	
Tax, sale	14.00	
		1440.00

Drive 80 feet of drift (40 shifts)

Labor:

1 - Miner @ $1.50/hr.	$480.00	
1 - Hoistman @ $1.25/hr.	400.00	
2 - Laborers @ $1.00/hr.	640.00	
Equipment (rental)		
Compressor, drill, pump and Jackleg @ $250/Mo.	500.00	
Hoist @ $50/Mo.	100.00	
Supplies:		
Drill steel	100.00	1.25
Explosives	250.00	3.25
Gasoline and oil	150.00	1.87
Small tools and pipe	75.00	0.93
Miscellaneous	110.00	1.75
Compensation Ins.	150.00	1.87
Unemployment Ins. and Social Sec.	65.00	0.82
Sales tax	20.00	0.25
		$3040.00

38 pd

Estimated Total Cost of Project..... $5093.00

Examined: June 17, 1955

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

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

z

RECEIVED
JUL 14 1955

Spruce Pine, N. C.
July 12, 1955

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

Re: DMEA-3823, Laws Prospect

Dear Mr. Houk:

I am enclosing Consent to Lien Forms which you returned for further signatures. They are now properly signed and should be attached to the other materials in the file.

I believe this completes the necessary information on the above application, and I trust that we may hear from it in the near future.

Very truly yours,

Sam L. Phillips

Sam L. Phillips

P/b

Docket Copy
Surname:
Anderson
Houk
Porter
Hedges
Kiilsgaard
Selfridge
Fejfuss

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

600

JUN 13 1955

Mr. John Phillips

Spruce Pine, North Carolina

Re: Docket No. DMEA-3823 - Mica
John Phillips
Laws Prospect
Yancey County, North Carolina

Dear Mr. Phillips:

Your application for assistance in exploring the subject property has been reviewed by the Nonmetallic Minerals Division of the Defense Minerals Exploration Administration and has been referred to Mr. Robert A. Laurence, Executive Officer, DMEA Field Team, Region V, Room 13, Post Office Building, Knoxville 2, Tennessee, for further consideration and possibly a field examination.

We are returning the six copies of Owner's Consent to Lien for signatures of the two mortgagees. Since the mortgagees as lessors have an interest in the land, they must also sign the Owner's Consent to Lien. It will be appreciated if you will have these documents executed accordingly and returned to this office.

The Regional Office will contact you at an early date if an examination is to be made. Any assistance that you may give the members of the field team during the examination will be appreciated.

Sincerely yours,

C. O. Mittendorf

Administrator

Enclosures 6

WCAnderson:gad 6/13/55
Copy to: Admr. R. File
Docket
Operating Committee
Field Team, Region V
Mr. Dietrich, 3061
Mr. Kiilsgaard, 5222
Mr. Houk

R.S.B.

Docket Copy
Surname:
Anderson
Houk

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

600

Mr. John Phillips

Spruce Pine, North Carolina

Re: Docket No. DMEA-3823 - Mica
John Phillips
Laws Prospect
Yancey County, North Carolina

Dear Mr. Phillips:

Your application for assistance in exploring the subject property has been reviewed by the Nonmetallic Minerals Division of the Defense Minerals Exploration Administration and has been referred to Mr. Robert A. Laurence, Executive Officer, DMEA Field Team, Region V, Room 13, Post Office Building, Knoxville 2, Tennessee, for further consideration and possibly a field examination.

We are returning the six copies of Owner's Consent to Lien for the signatures of the two mortgagees. Since your lease has been signed by two mortgagees, each represented as owning 1/3 interest in the land, they must also sign the Owner's Consent to Lien. It will be appreciated if you will have these documents executed accordingly and returned to this office.

The Regional Office will contact you at an early date if an examination is to be made. Any assistance that you may give the members of the field team during the examination will be appreciated.

