Division Copy

Robin
Dwyer
Anderson

"Appd. Sol. Off."
Hook
Chandler
Martin

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JUN 14 1956

TERMINATION AGREEMENT

It is agreed this 6th 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 Knob Mining Company, a partnership consisting of J. R. Boone, Sam L. Phillips, John Phillips, Jeter Boone, Homer Boone, and Marcellus Buchanan, hereinafter called the "Operator," parties to that certain Exploration Project Contract Idm-2922 (Docket No. DMEA-4008), dated February 21, 1956, hereinafter called the "Contract," that:

1. Effective May 8, 1956, the Contract and all obligations of the parties thereunder, except as otherwise herein expressly provided, shall be and are hereby terminated.

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

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

4. All rights of the Government provided for in Article 7 of the Contract with respect to payment of percentage royalty regardless of certification of discovery or development and liens to secure same 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.

KNOB MINING COMPANY

By J. R. Boone

By John Phillips

By Sam L. Phillips

By Homer Boone

By Jeter Boone

By Marcellus Buchanan

THE UNITED STATES OF AMERICA

By Robert A. Lawrence
Executive Officer
Defense Minerals Exploration
Administration, Region V

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Knob Mining Company
c/o Sam L. Phillips
Spruce Pine, North Carolina

pertaining to Exploration Project Contract No. Idm-E922, Docket No. DMEA-4008, including Amendment No. 1, for the months of April 1956, and May 1956, inclusive, covering a project for the exploration of mica on property, known as the Lyle Knob Mica Mines located in Mason County, North Carolina.

My review included an examination of the Monthly Reports (Form MF-16A) and supporting documents attached thereto, comparison of the costs claimed with the contract and pertinent schedules, verification of work performed by reference to Field Team reports, and a determination of the reasonableness and propriety of the costs.

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

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

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

Total cost as billed by Contractor		$1,169.00
Exceptions:		
By DMEA Finance Office	$ -0-	
Herewith	-0-	-0-
Total Accepted Cost		$1,169.00

The contract calls for a 75 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Eight hundred seventy-six and 75/100 Dollars

$876.75

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

E. D. Talbert, Auditor

May 21, 1956

DIVISION COPY

EXPLORATION PROJECT CONTRACT

DMEA-4008, Idm-E922

AMENDMENT No. 1

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MAY 31 1956

Contract Idm-E922, Docket No. DMEA-4008, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration and Knob Mining Company, a partnership consisting of J. R. Beam, Sam L. Phillips, John Phillips, Jeter Boone, Homer Boone and Marcellus Buchanan, Spruce Pine, North Carolina, dated February 21, 1956, is amended as follows:

1. Article 3 is amended to read....." The Operator, on or before April 15, 1956 shall commence the work...." instead of April 1, 1956, as originally stated in the Contract.

Dated: March 30, 1956

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be obligated to pay, or the percentage of the cost which the Government may be obligated to pay, under the provisions of Article 5 of the contract form.

KNOB MINING COMPANY

By: J. R. Beam

By Sam L. Phillips

By John Phillips

By Jeter Boone

By Homer Boone

By Marcellus Buchanan

THE UNITED STATES OF AMERICA

By V. J. Lynch

Acting Executive Officer,
Defense Minerals Exploration
Administration, Region V

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MAR 21 1956

MF-200A
(Revised June 1954)

Docket No. DMEA 4008

Commodity Mica

Contract No. Idm-E 922

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

It is agreed this FEB 21 1956 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] Knob Mining Company, a partnership consisting of J. K. Boone, Sam L. Phillips, John Phillips, Peter Boone, Homer Boone and Marcellus Buchanan, whose mailing address is C/o Sam L. Phillips Spruce Pine, North Carolina, hereinafter called the "Operator," as follows:

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

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 Mason, and is described in Annex I.[3]

(b) The Operator represents and undertakes that:

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

(2) The Operator's right, title, or interest (whether as owner, lessee, or otherwise) is subject only to the following claims, liens, or encumbrances: Royalty interest as set forth in the lease

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

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

16—70618-1

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

ARTICLE 3. *The exploration project.*—The project is a search for indicated or undeveloped deposits of Mica. The work to be performed is described in Exhibit "A." The Operator on or before APR 1 1956 shall commence the work, and on or before August 3, 1956 (unless the Operator's obligation to complete the work is terminated—see Article 8) shall complete the work.

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

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

ARTICLE 5. *Contribution by the Government.*—A fixed cost for each unit of work to be performed (per foot of drifting, per foot of drilling, per hour of operations, etc.) is hereby agreed upon, and is set forth in Exhibit "A" in connection with the estimated total cost of the project in the sum of $4,616.00. The Government will contribute 75 percent of the fixed unit costs as work is performed, in a total sum not in excess of $3,462.00: *Provided,* That until the Operator has rendered to the Government his final report, and any final auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of 10 percent of the estimated total cost of the work. The Government will make its contribution on the basis of the monthly vouchers referred to in Article 6(b), but all payments by the Government are provisional only, subject to audit, until the account between the Operator and the Government is finally audited and settled. To the extent that excesses over fixed unit costs or any excess over the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such excesses for his own account without contribution by the Government. The Government may make payments directly to independent contractors and suppliers for the account of the Operator rather than to the Operator.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

ARTICLE 11. *Changes and added provisions.*—

Indrity 2/15/56
Sawyer
"Appd. Sol. Off."
Anderson
Houk
Chambers
Martin

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By C. D. Mitterdorf
Administrator, Defense Minerals
Exploration Administration

KNOB MINING COMPANY
(Operator)

By J. R. Beam (Partner)

By Sam L. Phillips (Partner)

By John Phillips (Partner)

By Jules Boone (Partner)

By Hamilton Zinn (Partner)

By Homer Boone (Partner)

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

.....

[CORPORATE SEAL]

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

RECEIVED
MAR 21 1956

EXPLORATION PROJECT CONTRACT
KNOB MINING COMPANY
DOCKET NO. DMEA-4008

ANNEX I

The land referred to in Article 2 of the Contract is known as the Lyle Knob Mica Mines. It is located in Macon County, North Carolina, on the western slope of Lyle Knob, 4.9 miles by road N. 18° E. of Franklin, North Carolina, on the Greens Creek Quadrangle and is described as follows:

> Beginning at the Bowers Cut of the Lyle Knob Mine and running 250 feet North; thence 250 feet West; thence 500 feet South; thence 500 feet East; thence 500 feet North; thence 250 feet West to a point of closing.

RECEIVED

JAN 27 1956

MF-203
Revised March 24, 1955

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

CONSENT TO LIEN

To the United States of America:

Referring to that certain land in the County of Macon, State of North Carolina, described as follows:1/ Beginning at the Bowers Gut of the Lyle Knob Mine and running 250' North; thence 250' West; thence 500' South; thence 500' East; thence 500' North; thence 250' West to a point of closing. This property located approximately 3 miles North of Franklin, N. C. on the head of Mason Branch.

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

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

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

None

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

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

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

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

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

5. Added provision: _____

Dated this 19th day of January, 1956.

T. D. Byron Jr [Seal]

C. F. Byron [Seal]

_____ [Seal]

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

_____

[Corporate Seal]

RECEIVED
MAR 21 1956

EXPLORATION PROJECT CONTRACT
KNOB MINING COMPANY
DOCKET NO. DMMA-4008

Exhibit "A"

Description of the Work

Exploration for concentrations of strategic mica shall be performed in the area indicated on the map, attached hereto and made a part hereof, entitled "Lyle Knob Mica Mines, Macon County, North Carolina."

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

Stage I

With a D-6 bulldozer or equivalent, clean out the Bowers Cut and outline the extent of previous work. The dimensions of this cut shall be 140 feet long by 80 feet wide by 10 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 shall be securely locked with the equivalent of a 5-tumbler jarproof lock.

2. From the bottom of the excavated cut, sink a 2-compartment shaft or incline for a distance not to exceed 50 feet.

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

The shaft or incline and the drifts and/or crosscuts shall have minimum cross-sectional dimensions of 5 feet by 7 feet in the clear of timber, and shall be timbered as necessary. This work shall be performed on the pegmatite or in as close proximity thereto as practicable.

The location, extent, direction and inclination of all work shall be approved by the Government.

