DMEA 3994

DOCKET INDEX

ACTION DOCUMENTS

1. APPLICATION DATE RECEIVED 9-28-55

2. CONTRACT DATE 11-23-55

3. TERMINATION AGREEMENT: DATE 6-26-56

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

4. CERTIFICATION DATE

5. AUDIT REPORT DATE

6. AMENDMENTS - NUMBERS DATE

Docket Copy

Indexed 6/15/56
Anderson
Chambers
Martin
Fitzsimmons
Matteucci

"Arbd. Sol. Oil"

TERMINATION AGREEMENT

It is agreed this 26th day of June, 1956, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Mrs. Ivor Vance (Daisy E.), Mrs. Sam Odom (Clarice V.), and Lane Buchanan, partners, d/b/a C & D Mining Company, hereinafter called the "Operator," parties to that certain Exploration Project Contract Idm-8898, Docket No. DMEA-3994, dated November 23, 1955, hereinafter called the "Contract," that:

1. Effective May 9, 1956, the Contract and all obligations of the parties thereunder, except as otherwise herein expressly provided, shall be and are hereby terminated.

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

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

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

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

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

C & D MINING COMPANY

By Daisy E. Vance
Daisy E. Vance, partner

By Clarice V. Odom
Clarice V. Odom, partner

By Lane Buchanan
Lane Buchanan, partner

THE UNITED STATES OF AMERICA

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

FROM SOLICITOR
JUN 18 1956
FOR SIGNATURE

RECEIVED
JUL 9 - 1956

Docket copy

RECEIVED
DEC - 8 1955

MF-200
(Revised June 1954)

Docket No. DMEA -3994

Commodity Mica

Contract No. Idm-E 898

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

EXPLORATION PROJECT CONTRACT[1]

It is agreed this NOV 23 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] Mrs. Ivor Vance (Daisy E.), Mrs. Sam Odom (Clarice V.), and Lane Buchanan, partners, d/b/a C & D Mining Company,

whose mailing address is % Mrs. Ivor Vance
Plumtree, 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-200), 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 Avery, and is described in Annex I.[3]

(b) The Operator represents and undertakes that:

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

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

(c) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above, and (if the Operator does not hold the legal title) the Consent to Lien of any holder of the legal title

[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."

of the land (lessor, seller, optionor, etc.), are attached, as follows: Consent to Lien of owners.

(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 8, it shall thereafter have no claim against the land or any production therefrom except for any production referred to in Article 8(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 JAN 2 1956 shall commence the work, and on or before May 18, 1956 (unless the Operator's obligation to prosecute the work is terminated—see Article 10) shall either have completed the work or shall have incurred allowable costs (see Article 6) in a sum not less than the estimated total allowable cost set forth in Exhibit "A," except as otherwise provided in Exhibit "A" with respect to Stage II.

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) *Independent contracts.*—To the extent that the allowable costs are estimated in Exhibit "A" with express reference to performance by independent contractors on a unit-price basis (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations), the work may be so performed; but if the reference in Exhibit "A" to any such independent contract requires the Government's approval thereof, payments under such contract will not be allowable costs unless the Government gives its written approval of the contract. Any such independent contract shall refer to some specific and identifiable part of the work, and shall be subject to all of the pertinent terms and conditions of this exploration contract; but the Government shall not be considered a party thereto, and its rights under this contract, including the right to terminate its contributions, shall not be affected thereby. Regardless of the provisions of any such independent contract and regardless of the Government's approval thereof, the Government will participate in payments to the independent contractor only on account of work performed in accordance with the provisions of this exploration project contract, and only to the extent that the Government deems the unit prices for the work under the independent contract to be reasonable.

(c) *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.*—The estimated total allowable cost of the project, set forth in Exhibit "A," is the sum of $4,624.00 The Government shall contribute 75 percent of the allowable costs as they are incurred in a total sum not in excess of $3,468.00: *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

EXPLORATION PROJECT CONTRACT
C & D MINING COMPANY
DOCKET NO. DMRA-3994

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DEC - 8 1955

ANNEX 1

The land referred to in Article 2 of the contract form is known as the C & D Mine. It is located 3,000 feet S. 66° W. of Spear, in Avery County, North Carolina, and is described in the lease as follows:

BEGINNING at a stake on the South side of the branch near the Old Branch Mine and running thence South 70° West 600 feet to a stake; thence North 34° West 500 feet to a stake; thence North 71° East 900 feet to a stake; thence South 500 feet to the point of beginning: containing 9.5 acres, more or less.

The above description being based on a survey made by T. W. Clapp, Surveyor, on September 15, 1955, and being a portion of those lands, the surface of which formerly belonged to Ed N. Vance, the surface of which presently belongs to Ivor Vance and Sam Odom as tenants in common.

EXPLORATION PROJECT CONTRACT
C & D MINING COMPANY
DOCKET NO. DMEA-3994

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DEC - 8 1955

EXHIBIT "A"

Description of the Work

Exploration for concentrations of strategic mica shall be accomplished as hereinafter stated in the area indicated on the map entitled "Sketch of the C & D Mine, Avery Co., N.C. DMEA-3994 (mica) 10-13-55," attached hereto and made a part hereof.

The work is divided into two stages as indicated below. The Operator shall perform the work described in Stage I, and shall perform as much of the work described in Stage II as the Government approves in writing.

Stage I

With a D-4 bulldozer or equivalent, excavate a trench obliquely across the pegmatite. The minimum size of this trench shall be 100 feet long by 24 feet wide by 12 feet deep.

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. From the stripped area sink a 2-compartment incline shaft as nearly as possible on the pegmatite for a distance of not more than 50 feet.

3. Explore the pegmatite by driving from the bottom or near the bottom of the shaft, not more than 60 feet of drifts and/or crosscuts.

The shaft and the drifts and/or crosscuts shall be timbered as necessary and shall have 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.

Estimated Costs of the Project
(In addition to the maximums set forth in the contract form, an asterisk indicates maximum)

Category (1) Independent Contracts

1,000 cubic yards of trenching @ $0.30/cu. yd. (includes moving bulldozer in and out)	$ 300.00

Category (2) Personal Services

(a) Supervision - None

(b) Technical Services - None

(c) Labor

Miners @ $1.50/hr.*	
Hoistman @ $1.25/hr.*	
Laborers @ $1.00/hr.*	2,040.00

Category (3) Operating Materials and Supplies	975.00

Category (4) Operating Equipment

(a) Rental

1 compressor, 1 pump, 1 drill @ $240.00/mo.	720.00

1 hoist @ $50.00/mo.	$ 150.00
1 Jackleg @ $10.00/mo.	15.00

(b) Purchases - None

(c) Depreciation - None

Category (5) Initial Rehabilitation and Repairs - None

Category (6) New Buildings, Fixtures, and Installations

Toolhouse, powder magazine, and exploder magazine	114.00	1/

Category (7) Miscellaneous - Only the following items of cost are allowable under this category:

Compensation Insurance, unemployment insurance and social security	310.00
Estimated Total Cost of Project	$4,624.00
Government Participation @ 75%	$3,468.00

1/ The Government retains no interest in the salvage value of these structures.

voucher or vouchers such sums as it sees fit not in excess of 10 percent of the estimated total cost of the work or not in excess of the amount of the Government's contribution to the cost of property which is or may become subject to disposal as provided in Article 9(c), whichever is greater. The Government will make its contribution on the basis of the monthly vouchers referred to in Article 7(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. "Costs incurred" mean costs that have been paid or have become due and payable, or that in the opinion of the Government have become an obligation. The Government may make payments directly to independent contractors and suppliers for the account of the Operator rather than to the Operator.

ARTICLE 6. *Estimated costs.*—(a) *Categories of costs.*—The allowable costs of the work to which the Government shall contribute are limited to those that are direct, reasonable, necessary, and that are estimated in Exhibit "A" by categories as specified in this article. If any category or subcategory is omitted from the estimate of costs, or if the word "none" is annexed to the listing thereof, costs under such category or subcategory are not allowable. Any excess over any estimate which is indicated as the maximum of any category, subcategory, or item, either as to requirement or related cost, and any excess over the estimated total allowable cost of the work, shall not be allowable. Any excess over the estimate of any category, subcategory, or item, either as to requirement or related cost, not indicated as a maximum shall be allowable within the limit of the estimated total allowable cost of the work. To the extent that excesses over maximums other than the estimated total allowable cost of the work may be necessary for the performance of the work, the Operator shall incur such excesses for his own account without contribution by the Government; but except for any such necessary excesses in categories, subcategories, or items thereunder the Operator is not obligated to incur more than his agreed percentage of the estimated, total allowable cost of the work.

To the extent specified in this article or in Exhibit "A" the following categories, subcategories, and elements thereof are maximums; but if not so specified either here or in Exhibit "A" they are not maximums, and may be exceeded within the limit of the estimated total allowable cost of the work:

CATEGORY (1)—INDEPENDENT CONTRACTS.—Work to be performed under independent contracts (see Article 4(b)). The estimated total amount of this category and the estimated cost of each unit of work for performance under an independent contract are maximums.

CATEGORY (2)—PERSONAL SERVICES.

Subcategory (a)—Supervision.—All elements of this subcategory (number of supervisors, periods of employment, rates of pay, and total) are maximums.

Subcategory (b)—Technical services.—All elements of this subcategory (number of technicians, periods of employment, rates of pay, and total) are maximums.

Subcategory (c)—Labor.

CATEGORY (3)—OPERATING MATERIALS AND SUPPLIES.—Includes such items as drill bits and steel, explosives, fuel, pipe, power, small tools costing less than $50 each, timber, track.

CATEGORY (4)—OPERATING EQUIPMENT.

Subcategory (a)—Rental.—The number of each object to be rented [6 mine cars, 1 truck], the rate of rental [$100 per month, $5 per hour], and the total of this subcategory are maximums.

Subcategory (b)—Purchases.—The estimated total of this subcategory is a maximum.

Subcategory (c)—Depreciation.—All elements of this subcategory (time periods, rate of depreciation, and subcategory total) are maximums.

CATEGORY (5)—INITIAL REHABILITATION AND REPAIRS.—Estimates under this category include all requirements and related costs, such as labor, materials and supplies, and supervision at a rate not higher than provided for in Category (2), and shall not be duplicated under any other category. The estimated total of this category is a maximum.

Subcategory (a)—Initial rehabilitation and repairs of existing buildings, fixtures, and installations (exclusive of mine workings).—The estimated total of this subcategory is a maximum.

Subcategory (b)—Initial rehabilitation and repairs of operating equipment.—The estimate total of this subcategory is a maximum.

CATEGORY (6)—NEW BUILDINGS, FIXTURES, AND INSTALLATIONS (EXCLUSIVE OF MINE WORKINGS).—Estimates under this category include all requirements and related costs, such as labor, materials and supplies, and supervision at a rate not higher than provided for in Category (2), and shall not be duplicated under any other category. The estimated total of this category is a maximum.

CATEGORY (7)—MISCELLANEOUS.—Repairs and maintenance (other than initial) of operating equipment, analytical work, prints and other reproductions, accounting, Operator's share of payroll taxes, liability insurance covering employment, travel, communications, and any other items of requirement or cost that do not fall within any of the first 6 categories.

THE ESTIMATED TOTAL ALLOWABLE COST of the work is a maximum.

(b) *Nonallowable costs.*—The following costs are not allowable for contribution by the Government:

(1) *Costs of the land,* such as rental, depreciation, depletion, or other cost of acquiring, owning, or holding possession;

(2) *Indirect costs,* such as general overhead, corporate management, interest, taxes (other than payroll and sales taxes), insurance (other than liability insurance covering employment), damages to persons, damages to property (other than necessary repairs or replacements of equipment or other property used in the work);

(3) *Previous work* performed or costs incurred before the date of this contract; and

(4) *Deferred payments.*—Any costs incurred by the Operator under any rental-purchase agreement, installment-purchase agreement, or any agreement for the purchase of goods under the provisions of which payment of the full purchase price is deferred more than 90 days from the delivery of the goods; unless the purchase agreement is approved by the Government in writing.