Sincerely yours,

Administrator

Enclosures 6

WCAnderson:gad 6/10/55
Copy to: Admr. R. File
Docket
Operating Committee
Field Team, Region V
Mr. Dietrich, 3061
Mr. Kiilsgaard, 5222
Mr. Houk

Docket Copy
Surname:
Anderson
Houk
Selfridge
Kilsgaard
Mitchenoy

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

JUN 13 1955

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

Subject: Docket No. DMEA-3823 - Mica
John Phillips
Laws Prospect
Yancey County, North Carolina

Dear Mr. Laurence:

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

Copies of memoranda from N. E. Nelson of the Geological Survey, dated May 26, 1955, and from W. F. Dietrich of the Bureau of Mines, dated June 7, 1955, are enclosed for your information. Please note that both memoranda state that if overburden is not too heavy, some consideration should be given to bulldozing to the point of the winze in the adit instead of rehabilitating the adit. If the Applicant's sketch is near to scale, this suggestion seems logical.

Sincerely yours,

George C. Selfridge (GCS)
Chairman, Operating Committee

Approved:

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

Thor H. Kiilsgaard (THK)
Member, Geological Survey

Enclosures 4

WCAnderson:gad 6/10/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Dietrich, 3061
Mr. Kiilsgaard, 5222
Mr. Houk

P.C.G.

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

RECEIVED
JUN - 7 1955

June 7, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-3823 (mica)

Applicant: John Phillips

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

Date Application Rec'd. by Br. of Ceram. & Fert. Mat.: May 23, 1955

Comments:

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

2. If overburden is not too thick, some consideration should be given to bulldozing trench in direction of adit instead of adit rehabilitation.

3. Total estimated costs are in the amount of $7,900.

Recommendation:

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

W. F. Dietrich

W. F. Dietrich

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 27 1955

Spruce Pine, North Carolina
May 25, 1955

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

Re: DMEA-3823
Laws Prospect

Dear Mr. Houk:

I am enclosing MF-203 forms for the application on the Laws Prospect which we submitted several days ago. These forms should be attached to the other materials in this file.

Very truly yours,

Sam

Sam L. Phillips

P/b

Anderson

IN REPLY REFER TO:

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

Defense Minerals Administration
RECEIVED
MAY 27 1955

May 26, 1955

Re: DMEA-3823
John Phillips
Laws Prospect
Yancey Co., N. C.
$7,900 - Mica

Memorandum

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

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

Subject: Review of application

Refer to the vertical section page 4 of this application.

If the topography is as indicated, rehabilitation of the 80 foot adit is not warranted. Unless the overburden is very deep the bedrock over the adit should be stripped and the pegmatite in the back of the adit broken down. An open cut would result, a good sample afforded and should deeper work appear justified, a shaft would be collared at the adit level and sunk as a shaft rather than as a winze. The 20 hours of bulldozing and the mining of the pegmatite might tell whether or not a mica mine is a probability.

Referral to the Field Team is recommended.

N. E. Nelson

N. E. Nelson

May 20, 1955

Subject: DMEA 3823
Re: Exploration Assistance
Laws Prospect

Mr. John Phillips
Spruce Pine, North Carolina

Dear Mr. Phillips:

The receipt of your application dated May 17, 1955 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA 3823 and referred to the Non Metallics Minerals Division.

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

Sincerely yours,

Robert E. Adams, Chief
Operations Control and
Statistics Division

Only four copies of application are required and the fifth copy is being returned herewith.

60932

Defense Minerals Administration
RECEIVED
MAY 20 1955

Spruce Pine, N. C.
May 18, 1955

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

Dear Mr. Houk:

I am enclosing forms MF-103 for an exploration loan on the Laws Prospect. The Owner's Consent to Lien forms are in the process of being signed (several parties must be reached) and they will be mailed as soon as they are returned to us.