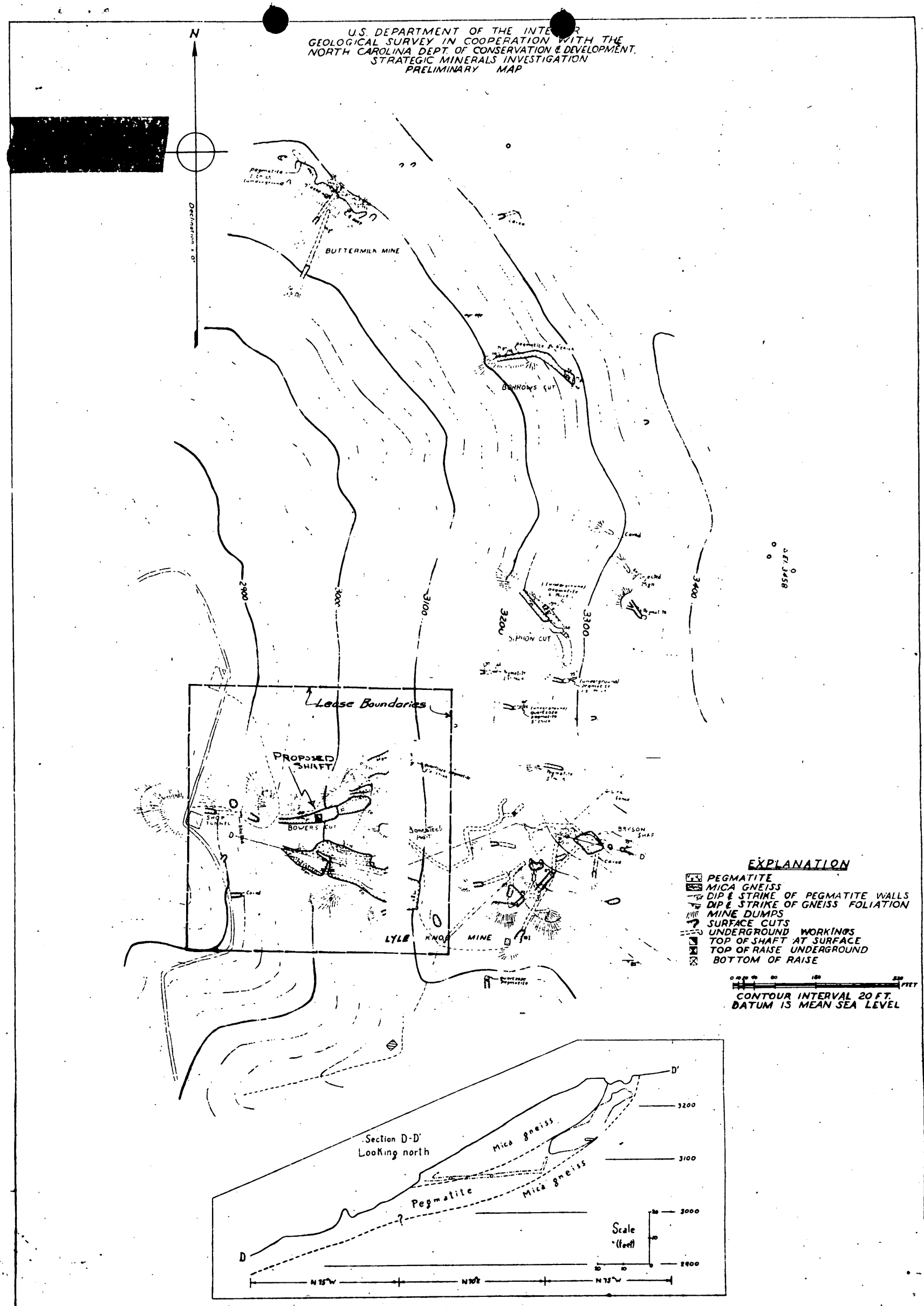
Fixed Unit Costs

Stage I

Bulldozing - 1,037 cubic yards @ $0.40/cu. yd. (rounded to)	$ 415.00	
Stage II		
Constructing - Toolhouse 1/	$ 75.00	
Powder magazine 1/	25.00	
Exploder magazine 1/	15.00	
Sink - 50 feet of shaft or incline @ $42.60/ft.	$2,130.00	
Drive - 60 feet of drifts and/or crosscuts @ $32.60	1,956.00	
Estimated Total Cost of Project		$4,616.00
Government Participation @ 75%		$3,462.00

1/ The completed work constitutes the unit.

U.S. DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY IN COOPERATION WITH THE
NORTH CAROLINA DEPT. OF CONSERVATION & DEVELOPMENT.
STRATEGIC MINERALS INVESTIGATION
PRELIMINARY MAP



LYLE KNOB MICA MINES
MACON COUNTY, NORTH CAROLINA

600

JAN 28 1957

Knob Mining Company
c/o Mr. Sam Phillips
Spruce Pine, North Carolina

Re: Docket No. DMEA-4000-Mica
Knob Mining Company
J. R. Bean, et al.
Lyle Knob Mine
Mason County, North Carolina
Contract No. Idm-E922

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,

W. O. Mitchell

Administrator

WCAnderson:gad 1/22/57
Copy to: Admr. R. File
Mr. Chambers
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Field Team, Region V
Mr. Houk
Mr. and Mrs. T. D. Bryson, Jr. (Signers of Consent to Lien)

600

JAN 28 1957

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

Re: Docket No. DMEA-4008-Mica
Knob Mining Company
J. R. Bean, et al.
Lyle Knob Mine
Macon County, North Carolina
Contract No. Idm-2922

Dear Mr. Laurence:

We are enclosing two copies of our closing letter on the subject contract to be forwarded to Mr. and Mrs. T. B. Bryson, Jr. who executed a Consent to Lien on the property January 19, 1956.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

Frank D. Lamb

Member, Bureau of Mines

W. E. Nelson

Member, Geological Survey

Enclosures

WCAnderson:gad 1/23/57
Copy to: Admr. R. File
Mr. Chambers
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

Project Summary Report

January 22, 1957

By: Walter C. Anderson, Nonmetallic Minerals Division

1. Docket No. DMEA-4008-Mica
Contract No. Idm-E922
Lyle Knob Mine (Bowers Cut)
Macon County, North Carolina

Application: Form MF-103 (April 1952) received October 6, 1955.
Work proposed by applicant:

90 feet of shaft @ $50.00/ft.	$4,500.00
100 feet of drifts @ $35.00/ft.	3,500.00
	$8,000.00

Operator: J. R. Beam, et al.
d/b/a Knob Mining Company
c/o Sam L. Phillips
Spruce Pine, North Carolina

Operator's property rights: Five year mining lease on the Bryson property consisting of five plus acres, dated September 28, 1955.
Consent to Lien of owner, dated January 19, 1956.

2. Contract: Form MF-200A (June 1954) dated February 21, 1956.
Work authorized (Two Stages):

Stage I - Bulldoze 1,037 cu.yds. @ $0.40/cu.yd.	$415.00
Stage II - Construction of buildings	115.00
50 feet of shaft @ $42.60/ft.	2,130.00
60 feet of drifts and/or crosscuts @ $32.60/ft.	1,956.00
Estimated total cost of project	$4,616.00
Government participation @ 75%	$3,462.00

Amendments: No. 1, 3/30/56, extended starting date from April 1, 1956 to April 15, 1956.

Work completed:

Surface excavation	$415.00
Buildings	115.00
15 feet of shaft	639.00
Total accepted cost	$1,169.00

Work began on April 9, 1956, and ended by mutual agreement on May 8, 1956.
Field Team Final Report received June 18, 1956.
Operator's only monthly report which constituted also the final report received May 16, 1956.
Value of production: Field Team estimated $225.00.
Operator made sales amounting to $463.16 for which he paid a royalty of $2.31. It is assumed that the sales account for all mica produced.
No equipment was purchased under the contract.

3. Audit: Report of Review issued May 21, 1956.

Accepted cost	$1,169.00
Government participation	$ 876.75

4. Certification of discovery or development - none issued.

5. Comments:

How conducted: All of the work in which the Government participated was acceptable.
Operation: Very little work done.
Engineering: The one and only monthly report submitted by the Operator was accepted as a final report.
Geological premise: The premise that a branch of the main Lyle Knob pegmatite (subject for three previous examinations, DMA-1741X, DMEA-2683, and DMEA-2946) would carry nominal amounts of mica in depth was not correct since the pegmatite bottomed at the 13-foot level.
Geological criteria upon which work was based:
1. Pegmatite - "An irregular pegmatitic mass, about 25 feet thick, occupying the crest of an anticlinal fold in a contorted biotite gneiss".
2. Mica - Nominal amounts, flat, light brown, some bent and badly ruled.
3. Past production.

Criteria developed during project:
1. A zoned pegmatite, average 7 feet thick, enclosed in hard, contorted biotite gneiss pinched out abruptly at the 13-foot level in the shaft. Composed of sodic feldspar, massive quartz, and muscovite.
2. Mica - hard, flat and clear. Value of mica sold more than covers Field Team's estimate of mica produced.
3. No reserves indicated or inferred.

Future possibilities: None. No further exploration is warranted.

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

Walter C. Anderson
Nonmetallic Minerals Division

WCAnderson:gad 1/22/57
Copy to: Admr. R. File
Mr. Houk

IN REPLY RE

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

RECEIVED
OCT 18 1956

October 16, 1956

Re: DMEA 4008, Idm-8922
Knob Mining Co.
Lyle Knob Mine (Bowers Cut)
Macon County, North Carolina
$4,616.00 - Mica

Memorandum

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

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

Subject: Review of Field Team Final Report.

