DMEA 3833

DOCKET INDEX

ACTION DOCUMENTS

| | | | |
|---|---|---|---|
| 1 | APPLICATION | DATE RECEIVED | 5/25/55 |
| 2 | CONTRACT | DATE | 7/19/55 |
| 3 | TERMINATION AGREEMENT | DATE | |
| 4 | CERTIFICATION | DATE | |
| 5 | AUDIT REPORT | DATE | |
| 6 | AMENDMENTS - NUMBERS | DATE | |

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JUL 29 1955

MF-200A
(Revised June 1954)

Docket No. DMEA 3833

Commodity Mica

Contract No. Idm-E 843

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

It is agreed this JUL 19 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] Bill H. Greene and John Phillips, partners, 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 Mitchell, and is described in Annex I.[3]

(b) The Operator represents and undertakes that:

(1) The Operator is the [4] lessee of [5] the mineral rights in the land, in possession and entitled to possession for all of the purposes of this contract, under and by virtue of a [6] lease, [7] ....recorded in Book ....., page ....., official records of said County; and

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

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

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

16—70618-1

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

ARTICLE 3. *The exploration project.*—The project is a search for indicated or undeveloped deposits of mica. The work to be performed is described in Exhibit "A." The Operator on or before SEP 1 1955 shall commence the work, and on or before December 6, 1955 (unless the Operator's obligation to complete the work is terminated—see Article 8) shall complete the work.

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

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

ARTICLE 5. *Contribution by the Government.*—A fixed cost for each unit of work to be performed (per foot of drifting, per foot of drilling, per hour of operations, etc.) is hereby agreed upon, and is set forth in Exhibit "A" in connection with the estimated total cost of the project in the sum of $3,616.00. The Government will contribute 75 percent of the fixed unit costs as work is performed, in a total sum not in excess of $2,712.00: *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.*—

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Executed in sextuplicate the day and year first above written.

Bill H. Greene and John Phillips
(Operator)

By Bill H Green (Partner)

By John Phillips (Partner)

THE UNITED STATES OF AMERICA

By C O Mitchenor
Administrator, Defense Minerals
Exploration Administration

John Hoffland

"Appd. Sol. Off."
Anderson
J L Kramer
Talbutt
Martin
Hellmer

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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EXPLORATION PROJECT CONTRACT
BILL H. GREENE and JOHN PHILLIPS
DOCKET NO. DMEA-3833

ANNEX I

The land referred to in Article 2 of the contract is known as the Bill Greene Prospect. This property is west of Stagger Weed Creek and 1.35 airline miles S. 25° E. of Hawk, Mitchell County, North Carolina, and is described as follows:

Beginning on a small opening known as the Bill Greene Prospect which is located 120' S.E. of a large Maple tree and running 250' North; thence 250' West; thence 500' South; thence 500' East; thence 500' North; thence 250' West to a point of closing.

RECEIVED
JUL 2 5

EXPLORATION PROJECT CONTRACT
BILL H. GREENE and JOHN PHILLIPS
DOCKET NO. DMEA-3833

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 Bill Greene Pros. Mitchell Co., N. C. DMEA-3833 (mica) June 15, 1955," in two stages as follows:

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

Stage I

By use of a bulldozer, a Model D-6 caterpillar tractor or equivalent size unit, cut a trench 100 feet long, 12 feet wide and 6 feet deep diagonal to the strike of the pegmatite.

Stage II

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. Drive on the pegmatite not more than 100 feet of drifts and/or crosscuts, which shall be timbered as necessary and shall have minimum cross-sectional dimensions of 5 feet by 7 feet in the clear of timber.

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

Fixed Unit Costs

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

| | | | |
|---|---|---|---|
| Trenching | - Bulldozer 20 hours @ $10.00/hr. | $ 200.00 | |
| Constructing | - Toolhouse 1/ | 78.00 | |
| | Powder magazine 1/ | 25.00 | |
| | Exploder magazine 1/ | 13.00 | |
| Driving | - 100 feet of drifts and/or crosscuts @ $33.00/ft. | 3,300.00 | |
| | Estimated Total Cost of project | | $3,616.00 |
| | Government Participation @ 75% | | $2,712.00 |

1/ The completed work constitutes the unit.

MF-203
Revised March 24, 1955

For Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator_____
Docket No. DMEA-_____
Contract No. Idm-E_____
Contract Date_____

CONSENT TO LIEN

RECEIVED
JUL 29 1955

To the United States of America:

Referring to that certain land in the County of Mitchell, State of North Carolina, described as follows:1/ Beginning on a small opening known as the Bill Green Prospect which is located 120' S.E. of a large Maple tree and running 250' North; thence 250' West; thence 500' South; thence 500' East; thence 500' North; thence 250' West to a point of closing. This property belonging to Bill H. Greene in Mitchell County, N. C.,

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 23rd day of May, 195 5.

Bill H. Greene [Seal] Rt. 1, Bakersville, N. C.