(c) *Reductions in costs.*—The Operator shall account for and give the Government credit for any incidental benefits, credits, or money received in the ordinary course of business in prosecuting the work (as by salvage or sale of materials or equipment, furnishing of room or board, furnishing of power or services to third persons, rebates or discounts on purchases, etc.), in the same ratio in which the Government contributes to costs; and such amounts shall be treated as a reduction in costs incurred so that they are available for use within the limit of the original estimated total cost. This provision does not apply to receipts from production which are subject to the Government's percentage royalty under the provisions of Article 9.

ARTICLE 7. *Reports, accounts, audits.*—(a) *Operator's records.*—The Operator shall keep suitable records and accounts of the 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. If the Government elects to audit said records and accounts relating to the exploration work by certified public accountant, it may do so as a cost of the work to which the Operator shall contribute. 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. If work under this contract is carried on in conjunction with any other operations, or if labor, supervision, services, materials, supplies, equipment, facilities, or other requirements for carrying on the work are also used in connection with other operations, the costs shall be segregated and accounted for on a basis and by methods and accounts that are satisfactory to and approved 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 detailed costs incurred during the reporting period; (2) Operator's Unit Cost and Progress Report showing the various types of work performed during the reporting period and 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 related costs incurred.

(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 8. *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 7) 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 therof 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 (1/

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 9. *Interests in purchased property.*—(a) *Title and ownership.*—All costs under this contract shall be incurred by the Operator in the Operator's own name and for the Operator's own account; but any property acquired to the cost of which the Government contributes shall belong to the Operator and the Government jointly in proportion to their respective contributions, although title thereto shall be taken in the name of the Operator.

(b) *Preservation of property.*—Until the final disposal of any property in which the Government has an interest the Operator shall preserve and protect same for the best interest of the Government, any reasonable and necessary costs thereof to be treated as an allowable cost of the project. After the completion of the work or termination of the Government's obligation to contribute, or when such property is not in use for or needed for the work, the Operator shall neither use it without the written consent of the Government nor without paying a reasonable rental to be fixed by the Government for its interest.

(c) *Disposal of property.*—Upon the completion of the work or termination of the Government's obligation to contribute to costs, or when the property is no longer needed for the work, the Operator shall promptly dispose of salable or salvageable property in which the Government has an interest for the joint account of the Government and the Operator, either by return to the vendor, by sale to others, or purchase by the Operator or the Government at a price at least as high as could be obtained from others, unless the Government in writing waives its interest in any such property. Without advance approval of the sales price by the Government the Operator shall not sell at any price any item of property the cost of which was more than $500, and shall not sell at less than 25 percent of the purchase price any item of property which cost $500 or less. The Government, in lieu of approving the sales price for any such item, may itself purchase the item at the best price which the Operator is able to obtain or himself cares to give. Property remaining upon any termination of the work shall be considered in groups or categories (such as drill steel, or explosives, or pipe, or rails), and if the original cost of the remaining unexpended portion of any such group or category is less than $50, the Government waives its interest therein. If necessary to accomplish the disposal of any item the Operator shall dismantle and sever it from the land, the cost thereof to be treated as a cost of the project.

(d) *Default of the Operator re disposal.*—If within 90 days after the completion of the work or termination of the Government's obligation to contribute to costs, or after the property is no longer needed for the work, or after such further time as the Government may in writing allow, the Operator has failed to sell or otherwise liquidate or dispose of any property in which the Government has an interest, the Government, at any time prior to final settlement under the contract, may pursue one of the following two courses: (1) the Government, by written notice to the Operator, may place upon such property what in its opinion is a fair valuation thereof, not in excess of the cost less 1.66 percent per month from the

date such property was purchased under this contract to the termination of said 90-day period; and such property shall thereupon be considered and accounted for as having been purchased by the Operator at the valuation so fixed by the Government; or (2) the Government may enter and take possession of such property wherever it may be found, and remove and dispose of it for the joint account of the parties.

ARTICLE 10. *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: (1) the Government shall be free of all obligation to contribute to costs not then incurred other than such as may be allowable under the provisions of the contract as necessary and incidental to winding up, reporting, and accounting; and (2) 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.

(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: (1) the Government shall be relieved of all obligation to contribute to costs not incurred when the notice was given, other than such as may be allowable by the provisions of the contract as necessary and incidental to winding up, reporting, and accounting; and (2) 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 10 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 11. *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 12. *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 13. *Changes and added provisions.*—

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

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

C & D MINING COMPANY
(Operator)

By Clarice V. Adams (Partner)

By Daisy E. Vance (Partner)

By Lane Buchanan (Partner)

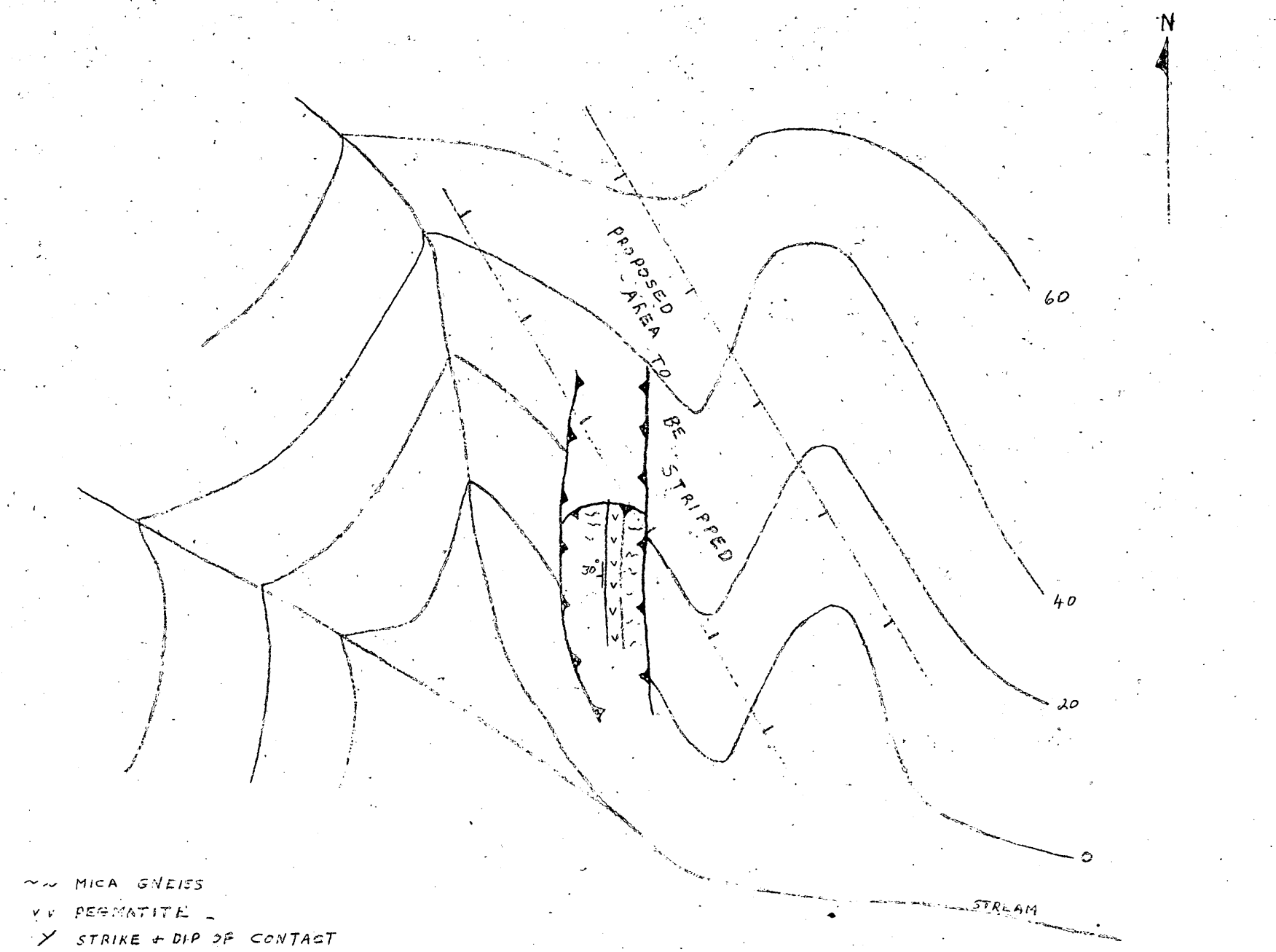
Indrity 11/10/55
Dunyon
"Appd. Sol. Off."
Anderson
Hoot
Jay P. Chambers
Selfridge

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—70617-1



~~ MICA GNEISS
v v PEGMATITE
STRIKE & DIP OF CONTACT
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CUT

SKETCH OF THE

C + D MINE

AVERY CO., N.C.

0 20 40 FEET

SCALE

⊗ BEGINNING STAKE

DMEA - 3994 (MICA)

10-13-55

MF-203
Revised March 24, 1955

For Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator C & D Mining Co.
Docket No. DMEA- 399h
Contract No. Idm-E 898
Contract Date Nov. 23, 1955

RECEIVED
DEC - 8 1955

CONSENT TO LIEN

To the United States of America:

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

Refer to Lease attached.

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 any others.

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: None

Dated this _____ day of NOV 23 1955, 195__.

Margaret J. Penland, Attorney-in-Fact [Seal]

Edith T. Jarvis

Samuel Gill [Seal]

Ida C. Gill

Clarice V. Odom [Seal]

Earl H. Odom

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]

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

March 6, 1957

Mr. Friel T. Vance

Plumtree, North Carolina

Re: Docket No. DMEA-3994-Mica
C & D Mining Company
C & D Mine, Avery County, N. C.
Contract Idm-5898

Dear Mr. Vance:

Reference is made to the Consent to Lien which you executed on November 23, 1955, in connection with the DMEA contract for an e xploration project on your property located in Avery County, North Carolina.

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

Sincerely yours,

Robert A. Laurence
Executive Officer, DMEA
Region V

RAL/mm
cc
Adm. R. File
Chambers
Opr. Com.-3
Lynch
Files
Shirley

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

3/8 C 220 225

March 6, 1957

Mr. Sam K. Vance

Plumtree, North Carolina

Re: Docket No. DMEA-1994-Nica
C & D Mining Company
C. & D Mine, Avery County, N. C.
Contract Idm-5898

Dear Mr. Vance:

Reference is made to the Consent to Lien which you executed on November 23, 1955, in connection with the DMEA contract for an exploration project on your property located in Avery County, North Carolina.

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

Sincerely yours,

Robert A. Laurence
Executive Officer, DMEA
Region V

RAL/rm
Enc

Adm. Reading File
J. Chambers
Opr. Com.-
Lynch
Files

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

3/8 C 220 225

March 6, 1957

Mrs. Margaret G. Penland

Flamtree, North Carolina

Re: Docket No. DMEA-3994-Mica
C & D Mining Company
C. &. D Mine, Avery County, N.C.
Contract Idm-2898

Dear Mrs. Penland:

Reference is made to the Consent to Lien which you executed on November 23, 1955, in connection with the DMEA contract for an exploration project on your property located in Avery County, North Carolina.

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

Sincerely yours,

Robert A. Laurence
Executive Officer, DMEA
Region V

RAL/mm
mc

Adm. Reading File

J. Chambers
Opr. Con.-
Lynch
Files

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
1-21	Anderson	600
1/21	Houk	600
1-22	Chambers	800
3/4	Selfridge	120
"	Johnson	110
"	Mittendorf	100
		220

600

MAR 4 1957

Mr. Sam H. Odom

Plumtree, North Carolina

Re: Docket No. DMEA-3994-Mica
C & D Mining Company
C & D Mine
Avery County, North Carolina
Contract No. Idm-E898

Lamb

Kiilsgaard

Dear Mr. Odom:

Reference is made to the Consent to Lien which you executed on November 23, 1955, in connection with the DMEA contract for an exploration project on your property located in Avery County, North Carolina.

For your information, there is enclosed a copy of our letter of this date to the C & D Mining Company advising that the Government retains no claim or lien against the property described in the contract or on any future production therefrom.