The contract approved the expenditure of $4,616.00 on a 2-stage work program, consisting of bulldozing, shaft sinking and drifting, crosscutting, and/or raising. The program was designed to explore a pegmatite taken to be a branch of a productive pegmatite, the Lyle Knob.

The work done consists of bulldozing and a 15-foot shaft. The bulldozing disclosed an irregular pegmatite and the shaft showed the pegmatite bottomed at 13 feet. About 300 pounds of strategic ruby mica was recovered.

Work ceased because of the generally unfavorable results, $1,169.00 of the allotted money having been expended.

Because of the generally unfavorable results of the work, the examiners and the Field Team recommend that no certification be made.

I concur with the recommendation.

N. E. Nelson

N. E. Nelson

NENelson:iml
G-10/16/56

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

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

RECEIVED
OCT - 1 1956

September 28, 1956

Memorandum

To: Finance Office

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

Subject: Royalty Payments.

Transmitted are royalty payments on the following with bills-of-sale attached:

Idm-E882, DMEA-3924, Beam & Phillips, Sale-$91.76
Royalty $4.59

Idm-E734, DMEA-3452, Boone & Jarrett,
Sale amount $146.80; Royalty $7.34

Idm-E922, DMEA-4008, J.R. Beam, Sale amount-$46.24
Royalty-$2.31

Idm-E951, DMEA-4247, Ed Huskins, Sale amount $10.24
Royalty $0.51

Robert A. Laurence

ZM.
cc:

Lynch
Mittendorf
Shirley
Files

Sept. 20 195 6

BOUGHT OF Knob Mining Company (Idm-E922 - DMEA - 4008)

RECEIVED OCT - 1 1956

NAME OF MINE _____ LOCATED _____

LBS.	OZS.	CLASS	PRICE		TOTAL	
		Scrap				
		Mine-run Block				
		Washer				
		Small Punch				
578		Punch		.08	$ 46	24
		1½ x 2				
		2 x 2				
		2 x 3				
		3 x 3				
		3 x 4				
		3 x 5				
		4 x 6				

QUALITY _____ TOTAL $ 46.24

LESS _____

CHECK NO. _____ CHECK _____

SPRUCE PINE MICA CO.—Buyer

By C

The undersigned hereby certify that in the production of the Mica covered by this bill they have complied with the Fair Labor Standards Act of 1938 and indemnify and hold harmless the Spruce Pine Mica Company against any claim thereunder.

_____ Seller

MAYLAND PRINTING CO., SPRUCE PINE, N. C.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1087 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

September 24, 1956

RECEIVED
SEP 26 1956

Mr. Sam L. Phillips

Spruce Pine, North Carolina

Dear Mr. Phillips:

Receipt of the following royalty checks is acknowledged:

Putnam Mining Co.,	$7.34
Knob Mining Co.	2.31
Jerry Mining Co.	4.59
Edwards Mining Co.	0.51

It is assumed these represent sales from the following:

(Putnam)	Idm-E734 - DMEA-3452
(Knob)	Idm-E922 - DMEA-4008
(Jerry)	Idm-E882 - DMEA-3924
(Edwards)	Idm-E951 - DMEA-4247

If any of these designations are incorrect, please advise me.

The list of sales which accompanied the checks is inadequate. Please provide original or certified copies of sales tickets on these sales as well as on all sales for which royalty is paid. Also, it will be appreciated if you will indicate the DMEA number on each check.

Sincerely,

Robert A. Laurence
Executive Officer, DMEA

C
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P
Y

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

AUGUST 16, 1956

Memorandum

To: Finance Office - Norris - Region V

From: Executive Officer, DMEA - Region V

Subject: Royalty Payments

Transmitted are bills-of-sale with checks attached on the following:

Idm-E454, DMEA-2634, U. S. Pipe & Foundry Co.....$178.58

Idm-E922, DMEA-4008, Knob Mining Co..... 23.16

Idm-E686, DMEA-3375, Dixie Mines, Inc..... 220.07

Robert A. Laurence

ZM

Mittendorf
Lynch
Files

RECEIVED

August 20, 1956

copy

GENERAL SERVICES ADMINISTRATION
FINAL SETTLEMENT
Mica Purchasing Depot, Spruce Pine, N. C.

Date Purchased 7-13-56

Acceptance No. AR4 - 101(a)

VOUCHER No.

ertificate EP.S
uthorization No. 1838A LOT No. SP- 101(a)

	TOTAL Wt. Lb	Lbs-G.S	Lbs-Stained	Lbs-Hy-Stained	Total Value
ocessed for yment	46.93	9.00	14.96	22.97	463.16
No ocessed Pay't					
NS					
CK Dots Spots Stains					
ersized					
ess- ~~Gains~~ Loss	.18				
l Lbs hased	47.11				

: Initial Payment - Voucher No.		Sch. No.	378.32
nce Due	Government	Seller X	84.84

er's Name:

NAME OF MINE: Lyle Knob Mine

DMEA No. 4008 Idm-E 922

ess:

Approved

Date:

Copy

GENERAL SERVICES ADMINISTRATION WARRANTY, ACCEPTANCE AND INVOICE MICA PURCHASING DEPOT, SPRUCE PINE, N. C.		DATE PURCHASED 7-13-56 ACCEPTANCE No. ar-4
CERTIFICATE AUTHORIZATION No. 18389	LOT No. ✓	VOUCHER No.
RUBY X NON-RUBY	TOTAL LBS. PURHCASED	VALUE - INITIAL PAYMENT
PRELIMINARY PAYMENT	47.11	378.32
GENERAL SERVICES ADMINISTRATION		
By:	NAME OF MINE: Lyle Knob COUNTY - STATE	
	DMEA No. 4008 Idm-E 922	
	Seller: Lyle Knob Mining Co	
	Address: Spruce Pine, N.C.	
	Title: Sam Phillips, Partner	

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

RECEIVED
JUN 22 1956

June 22, 1956

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

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

Subject: DMEA-4008 (mica)

Applicant: Knob Mining Co., Spruce Pine, N. C.

Name and Location of Property: Lyle Knob Mine (Bowers Cut), Macon County, N. C.

Contract Number: Idm-E 922 (mica)

Date of Field Team Report: 6/15/56

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 6/21/56

Field Team Recommendation: That discovery or development should not be certified.

Comments:

1. Although 200 pounds of run-of-mine strategic ruby block muscovite was recovered during the exploration the pegmatite "bottomed" abruptly at a depth of 13 feet below the surface. A parallel shallow pegmatite to the northwest of the shaft was completely bulldozed, and yielded another 100 pounds of mica.

2. No indicated or inferred reserves were developed.

3. The project was terminated before completion of the contract, by mutual consent.

4. Expenditures -

Total approved	$4,616.00
Total cost	1,169.00
Gov't. share of the cost	876.75
Value of production during operation	225.00 (est.)

Recommendation:

I concur with the field team recommendation that discovery or development should not be certified.

Signed

W. F. Dietrich

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

RECEIVED
JUN 18 1956

June 15, 1956

Memorandum

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

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

Subject: Final Report DMEA-4008, Idm-E922 (Mica)
Knob Mining Co., Spruce Pine, N. C.
Lyle Knob Mine (Bowers Cut), Macon County, North Carolina

Enclosed are four copies of the subject final report.

We agree with the recommendation of the examiners that discovery or development should not be certified.

Robert A. Laurence
Executive Officer

A. L. Peyton for V. J. Lynch
Member, Bureau of Mines

RAL/mg
Enclosures 4
cc - Operating Committee (3)
Mr. V. J. Lynch
Mr. L. E. Shirley
Files

Reviewed by
DMEA OPERATING COMMITTEE
6-22-56

UNITED STATES
DEPARTMENT OF THE INTERIOR

RECEIVED
JUN 18 1956

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT

FIELD TEAM, REGION V

On

DMEA-4008, LYLE KNOB MINE (Bowers Cut)(mica)
Macon County, N. C.

By

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

and

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

June 15, 1956

Reviewed by
DMEA OPERATING COMMITTEE
6-22-56
(date)

FINAL REPORT
On

DMEA-4006, LYLE KNOB MINE (Bowers Cut)(mica)
Macon County, N. C.

RECEIVED
JUN 1 8 1956

Operator: Knob Mining Company, c/o J. R. Beam, Spruce Pine, N. C.

Summary

About 300 pounds of strategic ruby, "run-of-the-mine" block muscovite was recovered during Stage I and Stage II. The pegmatite "bottomed" at the 13-ft level in a 15-ft shaft. No further exploration is warranted. It is recommended that no certificate of discovery be issued.

General

The Lyle Knob Mine (Bowers Cut) is on the western slope of Lyle Knob, 4.9 road miles N. 12° E. of Franklin, Macon County, N. C. (Greens Creek, TVA, Quadrangle, 1941, 1/24,000).