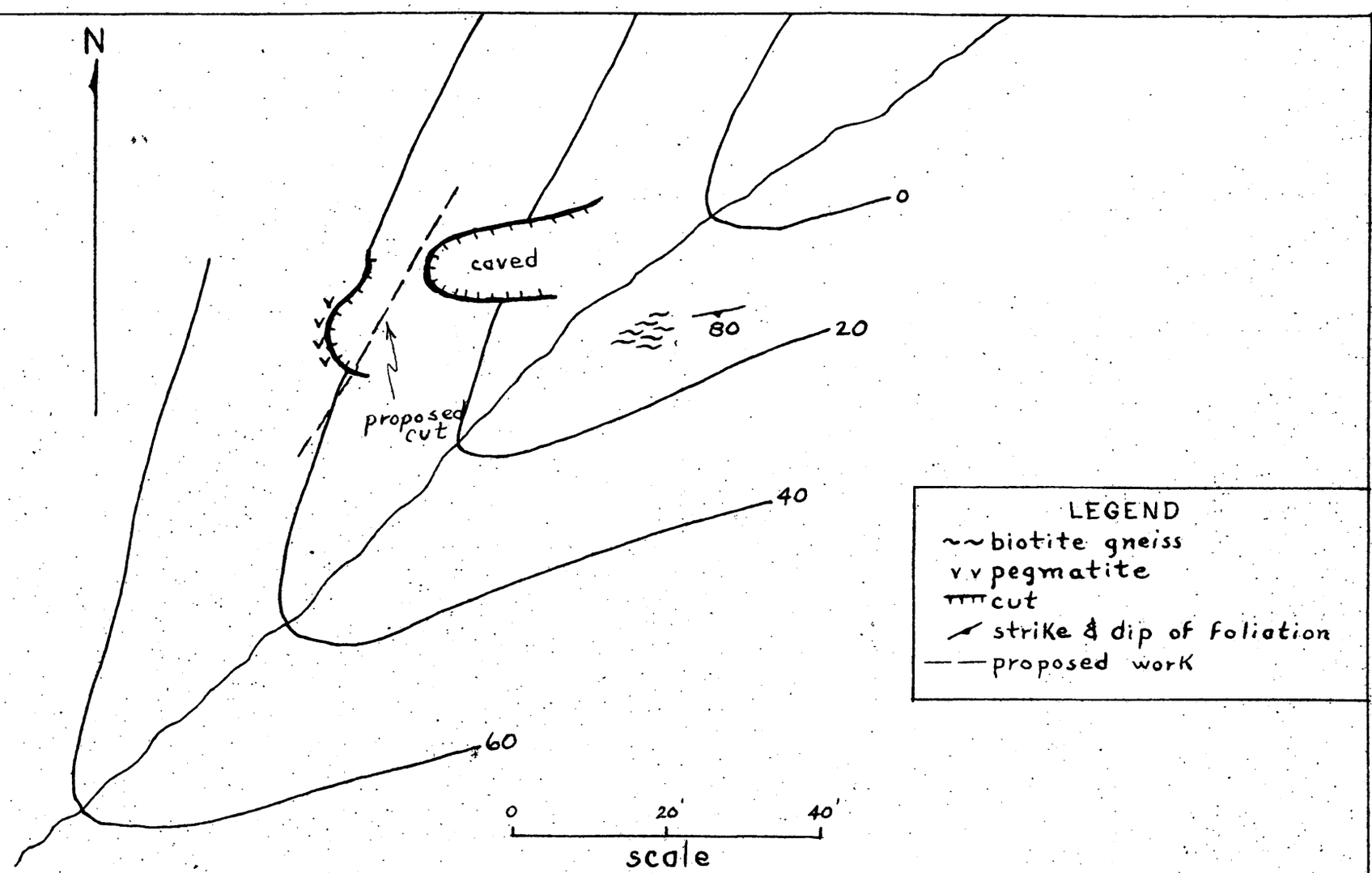
_____ [Seal]

_____ [Seal]

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

_____

[Corporate Seal]




SKETCH OF

BILL GREENE PROS.

MITCHELL CO., N.C.

DMEA-3833 (mica)

June 15, 1955

DOCKET COPY
Surname:
Anderson
Houk
Chambers
Selfridge
Johnson

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

MAR 28 1956

Messrs. Bill H. Greene and John Phillips

Spruce Pine, North Carolina

Re: Docket No. DMEA-[illegible]-Mica
Bill H. Greene & John Phillips
Bill Greene Prospect
Mitchell County, North Carolina
Contract No. [illegible]

Gentlemen:

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

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

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

Sincerely yours,

C. O. Mi[illegible]

Administrator

WCAnderson:ms 3/26/56
Copy to: Docket
Mr. Chambers
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Anderson
Admr. R. File
Mr. Bill H. Greene(LAND OWNER)

R.G.G.

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

March 26, 1956

Project Summary Report

By: Walter C. Anderson

1. Docket No. DMEA-3833-Mica
Contract No. Idm-E843
Bill Green Prospect
Mitchell County, North Carolina

Application: Form MF-103(April, 1952) received May 25, 1955
Work proposed: Bulldoze a trench 120 feet by 20 feet by 10 feet deep, 60 feet of shaft and 60 feet of drifts.
Amount requested:
$5,500.00
Operator: Bill H. Greene and John Phillips, partners
c/o John Phillips, Spruce Pine, North Carolina
Operator's property rights:
Mining lease for 5 years dated May 23, 1955 on the Bill H. Greene property covering 5 acres more or less.
Owner's Consent to Lien dated May 23, 1955