Sincerely yours,

C. O. Mittendorf

Administrator

Enclosure

WCAnderson:gad 1/18/57
Copy to: Admr. R. File
Field Team, Region V
Mr. Chambers
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

EA Form 7
(2-56)

600

OFFICIAL FILE COPY

Date	Surname	Code
1-21	Anderson	600
1/22	Houk	600
1-22	Chambers	800
3/4	Sellers	120
"	Johnson	110
"	Whitenburg	100
		220

MAR -4 1957

Mr. Ivor C. Vance

Plumtree, North Carolina

Re: Docket No. DMEA-3994-Mica
C & D Mining Company
C & D Mine
Avery County, North Carolina
Contract No. Idm-E898

Lamb
Kiilsgaard

Dear Mr. Vance:

Reference is made to the Consent to Lien which you executed on November 23, 1955, in connection with the DMEA contract for an exploration project on your property located in Avery County, North Carolina.

For your information, there is enclosed a copy of our letter of this date to the C & D Mining Company advising that the Government retains no claim or lien against the property described in the contract or on any future production therefrom.

Sincerely yours,

G. O. Mittendorf

Administrator

Enclosure

WCAnderson:gad 1/13/57
Copy to: Admr. R. File
Field Team, Region V
Mr. Chambers
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
1-21	Anderson	600
1/22	Houk	600
1-22	Chambers	800
3/4	Selbridge	120
"	Johnson	110
"	Mittendorf	~~100~~ 220

600

MAR 4 1957

C & D Mining Company
C/O Mrs. Ivor Vance
Plumtree, North Carolina

Re: Docket No. DMEA-3994-Mica
C & D Mining Company
C & D Mine
Avery County, North Carolina
Contract No. Idm-E898

Lamb

Kiilsgaard

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. Mittendorf

Administrator

WCAnderson:gad 1/18/57

Copy to: Admr. R. File
Mr. Chambers
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Field Team, Region V
Mr. Houk

Copy to signers of Consent to Lien:
Messrs. Friel T. Vance
Ivor C. Vance
Sam K. Vance
Sam H. Odom
Margaret G. Penland

8623

DMEA Form 7
(12-56)

600

OFFICIAL FILE COPY

Date	Surname	Code
1-21	Anderson	600
1-22	Houk	600
1-22	Chambers	800
3/4	Selfridge	130
"	Johnson	110
"	Whitenack	100
3-5		220
		225

MAR 4 1957

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

Re: Docket No. DMEA-3994-Mica
C & D Mining Company
C & D Mine
Avery County, North Carolina
Contract No. Idm-E898

Dear Mr. Laurence:

We are enclosing three copies of our closing letter on the subject contract to be forwarded to Friel T. Vance, Sam K. Vance and Margaret G. Penland who executed a Consent to Lien on the property November 23, 1955.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (SLB)

Approved:

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

Thor H. Kiilsgaard (SLB)
Member, Geological Survey

Enclosures 3

WCAnderson:gad 1/21/57
Copy to: Admr. R. File
Operating Committee
Mr. Chambers
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

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

OFFICIAL FILE COPY
DMEA
RECEIVED FEB 28 1957

DATE	INITIALS	CODE
2/28	C	220
2/28		800
		225

February 26, 1957

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Operator's Final Report, DMEA-3994, Idm-E898-Mica
C & D Mining Co., Plumtree, N.C.
C. &. D. Mine, Avery County, N.C.

Enclosed are four copies of the Operator's final report on this project. Although not very long, the last sentence adequately describes the project.

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

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

C & D Mining Company
Plumtree, North Carolina
February 14, 1957

OFFICIAL FILE COPY
D M E A
RECEIVED FEB 28 1957

DATE	INITIALS	CODE

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

Re: DMEA-3994, Idm-E898 - Mica
C & D Mine
Avery County, North Carolina

Dear Mr. Laurence:

Reference is made to your letter of February 8, 1957 relative to termination of C & D Mining Company.

We wish to advise that C & D Mine has not been in operation since May 28, 1956. Due to an excessive amount of water and soft material we were unable to continue operation. Therefore, nothing was accomplished - a complete loss resulted from our operation.

Very truly yours,

C & D MINING COMPANY

Mrs Ivor C. Vance

Mrs. Ivor C. Vance
Partner

Mrs. ICV/er

RECEIVED
FEB 15 1957
Geologic Division
Knoxville, Tenn.

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

February 8, 1957

Mrs. Iver C. Vance
C & D Mining Company
Plumtree, North Carolina

Re: DMEA-3994, Idm-E898 - Mica
C & D Mine
Avery County, North Carolina

Dear Mrs. Vance:

Reference is made to your letter of February 6, relative to Mr. Beck's recent call.

You will note that Article 3 of the termination agreement states that the Operator shall render a final report. This report is more fully explained in Article 7c of the contract. No such report has been received and we cannot close our books on the contract without it.

A brief statement of what was accomplished and your evaluation of the results will be sufficient.

Sincerely yours,

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

RAL/mg
cc - Operating Committee (3)
Lynch
Beck
Shirley
File

OFFICIAL FILE COPY
DMEA
RECEIVED FEB 11 1957

DATE	INITIALS	CODE
2/12	C	220
2/12		800
		225

C O P Y
mg 2/8/57

C & D Mining Company
Plumtree, N. C.
February 6, 1957

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

Dear Mr. Laurence:

Mr. Beck called yesterday about the termination of the C & D Mines. If you will look back to your Termination Agreement of June 26, 1956, you will find that anything was terminated at that time. This was duly signed by all partners. Now, what else is there to do?

Mr. Beck talks as if Washington keeps after him and requested that we mail Washington a copy. We thought that was taken care of through you. Please advise.

Very truly yours,

C & D MINING COMPANY

/s/ Mrs. Ivor C. Vance

Mrs. Ivor C. Vance
Partner

Mrs. ICV/er

FEB 1 1957
DATE | INITIALS

DM[illegible]m 7
(12[illegible]56)

OFFICIAL FILE COPY

Date	Surname	Code
1-30	Anderson	600
1/30	Houk	600
2/1	Selfridge	130
"	Johnson	110
"	Matheudy	100
2-4	C	220

225

600

1 FEB 1957

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

Re: Docket No. DMEA-3994-Mica
C & D Mining Company
C & D Mine
Avery County, North Carolina
Contract No. Idm-E398

Dear Mr. Laurence:

Reference is made to the Field Team final report of August 7, 1956, on the subject contract, recommending that the project should not be certified.

The Termination Agreement of June 26, 1956, stipulates that the operator must render a final report and final account, which he has failed to do in this case.

We will appreciate having your comments so that we can complete the closing out of this docket.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

Frank D. Lamb
Member, Bureau of Mines

N. E. Nelson
Member, Geological Survey

WCAnderson:gad 1/30/57
Copy to: Admr. R. File
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

R.C.K.

8623

Mr. Selfridge:

April and May Voucher with narrative - 5/10/56.

Termination Agreement - 6/26/56.

This agreement calls for a Final Report. If we are waiving the requirement for a formal Final Report, as it would add nothing, and are accepting the April and May Vouchers with narrative in lieu thereof, we should have something in the files. The project summary should state the facts.

FEJohnson FEJ

See P.S.

to project summary.

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

Project Summary Report

By: Walter C. Anderson January 18, 1957
Nonmetallic Minerals Division

1. Docket No. DMEA-3994-Mica
Contract No. Idm-E898
C & D Mine
Avery County, North Carolina

Operator: Mrs. Ivor Vance, et al. d/b/a
C & D Mining Company
Plumtree, North Carolina

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

Work proposed:

20 hours of bulldozing @ $10.00/hr.	$200.00
100 feet of "tunnel" @ $40.00/ft.	4,000.00
Total requested	$4,200.00

Operator's property rights: Ten year mining lease on the Vance and Odom property consisting of 9.5 acres, dated September 21, 1955.
Consent to Lien, dated November 23, 1955.

2. Contract: Form MF-200 (June 1954), dated November 23, 1955.
Work authorized: Actual cost contract

Stage I	
1,000 cu.yds. trenching @ $0.30/cu.yd.	$300.00
New Buildings	114.00
Stage II	
50 feet of shaft and 60 feet of drifts	4,210.00
Estimated total cost of project	$ 4,624.00
Government participation @ 75%	$ 3,468.00

Amendments - None

Work completed:

Surface excavation	$300.00
New buildings	114.00
19 feet of shaft	1,061.87
Total accepted cost	$ 1,475.87
Government participation	$ 1,106.90

Contract work began December 9, 1955, and was terminated by mutual agreement, effective May 9, 1956.
Field Team Final Report received August 7, 1956.
Operator's Final Report, dated May 10, 1956. 2-14-57
Production - not over 200 pounds of scrap mica, of no particular value.
No equipment purchased under the contract.

3. Audit: Report of Review issued July 5, 1956

Accepted cost	$1,475.87
Government participation	$1,106.90

4. Certification of discovery - None issued.

5. Comments:

How conducted: Poorly. Poor judgment in execution of Stage I resulting in hazards for accomplishment of Stage II. The Operator ignored warnings and advice of the Field Team.

Operation: Poor.

Engineering: Standards low. Last monthly report was accepted as final report.

Geological premise: The premise that a weathered pegmatite outcrop containing strategic mica would prevail in depth was not definitely proven as the Operator through bad operation did not complete the contract.

Geological criteria upon which work was based:

1. Semi-weathered pegmatite in excess of 3.5 feet thick and exposed over a distance of 50 feet, conformable to a mica schist wall rock, unzoned, coarse textured and containing perthite, plagioclase, quartz and muscovite.
2. Mica - free of stain, green, flat and flat-A, free splitting, and of large size.

Criteria developed during project:

1. Concordant 2½-3 foot mica-bearing pegmatite over a distance of 60 feet, consisting of kaolinized plagioclase feldspar, quartz, muscovite and minor serecite.
2. Mica - green, 80% wedge A, 20% flat in books up to 8 inches, noticeable staining, badly reeved.
3. Desired criteria was not developed because of poor operation.

Future possibilities: Not known.

Recommendations: The Nonmetallic Minerals Division and the commodity members of the Geological Survey and the Bureau of Mines concur in the Field Team's recommendation not to certify.

Walter C. Anderson

Walter C. Anderson
Nonmetallic Minerals Division

P.S. Operator's letter of May 10, 1956, and last monthly report were accepted as a final report until receipt of report of February 14, 1957, which the Field Team considers adequate. However, the Nonmetallic Minerals Division considers it very poorly done, as the Operator does not give an evaluation of the work done or the number of pounds of mica recovered. However, we are accepting this report submitted by operator as further information would add nothing more.

IN REPLY REFER TO:

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

RECEIVED
OCT 18 1956

October 17, 1956

Memorandum

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

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

Subject: Review of Field Team Final Report, DMEA 3994, Idm-E898, C & D Mining Co., C & D Mine, Avery County, North Carolina, $4,624.00, Mica.

The contract approved the expenditure of $4,624.00 on the exploration of a pegmatite by bulldozing, shaft sinking and drifting.

The bulldozing and part of the shaft sinking were accomplished. Water trouble and the fact that no mica of strategic value was found caused the work to be stopped. The applicant claimed much strategic mica was in evidence in the surface exposure.

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

I concur with that recommendation.

N. E. Nelson

N. E. Nelson

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

August 20, 1956

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

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

Subject: DMEA-3994 (mica)

Applicant: C.&D. Mining Co.

Name and Location of Property: C. & D. Mine, Avery County, N. C.

Contract Number: Idm-E 898

Date of Field Team Report: 8/7/56

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 8/14/56

Field Team Recommendation: Recommend no certification of discovery.

Comments:

1. About 200 pounds of very poor quality mica was recovered.

2. Project was abandoned by mutual agreement due to uncontrolable stream seepage and bank slumpage.

3. Expenditures-

Total approved	$4,624.00
Total cost	1,475.00
Gov't. share of the cost	1,106.90
Value of production during operation	nil

Recommendation:

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

W. F. Dietrich

W. F. Dietrich

RECEIVED
AUG 21 1956

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1050 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

August 7, 1956

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Final Field Team Report - DMEA-3994, Idm-E898 (mica)
C & D Mining Co. C. &. D Mine, Avery County, N. C.

Transmitted are four copies of the subject report with maps attached.

The Field Team concurs with the examiners that this project should not be certified due to site problems and the poor quality of the mica.

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

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

RECEIVED
AUG - 9 1956
Reviewed by
DMEA OPERATING COMMITTEE
8-13-56
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT

On

DMEA-3994, Idm-E898 (mica) C & D MINE
Avery County, North Carolina

By

L. E. Shirley and A. L. Peyton, Mining Engineers
U. S. Bureau of Mines

and

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

August 7, 1956

Reviewed by
DMEA OPERATING COMMITTEE
8-13-56
(date)

EXPLORATION PROJECT

FIELD TEAM FINAL REPORT, REGION V

On

DMEA-3994, Idm-3898 (mica) C & D MINE

Operator: C & D Mining Company, c/o Mrs. Ivor Vance, Plumtree, N. C.