Work began on April 9, 1956 and ended by mutual agreement on May 8, 1956. It consisted of two stages: bulldozing an existing northeast trending open cut for 100-ft by 30-ft by 10-ft, and sinking a shaft to a depth of 15 ft.

The operator conducted the work in a satisfactory workmanlike way. Facilities constructed were a tool-bunkhouse, powder magazine and exploder magazine. No equipment was purchased by the Government under the contract.

Miss Pegmatite

A zoned pegmatite (ave. 7-ft thick) enclosed in hard, contorted biotite gneiss, "bottomed" or pinched out abruptly at the 13-ft level in the shaft (map sections). Three percussion drill test holes (6 ft long) in the hanging wall and bottom of the shaft were in biotite gneiss. The pegmatite strikes, at the surface, N. 55° E. and dips 55° SE, and exhibits an apparent plunge along the bottom contact to the southwest. It is composed primarily of sodic feldspar, massive quartz, and muscovite.

Another pegmatite (possibly the NW limb of the anticline mentioned in the Parker-Stoll Report, May 1943) was encountered on the northwest side of the cut, but was cut out by the bulldozer.

Massive, white sugary-textured quartz mack existed before the cut was deepened in boulders up to 8 ft in diameter. Southwest of the shaft about 25 to 30 ft on 8-ft zone of quartz is in place above an old water-filled inclined (down) adit. Mr. Homer Boone, the foreman, stated that while sinking the shaft, he also pumped the water out of the adit, investigated, and found that it went through the pegmatite and bottomed at an estimated 20 ft from the portal. (This adit was inaccessible during the original examination on November 4, 1955)

About 300 pounds of "mine-run-block" ruby muscovite was recovered during the contract work. An estimated 100 pounds was recovered during the bulldozing from the pegmatite on the northwestern side of the cut that was cut completely out, and 200 pounds in blocks

up to 6 in. by 8 in. was recovered from the 2-ft to 6-ft levels in the shaft. The muscovite is hard, clear, and flat. It is estimated that at 5% sheet recovery, the value of production is about $225.00 (based on a new estimated average Spruce Pine, N. C. price of $15.00 per pound).

Conclusions

No significant discovery of strategic muscovite has been made, nor are any reserves indicated or inferred, because of the shallow nature of the pegmatite. Further exploration in the Bowers Cut is not warranted. The field examiners recommend that no certificate of discovery be issued.

Expenditures:

(a)	Total approved	$4,616.00
(b)	Total cost of project	1,169.00
(c)	Government's share of cost	876.75
(d)	Government's share unexpended	2,585.25
(e)	Estimated value of production	225.00
(f)	Royalty paid	None

June 15, 1956

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

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

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

RECEIVED
JUN 14 1956

June 12, 1956

Memorandum

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

From: Executive Officer, DMEA Field Team, Region V, Knoxville

Subject: Termination Agreement
DMEA-4008, Idm-2922, Knob Mining Company, Spruce Pine, N.C.
Lyle Knob Mine, Macon County, North Carolina - Mica

Enclosed are the original and two signed copies of the subject Termination Agreement.

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

Robert A. Laurence

mg
Enclosures 3

cc
Operating Committee (2)
Finance Office
Lynch
Shirley
Files

JUN - 4 1956

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

Re: Docket No. DMRA-4008-sign
Kaub Mining Company
Lyle Kaub Mine Mine
Mason County, North Carolina
Contract No. Ida-5922

Dear Mr. Lawrence:

Reference is made to the Field Team memorandum of May 14, 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. Two extra copies are enclosed for the use of the Field Team. 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,

Approved:

/s/ Robert W. Geehan

Director, Bureau of Mines

Thor H. Kiilsgaard

Director, Geological Survey

W. S. Martin

ACTING Chairman, Operating Committee

WCAnderson:ms 5/29/56

Copy to: Docket
Operating Committee
Mr. Kiilsgaard, 5322
Mr. Dietrich, 3061
Mr. Houk
Mr. Anderson
Adm. R. File

Enclosures:6

600

May 31, 1956

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: Amendment No. 1 - Docket No. DMEA-4008-mica
Knob Mining Company
Lyle Knob Mica Mine
Macon County, North Carolina
Contract No. Idm-8922

The Nonmetallic Minerals Division concurs in Amendment No. 1 to the subject contract as written and executed in the field. This amendment provides that the work shall commence on April 15, 1956, instead of April 1, 1956, as originally stated in the contract.

Amendment No. 1 was necessary because bad weather prevented the movement of machinery to the mine site.

/s/
Walter C. Anderson
Nonmetallic Minerals Division

WCAnderson:ms 5/31/56
Copy to: Mr. Houk
Mr. Anderson
Admr. R. File

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

RECEIVED
MAY 21 1956

May 17, 1956

Memorandum

To: Operating Committee, DMEA - Washington

From: Acting Executive Officer - DMEA - Region V

Subject: Amendment No. 1 - Idm-2922, Docket No. DMEA-4008 -Mica Knob Mining Company, Spruce Pine, N. C.

Transmitted are three signed copies of the subject amendment.

This amendment was necessary because bad weather prevented the movement of equipment to the mine site which is atop a mountain.

V. J. Lynch

Vjl/sm
Finance Office
Lynch
Shirley
Files

RECEIVED
MAY 18 1956

INTERIM REPORT

DMEA-4008, Idm-8922 (mica) LYLE KNOB MINE

Operator: Lyle Knob Mining Company, c/o J. R. Beam, Spruce Pine, North Carolina

Location: On the western slope of Lyle Knob 4.9 miles by road N12°E of Franklin, Macon County, North Carolina

Inclined shaft sinking has been in progress on this contract but no additional shaft sinking is recommended because the pegmatite has apparently bottomed. It is suggested that the contract be terminated by mutual agreement and that the necessary forms for termination be sent to the operator for signature.

A total of 15 feet of inclined shaft was sunk under contract. Country rock, a biotite gneiss, was encountered at 13 feet and the operator sunk an additional 2 feet in gneiss in an effort to again encounter the body. Horizontal test holes in both the hanging and footwall areas, and a vertical hole in the shaft bottom did not encounter pegmatite. The body strikes N55°E and dips 55°SE. It is therefore recommended that no additional exploration be attempted on this contract.

About 200 pounds of good quality, clear and hard, ruby muscovite mica in blocks up to 6" x 8" was recovered during shaft sinking. About 100 pounds of mica was recovered during preliminary bulldozing preceding shaft sinking.

The operator conducted the contract in an efficient and workmanlike manner, and is to be commended for completed work.

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

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

May 8, 1956

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
ROOM 13 POST OFFICE 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 Idm-E922 (Mica), DMEA-4008
Knob Mining Company, Spruce Pine, N. C.
Lyle Knob Mine, Macon County, North Carolina

After completion of Stage I of this contract (dozer trenching) Stage II was authorized and a shaft was started on the pegmatite. At a depth of 15 feet in the shaft the pegmatite pinched out completely.

The Field Team concurs with the field examiners and the operator in requesting that the contract be terminated by mutual agreement.

Please prepare the necessary papers for termination of this contract by mutual agreement.

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

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

VJL/mg
cc
Operating Committee (20)
Lynch
Shirley
Laurence

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
ROOM 13 POST OFFICE 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 Idm-E922 (Mica), DMEA-4008
Knob Mining Company, Spruce Pine, N. C.
Lyle Knob Mine, Macon County, North Carolina

After completion of Stage I of this contract (dozer trenching) Stage II was authorized and a shaft was started on the pegmatite. At a depth of 15 feet in the shaft the pegmatite pinched out completely.

The Field Team concurs with the field examiners and the operator in requesting that the contract be terminated by mutual agreement.

Please prepare the necessary papers for termination of this contract by mutual agreement.

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

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

VJL/mg
cc
Operating Committee (20)
Lynch
Shirley
Laurence

Form [illegible] (Rev.)
(April 1952)

Final Report

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE
[illegible] PAYMENTS K- [illegible]

OPERATOR'S MONTHLY REPORT AND VOUCHER

RECEIVED
MAY 16 1956

Month of May, 1956 Docket No. DMEA 4008 Contract No. Idm-E 922
Operator's Name J. R. Bean, et al. Minerals Mica
Address Knob Mining Co., c/o Sam L. Phillips, Spruce Pine, N.C.
Contract Amount, $ 4616.00 Government Participation: 75 % Amount, $ 3462.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing		415.00	415.00			
Crosscutting						
Drifting						
5' Shaft @ 42.60 ft.	213.00	426.00	639.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Toolhouse		75.00	75.00			
Powder & Exploder Mags.		40.00	40.00			
(8) Contingencies (specify):						
TOTALS	213.00	956.00	1169.00	213.00	956.00	1169.00

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

Date 5-10-56 *Payee Knob Mining Company

Per Sam L. Phillips Title Partner

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

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

(Instructions on reverse)

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

$ 159.75

Signature Helen R. Miller
(Authorized Certifying Officer)

Date MAY 15 1956 Vou. No. 227
(See other side)

53.25

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E-922 in accordance with the terms of the contract.