2. Contract: Form MF-200A(June, 1954) dated July 19, 1955
Work Authorized:

| | |
|---|---|
| Bulldoze trench, 100 feet by 12 feet by 6 feet deep - 20 hours @ $10.00/hr. | $ 200.00 |
| Construct toolhouse, powder and storage magazines | 116.00 |
| 100 feet of drifts and/or crosscuts @ $33.00/ft. | 3300.00 |
| Estimated Total Cost of Project | $3616.00 |
| Government participation @ 75% | $2712.00 |

Amendments: None
Work Completed:

| | |
|---|---|
| Bulldozed trench - 100 feet by 12 feet by 6 to 12 feet deep,20 hrs @ $10.00/hr | $ 200.00 |
| Total Accepted Cost | $ 200.00 |
| Government participation | $ 150.00 |

Exploration project consisted of 2 stages
Work began on August 2, 1955. Stage I completed August 4, 1955.
Stage II not undertaken
Field Team Final Report received September 12, 1955
Operator's Final Report waived. Operator's one narration report described the three days' bulldozing work.
No production of mica during operation.
No equipment purchased under contract.

3. Audit: Report of Review issued September 15, 1955
Accepted Cost $200.00
Government participation $175.00

4. Certification of Discovery - none issued

5. Comments:

How Conducted:

All work in which the Government participated was acceptable. Only as much work was done as necessary to ascertain that no strategic mica existed.

Operation: Good

Engineering: Operator did not submit a final report, however, one interim report was acceptable and covered all the work done.

Geological Premise:

The premise that an exposed pegmatite containing strategic mica would continue in extent did not materialize, as no strategic mica was found beyong the exposure.

Geological Criteria upon which work was based:

1. One exposure of a 13 foot thick unzoned pegmatite enclosed in biotite gneiss.
2. Mica: ruby, hard, free-splitting and generally clear. Some is slightly stained and wavy.
3. Other minerals: potash feldspar, plagioclase and quartz.
4. No previous production; new prospect.

Criteria developed during project:

1. Pegmatite - 30 feet thick, conformable to the country rock, biotite gneiss.
2. Mica: Nonstrategic - small, badly cracked and heavily mineral stained, much having biotite inclusions.

Future possibilities: None

Recommendations: The Nonmetallic Minerals Division concurs in the Field Team's recommendation that no additional exploration work is warranted, and that no certification of discovery be issued. The Commodity specialists of the Bureau of Mines and Geological Survey agree.

Walter C. Anderson

Walter C. Anderson
Nonmetallic Minerals Division

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

September 23, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-3833 (mica)

Applicant: B. H. Greene, J. Phillips

Name and Location of Property: Bill Greene Prospect, Mitchell Co., N. C.

Contract Number: Idm-E 843

Date of Field Team Report: 9/8/55

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 9/16/55

Field Team Recommendation: Recommend no certification of discovery.

Comments:

1. Reserves of strategic mica are estimated to be negligible.

2. Expenditures -

| | |
|---|---|
| Total approved | $3,616.00 |
| Total cost | 200.00 |
| Gov't share of the cost | 150.00 |
| Value of production during operation | None |

Recommendation: I concur with the recommendation of the field team for no discovery.

W. F. Dietrich

W. F. Dietrich

IN REPLY REFER TO:

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

RECEIVED
SEP 26 1955

September 23, 1955

Re: DMEA 3833, Idm-E843
Bill H. Greene & John Phillips
Bill Greene Prospect
Mitchell Co., N. C.
$3,616.00 - 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.

Work proposed under this contract was to consist of Stage I, trenching, and Stage II, underground work, to cost $3,616.00.

The trenching revealed a wide (30 feet) pegmatite for 100 feet, but examination indicated the mica content of the dike is not of strategic grade. Stage II work was not entered upon.

The total cost of the work was $200.00.

I concur with the recommendation of the Field Team that a certificate of discovery should not be issued.

N. E. Nelson

N. E. Nelson

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

RECEIVED
SEP 12 1955

September 9, 1955

Memorandum

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

From: Field Team, DMEA, Region V

Subject: Final Report, DMEA-3833, Idm-E 843 (Mica)
Bill H. Greene and John Phillips
Bill Greene prospect, Mitchell County, North Carolina

Enclosed are four copies of the subject report. The contract was terminated after Stage I. We do not recommend certification.

We are waiving the requirement for the Operator's final report, as our field examiners obtained all necessary information by direct inspection, and the Operator's one narrative report described the three days' bulldozing work.

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

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

Enclosures 4

Reviewed by
DMEA OPERATING COMMITTEE
9-16-55
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR

RECEIVED
SEP 12 1955

DEFENSE MINERALS EXPLORATION ADMINISTRATION

# FINAL REPORT

On

## DMEA-3833, BILL GREENE PROSPECT (Mica)
Mitchell County, North Carolina

By

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

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

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

September 8, 1955

Reviewed by
DMEA OPERATING COMMITTEE
9-16-55
(date)

FINAL REPORT
On
DMEA-3833, Idm-E 843, BILL GREENE PROSPECT

RECEIVED
SEP 12 1955

Operators: Bill H. Greene and John Phillips, Spruce Pine, North Carolina

Location: 1.35 airline miles S. 25° E. of Hawk, Mitchell County, N. C.

Trenching under Stage I of this contract revealed that the mica contained in the pegmatite at this mine is not of strategic quality. No further work was done under the contract nor is additional exploration for strategic mica warranted at this prospect. Certification of discovery should not be issued.