Location: 2100 feet S. 61° W. from the intersection of the Henson Creek Road and Highway 19-E at Spear, Avery County, N. C.
(Carvers Gap, N. C., Quadrangle TVA Ed - 1934, 1:24,000)

Summary

Insurmountable site problems, bank slumpage, uncontrolled stream seepage and drainage forced abandonment of the project by mutual agreement. No further exploration is feasible or desirable, since the small amount of recovered block muscovite is of very poor quality. No certification of discovery should be issued.

Work Done Under Contract:

Contract work began December 9, 1955, and was terminated by mutual agreement, effective May 9, 1956. Stage I consisted of bulldozing a cut 125 x 24 feet x a maximum 8 to 10 feet deep, trending roughly N. 60° W. No definite pegmatite was uncovered, but the operators requested that they be permitted to do additional bulldozing at their own expense. A total of about $400.00 was expended on the bulldozing, $100.00 at the operators' expense.

The cut was lengthened and an extensive drainage channel dozed at its lower end. At this stage a steep 25-30 foot high bank was made on the uphill side and a 8-10 foot bank on the creek side (see map). Permission was granted on January 10, 1956 to start Stage II since about 35 feet of N. 65° W. trending pegmatite was cut in the bottom of the pit and a small

exposure at the northwest end. Shaft was not collared until late March because of repeated slumping of the uphill bank and extreme amounts of seepage and drainage from the adjacent creek. Justice Creek is substantially higher in elevation than the floor of the cut, and is draining continually into the excavation. The shaft was sunk 19 feet on a 45° incline and is an approximate S. 40° W. direction.

Geology:

A concordant 2½ to 3-foot thick mica-bearing pegmatite is exposed in the floor and northwest end of the bulldozer cut intermittently over a distance of 60 feet. The structure trends N. 50 - 65° E. and dips approximately 45° southwest. Exposed pegmatite consisted of kaolinized plagioclase feldspar, disseminated quartz, muscovite and minor serecite. About 200 pounds of very poor quality muscovite was recovered. The muscovite is green-colored, about 80% wedge A, 20% flat A in books up to 8 inches across and 2 inches thick. There is no noticeable mineral staining. It is badly reeved; "A" and star reeving being very common. Country rock is composed of a weathered mica-gneiss and schist. No reserves of any kind were outlined during the contract.

Conclusions:

Work completed under the contract was not done in a satisfactory manner principally because of extremely poor judgment on the operators' part in bulldozing Stage I. The cut was unnecessarily lowered to the extent that an extremely bad water problem could not be avoided and dangerous steep cut walls were left unprotected. The operators were repeatedly advised to build a log retainer to prevent the cut wall from collapsing on the work site.

This advice was repeatedly ignored resulting in an ultimate loss of shaft. No equipment was purchased under the contract. Mica recovered was almost entirely of scrap value, so that no particular value is placed on this small amount (not over 200 lbs.)

Expenditures:

(a)	Total amount of Contract	$4,624.00
(b)	Total Spent	1,475.87
(c)	Government's participation	1,106.90
(d)	Government's share unexpended	2,361.10
(e)	Value of production	(?)
(f)	Royalty paid	None

August 7, 1956

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

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

g

Talbert

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

JUL 5 - 1956

Mrs. Helen R. Miller
Administrative Assistant
Bureau of Mines, Region V
P. O. Box 227
Norris, Tennessee

Re: Docket No. DMEA-3994 (Misc)
C & D Mining Company
C & D Mine
Pinetree, North Carolina
Contract No. Idm-2898

Dear Mrs. Miller:

Returned herewith is your Finance Office file, covering the referenced project, as submitted by your memorandum of July 3, 1956, for use by this Division in preparing a Report of Review in lieu of a final audit.

The review has been completed and the Report of Review will be forwarded to the regional Executive Officer within the next few days. It is suggested that final payment on this account be withheld until you receive your copies of the Report of Review.

Your courtesy in submitting the requested documents is appreciated.

Sincerely yours,

(Signed) E. D. Talbert

E. D. Talbert, Acting Chief
Contract Administration
and Audit Division

Enclosure

EDTalbert/wb
July 5, 1956

Copy to: Docket
Admr. Reading File
R. A. Laurence
Mr. Houk
Mr. Chambers

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 3 WASHINGTON POST OFFICE BLDG.
KNOXVILLE 2, TENN.

July 5, 1956

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA- Region V - Knoxville, Tenn.

Subject: Idm-E898, DMEA-3994, C & D Mining Co., Termination Agreement
C & D Mine - Avery County, N. C.

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

Robert A. Laurence

Robert A. Laurence

RECEIVED
JUL 9 - 1956

DOCKET COPY
Surname:
Anderson
Houk
Chambers
Martin
Foreman
Mathews

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 Building
Knoxville, 2, Tennessee

JUN 21 1956

Re: Docket No. DMEA-3994-mica
C & B Mining Company
C & B Mine
Avery County, North Carolina
Contract No. Idm-E898

Dear Mr. Laurence:

Reference is made to the Field Team memorandum of May 18, 1956, recommending termination of the subject contract by mutual agreement.

We have prepared and enclose herewith the original and five copies of a Termination Agreement, with effective date as shown, for your signature. If it meets with your approval, please sign it in behalf of the Government and present it to the operator for approval and signature.

If any part of this agreement does not have either your approval or that of the operator, and cannot be amended within your delegated authority, then the original and all copies are to be returned to this office, together with the proposed changes, for consideration.

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

Sincerely yours,

W. S. Martin
ACTING Chairman, Operating Committee

Approved:

P. F. Yopes
Member, Bureau of Mines

Thor H. Kiilsgaard
Member, Geological Survey

Enclosures: 6

WCAnderson:ms 6/19/56
Copy to: Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Admr. R. File

R.C.S.

Docket

Talbot

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

JUN - 1 1956

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

Re: Docket No. DMEA-3994 (Mica)
C & D Mining Company
C & D Mine
Flintstone, North Carolina
Contract No. Idm-2898

Dear Mr. Laurence:

Returned herewith is the Finance Office's contract file on the referenced contract, including the payroll transcript and the bulldozing invoice, as submitted by your memorandum of May 29, 1956, in response to my letter request of May 22, 1956.

I regret to advise that, inasmuch as documentary evidence of the claimed costs of $114.00 for buildings has not been submitted as requested in the penultimate paragraph of my May 22, 1956 letter, a Report of Review in lieu of a final audit cannot as yet be released. It is requested that the required documentary support of these building costs be obtained from the Operator and submitted to this Division for review.

For your information a review of the file submitted indicates the following disallowances are in order:

Labor

Apr. 6 payroll lists Lane Buchanan for 33½ hrs. @ $1.50, gross $52.26, and Tom McKinney for 33½ hrs. @ $1.00, gross $33.63, whereas correct computations are $50.25 and $33.50, respectively..... $ 2.14

Apr. 20 and May 4 payrolls list Zeb Pitman for aggregate of 112 hrs. @ $1.25, gross $140.00, whereas the contract specifies $1.00 an hour as the maximum allowable for labor..... 28.00

Payroll Taxes

Taxes on the wages paid to Lane Buchanan, one of the partners, such taxes being a personal expense and properly reportable to the Internal Revenue Service as self-employment tax..... 4.19

R.S.S.

Taxes on portion of Zeb Pitman's wages disallowed above..... .56

Total..... $34.89

It is suggested, therefore, that payment of the final MF-104 be held in abeyance pending the release of the Report of Review.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

Enclosure

EDTalbert/wb
June 1, 1956

Copy to: Docket
Admr. Reading File
Helen R. Miller
Mr. Chambers
Mr. Houk
Mr. Talbert

Talbert

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

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

MAY 22 1956

Re: Docket No. DMEA-3994 (Mica)
C & D Mining Company
Conard Mine
Flintree, North Carolina
Contract No. Idm-E896

Dear Mr. Lawrence:

By memorandum dated May 18, 1956, you forwarded the original April and May, 1956, MF-104 and MF-104A, together with supporting documentation, of the referenced Operator with the request that this Division issue a Report of Review in lieu of a final audit.

The Operator's claim for Labor aggregating $604.39 is supported by a payroll summary rather than copies or transcripts of the actual payrolls as required by the penultimate paragraph of the instructions on the reverse of the MF-104. Before a proper review may be made it will be necessary for the Operator to submit acceptable copies or transcripts of the payrolls listing by pay periods each employee by name, job title, wage rate, hours of employment, gross earnings, itemized deductions and net earnings. Such transcripts or copies are required to bear a certification stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature.

It is suggested that the required payroll documentation be obtained from the Operator and submitted to this Division for further review. With the submission of the payroll documentation please also forward the documentary evidence, which presumably is attached to the paid copies of the December 1955 and February 1956 Forms MF-104, covering the claimed costs of $300.00 for bulldozing and $114.00 for buildings. Upon receipt of these documents this Division promptly will issue a Report of Review.

The April and May, 1956, MF-104, MF-104A and attachments are returned herewith.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

Enclosure

EDTalbert/wb 5-22-56

Mr. Chambers
Mr. Houk
Mr. Talbert

Copy to: Docket
Admr. Reading File
Helen R. Miller

R.C.S.

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

May 18, 1956

RECEIVED
MAY 21 1956

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Request for Termination - Idm-E898, DMEA-3994 (mica)
C & D Mining Co., Avery County, North Carolina

Termination of this contract has been requested by the Operator and recommended by the Field Examiners.

Caving ground and water from a nearby creek has made it almost impossible to sink the shaft and if it is sunk it will be at a high cost.

The Field Team concurs with the Field Examiners and the Operator in requesting a termination of the contract by mutual agrement, the date of termination should be May 9, 1956.

Robert A. Laurence

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

V. J. Lynch

V. J. Lynch, Member
Bureau of Mines

C

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

RECEIVED
MAY 16 1956

May 14, 1956

Memorandum

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

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

Subject: Termination - Contract No. Idm-E898 (Mica), DMEA-3994
C & D Mining Company, Avery County, North Carolina

Enclosed is a copy of a letter from Ivor C. Vance, operator of subject contract, requesting termination of the contract.

The Field Team is of the opinion that operator cannot successfully sink the shaft and we therefore request that the contract be terminated by mutual agreement.

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

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

Enclosure

RECEIVED
MAY 16 1956

C & D Mining Company
Plumtree, North Carolina
May 10, 1956

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

Subject: Contract DMEA-3994
Idm-E898

Dear Mr. Laurence:

In view of the fact that it has been so difficult to operate the above subject mine, we wish to terminate subject contract.

We have spent a considerable sum of money trying to open this mine, but due to the fact that there is an excessive amount of water and soft material, we do not feel that it is profitable to continue operation.

Excessive amounts of rain and surface water would soften material to the extent that it would seep through timbers to such an extent that within four month's time we were able to reach a depth of only 19 feet.

We are convinced that there is a considerable amount of mica at this location and it is our plan to try to reach it from another angle. Thanking you for your cooperation, we are

Very truly yours,

C.&.D MINING COMPANY

Mrs Ivor C Vance

Mrs. Ivor C. Vance
Partner

Mrs. ICV/er

RECEIVED
MAY 14 1956
U.S. Geological Survey
Geologic Division
Knoxville, Tenn.

RECEIVED
MAY 18 1956

INTERIM REPORT

DMEA-3994, Idm-E898 (mica), C & D MINE

Operator: C & D Mining Co., c/o Mrs. Ivor Vance, Plumtree, N. C.

Location: 3000 feet S. 66° W. of Spears, Avery County, N. C.

The incline shaft totals 19 feet. Heavy rain during the past week completely filled the shaft with mud making it impossible to inspect the pegmatite.

The operator wishes to terminate the project because of difficulty from caving and sluffing of high banks. The field examiners agree with this request.