Very truly yours,

John Phillips

John Phillips

P/b

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

Defense Minerals Administration
RECEIVED
MAY 20 1955

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

Not to be filled in by applicant

Docket No. DMEA-3823
Metal or Mineral Mica
Date Received 5-20-55
Estimated Cost $1900
Participation (Government %)

INSTRUCTIONS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Explain in detail on acompanying paper.

CERTIFICATION

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

Dated May 17, 1955

John Phillips
(Applicant)

By John Phillips

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

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

MF-103 (continuation sheet)

4. (a) This mine was worked about 1916, and an adit was opened a distance of about 80'. Parts of this adit have fallen in and it would have to be rehabilitated.

   (b) No official records of production. Reports are that a large quantity of high quality mica was sold from this project.

   (c) We believe by deepening a shaft from the back of the adit and drifting, that strategic mica may be uncovered.

   (d) Project needs short distance road access bulldozed.

   (e) Manpower, equipment and materials available. Power is about 1/4 mile away.

5. (b) We propose to bulldoze road access and clear overburden from the fact of the mine; rehabilitate 80' of adit, sink a winze 50'; then drift with vein 80'.

6. Estimate of costs:

20 hrs. bulldozing @ $10.00 per hour	$ 200.00
Rehabilitate 80' adit @ $30.00 ft.	2400.00
Sink winze 50' @ $50.00 per ft.	2500.00
Drift 80' @ $35.00 per ft.	2800.00
	$ 7900.00

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 26 1955

THE GREAT STATE OF NORTH CAROLINA, County of Yancey

THIS MINING LEASE made and entered into this the 2nd day of May, 1955, by and between W. W. HENNESSEE and wife, RUBY HENNESSEE, hereinafter referred to as OWNERS, The NORTHWESTERN BANK, a North Carolina banking corporation, and FELDSPAR MILLING COMPANY, INC., a North Carolina corporation, hereinafter referred to as MORTGAGEES, parties of the first part, and JOHN PHILLIPS of Spruce Pine, North Carolina, hereinafter referred to as LESSEE, party of the second part,

WITNESSETH:

THAT WHEREAS W. W. Hennessee and wife, Ruby Hennessee acquired ownership of a certain large boundary of land as described in a deed dated 30 September 1953 from Feldspar Milling Company, Inc., as appears of record in Yancey County Deed Book 112, page 155, and the hereinafter described 5 3/4 acre tract is a portion of said large foundary; and

WHEREAS the said OWNERS executed a deed of trust to C. P. Randolph, Trustee for The Northwestern Bank, to secure the payment of $8800.00 and interest, which deed of trust appears of record in Yancey County Mortgage Deed Book 40, page 29; and

WHEREAS it has been agreed that the hereinafter described 5 3/4 acre tract shall be leased to the above-named LESSEE in accordance with the terms as hereinafter stated, and the royalties are to be paid: one-third (1/3) to the OWNERS; one-third (1/3) to The Northwestern Bank as a credit on the indebtedness of the OWNERS; and one-third (1/3) to Feldspar Milling Company, Inc., as a credit upon the indebtedness of the OWNERS, which payments are to be made as hereinafter stated.

NOW, THEREFORE, in consideration of the premises and for and in consideration of the performance of the conditions and agreements and the payment of royalties as hereinafter stated, the OWNERS and the said MORTGAGEES have bargained and leased and by these presents do bargain, lease and grant unto the LESSEE, his heirs and assigns, for mining purposes only, for the period of time fixed in paragraph 1 below, a certain tract of land in Crabtree Township, Yancey County, North Carolina, upon which is located what is known as the Laws Prospect, said tract being bounded by other lands of the OWNERS and particularly described as follows:

> BEGINNING on a Black Gum tree located 220 feet Northeast from the center of what is known as the Laws Prospect and runs 250 feet North; thence 250 feet East; thence 500 feet South; thence 500 feet West; thence 500 feet North; thence 250 feet East to a point of closing, containing 5 3/4 acres, more or less.