Signature Alfred R. Taylor Title Geologist Date May 15, 1956

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature N. J. Lynch Title ACTING EXECUTIVE OFFICER DMEA REGION Date MAY 15 1956

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-101A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

RECEIVED
MAY 16 1956

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of May 1956 Docket No. DMEA 4008 Contract No. Idm-E922

Operator's Name J. R. Beam, et al. Minerals Mica

Address Knob Mining Co., c/o Sam L. Phillips, Spruce Pine, N.C.

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting								
Crosscutting								
Raising								
5' Shafts @ 42.60	Ft.	213.00	5	639.00	15	42.60	50	42.60
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Bulldozing				415.00	1037	.40	1037	.40
Total Distributed Costs		213.00		1054.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				75.00				
Powder & Exploder Magazines				40.00				
Total Costs		213.00		1169.00				

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

Date 5-10-56 Operator Knob Mining Co.

Per Sam L. Phillips Title Partner

Remarks:

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

(Instructions on reverse)

(For Government use only)

Alfred R. Taylor
Geologist, USGS

MAY 1 0 1956

INSTRUCTIONS

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

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

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

GPO 872894

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MAY 16 1956

OPERATOR'S

Monthly Progress Report

May, 1956

DMEA-4008

Idm-E 922

Work Accomplished:

We lowered the shaft 5 feet in May, making a total depth of 15'. The field team stopped the work at this point, after the shaft had completely run out of vein.

Daily Notes:

May 1 - 4: Drilled and shot, mucked out waste. Very little vein.

May 7 -8 : Shaft completely out of vein. Field team stopped work at this point.

Approximately 300# of mica recovered in whole operation. This mica recovered at top of work.

RECEIVED
MAY 16 1956

P. O. Box 217
May 14, 1956

Memorandum

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

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

Subject: Monthly report and voucher

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

Idm-E-922 Knob Mining Company
Docket No. DMEA-4008
1st payment - month of April
Starting Date: 4/9/56
Amount $717.00

Helen R. Miller

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID VOUCHER & SCHEDULE OF PAYMENTS K-

Budget Bureau No. 42-R1036.5

RECEIVED
MAY 16 1956

RECEIVED
MAY 7 - 1956.

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of April, 1956 Docket No. DMEA 4008 Contract No. Idn-E922

Operator's Name J.R.Bean, et. al. Minerals Mica

Address Knob Mining Co., c/o Sam Phillips, Spruce Pine, N.C.

Contract Amount, $ 4616.00 Government Participation: 75% Amount, $ 3462.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
1037 cu yds Bulldozing @ .40	415.00		415.00			
Crosscutting						
Drifting						
10' Shaft @ 42.60 ft.	426.00		426.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Toolhouse	75.00		75.00			
Powder & Exploder Mags.	40.00		40.00			
(8) Contingencies (specify):						
TOTALS	956.00		956.00	956.00		956.00

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

Date 5-1-56 *Payee Knob Mining Company

Per Sam L. Phillips Title Partner

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

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

(Instructions on reverse)

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

$ 717.00

Signature Helen R. Miller
(Authorized Certifying Officer)

Date MAY 14 1956 Vou. No. 0
(See other side)

239.00

(For Government use only)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E-922 in accordance with the terms of the contract.

Signature Alfred R. Taylor Title Geologist Date May 3, 1956

Approval by DMEA Executive Officer or Alternate:

Signature Robert A. Laurence Title EXECUTIVE OFFICER DMEA REGION V Date MAY 3 1956

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

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MAY 7 - 1956

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of April 1956 Docket No. DMEA 4008 Contract No. [illegible]922
Operator's Name J. R. Boam, et al. Minerals Mica
Address Knob Mining Co., c/o Sam Phillips, Spruce Pine, N.C.

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting								
Crosscutting								
Raising								
10' Shafts @ 42.60	Ft.	426.00	10	426.00	10	42.60	50	42.60
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
1037 cu.yds. @ .40	Cu.Yd.	415.00	1037	415.00	1037	.40	1037	.40
Total Distributed Costs		841.00		841.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.		75.00		75.00				
Powder & Exploder Magazines		40.00		40.00				
Total Costs		956.00		956.00				

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

Date 5-1-56 Operator Knob Mining Company

Per Sam K. Phillips Title Partner

Remarks:

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

(Instructions on reverse)

(For Government use only)

Alfred R. Taylor
Geologist, USGS

INSTRUCTIONS

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

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

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

GPO 872894

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MAY 1 6 1956

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MAY 7 - 1956

OPERATOR'S

Monthly Progress Report

April, 1956

DMEA-4008, Idm-E922

Work Began: April 9, 1956

Work Accomplished:

We bulldozed a cut approximately 140' long, 20 feet wide and 10 feet deep, cleaning out the Bowers cut. Some pegmatite was uncovered, and the field team approved Stage II. We constructed toolhouse and magazines, then lowered the shaft 10' deep. We are in some vein, and recovered a few pieces of mica with the last shooting.

Daily Notes:

April 9-13: Bulldozed with D-6 Dozer, cutting trench and outlining old works as called for in contract. Some vein material uncovered.

April 23-27: Constructed toolhouse and magazines according to specifications. Moved in supplies and began shaft work. Drilled, shot and mucked in some vein. Recovered a few pieces of mica .

April 30: Drilled, shot and mucked. Reached a depth of 10' with shaft.

RECEIVED
MAY 16 1956

May 14, 1956

Memorandum

To: Operating Committee, DMA - Washington

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

Subject: Operator's Final Report - Lim-2982, DMA-4008, Lyle Knob Mine, Knob Mining Co., Spruce Pine, N. C. (mica)

Transmitted are four copies of the subject report. This project was stopped by the Field Team May 10 because the vein narrowed and pinched out at 15 feet depth in the shaft.

V. J. Lynch

VJL
cas
Lynch
Shirley
Files

RECEIVED
MAY 1 6 1956

Spruce Pine, North Carolina
May 10, 1956

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

Re: DMEA-4008, IdmE-922, Mica
Lyle Knob Mine, Mason Co., N.C.
Final Report

Dear Mr. Laurence:

Work began at the Lyle Knob Mine on April 9, and was stopped by the field team on May 10.

A cut approximately 140' long, 20' wide and 10' deep was bulldozed at the Bowers Cut. Some pegmatite was exposed, and Stage II was approved. We lowered a shaft to a depth of 15', and after running completely out of vein, were stopped at this point by the field team. The shaft was in some vein and produced some mica near the top. The vein continued to narrow as the shaft was lowered, then pinched out entirely.

Approximately 300# of fair quality mica was recovered from the bulldozing and near the top of the shaft. This mica has not been processed for sale.

We appreciate the cooperation and assistance of the field team on this operation. If further details are necessary, please contact me.

Very truly yours,

KNOB MINING COMPANY

Sam L. Phillips

Sam L. Phillips

P/b

INTERIM REPORT

DMEA-4008, Idm-E922 (mica) LYLE KNOB MINE

OPERATOR: Lyle Knob Mining Company, c/o J. R. Beam, Spruce Pine, N. C.

LOCATION: On the western slope of Lyle Knob 4.9 miles by road N12°E of Franklin, Macon Co., N. C.

Stage I of this contract consiting of cleaning out loose muck and material from the Bowers Cut, has been completed. The trench trends northeast and is 100 ft. by 30 ft. by 10 ft. deep. Pegmatite was encountered in the floor and along the south wall of the trench; pegmatite in the floor area in place was fine grained, contained no mica and appeared to be remnants of former open cut work. The body along the south wall of the open cut was well exposed for a distance of 75 feet and is composed of feldspar, considerable quartz, and medium sized blocks of muscovite mica. An incline shaft location was spotted, and the operater was advised that sinking could begin as soon as written permission was received from the Executive Officer.

Progress on this contract is satisfactory.

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

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

April 23, 1956

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MAY 8 - 1956

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1005, POST OFFICE BLDG.
KNOXVILLE 2, TENN.

RECEIVED
MAY 2 - 1956

April 30, 1956

Knob Mining Company
c/o Sam Phillips
Spruce Pine, N. C.

Re: DMEA-1008, Idn-8921-Mica
Knob Mining Company
Lyle Knob Mine, Mason County, N. C.

Dear Mr. Phillips:

This will confirm the verbal authorization given you April 27 to proceed with Stage II of the subject contract.

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

VJL/mm
Geo
Finance Office
Lynch
Shirley
Opr. Gen.-3
Files

INTERIM REPORT

DMEA-4008, Idm-E922 (mica) LYLE KNOB MINE

Operator: Lyle Knob Mining Co., c/o J. R. Beam, Spruce Pine, N. C.

Location: On the western slope of Lyle Knob 4.9 miles by road N12°E of Franklin, Macon Co., N. C.