Inspected: May 8, 1956

A. L. Peyton

A. L. Peyton, Mining Engineer
Bureau of Mines

A. R. Taylor /for

S. C. Bergman, Geologist
Geological Survey

ACTION ON INTERIM 3994
OR FINAL FIELD TEAM REPORT

Date 5-18

Referred to:

1. ~~Mr. Mittendorf~~
2. ~~Mr. Johnson~~
3. ~~Mr. Chambers~~
4. ~~Docket Control~~ Mails and Files
5. ~~Non Public Div~~ ~~Division~~
6. Docket Control Mails and Files

Note comments in report regarding:

1. Mutual Term

2.

3.

4.

and take appropriate action.

- - - - - - - -

Action taken by Division: Termination being referred to Legal for processing

Robert E. Adams

Interim Report

DMEA-3994, Idm-E898-Mica, C & D MINE

Operator: C. &. D Mining Co., c/o Mrs. Ivor Vance, Plumtree, N.C.

Location: 3000 feet S 66° W of Spears, Avery County, N. C.

The Operator has cut 14 feet of incline to date. Timbering is exceedingly difficult because of water and weathered material over the incline. It is possible this condition will improve after a few feet. Instructions were given to continue sinking on pegmatite.

Inspected: April 24, 1956

A. L. Peyton

A. L. Peyton, Mining Engineer
Bureau of Mines

S. C. Bergman

S. C. Bergman, Geologist
Geological Survey

z

RECEIVED
MAY 3 - 1956

INTERIM REPORT

DMEA-3994, Idm-E898(mica) C. & D. MINE

Operator: C & D Mining Company, c/o Mrs. Ivor Vance, Pluntree, N. C.

Location: 3000 feet S 66° W of Spears, Avery County, N. C.

The Operator has cut a total of 8 feet of incline. The soft wet material over the incline is making timbering very difficult. Present exposures are insufficient for an accurate description of the pegmatite. The Operator was instructed to continue the incline staying with the pegmatite.

Progress is very slow due to difficulty in timbering soft material.

April 10, 1956, inspected

A. L. Peyton

A. L. Peyton, Mining Engineer
Bureau of Mines

S. C. Bergman

S. C. Bergman, Geologist
Geological Survey

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RECEIVED
APR 9 - 1956

INTERIM REPORT

DMEA-3994, Idm-E898 (mica) C & D MINE

Operator: C & D Mining Company, c/o Mrs. Ivor Vance, Plumtree, N. C.

Location: 3,000 feet S 66° W of Spears, Avery County, N. C.

The Operator has cut 4 feet of incline exposing a 3 foot pegmatite striking northwest and dipping to the southwest. Progress has been exceptionally slow due to heavy sluffing from the hillside. Apparently this difficulty has been overcome. The exposure was not sufficient to make an appraisal of the mica content.

Inspected: March 27, 1956

A. L. Peyton

A. L. Peyton, Mining Engineer
Bureau of Mines

S. C. Bergman

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

z

INTERIM REPORT

DMEA-3994, Idn-E898, C & D MINE

Operator: C & D Mining Company, c/o Mrs. Ivor Vance, Plumtree, N. C.

Location: 3,000 feet S 66° W. of Spears, Avery County, North Carolina

No progress to report. Operators efforts to collar shaft have failed due to excessive sluffing of hillside. Further attempts will be made to collar the shaft and complete the contract.

Inspected: March 13, 1956.

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

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

z

RECEIVED
MAR 12 1956

INTERIM REPORT

DMEA-3994, Idm-E898, C & D MINE
(mica)

Operator: C & D Mining Company, c/o Mrs. Ivor Vance, Pluntree, N. C.

Location: 3,000 feet S 66° W of Spears, Avery County, N. C.

No progress on shaft sinking due to excessive sluffing of hillside. Operators efforts to expose pegmatite and collar shaft have been unsuccessful. Contract funds for preparation of shaft site have been depleted. Operator will make another effort to clear away debris and collar shaft.

Inspected: February 28, 1956

V. J. Lynch and A. L. Peyton, Mining Engineers
U. S. Bureau of Mines

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

z

INTERIM REPORT

DMEA-3994, Idm-E898, C & D MINE (mica)

Operator: C & D Mining Company, c/o Mrs. Ivor Vance, Plumtree, N. C.

Location: 3000 feet S 66° W of Spear, Avery County, North Carolina

Shaft sinking has not begun due to continuous sluffing of material from the slope on the north side of the trench. In view of the fact that the funds for bulldozing have been depleted, it was suggested the Operator start shaft sinking with sufficient cribbing to control the sluffing and give ample protection for the crew. The Operator will bear the expense of cribbing and preparing the site for starting the shaft. A description of the pegmatite could not be obtained at this inspection due to mud and water in trench.

Inspected: Feb. 14, 1956

A. L. Peyton

A. L. Peyton, Mining Engineer
Bureau of Mines

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

z

RECEIVED
JAN 27 1956

INTERIM REPORT

DMEA-3994, Idm-E898 (mica) C AND D MINE

OPERATOR: C and D Mining Co., c/o Mrs. Ivor Vance, Plumtree, N. C.

LOCATION: 3,000 feet S66°W of Spear, Avery County, North Carolina

Actual shaft sinking is not in progress on this contract to date. Other work has been in progress when weather oonditions would permit it. Track has been lain from the shaft site to the end of the open cut, and a mine car will be used to facilitate muck removal. A tool house, powder magazine, and cap magazine have been built. Equipment on the job consists of a 105 c.f.m. air compressor with necessary drilling attachments, a gasoline powered hoist and hand tools.

The Field Examiners have suggested to the Operators that shaft sinking be delayed temporarily until loose material stops moving in from the high side of the cut due to recent freezing and thawing. It was pointed out that it will be necessary to remove all loose material from the trench and slope the east side of the cut properly before starting shaft sinking. Shaft sinking is expected to be delayed at least one month, and is not expected to increase any costs to the government because of the delay.

L. E. Shirley

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

S. C. Bergman

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

January 17, 1956

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

RECEIVED
JAN 1 3 1956

January 10, 1956

The C & D Mining Company
c/o Mrs. Iver Vance
Plumtree, North Carolina

Re: DMEA-3994, Idn-E898 (mica)
C & D Mine, Avery County, N.C.

Dear Mrs. Vance:

Permission is hereby granted to start Stage II of the subject contract.

Very truly yours,

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

VJL/sm
cc:
Lynch
Opr. Com.
Shirley
Files

RECEIVED
JAN 13 1956

INTERIM REPORT

DMEA-3994, Idm-E898 (mica) C AND D MINE

OPERATOR: C. and D Mining Co., c/o Mrs. Ivor Vance, Plumtree, N. C.

LOCATION: 3,000 feet S66°W of Spear, Avery Co., N. C.

Stage I. - Trenching by bulldozer has been completed on this contract. Some additional trenching was necessary to provide proper drainage for the open cut and to divert a small stream near the stripped area. The Operator stated that machine time required slightly exceeded the allowable maximum as provided in the contract; this additional work was performed at the Operator's own expense. The excavation consisted of widening and deepening an existing open cut to properly expose the pegmatite. The trench trends to the northwest and is 125 feet x 24 feet x 12 to 14 feet deep. Pegmatite is sporadically exposed over a strike length of 30 feet and is composed of kaolinized feldspar, quartz, and scattered muscovite mica.

The Examiners recommend that Stage II be undertaken. A shaft site was spotted and incline sinking will get underway as soon as written approval is sent to the operator.

The completion of Stage I of this contract was impeded by inclement weather.

L. E. Shirley

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

S. C. Bergman

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

January 4, 1956

RECEIVED
DEC 27 1955

INTERIM REPORT

DMEA-3994, Idm-E898 (mica) CAND D MINE

OPERATOR: Cand D Mining Co., c/o Mrs. Ivor Vance, Plumtree, N. C.

LOCATION: 3,000 feet S66°W of Spear, Avery Co., N. C.

The starting date on this contract was December 8, 1955. Trenching by bulldozer is underway, and 11.5 hours have been expended to date on work performed, according to the operator. Instructions were given concerning additional bulldozing to better expose the pegmatite. Suggestions were made for shaping up the cut to provide proper drainage. Another visit will be made to the project in the near future.

L. E. Shirley

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

SCB

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

December 12, 1955

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

RECEIVED
DEC - 8 1955

KNOXVILLE, TENNESSEE
December 6, 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region V

Subject: Signed Contract: Idm-E898, DMEA-3994, C. &. D. Mining Co.
C & D Mine, Avery County, North Carolina

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 Copy
Surname: Anderson
Houk
Chambers
Selfridge
H. E. Johnson

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

600

NOV 23 1955

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

Subject: Docket No. DMEA-3994 - Mica
Mrs. Ivor Vance, et al.
C & D Mining Company
C & D Mine
Avery County, North Carolina

Dear Mr. Laurence:

Please find herewith the original and five copies of a contract with two extra copies of "Exhibit A" covering the subject exploration project which have been signed by the Administrator for the Government with effective date as shown. The Consent to Lien lacks the signature of Mr. Sam Odem, one of the joint owners. His Consent to Lien should be obtained before the contract is executed.

If the contract meets with your approval present it to the Operators for approval and signature. If any part of this contract does not have either your approval or that of the Operators and cannot be amended within your delegated authority, then the original and all copies of the contract are to be returned to this office, together with the proposed changes for consideration.

Please bring to the attention of the Operators that this is an actual cost contract and they must keep copies of their payrolls and vouchers of purchases and get receipts of all cash payments not made by check. The original of the monthly Forms MF-104 must be supported by appropriate documentary evidence of the costs claimed.

This contract automatically makes maximums of the totals shown in Categories I, IV, and VI but not the individual items in Category VI. Other maximums are shown by an asterisk.

After execution of the contract, the copies are to be distributed in the usual manner. Copies of memoranda dated November 3 and 7, 1955, by Mr. N. E. Nelson, USGS, and Mr. W. F. Dietrich, USBM, respectively, relating to the project are enclosed.

Approved:

/s/ Robert W. Geehan
By 557
Member, Bureau of Mines

N. E. Nelson By 557
Member, Geological Survey

Enclosures 12

Sincerely yours,

George C. Selfridge By 557
Chairman, Operating Committee

WCAnderson:gad 11/21/55
Copy to: Admr. R. File
Mr. Kiilsgaard, 5222
Operating Committee
Mr. Dietrich, 3061
Docket
Mr. Houk

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

NOV 14 1955

Memorandum

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

From: Associate Solicitor, Division of Mineral Resources

Subject: Docket No. DMEA-3994, C & D Mining Company (mica)

Pursuant to your request we have prepared the attached contract forms.

The Consent to Lien lacks the signature of Mr. Sam Odom, one of the joint owners. His Consent to Lien should be obtained before the contract is executed.

Robert P. Dwyer

Robert P. Dwyer

Attachments

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

NOV 14 1955

Memorandum

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

From: Associate Solicitor, Division of Mineral Resources

Subject: Docket No. DMEA-3994, C & D Mining Company (mica)

Pursuant to your request we have prepared the attached contract forms.

The Consent to Lien lacks the signature of Mr. Sam Odom, one of the joint owners. His Consent to Lien should be obtained before the contract is executed.

Robert P. Dwyer

Robert P. Dwyer

Attachments

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

Memorandum

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

From: Associate Solicitor, Division of Mineral Resources

Subject: Docket No. DMEA-3994, C & D Mining Company (mica)

Pursuant to your request we have prepared the attached contract forms.

The Consent to Lien lacks the signature of Mr. Sam Odom, one of the joint owners. His Consent to Lien should be obtained before the contract is executed.

Robert P. Dwyer

Robert P. Dwyer

Attachments

PIndritz/emd
Copy to: DMEA Docket
Solicitor's Docket
Mr. L. G. Houk
P. Indritz
R. P. Dwyer
chron.

Anderson

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

RECEIVED

November 7, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-3994 (mica)

Applicant: C&D Mining Co., Mrs. Ivor Vance

Name and Location of Property: C&D Mine, Avery County, N. C.

Date of Field Team Report: 10/13/55

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 11/3/55

Field Team Recommendation: Recommend a 2-stage unit-cost exploration program.

Comments:

1. Present exploration work indicates possible occurrence of strategic mica.

2. Total estimated costs are in the amount of $4,724.00.

3. This is a new prospect and no data of past production are available.

Recommendation:

I concur with the field team's recommendation.