TO HAVE AND TO HOLD the said premises for mining purposes only unto the LESSEE, his heirs and assigns, for the period of time fixed in paragraph 1 below, upon full compliance with each and all of the following stipulations and agreements:

1. PERIOD OF TIME: This lease shall begain as of the date hereof and shall run and be in full force and effect for a period of ten (10) years, ending 2 May 1965, unless sooner terminated as hereinafter provided.

If the LESSEE should, for any cause whatever, fail for a period of sixty (60) days at any one time after 2 May 1955 to conduct mining operations on said premises in a workman-like manner, using proper and sufficient machinery, tools, equipment and labor, then and in that event, this lease shall automatically terminate and be of no further effect; and upon such termination, the OWNERS shall have the right to re-enter and take possession of the premises without further notice to the LESSEE.

If the LESSEE fails, for a period of fifteen (15) days, to pay any royalty as herein required, the OWNERS, at their option, may declare this lease null and void and of no further force and effect and shall thereupon have the right to re-enter and take possession of the premises.

2. MINING RIGHTS: The LESSEE shall have the right to dig, search for, quarry, mine and obtain mica or feldspar, or any other minerals from said premises, using such machinery, tools, equipment and appliances as the LESSEE may deem necessary.

The LESSEE shall have the right of ingress and egress to said premises and the right to use any existing roads and ways and shall have a right to construct, maintain, repair and use other roads, power lines and ways on said premises and on other lands of the OWNERS for the purpose of conducting mining operations on said premises.

The LESSEE shall have the right to dump waste from mines on said premises onto the lands of the OWNERS as may be reasonably necessary in the operation of mines on said premises.

The LESSEE shall have the right to cut and use such timber from said premises as shall be necessary for the safe operation of the mines.

3. MANNER OF WORK: The LESSEE shall use sufficient tools and equipment and labor so as to operate mines on said premises in a workman-like manner, and shall keep the mines safe, clean and in a workable condition; and upon the termination of the lease, or expiration otherwise, the LESSEE shall surrender the premises to the OWNERS in a safe and clean condition.

4. ROYALTY: The LESSEE shall and hereby expressly agrees to pay to the OWNERS' agent hereinafter designated royalty as follows:

(a) One-eighth (1/8) of the gross sales price for all mica mined and removed from said premises;

(b) Fifty Cents ($0.50) per long ton for feldspar; and

(c) The usual and customary royalty in this locality on any and all other minerals.

Payment of royalties shall be paid to The Northwestern Bank at Burnsville and said bank shall distribute the amounts received as royalties as follows: One-third (1/3) to the OWNERS; one-third (1/3) to The Northwestern Bank as a credit upon the indebtedness of the OWNERS to the bank; and the other one-third (1/3) to the Feldspar Milling Company, Inc., as a credit upon the indebtedness of the OWNERS to the Feldspar Milling Company, Inc.

5. RECORDS AND STATEMENTS: The LESSEE shall keep an accurate daily record of the kinds and weights of all mica mined from said premises and shall keep an accurate record of all other minerals mined and removed from said premises.

The basis for royalties shall be the selling weights and the LESSEE shall furnish a statement from the purchaser to the OWNERS' agent hereinafter named at the time that any royalty is due for all minerals mined and sold from said premises.

The OWNERS, or their agent, shall have the right to inspect the records and books of the LESSEE as to any and all minerals mined and removed from said premises.

6. PREPARING MICA: The LESSEE shall properly sheet or otherwise prepare all mica mined from said premises for market, using experienced and qualified workers so that such mica will bring the highest market price.

All mica mined from said premises shall be kept and protected and secured under lock when not protected by an authorized person, until such mica is removed for market.

7. BUILDING AND STRUCTURES: The LESSEE shall have a right to erect such buildings on said premises as they may deem necessary and shall have a right to remove such buildings, machinery and equipment within ninety (90) days after the termination of this lease, but the LESSEE shall have no right to remove any buildings erected by them on said premises unless all royalties due under this lease are fully paid.