Work began August 2, 1955 and was completed August 4, 1955. Work completed under the contract consisted of bulldozing a trench 100' x 12' x 6' to 12' deep trending in a N. 20° E. direction. A total of 20 dozer hours were required to make the opening. This cut exposed a conformable pegmatite about 30 feet thick. It strikes N. 80° E. and dips about 75° southeast. The body consists of medium-grained perthite, quartz, plagioclase, muscovite and biotite much of which has a graphic texture. The quartz and mica tends to be concentrated in irregularly scattered lenses. The enclosing country rock is biotite gneiss.

The muscovite recovered by the dozing is small in size, badly cracked and heavily mineral stained. Much of the stain is biotite inclusions. None of the mica is of strategic grade.

No reserves of strategic mica were revealed by the work.

| Expenditures: | | | |
|---|---|---|---|
| | (a) | Total approved | $3,616.00 |
| | (b) | Total cost of project | 200.00 |
| | (c) | Government's share of cost | 150.00 |
| | (d) | Government's share unexpended | 2,562.00 |
| | (e) | Value of production during operation | None |

The work completed was conducted in an efficient and satisfactory manner.

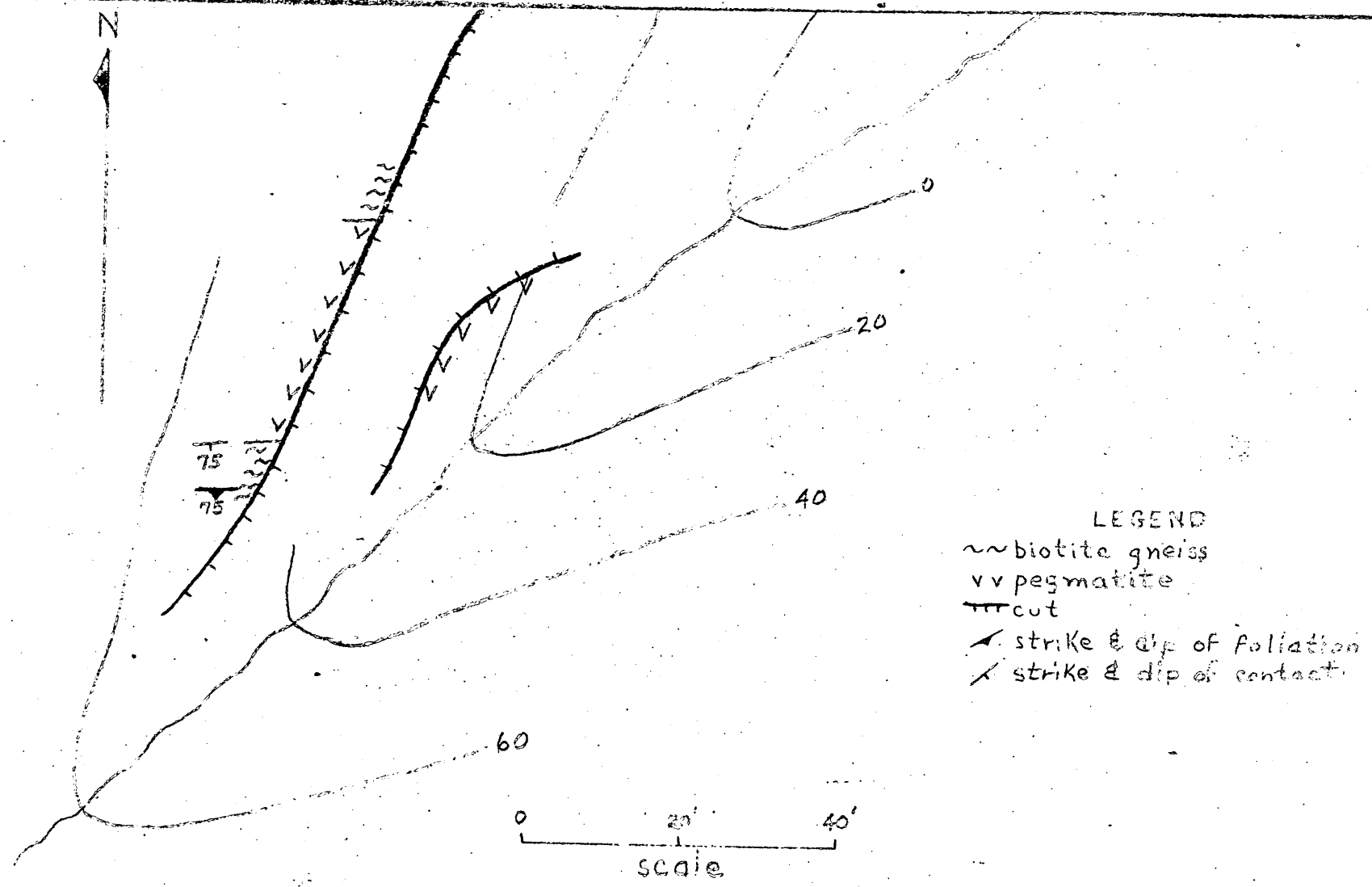
No equipment was purchased under the contract.

September 8, 1955.

Kefton H. Teague and Dewey H. Amos, Geologists
U. S. Geological Survey

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

g




SKETCH OF
BILL GREENE PROS.
MITCHELL CO., N.C.