W. F. Dietrich

W. F. Dietrich

Anderson

IN REPLY REFER TO:

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

RECEIVED
NOV - 4 1955

November 3, 1955

Re: DMEA 3994
C & D Mining Co.
C & D Mine
Avery County, N. C.
$4,724.00 - 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 recommended 2-stage program for this property would consist of:--

Stage I -	Stripping	$ 300.00
Stage II -	Shaft, 50 feet	2,150.00
	Drift, 60 feet	2,160.00
	Preparatory work	114.00
	Total	$4,724.00

A new discovery which shows abundant good mica is to be explored as shown above.

I concur with the recommendation of the Field Team that the application be accepted.

already done

N. E. Nelson

N. E. Nelson

C & D MINING COMPANY
Plumtree, N. C.

November 7, 1955

United States Department of the Interior
Defense Minerals Exploration Administration
Washington 25, D. C.

Subject: DMEA-3994

Reference: Exploration Assistance C&D Mine

Gentlemen:

We are very anxious to get started on the Exploration of the C & D Mine and are wondering what is holding up our application which was made some 7 weeks ago, for assistance.

Soon It will be appreciated if you will expedite this as much as possible.

Very truly yours,

C & D MINING COMPANY

Lacy E. Vance

Mrs. Ivor Vance

DEV:fmw

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1-0-0 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

RECEIVED
OCT 31 1955

October 27, 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: DMEA Field Team, Region V

Subject: Field Examination Report, DMEA-3994 (mica) C. &. D. Mining Co. Plumtree, N. C. C. &.D. Mine, Avery County, N. C.

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

We recommend approval of a two-stage, unit-cost contract as outlined in the examination report. We would prefer to see the work under Stage I set up as a maximum of 30 hours bulldozing at $10.00 per hour to cut a trench approximately 100 x 24 x 12.

Robert A. Laurence

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

V. J. Lynch

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

11-4-55

RECEIVED
OCT 31 1955

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FIELD EXAMINATION REPORT BY FIELD TEAM
REGION V

ON

DMEA-3994, C & D MINE (mica)
Avery County, N. C.

By

Kefton H. Teague, Geologist
U. S. Geological Survey
and
Lawrence E. Shirley, Mining Engineer
U. S. Bureau of Mines

11-4-55

October 13, 1955

RECEIVED
OCT 31 1955

FIELD EXAMINATION REPORT
On
DMEA-3994, C & D Mine (mica)

Applicants: C & D Mining Co., c/o Mrs. Ivor Vance, Plumtree, N. C.

This is a recently discovered pegmatite on which a limited amount of stripping has been done. Outcrop material is weathered and can be easily stripped. Mica of strategic grade is present, relatively abundant, and exposed thickness of pegmatite is sufficient to contain considerable reserves. Exploration assistance is recommended to be conducted in two stages.

This deposit was examined on October 9, 1955. Messrs. Ivor Vance, Sam Odom and Lane Buchanan accompanied the examiners on the inspection which required two hours.

The C & D Mine is 3000 feet S 66° W. of Spear, Avery County, North Carolina. Access is good at all times. Area included for the application is adequate for the proposed work. The applicants ~~den~~ own all the land surrounding that included for the application.

The applicant has mining experience, and is competent to conduct the proposed work. Lane Buchanan will be in active charge, if the proposed work is undertaken.

Recently the applicants have cut a trench about 8 feet deep by 50 feet in length to expose the pegmatite for a 20-foot length along its strike. The pegmatite is in excess of 3.5 feet thick, strikes north-south, and dips 30° W. It is conformable to the mica schist wall rock. The pegmatite is semi-weathered, contains perthite, plagioclase, quartz, and muscovite. It is relatively coarse textured and is apparently unzoned. Although its position cannot be determined, much "burr-rock" is present in waste from the pegmatite.

The pegmatite is mica-rich. The mica is free of stain, green colored, flat and flat-A, free splitting and occurs in moderately large sizes.

As outlined in the application the applicants desire to strip the pegmatite, then drive a drift to the north on it. The stripping part of the proposal is satisfactory; however, the relief is not sufficient to justify driving ~~an~~ a level from the stripped area. Instead, the examiners recommend that, after stripping is completed, and if favorable pegmatite is uncovered, an incline be sunk on the pegmatite from the stripped area to a depth of 50 feet and 60 feet of drift be driven on the pegmatite from the incline.

Estimated Cost:

Stage I.

Strip cut - 100' x 24' x 12'
1000 cu. yds. @ 30¢/cu.yd. $300.00

Stage II

Toolhouse	76.00
Powder magazine	25.00
Exploder "	13.00

Sink 50-foot, 5' x 7', 2-compartment timbered incline (30 shifts)

Labor:

1 - Miner @ $1.50/hr.	$360.00	
1 - Hoistman @ $1.25/hr.	300.00	
1 - Laborer @ $1.00/hr.	240.00	

Equipment (rental)

1 - Compressor, drill and pump @ $240/mo.	360.00	
Hoist @ $50/mo.	75.00	

Supplies:

Explosives	125.00	
Gasoline and oil	80.00	
Drill steel	50.00	
Timber , 4M @ $65/M	260.00	
Small tools and pipe	80.00	
Miscellaneous	79.00	
Compensation Insurance	90.00	
Unemployment Ins. and Social Sec.	36.00	
Sales Tax	15.00	$2,150.00

43

Drive 60 feet of drifts on pegmatite from incline (30 shifts)

Labor:

1 - Miner @ $1.50/hr.	360.00
1 - Hoistman @ $1.25/hr.	300.00
2 - Laborers @ $1.00/hr.	480.00

Equipment(rental)

Compressor, pump, drill and jack-leg @ $250/Mo.	375.00
Hoist $50/Mo.	75.00

Cont'd.

Supplies:		
Explosives	$ 50.00	
Gasoline and oil	100.00	
Drill steel	60.00	
Small tools and pipe	50.00	
Miscellaneous	41.00	
Compensation insurance	114.00	
Unemployment Ins. and Social Sec.	45.00	
Sales tax	10.00	$2,160.00
Estimated Cost of Stage II		$4,424.00
Estimated Cost of Stages I and II		$4,724.00

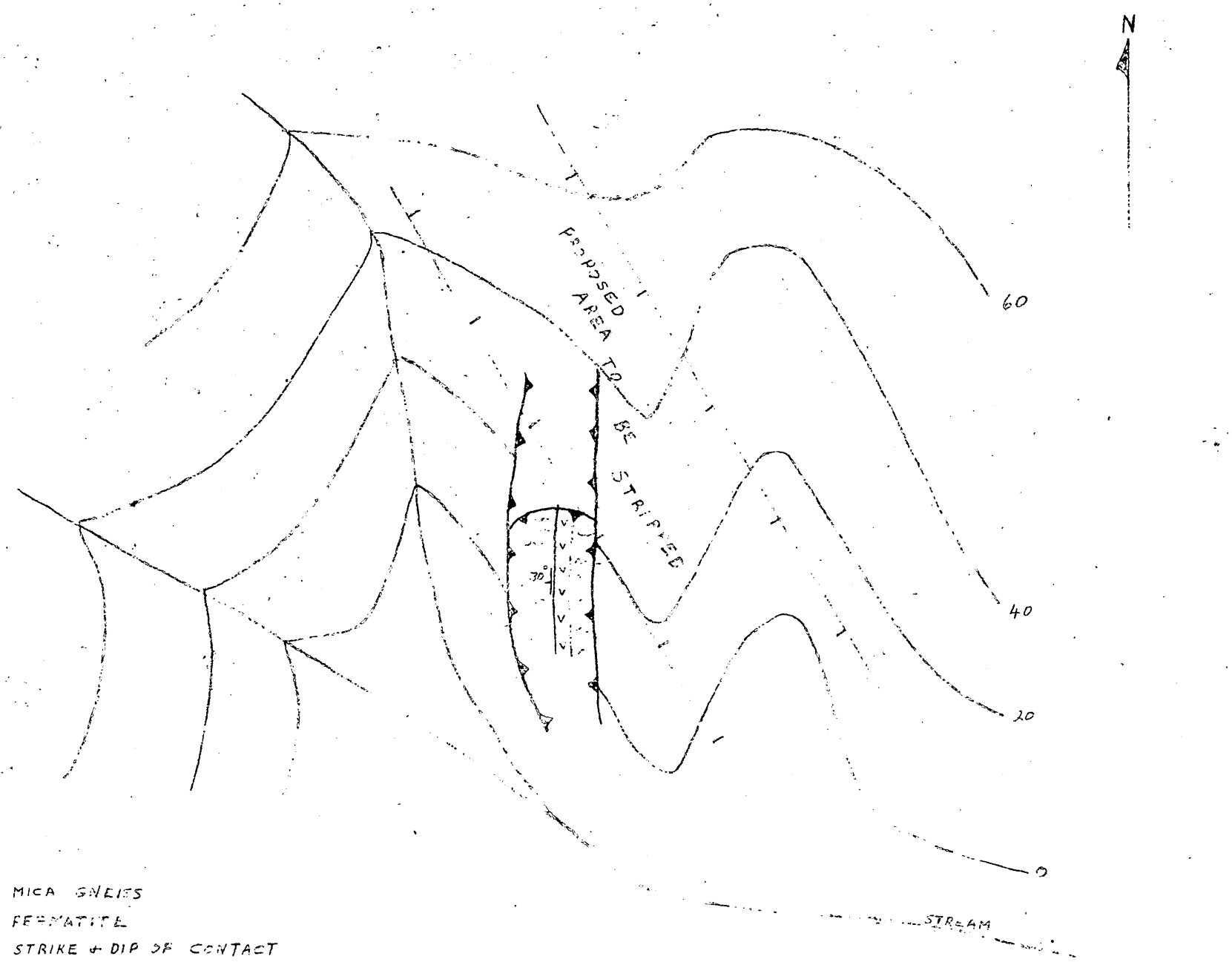
October 13, 1955

K. H. Teague, Geologist
U. S. G. S.

and

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

z



~~ MICA GNEISS

v v HEMATITE

STRIKE & DIP OF CONTACT

— - - CONTACT, APPROX. WHERE DASHED

CUT

SKETCH OF THE

C + D MINE

AVERY CO., N.C.

0 20 40 FEET

SCALE

BEGINNING STAKE

DMEA - 3994 (MICA)

10-13-55

Docket Copy
Surname:
Anderson
Knowles
Selfridge
Johnson

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

OCT 12 1955

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

Subject: Docket No. DMEA-3994 - Mica
C & D Mining Company
C & D Mine
Avery 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 dated September 29 and October 4, 1955, by N. E. Nelson, USGS, and W. F. Dietrich, USBM, respectively, relating to the project are enclosed.

If your office recommends an exploration program approved by the applicant, please furnish the necessary information to draft a contract. In this connection we will require nine copies of a map showing the proposed work and pegmatite exposures in relation to the property lines.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (GCS)

Approved:

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

Thor H. Kiilsgaard (GCS)
Member, Geological Survey

Enclosures 4

WCAnderson:gad 10/11/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Anderson

R.C.S.

Docket Copy
Surname:
Anderson
F. L. Krause
Kiilsgaard
Geehan
Selfridge

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

600

OCT 12 1955

C & D Mining Company
C/O Mrs. Ivor Vance
Plumtree, North Carolina

Re: Docket No. DMEA-3994 - Mica
C & D Mining Company
C & D Mine
Avery 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 you may give the members of the Field Team during the examination will be appreciated.