8. OWNERS' AGENT: The OWNERS hereby appoint The Northwestern Bank at Burnsville, North Carolina, as agent for the collection and distribution of all royalties to be paid under this lease.

9. COVENANTS: The OWNERS covenant to and with the LESSEE, his heirs and assigns, that they have a right to execute this lease upon the terms herein contained and that the premises are free and clear from all encumbrances (EXCEPT the two above-mentioned deeds of trust), and that they will warrant and defend the title thereto against the claims of all persons whomsoever.

IN TESTIMONY WHEREOF, the said OWNERS have hereunto signed their signatures and affixed their seals and the said Northwestern Bank has caused this lease to be executed in its corporate name, signed by its _____ and attested by its _____ and sealed with its common corporate seal, and the Feldspar Milling Company, Inc., has caused this lease to be executed in its corporate name, signed by its _____ and attested by its _____ and sealed with its common corporate seal, and the LESSEE has hereunto signed his signature and affixed his seal, the day and year first above written.

W W Hennessee (SEAL)
W. W. Hennessee

Ruby A Hennessee (SEAL)
Ruby Hennessee

OWNERS

THE NORTHWESTERN BANK

ATTEST:

By: _____
Vice President

_____
Secretary

FELDSPAR MILLING COMPANY, INC.

ATTEST:

By: _____

Carroll Rogers Jr
Asst Secy

MORTGAGEES

_____ (SEAL)
John Phillips

LESSEE

NORTH CAROLINA, Buncombe County

I, C M Sawyer, Notary Public, do hereby certify that W. W. HENNESSEE and wife, RUBY HENNESSEE, as OWNERS, personally appeared before me this day and acknowledged the due execution of the foregoing MINING LEASE for all the purposes therein expressed.

WITNESS my signature and notarial seal this 4 day of May 1955.

C M Sawyer
Notary Public

My commission expires: My Commission Expires Nov. 20, 1955

NORTH CAROLINA, ~~Yancey~~ Walker County

I, Lois Scruggs, Notary Public, do hereby certify that [illegible], personally appeared before me this day and acknowledged that he is Secretary of The NORTHWESTERN BANK, a corporation, and that by authority duly given and as the act of the corporation, the foregoing MINING LEASE was signed in its name by its Vice President, with its corporate seal and attested by himself as its Secretary.

WITNESS my signature and notarial seal this 9th day of May 1955.

Lois Scruggs
Notary Public

My commission expires: 4-24-56 19 56.

NORTH CAROLINA, Yancey County

I, Glenn N. Blevins, Notary Public, do hereby certify that Carroll Rogers Jr, personally appeared before me this day and acknowledged that he is Asst. Secretary of FELDSPAR MILLING COMPANY, INC., a corporation, and that by authority duly given and as the act of the corporation, the foregoing MINING LEASE was signed in its name by its President, sealed with its corporate seal, and attested by himself as its Asst. Sec'y.

WITNESS my signature and notarial seal this 5th day of May 1955.

Glenn N. Blevins
Notary Public

My commission expires: 11-4 19 56.