DV EA-3833 (Nice)
Aug. 9, 1955

Docket File
Surname:
Selfridge
Mutteadorf

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

AUG 25 1955

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

Subject: Docket No. DMEA-3833 - Mica
Bill H. Greene and John Phillips
Bill Greene Prospect
Mitchell County, North Carolina

Dear Mr. Laurence:

Reference is made to your memorandum of August 16, 1955, requesting permission to terminate the subject contract by mutual consent.

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

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (JB)

Approved:

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

Thor H. Kiilsgaard (JB)
Member, Geological Survey

WCAnderson:pk 8/24/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Anderson

R.S.

Docket Copy
Surname:
Anderson
Hatfield

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

600

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

Subject: Docket No. DMEA-3833 - Mica
Bill H. Greene and John Phillips
Bill Greene Prospect
Mitchell County, North Carolina

Dear Mr. Laurence:

Reference is made to your memorandum of August 16, 1955, requesting permission to terminate the subject contract by mutual consent.

You are hereby authorized to terminate the subject contract in accordance with the provisions of DMEA Circular No. 33, June 30, 1954, employing the Form No. 6, "Termination Agreement (All Contract Forms - MF-200, MF-200A)".

Sincerely yours,

Chairman, Operating Committee

Approved:

Member, Bureau of Mines

Member, Geological Survey

WCAnderson:gad 8/19/55
Copy to; Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Anderson

~~Mrs Brooks~~
~~Mr Andrews~~

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

August 16, 1955

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Termination of Contract by Mutual Agreement - DMEA- 3833, Idm-E843 - Bill Greene Prospect - North Carolina.

Transmitted are four copies of an Interim Report on the subject contract.

Work completed under Stage I of this contract indicates that the pegmatite explored does not contain strategic mica. The Field Examiners and the Operator agree that no further work is warranted. Permission is requested to terminate the project by mutual consent.

V. J. Lynch

V. J. Lynch, Acting
Executive Officer DMEA-Region V

D. H. Amos

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

RECEIVED
AUG 18 1955

INTERIM REPORT

DMEA-3833, Idm-E843 (mica) BILL GREENE PROSPECT

OPERATOR: Bill H. Greene, Route 1, Bakersville, N. C. and John Phillips, Spruce Pine, N. C.

LOCATION: 1.35 airline miles S25°E of Hawk, Mitchell Co., N. C.

The starting date on this contract is August 4, 1955. Stage I of the contract has been completed, and the examiners do not recommend any additional exploration at this prospect.

Work completed consisted of cutting a trench, 100' x 12' x 6' to 12' deep, trending about N20°E. This cut exposed a pegmatite 30 feet thick, composed of graphic granite texture material, largely feldspathic, that contained an occasional lense of quartz and mica. The mica is in small blocks and badly stained with biotite. The body strikes N80°E and dips steeply southeast and is enclosed by weathered biotite gneiss. No additional work in the form of Stage II appears warranted, and the examiners recommend that this contract be terminated.

L. E. Shirley

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

K. H. Teague D. H. Amos

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

August 9, 1955

RECEIVED
AUG 18 1955

Mr. Fawcett
Mr. Anderson

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

August 16, 1955

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Termination of Contract by Mutual Agreement - DMEA- 3833, Idm-E843 - Bill Greene Prospect - North Carolina.

Transmitted are four copies of an Interim Report on the subject contract.

Work completed under Stage I of this contract indicates that the pegmatite explored does not contain strategic mica. The Field Examiners and the Operator agree that no further work is warranted. Permission is requested to terminate the project by mutual consent.

V. J. Lynch, Acting
Executive Officer DMEA-Region V

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

DMA/xm
cc:
Lynch
Shirley
Files

RECEIVED
AUG 18 1955

INTERIM REPORT

DMEA-3833, Idm-E 843 (mica) BILL GREENE PROSPECT

OPERATOR: Bill H. Greene, Route 1, Bakersville, N. C. and
John Phillips, Spruce Pine, N. C.

LOCATION: 1.35 airline miles S25°E of Hawk, Mitchell Co., N. C.

The starting date on this contract is August 4, 1955. Stage I of the contract has been completed, and the examiners do not recommend any additional exploration at this prospect.

Work completed consisted of cutting a trench, 100' x 12' x 6' to 12' deep, trending about N20°E. This cut exposed a pegmatite 30 feet thick, composed of graphic granite texture material, largely feldspathic, that contained an occasional lense of quartz and mica. The mica is in small blocks and badly stained with biotite. The body strikes N80°E and dips steeply southeast and is enclosed by weathered biotite gneiss. No additional work in the form of Stage II appears warranted, and the examiners recommend that this contract be terminated.

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

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

August 9, 1955

RECEIVED
AUG 18 1955

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

RECEIVED
JUL 29 1955

July 27, 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA Field Team, Region V

Subject: Signed Contract - DMEA-3833 (mica) Greene & Phillips
Spruce Pine, North Carolina - Bill Green Prospect

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

Robert A. Laurence
Robert A. Laurence

Docket File
Surname:
Anderson
Talbert
Martin

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

JUL 19 1955

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

Subject: Docket No. DMEA-3833 - Mica
Bill H. Greene and John Phillips
Bill Greene Prospect
Mitchell County, North Carolina

Dear Mr. Laurence:

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

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

After execution of the contract, the copies are to be distributed in the usual manner. Copies of memoranda from W. F. Dietrich of the Bureau of Mines, dated July 5, 1955, and from N. E. Nelson of the Geological Survey, dated July 5, 1955, are enclosed.