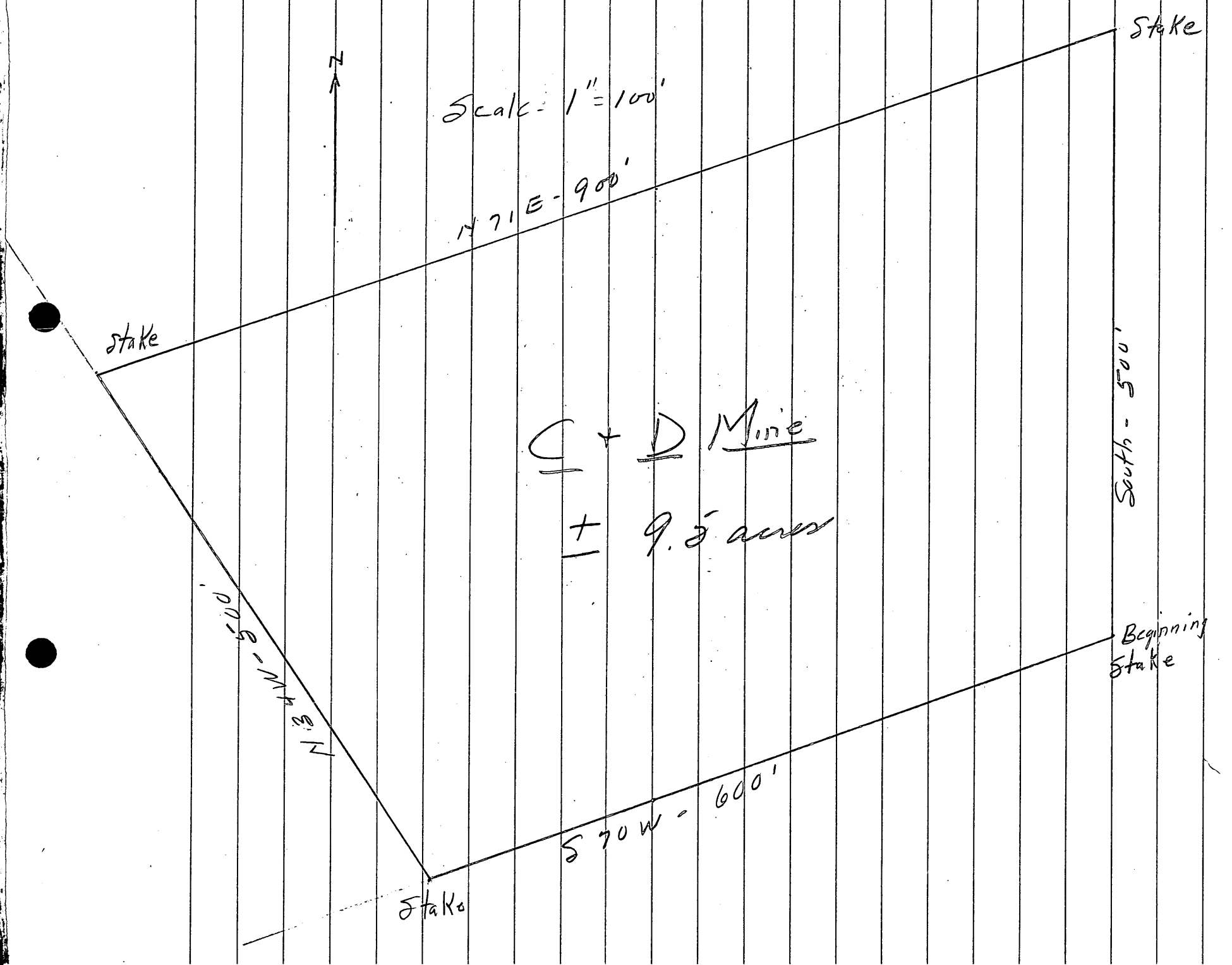
Sincerely yours,

Frank E. Johnson (fw)

ACTING Administrator

WCAnderson:gad 10/11/55
Copy to: Admr. R. File
Docket
Field Team, Region V
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Anderson

RCA


Stake
N
Scale: 1" = 100'
N 71 E - 900'
Stake
C + D Mine
± 9.5 acres
South - 500'
N 34 W - 500'
Beginning Stake
S 70 W - 600'
Stake

Mr Anderson

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

RECEIVED
OCT 4 1955

October 4, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-3994 (mica)

Applicant: C & D Mining Co. (Mrs. Ivor Vance)

Name and Location of Property: C & D Mine, Avery Co., N. C.

Date Application Rec'd. by Br. of Ceramic & Fertilizer Materials: 9/29/55

Comments:

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

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

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

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

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

RECEIVED
SEP 28 1955

September 26, 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: DMEA Field Team, Region V

Subject: Application : C. & D Mining Company, c/o Mrs. Ivor Vance, Plumtree, N. C. C. &. D. Mine, Avery County, N. C.

There are enclosed three copies of the subject application, with a sketch of the property, a copy of the mining lease, which should be returned to the applicant when you have finished with it.

One copy of the application has been retained for our files.

V. J. Lynch

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

K. H. Teague

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

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

RECEIVED
SEP 28 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-3994
Metal or Mineral Mica
Date Received 9/28/55
Estimated Cost $ 4,200.00
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: C & D Mining Company % Mrs. Ivor Vance, Plumtree, N. C. (Daisy E.)
Mrs. Sam Odom, Plumtree, N. C. (Clarice B.)
Lane Buchanan, Newland, N. C. Route #3

(*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.

All the following questions answered on three pages herewith attd.

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

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

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

(*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.

(*e*) If you own the land, describe any liens or encumbrances on it

(*f*) If the land consists of unpatented claims, add to the description above, the book and page numbers for each recorded location notice.

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.

(*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.

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SEP 26 1955
Survey

16—66551-1

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.

(*c*) The work will start within Immediately days and be completed within 4 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. See attached sheets for answers in full to the following.

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:

(*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.

(*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 September 19, 195 55

O & D MINING COMPANY.
(Applicant)

By Mrs Ivor Vance (Daisy E)
Mrs Sam Odom Clarice V.
Lane Buchanan

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

DMEA

APPLICATION FOR AID IN AND EXPLORATION PROJECT, PURSUANT TO ~~DATA~~ ORDER 1,

under the defense production act of 1950, as amended

1- (a) C & D Mining Company - % Mrs. Ivor Vance, Plumtree, N. C.

(b) Partnership.

(c) Mrs. Sam Odom - Plumtree, N. C.
Mrs. Ivor Vance - Plumtree, N. C.
Lane Buchanan - Route #3, Newland, N. C.

RECEIVED
SEP 28 1955

2- General Instructions

3- (a) Land owned by above applicants. A tract of land in Avery County, North Carolina and bounded as follows:

Beginning on a stake, running South 70 West- 600 ft. to stake; thence N. 71 East 900 feet to a stake, then North 34 West 500 ft. to a stake;/ thence S. 500 Ft. to beginning corner and containing 9½ acres more or less.

(b) C & D Mine.

(c) Land owner

(d) Not applicable

(e) ~~The answer is adequate. We have investigated this and find~~ None

(f) Not applicable

4 (A) There has been some bulldozing and 1 pit open to exposed vein material and is accessible for examination.

(b) Production has not been proven as the past working here has only exposed pegmatite and this has not been explored to any extent. The pegmatite that has been exposed shown an abundance of rich green Mica.

(c) The mica lays in a hard pegmatite several feet under a surface of soft dirt, easily moved by a bulldozer. We feel sure that there is plenty of mica to be found by going deeper into the pegmatite by tunnels. We have no knowledge of any geologic or engineering reports on this specific property although there are are several mines now operating and producing a good quality of

C & D Mining Company - % Mrs. Ivor Vance, Plumtree, N. C.

Mica in large quantities in the same type of pegmatite in this (Avery) county.

(d) The C & D Mine is situated about 500 yards off of Highway 19E- 10 miles north of Spruce Pine. The road to mine is accessible by car, truck or jeep.

(e) The manpower is adequate. We have investigated this and find we will be able to obtain all manpower necessary. Material and supplies will be bought by Distributors in Spruce Pine, who are well equipped to supply all Mica Mining needs. There is water in abundance and the Carolina Power and Light Company will furnish all needed Electrical Power.

5- (A) Mica.

(B) Would like for the proposed work to consist of the following:

1st - Some bulldozing to remove dirt from over pegmatite.

2nd- A tunnel started in bottom of cut and running into pegmatite. This work to be done on a foot cost basis.

(C) The work will start immediately and be completed in 4 to 5 months.

(D) Ivor Vance and Sam Odom, our husbands, have been operating mica mines for past 20 years. Lane Buchanan will be Supervisor on the job and has had 15 to 20 years mining Mica. He will have men working for him who are well trained miners.

6- (a) The proposed Exploration Project will be done in terms of an independent Contract on a Cost Unit Basis as follows:

1-	Approximately 20 hours of bulldozing @ $10.00 Hr.	$200,00
2-	One tunnel , 100 ft. @ $40.00 high unit cost	$4000.00
	Total proposed cost	$4200.00

The above figures and feet to be OKed by DMEA field men upon or after on the spot inspection by them.

C & D Mining Company - % Mrs. Ivor Vance, Plumtree, N. C.

(b), (c), (d), (e) Not Applicable.

(f) Approximately $150.00 for necessary Building.

(g) Not applicable

7 (A) Yes.

(B) Money.

CERTIFICATION OF THE ABOVE SIGNED BY

PARTNERS ON FORM MF-103 ATTACHED.

Mrs Ivor Vance (Daisy E)
Mrs. Sam Odom (Clarice V.)
Lane Buchanan

September 29,1955

Memorandum

To: Executive Officer, DMEA Field Team, Region V

From: Chief, Operation's Control and Statistics Division

Subject: Assignment of Docket Number

There is listed below the assigned docket number to an application recently received from Region V.

DMEA - 3994 C & D Mining Company

Robert E. Adams,
Chief, Operation's Control
and Statistics Division

September 29, 1955

C & D Mining Company
c/o Mrs. Ivor Vance
Plumtree, North Carolina

Subject: DMEA-3994
Re: Exploration Assistance
C & D Mine

My dear Mrs. Vance:

The receipt of your application dated September 19, 1955, for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA-3994 and referred to the Nonmetallic Minerals Division.

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

Sincerely yours,

Robert E. Adams, Chief
Operations Control and
Statistics Division

60932

IN REPLY REFER TO:

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

RECEIVED
SEP 30 1955

September 29, 1955

Re: DMEA 3994
Mrs. Ivor Vance, et al.
C & D Mine
Avery County, N. C.
$4,200 - Mica

Memorandum

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

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

Subject: Review of application.

The applicants request aid in doing bulldozing, $200, and drifting, $4,000, or a total cost of $4,200.

I have no information on the pegmatite.

If, as the application says, an abundance of rich green mica has been uncovered, the prospect merits an examination at the convenience of the Field Team and perhaps a staged work program.

Referral to the Field Team is recommended.

N. E. Nelson

N. E. Nelson

NORTH CAROLINA

AVERY COUNTY

THIS [illegible], made and entered into this 21 day of Sept, 1955, by and between [illegible] VANCE, [illegible] VANCE, [illegible] VANCE, and CHARLES [illegible] and husband, [illegible], Heirs of E. T. [illegible], deceased, and MARGARET G. [illegible], Agent and Attorney in fact per Power of Attorney of record in the Avery County Registry, in Book No. 51, page 530, for MARGARET G. [illegible] and husband, J. [illegible], [illegible], single, [illegible], single, JAMES C. [illegible], single, [illegible] and wife, [illegible], [illegible] McKINZIE and husband, [illegible], and BENJAMIN [illegible] and husband, [illegible] POTTER, Heirs of T. C. [illegible], Jr., deceased, parties of the first part, hereinafter sometimes called "Lessors"; and CLYDE [illegible], [illegible] and [illegible] of Avery County, North Carolina, parties of the second part, hereinafter sometimes called "Lessee";

WITNESSETH:

The Lessors, for and in consideration of the mutual promises and agreements hereinafter contained and other valuable considerations, receipt whereof is hereby acknowledged, do hereby authorize the Lessees to enter on those certain lands lying and being in Pee Dee River Township, Avery County, North Carolina, and being more fully described as follows:

> BEGINNING at a stake on the North side of the branch near the old French Diamond Mining Dump; thence North 70° West 600 feet to a stake; thence North 34° East 500 feet to a stake; thence North 71° East 300 feet to a stake; thence South 500 feet to the point of beginning; containing 9.5 acres, more or less.
>
> The above description being based on a survey made by E. V. Clapp, Surveyor, on September 15, 1955, and being a portion of those lands, the surface of which formerly belonged to J. W. Vance, the surface of which presently belongs to Ivor Vance and Ian ~~Vance~~ ODOM as shown in survey.

Said survey by the Lessees to be for the purpose of prospecting for and mining feldspar to and until August 25, 1965, under the following conditions:

FIRST: That Lessees shall pay to the Lessors all damages to the surface by reason of the mining operations.

SECOND: That the Lessees shall pay to the Lessors, or their agents fifty cents (.50) per ton on all feldspar mined on the above named property during the term of this lease, and also one-eighth of the value at the point of

sale of all ores mined. The ores shall be prepared for market the usual way. A copy of invoice of each sale to be given Lessees immediately.