The starting date on this Contract is April 9, 1956. Bulldozing is underway, and 12 hours machine time had been used up to the time of this visit. Considerable loose muck and large boulders have been moved from the cut, and pegmatite has been exposed on both the north and south sides of the cut. A shaft site will not be spotted until another inspection of the completed bulldozing can be made.

Mr. V. J. Lynch, Bureau of Mines Field Team Member, Region V, accompanied the Examiners on this visit to the mine.

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

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

April 10, 1956

Division Copy

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

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APR 16 1956

April 13, 1956

Knob Mining Company
c/o Sam L. Phillips
Spruce Pine, North Carolina

Re: DMEA-4008, Idn-1922 (mica)
Knob Mining Company
Lyle Knob Mine, Mason County, N. C.

Dear Mr. Phillips:

This is to confirm the verbal approval of Stage II of the subject contract given by the Field Examiners on April 10, 1956.

The shaft will be sunk on the massive quartz-feldspar, mica-bearing pegmatite exposed on the eastern side of the Bowers cut.

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

ART/mm
cc
Opr. Com.-3
Finance Office
Lynch
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RECEIVED
MAR 21 1956

March 19, 1956

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Signed Contract - Idm-2922, DMEA-4,008 - Mica.
Knob Mining Co., c/o Sam L. Phillips, Spruce Pine, N. C.

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

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

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

EM.
cc:
Finance Office
Lynch
Shirley
Files
Opr. Com.-2

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FEB 21 1956

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

Re: Docket No. DMA-4006-Mica
J. R. Beam et al.
Lyle Knob Mine
Mason County, North Carolina

Dear Mr. Laurence:

Enclosed are the original and five copies of a proposed contract which have been signed by the Administrator for the Government with effective date as shown. Attachments to the contract are Annex I, Consent to lien, "Exhibit A" and map of the Lyle Knob Mine. Two extra copies of "Exhibit A" are enclosed for the use of the Field Team.

If the proposed contract meets with your approval, present it to the Applicants for execution. Please explain to the Applicants that the contract is a firm commitment to complete the work outlined at the agreed cost. Copies of the executed contract are to be distributed in the usual manner.

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

Copies of memoranda dated December 20 and 21, 1955 by Mr. N. E. Nelson, USGS, and Mr. W. F. Dietrich, USBM, respectively, relating to the project are enclosed.

Sincerely yours,

/s/ N. E. Martin

ACTING Chairman, Operating Committee

Approved:

/s/ Robert W. Geehan

Member, Bureau of Mines

W. P. Williams

Member, Geological Survey

Enclosures: 12

WCAnderson:ms 2/17/56

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

PS: Please have the Beam's Cut measured before the bulldozing operation is initiated so that the volume of dirt moved may be computed.

Memorandum to the File

From: Walter C. Anderson, Nonmetallic Minerals Division.

Subject: Evaluation of application and field examination report
Docket No. DMEA-4008-Mica
J. R. Beam, et al
Lyle Knob Mica Mine
Macon County, North Carolina
A Contract is recommended

Mica: Flat, light brown, some badly bent and ruled. Mica books average 3 to 5 inches in diameter.

Pegmatite: The Bowers Cut pegmatite is considered to be a branch of the main Lyle Knob pegmatite and is an irregular pegmatitic mass, approximately 25 feet in thickness, occupying the crest of an anticlinal fold plunging 35° S, 55° W in a contorted biotite gneiss. It has a massive 10-foot thick quartz core.

Old Workings - Bowers Cut - a trench approximately 140 feet long by 20 feet wide by 10 feet deep.

Method of exploring: The Field Team proposes to clean out the Bowers cut and outline the extent of previous work as Stage I, to obtain an idea as to size of target and justification for Stage II. Stage II is to consist of 50 feet of shaft @ $42.60/ft. and 60 feet of drifts @ $32.60. Stage I will cost $415.00. Total cost 2 stages - $4,616.00

Comments: Applicant's proposal concerned work in the area of the main Lyle Knob Mine property which has been the subject of 3 DMEA applications DMEA-17418 DMEA-2683 and DMEA-2946, all of which

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

RECEIVED
JAN 27 1956

January 25, 1956

Memorandum

To: Operating Committee, DMEA - Washington,

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

Subject: DMEA-4008 (mica), J. R. Beam, et al., Spruce Pine, N. C.
Lyle Knob Mine (Bowers Cut) Macon County, N. C.

Reference is made to your letter of January 9, 1956.

Enclosed are five copies of the lease and six copies of the Consent to Lien, for the area including the Bowers Cut, which should have accompanied the application.

Robert A. Laurence

RAL/sm
cc:

Lynch
Shirley
Files
enc. - 11

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

RECEIVED
JAN 27 1956

January 25, 1956

Memorandum

To: Operating Committee, DMEA - Washington,

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

Subject: DMEA-4008 (mica), J. R. Beam, et al., Spruce Pine, N. C.
Lyle Knob Mine (Bowers Cut) Mason County, N. C.

Reference is made to your letter of January 9, 1956.

Enclosed are five copies of the lease and six copies of the Consent to Lien, for the area including the Bowers Cut, which should have accompanied the application.

Robert A. Lawrence

RAL/mm
cc:

Lynch
Shirley
Files
enc. - 11

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

RECEIVED
DEC 21 1955

December 21, 1955

Memorandum

To: Nonmetallic Minerals Division
Industrial Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: MMA-4068 (mica)

Applicant: J. R. Dunn, et al.

Name and Location of Property: Beavers Cut, Mason Co., N. C.

Date of Field Team Report: 11/4/55

Date Rec'd by Br. of Ceramic & Fertilizer Materials: 12/20/55

Field Team Recommendation: Recommend a 2-stage, unit cost, exploration program at a cost of $4,600.

Comments:

1. The area to be explored is outside the area included in the application.

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

Recommendation: Providing the applicants can shift the area to center on the Beavers Cut, I concur with the field team's recommendation.

H. F. Dietrich

IN REPLY REFER TO:

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

RECEIVED
DEC 20 1955

December 20, 1955

Re: DMEA 4008
J. R. Beam, et al.
Lyle Knob property
Mason Co., N. C.
$4,620.00 - Mica

Memorandum

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

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

Subject: Review of Field Team report.

The examiners and the Field Team recommend a 2-stage work program on a pegmatite that is taken to be a branch of the main Lyle Knob pegmatite. The main pegmatite has been the subject of three applications, all of which were denied.

The branch pegmatite is considered deserving of the 2-stage work to consist of:--

Stage I, Bulldozing, 1,037 yds. at $0.40/yd.	$ 415.00
Stage II, Shaft, 50 feet	2,130.00
60 drift or crosscut or raise	1,900.00
Buildings	115.00
	$4,620.00

I concur with the recommendations of the examiners and the Field Team.

N. E. Nelson

N. E. Nelson

NENelson:iml
G-12/20/55
cc: Director's reading, 4212
Branch reading, 4212
DMEA (3)
Docket file
W. F. Dietrich, 306a

JAN 9 1956 600

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

Subject: Docket No. DMEA-4006 - Mica
J. R. Dean, et al.
Lyle Knob Mine
Macon County, North Carolina

Dear Mr. Lawrence:

Reference is made to the Field Examination Report of November 4, 1955, on the subject applicants' Lyle Knob Mine.

According to the report, the location of the proposed exploration centers at the Bowers Cut, 400 feet northwest of the location of the subject application, and is outside the limits of the leased area. Please advise the applicants that we will be glad to give the application further consideration if they will obtain a lease and Consent to Lien on an area that surrounds the Bowers Cut.

We note that the lease on the Lyle Knob Mine submitted with the application may include property belonging to Andrew W. Reid.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

/s/ Robert W. Gaburn

Member, Bureau of Mines

Thor H. Kiilsgaard

Member, Geological Survey

WCAnderson:gad 1/5/56
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 6222
Mr. Dietrich, 3061
Mr. Houk
Mr. Anderson

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON OFFICE
ROOM 1011 FEC BLDG.
KNOXVILLE 2, TENN.

RECEIVED
DEC 15 1955

December 13, 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: DMEA Field Team, Region V

Subject: Field Examination Report, DMEA-4008 (mica) J. R. Beam, et al, d/b/a Lyle Knob Mining Co. Lyle Knob Mine, Macon County, N. C

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

The proposed exploration is at least 400 feet northwest of the center of the Lyle Knob mine proper, and outside the area included in the application. Assuming that the applicants can shift the area so that it centers on the Bowers Cut rather than the Lyle Knob Mine proper, we recommend approval of a contract (preferably unit-cost) as outlined in the report.

Robert A. Laurence
Executive Officer, DMEA
Region V

Wm. A. Beck, Acting Member
Bureau of Mines

Reviewed by
DMEA OPERATING COMMITTEE
12-19-55
(date)

RAL/sm
cc:
Lynch
Shirley-Files

UNITED STATES
DEPARTMENT OF THE INTERIOR

RECEIVED
DEC 15 1955

DEFENSE MINERALS EXPLORATION ADMINISTRATION

EXAMINATION REPORT BY FIELD TEAM, REGION V

On

DMEA-4008, LYLE KNOB (mica)
Macon County, N. C.