Sincerely yours,

W. S. Martin
ACTING Chairman, Operating Committee

Approved:

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

Thor H. Kiilsgaard
Member, Geological Survey

Enclosures 10

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

IN REPLY REFER TO:

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

RECEIVED
JUL - 6 1955

July 5, 1955

Re: DMEA 3833
Bill Greene and John Phillips
Bill Greene Prospect
Mitchell Co., N. C.
$3,613.00 - Mica

Memorandum

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

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

Subject: Review of Field Team Report.

This prospect, due to the width of the pegmatite vein, appears to have a better chance of paying out than does the average mica prospect.

I concur with the 2-stage program recommendation of the Field Team.

N. E. Nelson

N. E. Nelson

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

RECEIVED
JUL - 6 1955

July 5, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA - 3833 (mica)

Applicant: B. H. Greene

Name and Location of Property: Bill Greene Prospect
Mitchell County, North Carolina

Date of Field Team Report: June 23, 1955

Date Rec'd by Br. of Ceramic and Fertilizer Materials: June 30, 1955

Field Team Recommendation: Recommend two-stage exploration program at a total cost of $3,613.00

Comments:

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

Recommendation:

I concur with the field team's recommendation.

W. F. Dietrich

W. F. Dietrich

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

RECEIVED
JUN 24 1955

June 24, 1955

Memorandum

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

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

Subject: Field Examination Report DMEA-3833 (Mica)
Bill H. Greene, Bakersville, N. C.
Bill Greene prospect, Mitchell County, North Carolina

Enclosed are four copies of the subject examination report, and six extra copies of the map. Very little work has been done at this pegmatite and some additional work appears to be worth while. Therefore, we recommend approval of a two-stage, unit-cost contract as outlined in the report.

Robert A. Laurence
Robert A. Laurence
Executive Officer

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

Attachments

Reviewed by
DMEA OPERATING COMMITTEE
7-1-55
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR

RECEIVED
JUN 2 3 1955

# DEFENSE MINERALS EXPLORATION ADMINISTRATION

## EXAMINATION REPORT BY FIELD TEAM, REGION V

On

DMEA-3833, BILL GREENE PROSPECT (mica)
Mitchell County, N. C.

By

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

and

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

June 23, 1955

Reviewed by
DMEA OPERATING COMMITTEE
7-1-55
(date)

FIELD EXAMINATION REPORT

ON THE

BILL GREENE PROSPECT - DMEA-3833 (mica)

Applicant: Bill H. Greene, Route 1, Bakersville, North Carolina and John Phillips, Spruce Pine, North Carolina

A relatively unexplored prospect is present on this property. A thick pegmatite containing mica of strategic quality has been exposed by a cut. It is recommended that exploration assistance be granted, in two stages.

The Bill Greene prospect is west of Stagger Weed Creek and 1.35 airline miles S. 25° E. of Hawk, Mitchell County, North Carolina. Access is available by about one-fourth mile of jeep trail.

The prospect was examined on June 15, 1955. Messrs. Bill H. Greene and Sam L. Phillips accompanied the examiners on the inspection which required about two hours.

Both applicants have had considerable mica mining experience and are competent to conduct the proposed exploration. The property is owned by one of the applicants (Greene) and is leased to the partnership. Area covered in the lease is adequate for the proposed work. No surface facilities are on the property.

Two small open cuts about 7 feet deep on the uphill side have been made along the strike of the body. A pegmatite is exposed in the southwestern one. It is in excess of 13 feet thick and consists of semi-weathered potash feldspar, plagioclase, quartz and muscovite, in order of abundance. The body strikes about N. 80 - 85° E. and probably dips steeply to the southeast. No zoning is apparent in that portion exposed. Country rock in the vicinity of the prospect is biotite gneiss whose foliation strikes N. 80° E. and dips 75 - 80° SE.

The mica is hard, ruby-colored, free splitting and generally clear. Some is slightly mineral stained and part is wavy.

It is proposed that a staged exploration program be conducted; Stage I to consist of bulldozing a side hill cut across the strike of the pegmatite and Stage II to consist of driving a 100-foot drift to the southwest on the pegmatite.

Estimated Cost:

Stage I

To consist of cutting a trench 100 feet long, 12 feet wide and 6 feet deep diagonal to the strike of the pegmatite.