SIXTH: Unless otherwise agreed upon, payments of royalty on feldspar shall be made at the time of sale by allowing buyer of the feldspar to deduct same for the lessees at the time of each sale. A copy of buyers weights shall be delivered to the lessees within ten days after sale.

SEVENTH: This Agreement shall be null and void if the lessees cease to diligently work said property or commence mining for more than ___ days without the written consent of the lessors.

EIGHTH: That all mining shall be done in a workmanlike manner and all waste be cured from all ores, shafts and tunnels, and where necessary for safety of mine, pillars shall be left to hold mine.

NINTH: Special conditions, if any, as follows: It is expressly agreed that the lessee shall have authority to sublease all or any portion of the demised premises hereinabove described.

TENTH: That this Agreement shall immediately terminate if the lessees fails to keep and perform all or any of the conditions as set forth above and in that case the lessors, their agents or assigns, may enter at once into peaceable possession of the above mentioned property, and lessees agree not to make claim or maintain action at law against lessors for such re-entry.

IN WITNESS WHEREOF, the said parties hereto have executed this Agreement in duplicate and truly, one of which is retained by each of the parties the day and year first above written.

Clarice V. Odom (SEAL)
Lessor

Fred T. Vance (SEAL)
Lessor

Igor C. Vance (SEAL)
Lessor

Samuel Vance (SEAL)
Lessor

Sam H Odom (SEAL)
Lessor

Margaret S. Penland, Attorney in Fact (SEAL)
Agent for J. C. Guy Heirs

Clarice V. Olson (SEAL) Daisy E. Vance (SEAL)
Lessee Lessee

Lane Buchanan (SEAL)
Lessee

NORTH CAROLINA ACKNOWLEDGMENT

AVERY COUNTY

I, Henry Burleson, a Notary Public in and for said County and State do hereby certify that [illegible] F. [illegible], [illegible] C. VANCE, SAM K. [illegible], and CLARICE V. OLSON and husband, [illegible] OLSON, personally appeared before me this day and that each acknowledged the due execution of the foregoing Instrument for the purposes therein expressed.

WITNESS my hand and Notarial Seal this 23 day of Sept., 1955.

Henry Burleson
Notary Public

My commission expires July 15. 1956

NORTH CAROLINA ACKNOWLEDGMENT

AVERY COUNTY

I, Georgia S. LaBarbera, a Notary Public in and for said County and State do hereby certify that [illegible] G. [illegible] personally appeared before me this day and acknowledged the due execution of the foregoing Instrument by herself as Agent and Attorney in fact for [illegible] C. FINLAND and husband, J. E. FINLAND, ROBERT B. GUY, MARTHA GUY, JEANETTE C. GUY, [illegible] C. GUY and wife, JULIA J. GUY, [illegible] and husband, EDWARD B. [illegible], and DOROTHY G. POTTER and husband, NORMAN D. POTTER.

WITNESS my hand and Notarial Seal this 24 day of Sept., 1955.

Georgia S. LaBarbera
Notary Public

Myccommission expires [illegible]

NORTH CAROLINA ACKNOWLEDGMENT

AVERY COUNTY

I, Henry Burleson, a Notary Public in and for said County and State do hereby certify that CLARICE V. OLSON, DAISY VANCE and LANE BUCHANAN, personally appeared before me this day and that each acknowledged the due execution of the foregoing Instrument for the purposes therein expressed.

WITNESS my hand and Notarial Seal this 23 day of Sept., 1955.

Henry Burleson
Notary Public

My commission expires July 15 1956

Copy -

MINERAL LEASE

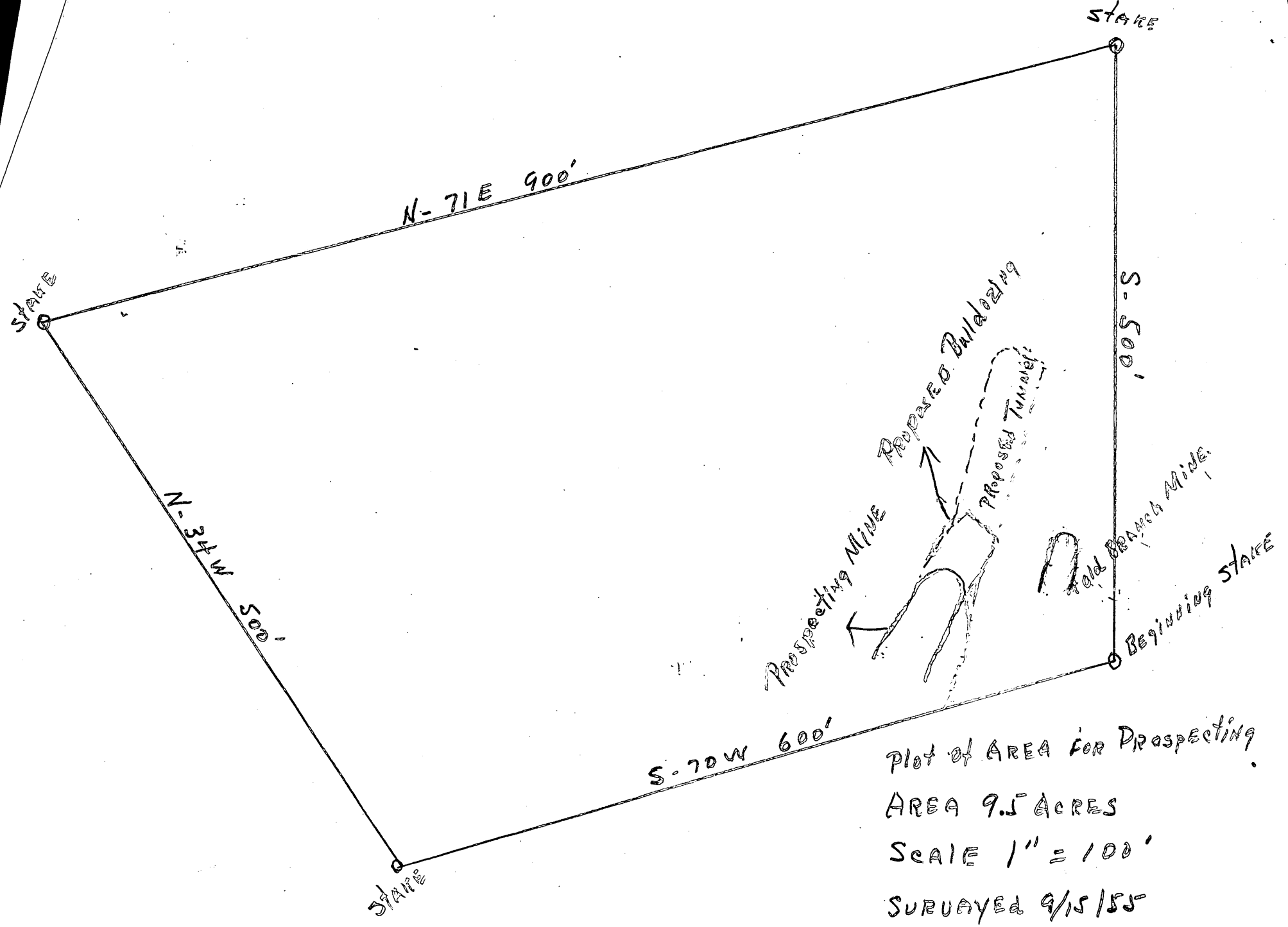
FRIEL T. VANCE, IVOR C. VANCE,
SAM K. VANCE, CLARICE V. ODOM,
SAM ODOM, and MARGARET G.
PENLAND et al

AND

CLARICE V. DDOM, DAISY VANCE
and LANE BUCHANAN

J. RAY BRASWELL
ATTORNEY AT LAW
NEWLAND, NORTH CAROLINA

RECEIVED
SEP 28 1955



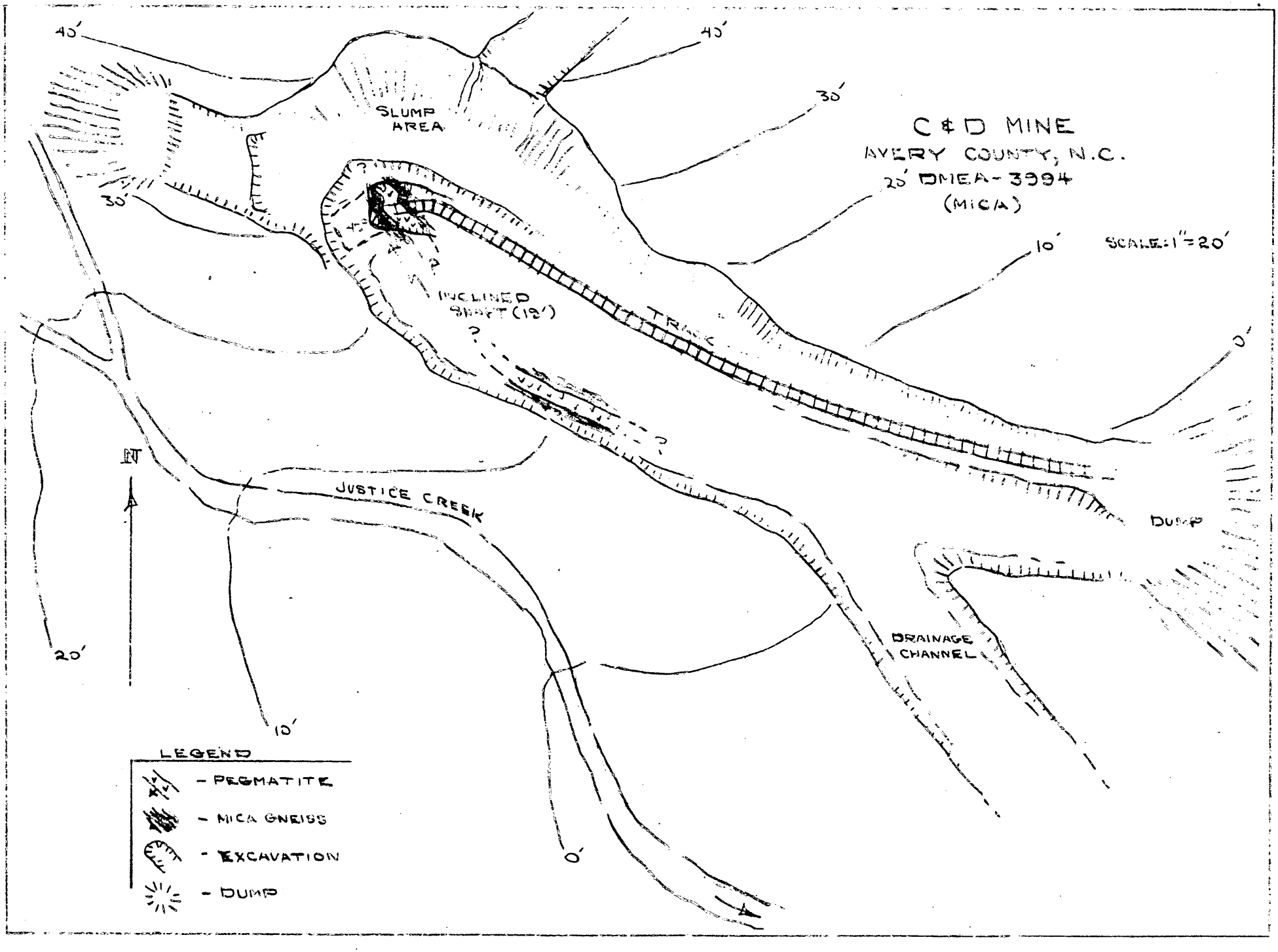
Plot of AREA for Prospecting

AREA 9.5 ACRES

SCALE 1" = 100'

SURVAYED 9/15/55

T. W. Clapp


C & D MINE
AVERY COUNTY, N.C.
DMEA-3994
(MICA)
SCALE: 1" = 20'
SLUMP AREA
INCLINED SHAFT (18')
TRACK
JUSTICE CREEK
DRAINAGE CHANNEL
DUMP
N
40'
30'
20'
10'
0'
LEGEND
- PEGMATITE
- MICA GNEISS
- EXCAVATION
- DUMP