MINING LEASE

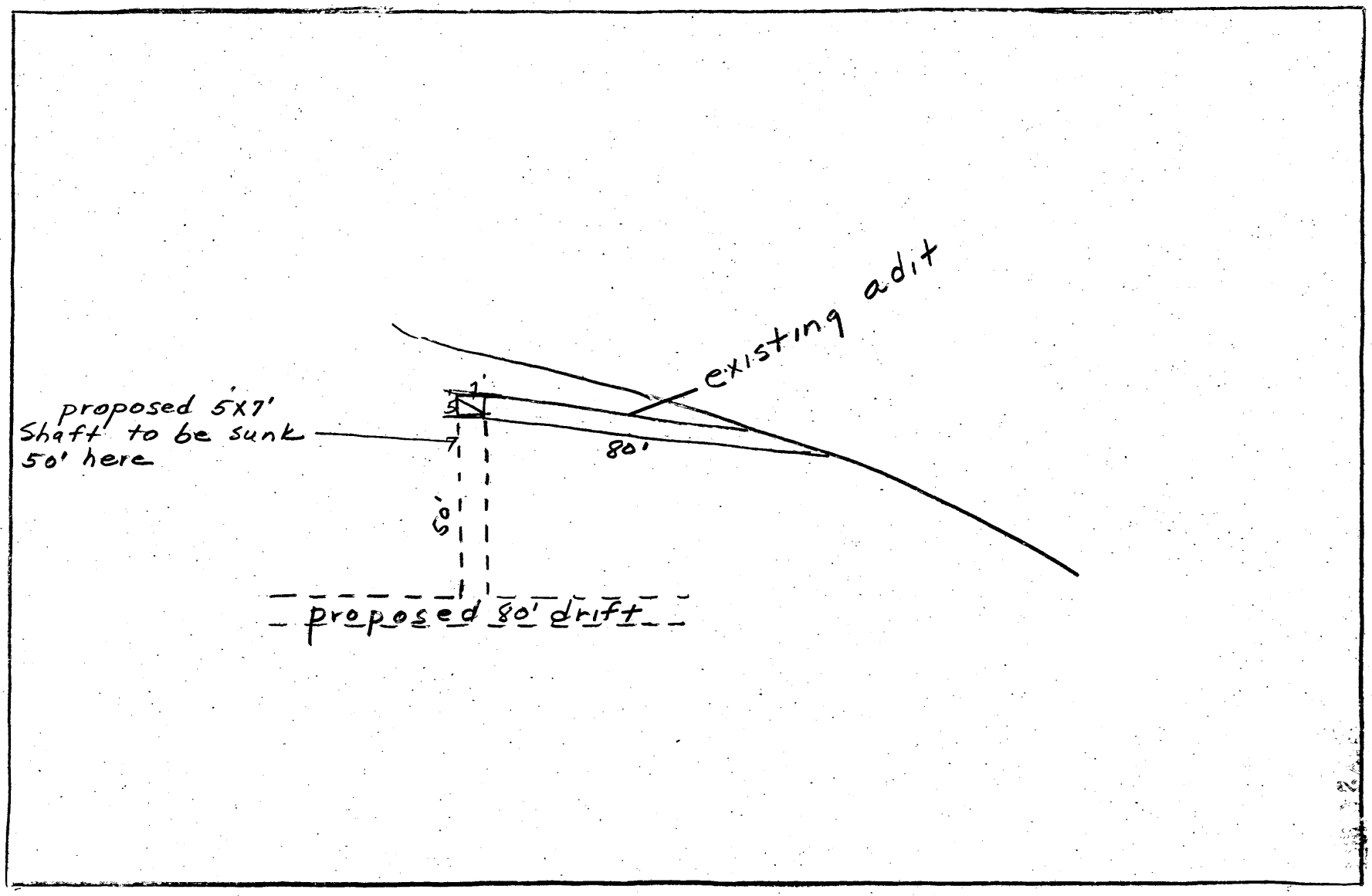
W. W. HENNESSEE and wife,
RUBY HENNESSEE, OWNERS,
et al,