Bulldozer (D-6 or equivalent)
20 hours @ $10.00/hr. $200.00

Stage II

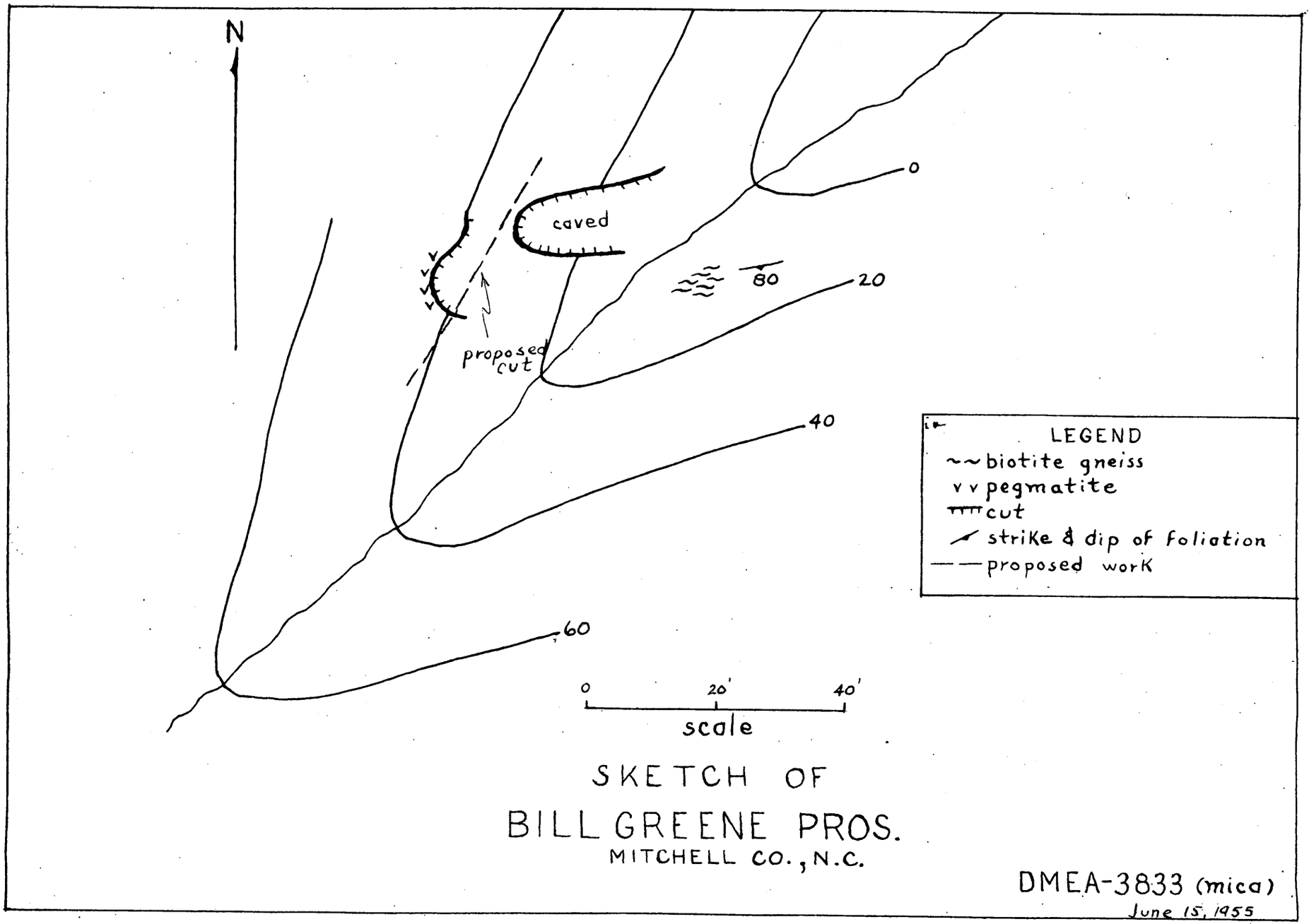
| | | |
|---|---|---|
| Construct toolhouse | $75.00 | |
| Powder magazine | 25.00 | |
| Exploder magazine | 13.00 | |
| | | $113.00 |
| Drive 100 feet of 5' x 7' adit on pegmatite (50 shifts) | | |
| Labor: | | |
| 1 - Miner @ $1.50/hr. | $600.00 | |
| 2 - Laborers @ $1.00/hr. | 900.00 | |
| Equipment (rental): | | |
| Compressor, drill and jackleg @ $230/mo. | 575.00 | |
| Supplies: | | |
| Explosives | 300.00 | |
| Timber, 1,000b.f. @ $65/M | 65.00 | |
| Gasoline and oil | 150.00 | |
| Drill steel | 150.00 | |
| Small tools and pipe | 150.00 | |
| Miscellaneous | 110.00 | |
| Insurance and Social Security | 300.00 | |
| | | $3,300.00 |
| Estimated Cost of Stage II | | $3,413.00 |
| Estimated Total Cost of Stages I and II | | $3,613.00 |

33.00/ft

June 23, 1955

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

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




SKETCH OF
BILL GREENE PROS.
MITCHELL CO., N.C.

DMEA-3833 (mica)
June 15, 1955

Docket File
Surname:
Anderson
Houk
Kiilsgaard
Gehagen
Selfridge
F. Johnson

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

JUN 16 1955

Messrs. Bill H. Greene and John Phillips

Spruce Pine, North Carolina

Re: Docket No. DMEA-3833 - Mica
Bill H. Greene and John Phillips
Bill Greene Prospect
Mitchell County, North Carolina

Gentlemen:

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

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

Sincerely yours,

Frank E. Johnson

ACTING Administrator

WCAnderson:pk 6/13/55
Copy to: Admr. R. File
Docket
Operating Committee
Field Team, Region V (2)
Mr. Dietrich, 3061
Mr. Kiilsgaard, 5222
Mr. Houk

A.C.L.

Docket File
Surname:
Anderson
Houk
Selfridge
Johnson

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

JUN 16 1955

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

Subject: Docket No. DMEA-3833 - Mica
Bill H. Greene and John Phillips
Bill Greene Prospect
Mitchell 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 R. D. Trace of the Geological Survey, dated May 31, 1955, and from W. F. Dietrich of the Bureau of Mines, dated June 7, 1955, are enclosed for your information.