By

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

and

L. E. Shirley, Mining Engineer
Bureau of Mines

Reviewed by
DMEA OPERATING COMMITTEE

November 4, 1955

(date)

FIELD EXAMINATION REPORT
On

RECEIVED
DEC 15 1955

DMEA-4008, LYLE KNOB MINE (mica)

Applicants: J. R. Beam, et al. d/b/a Lyle Knob Mining Co., Spruce Pine, N. C.

The Lyle Knob property has been the subject of three successive DMEA applications, examinations and denials. All previous examinations were associated with the main Lyle Knob pegmatite and mine workings (DMA-1741X, DMEA-2683 and DMEA-2946). The subject application is approximately 150 feet west and downslope from the portal of the Benesteel (No. 5) adit which is the subject of the nearest previous DMEA application (DMEA-2683). The proposed exploration is in the Bowers Cut, which is shallow, partially backfilled, and shows no evidence of underground workings. It is described on page 4 of the Parker-Stoll report of May 1943 as "an irregular pegmatitic mass, approximately 25 feet in thickness, occupying the crest of an anticlinal fold plunging 35° S., 55° W in a contorted biotite gneiss." The body is considered to be a branch of the main Lyle Knob pegmatite and exhibits a massive 10-foot thick quartz core. The pegmatite carries nominal amounts of flat, light brown, muscovite mica, some of which is bent and badly ruled. The mica books average 3 to 5 inches in diameter.

The presence of some strategic mica, along with a fair-sized target for exploration leads the examiners to recommend a 2-stage exploration project. $415.00 worth of preliminary bulldozing is suggested to remove the shallow backfilling from the Bowers Cut. This would give a clearer idea of the extent of previous work, the actual size of the target, and the optimum placement of Stage II. Stage II is suggested as 50 feet of shaft and/or incline and 60 feet of drift and/or crosscut, and/or raise. The flexibility of exploration is recommended to accommodate the large size and irregularity of the pegmatite.

The group of applicants has had wide experience in operating mica properties, both independantly and under DMEA assistance. They are highly recommended as to their ability to undertake a DMEA contract.

The Lyle Knob Mine is located on the western slope of Lyle Knob, 4.9 miles by road N. 12° E of Franklin, Macon County, North Carolina on the Greens Creek Quadrangle (1941, 1/24,000).

The field team was accompanied on the examination by Mr. Homer Boone one of the applicants on November 4, 1955.

Estimated Costs:

Stage I - Bulldozing to clean out Bower's Cut and outline extent of previous work - 140' x 20' x 10' = 1037 cu. yds. at $0.40/yd.
(rounded to) $415.00

Stage II.

Sink 50 feet of shaft or Incline, dependent on Stage I (30 shifts)

Toolhouse		$75.00
Powder Magazine		25.00
Exploder Magazine		15.00

Labor:

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

Equipment (rental)

Compressor & Drill at $230/Mo.	290.00	
Hoist at $50/Mo.	65.00	
Pump at $20/Mo.	25.00	

Supplies:

Explosives	170.00	
Drill steel	90.00	
Gasoline and Oil	105.00	
Timber at $65/M b.f.	130.00	
Small tools, pipe, etc.	110.00	
Miscellaneous	115.00	
Insurance	90.00	
Social Security	20.00	
Sales tax	20.00	$2,130.00

Drive 60 ft. of drift and/or crosscut and/or raise (25 shifts)

Labor:

1 - Miner at $1.50/hr.	300.00
1 - Hoistman at $1.25/hr.	250.00
2 - Laborers at $1.00/hr.	400.00

Equipment (rental)

Compressor, drill and jackleg at $250/Mo.	315.00
Hoist at $50/Mo.	75.00
Pump at $20/Mo.	25.00

Supplies:

Explosives	$185.00	
Drill steel	40.00	
Gasoline and oil	115.00	
Small tools, pipe, etc.	70.00	
Miscellaneous	80.00	
Insurance	75.00	
Social Security	15.00	
Sales tax	15.00	$1,960.00

Estimated total cost..... $4,620.00

November 4, 1955

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

L. E. Shirley, Mining Engineer
Bureau of Mines

600

OCT 1 9 1955

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

Subject: Docket No. DMEA-4006 - Mica
J. R. Beam, et al.
Lyle Knob Mine
Macon 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 October 11 and October 13, 1955, by E. E. Nelson, USGS, and W. F. Dietrich, USBM, respectively, relating to the project are enclosed.

Five copies of the Consent to Lien were received with the application and a copy of the application with a copy of the lease covering the land concerned were forwarded to your office on October 7, 1955. The land description on the Consent to Lien is the same as in the lease.

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. Please note Operating Committee Minutes Nos. 207 and 296, dated April 24 and November 23, 1953, for the detailed information we will require to draft a contract.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

P. F. Yopes

Member, Bureau of Mines

Thor H. Kiilsgaard

Member, Geological Survey

Enclosures 4

WCAnderson:ad 10/19/55

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

OCT 19 1955

Knob Mining Company
C/o Mr. Sam Phillips
Spruce Pine, North Carolina

Re: Docket No. DMEA-4008 - Mica
J. R. Dean, et al.
Lyle Knob Mine
Mason 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. Lawrence, 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

Acting Administrator

WCanderson:ad 10/19/55
Copy to: Admr. R. File
Docket
FieldTeam, Region V
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Anderson

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

RECEIVED
OCT 14 1955

October 13, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-4008 (mica)

Applicant: J. R. Beam, S. & J. Phillips, J. & H. Boone, M. Buchanan (Knob Mining Co.)

Name and Location of Property: Lyle Knob Mine, Mitchell & Jackson Counties, North Carolina

Date Application Rec'd. by Br. of Ceramic & Fertilizer Materials: 10/7/55

Comments:

1. From the limited information presented, it is difficult to determine if an exploration program is justified or if the proposed plan would be the best method of exploring this property.

2. According to records available in the Bureau of Mines, the Lyle Knob No. 1 Mine of Franklin sold mica to the Colonial Mica Co. during May-Sept., 1944 at an average monthly value of $510.21.

Recommendation:

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

Signed
W. F. Dietrich

IN REPLY REFER TO:

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

October 11, 1955

Re: DMEA 4008
J. R. Beam, et al.
Lyle Knob Mine
Macon Co., N. C.
$8,000 - Mica

Memorandum

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

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

Subject: Review of application.

Presumedly a check can be made of the "Colonial" purchases from this mine, and an inference made as to the mine's past importance. Also bulldozing before sinking should give information concerning the "appearance of materials showing" at the new prospect.

A staged program may well be in order.

Referral to the Field Team is recommended.