to

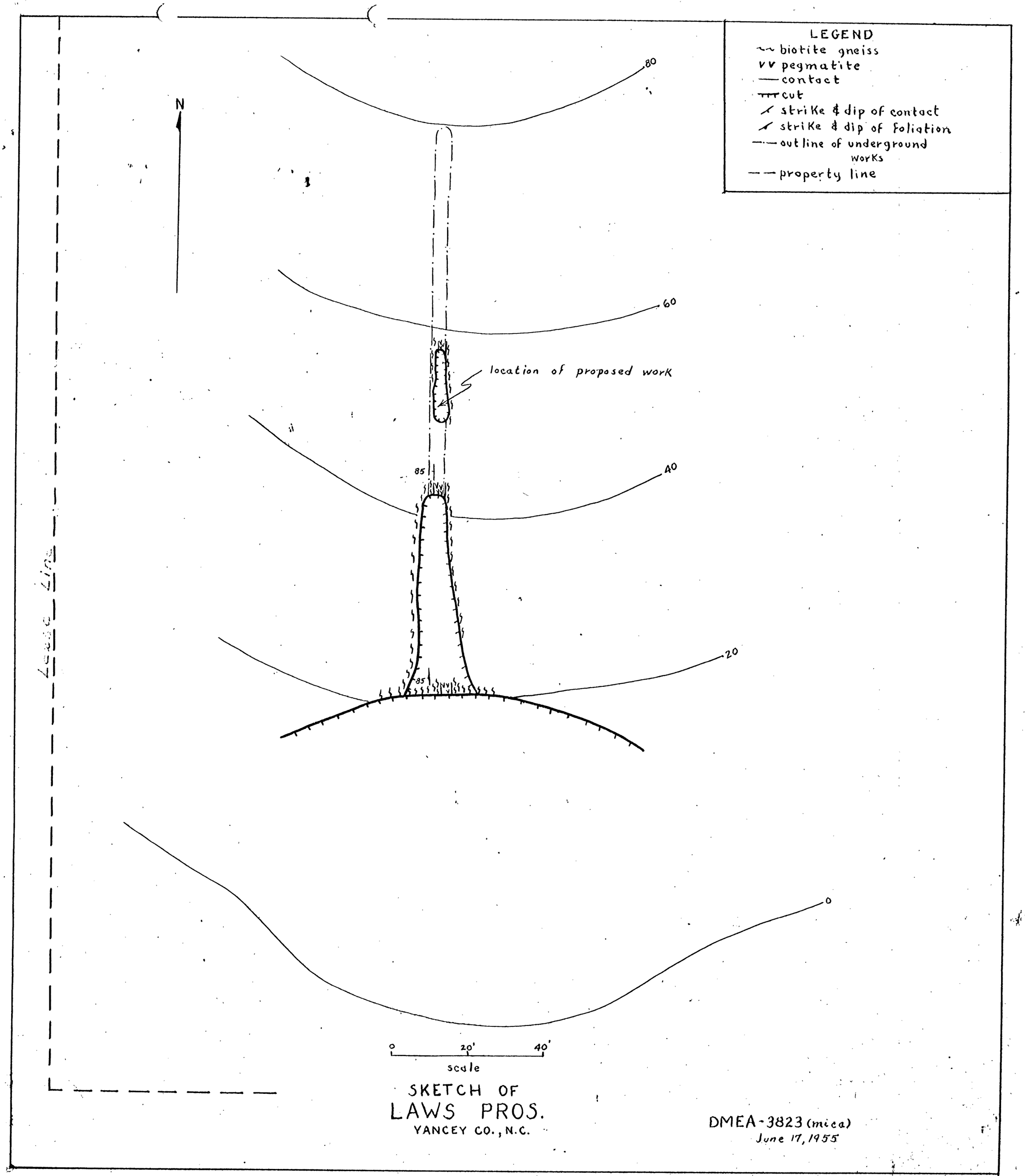
JOHN PHILLIPS, LESSEE

LAWS PROSPECT

Yancey County
N.C.