Sincerely yours,

George C. Selfridge (GHB)
Chairman, Operating

Approved:

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

Thor H. Kiilsgaard (GHB)
Member, Geological Survey

Enclosures 4

WCAnderson:pk 6/13/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Dietrich, 3061
Mr. Kiilsgaard, 5222
Mr. Houk

R.C.S.

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-3883 (mica)

Applicant: Greene & Phillips

Name and Location of Property: Bill Greene Prospect
Mitchell County, North Carolina

Date Application Rec'd. by Br. of Ceram. & Fert. Mat.: May 25, 1955

Comments:

1. No data available in this office on this property because this is a new prospect.

2. Exploration proposed by applicants is consistent with local practices and in line with unit-cost estimates for other DMEA projects.

3. Total estimated costs are in the amount of $5,500.

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

Anderson

IN REPLY REFER TO:

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

RECEIVED
JUN - 1 1955

May 31, 1955

Re: DMEA-3833
Green & Phillips
Green Prospect
Mitchell Co., N. C.
$5,500 - Mica

Memorandum

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

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

Subject: Review of application

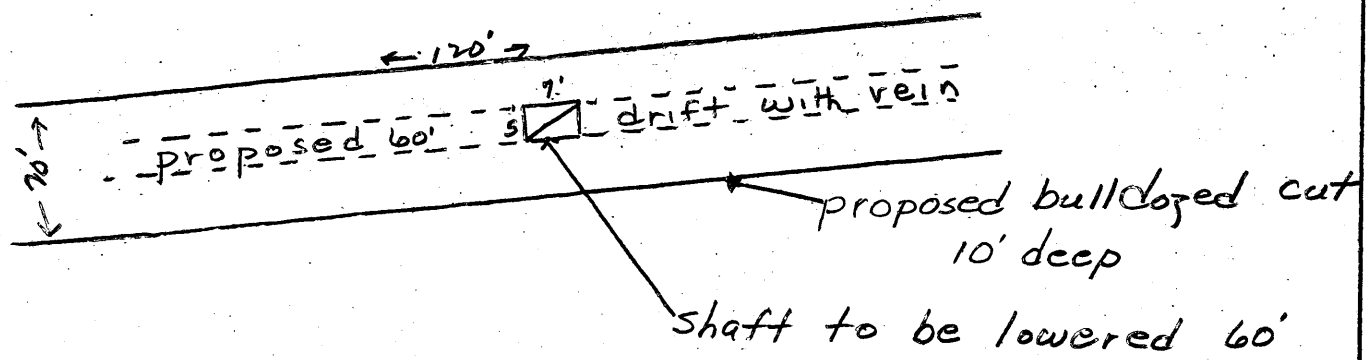
I don't know the exact location of the prospect. But as the prospect is new, I undoubtedly wouldn't have any file data even if I knew the location of the applicant's property.

Refer to Field Team.

Bob Trace
R. D. Trace

# BILL GREENE PROSPECT

Mitchell Co., N.C.



May 25, 1955

Mr. John Phillips
Spruce Pine, North Carolina

Subject: DMEA 3833
Re: Exploration Assistance
Bill Greene Prospect

Dear Mr. Phillips:

The receipt of your application dated May 23, 1955 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA3833 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

60932

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

Minerals Administration
RECEIVED

# 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 3833
Metal or Mineral Mica
Date Received 5-25-55
Estimated Cost $5,500.
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: Bill H. Greene, Rt. 1, Bakersville, N.C.
and John Phillips, Spruce Pine, N. C.

Partnership

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

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

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

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

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

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

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

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

(*e*) If you own the land, describe any liens or encumbrances on it None

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

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

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

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

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

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

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

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

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

(*d*) State the operating experience and background of the applicant with relation to the ability to carry out such exploration project, and also that of the person or persons who will supervise the operations. Both 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 5-23-55, 195...

Bill H. Green & John Phillips
(Applicant)

By John Phillips
Partner

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

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MF-103 (continuation sheet)

4. (a) No previous operations. Prospect is accessible for examination purposes.

(b) No past production; new prospect.

(c) From appearance of vein material showing, it is believed that strategic mica may be found by exploration.

(d) Manpower, supplies, equipment and materials available. Power within 200 yards.

(e) Project is accessible to roads and shipping.

5. (b) We propose to bulldoze a cut approximately 120' long; 10' deep and 20' wide in order to best locate shaft; sink a shaft 60' deep; then drift 60' with vein.

6. Estimate of costs:

| | |
|---|---|
| Bulldoze 40 hours @ $10.00 per hour . . . . . | $ 400.00 |
| Shaft 60' @ $50.00 per ft. . . . . | 3000.00 |
| Drift 60' @ $35.00 per ft. . . . . | 2100.00 |
| Total estimated cost | $ 5500.00 |

# MINING LEASE

State of North Carolina Mitchell County:

This indenture made this 23rd day of May, 1955, ~~1955~~

between Bill H. Greene

of Mitchell County and State of North Carolina as party of the first part, and known as lessor, and John Phillips and Bill H. Greene

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

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

Beginning on a small opening known as the Bill Greene Prospect which is located 120' S.E. of a large Maple tree and running 250' North; thence 250' West; thence 500' South; thence 500' East; thence 500' North; thence 250' West to a point of closing. This property belonging to Bill H. Greene in Mitchell County, N. C.

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

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

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

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

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

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

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

Witness: Bill H Greene (Seal)

_____ _____ (Seal)

Kenneth R McKinney
Notary Public
My Com Expires 8/1/58

_____ (Seal)