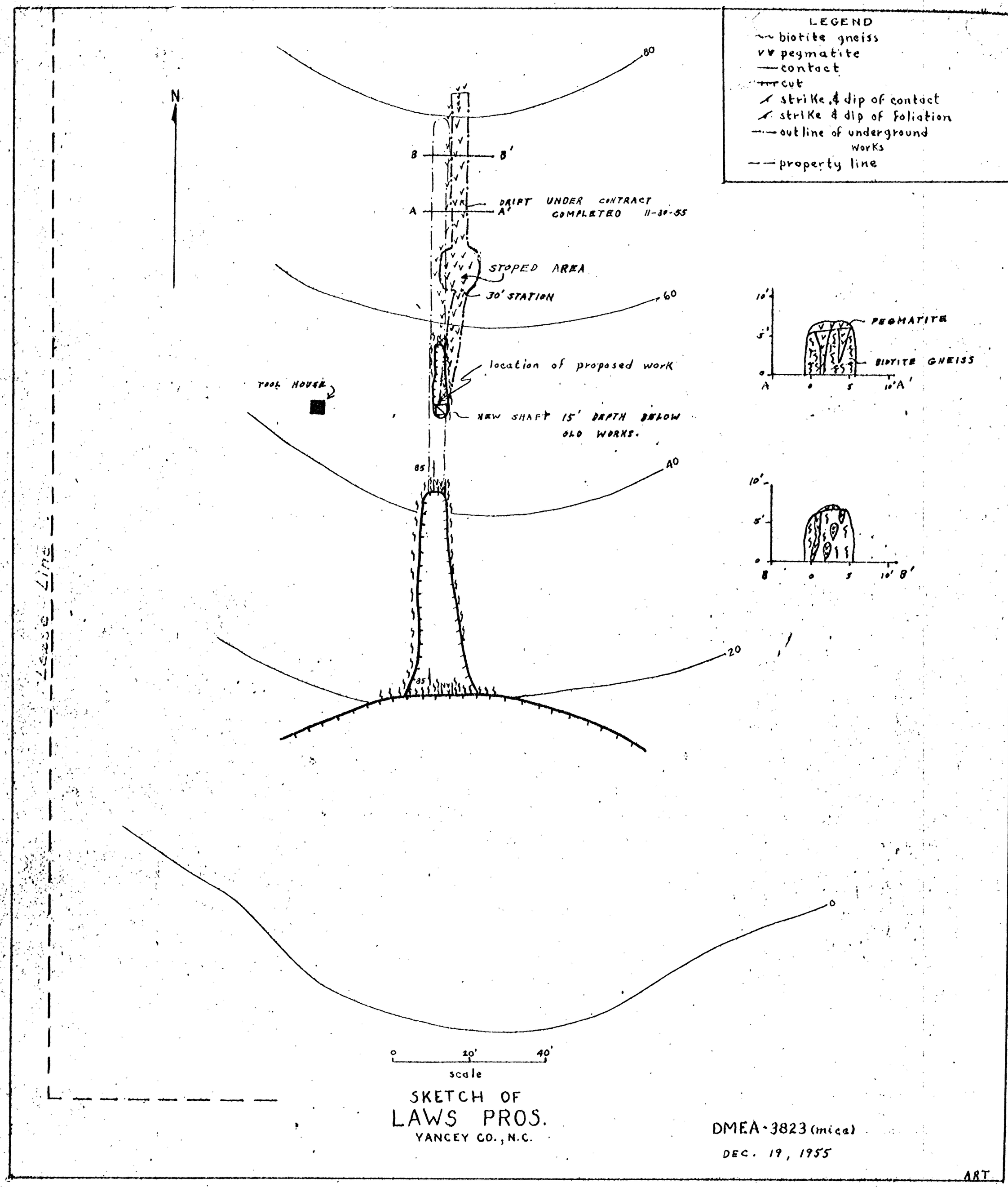


Minerals Administration
RECEIVED



SKETCH OF
LAWS PROS.
YANCEY CO., N.C.

DMEA-3823 (mica)
June 17, 1955



SKETCH OF
LAWS PROS.
YANCEY CO., N.C.

DMEA-3823 (mica)
DEC. 19, 1955

ART