N. E. Nelson

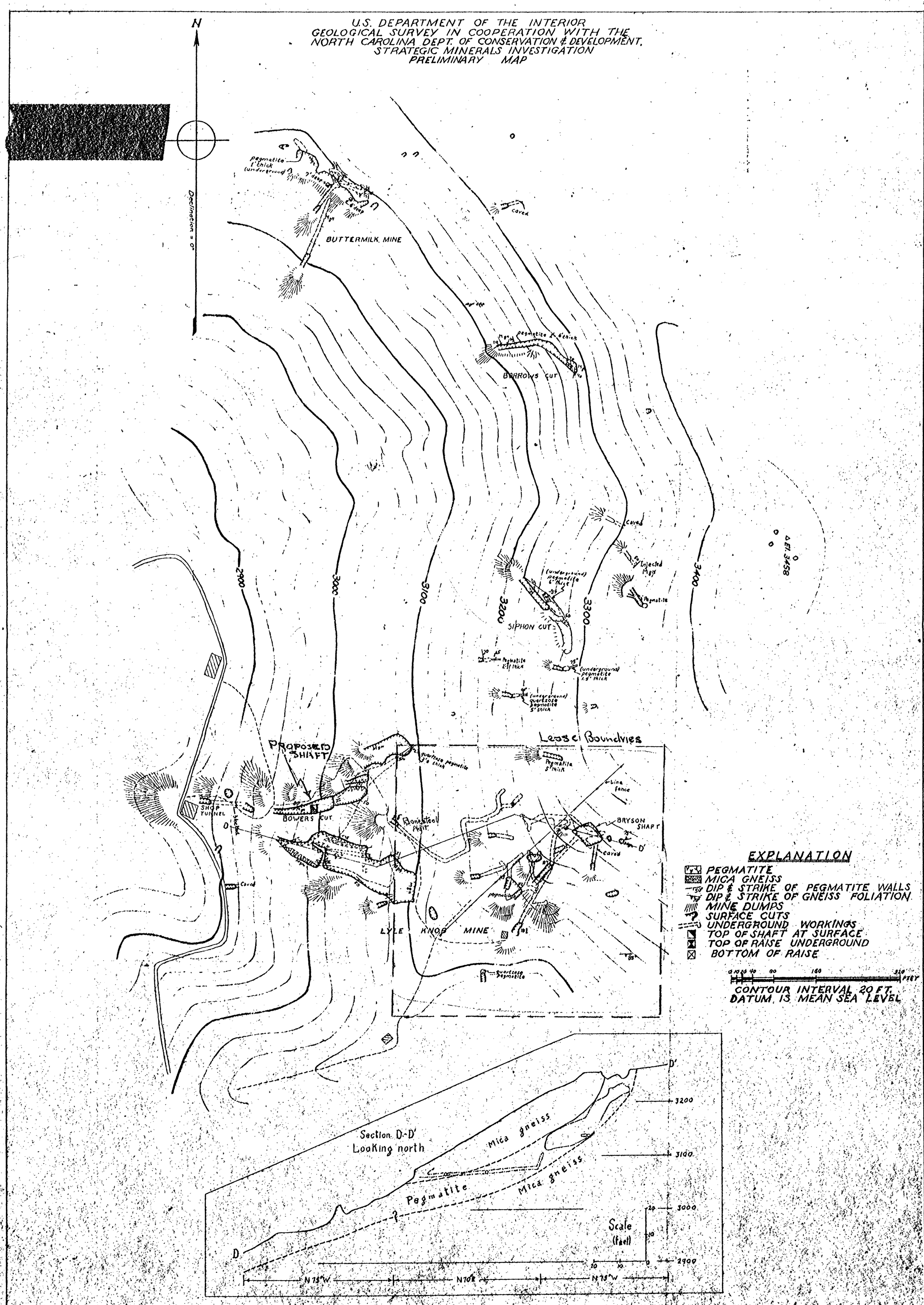
N. E. Nelson

NENelson:iml
G-10/11/55

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

RECEIVED
OCT 11 1955

U.S. DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY IN COOPERATION WITH THE
NORTH CAROLINA DEPT. OF CONSERVATION & DEVELOPMENT.
STRATEGIC MINERALS INVESTIGATION
PRELIMINARY MAP



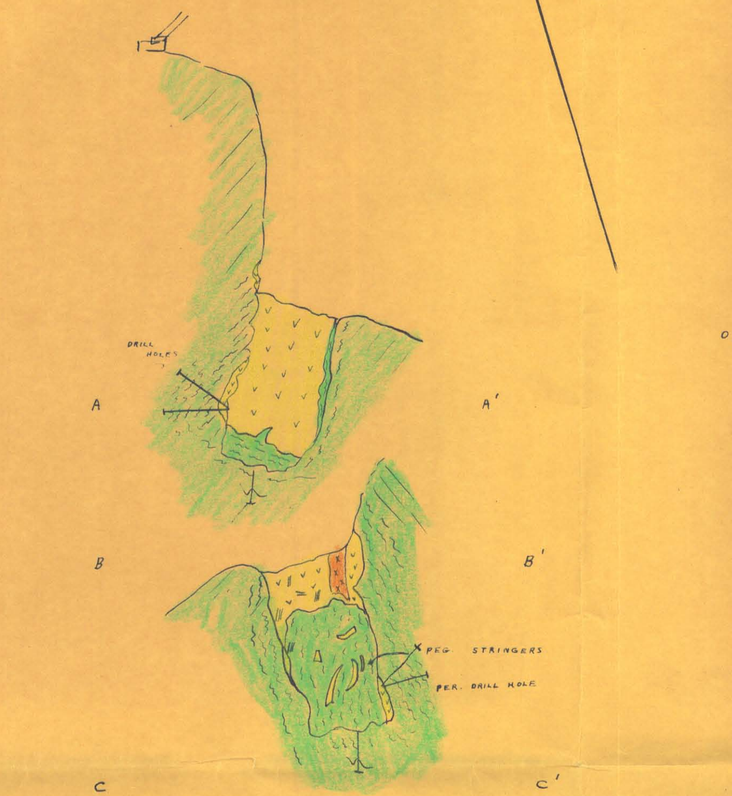
LYLE KNOB MICA MINES
MACON COUNTY, NORTH CAROLINA

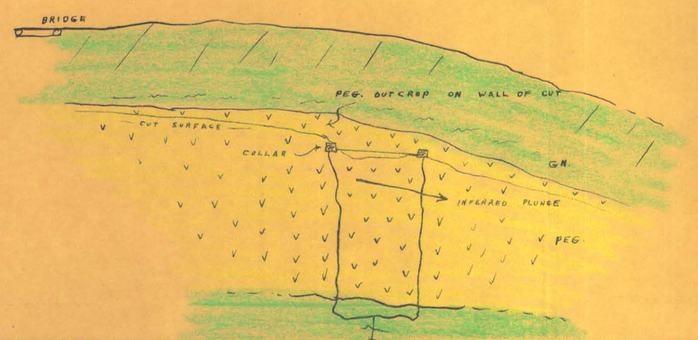
GEOLOGY AND TOPOGRAPHY BY W. E. STOLL AND A. M. PARKER
APRIL, MAY, 1943

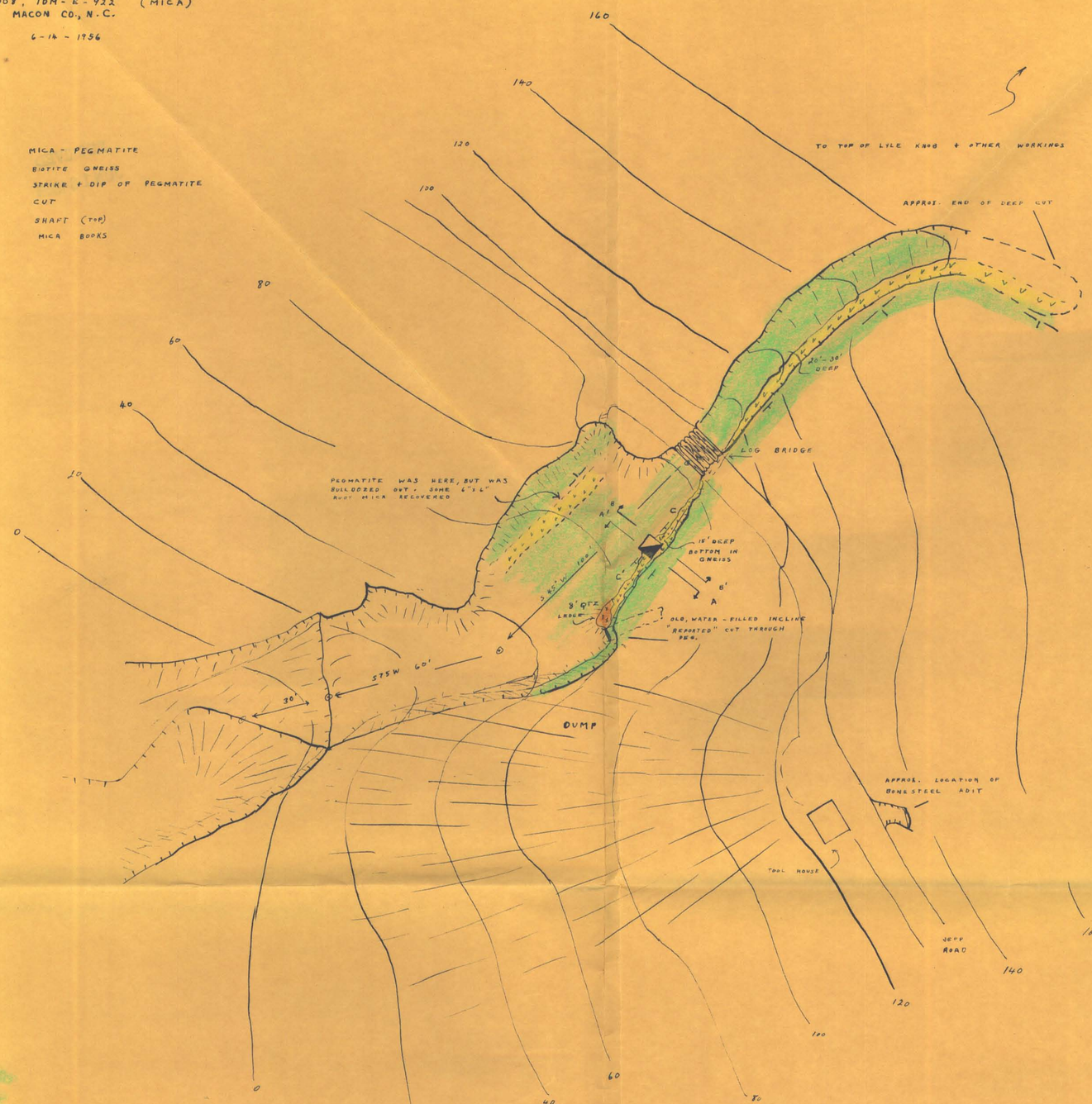
LYLE KNOB MINE (BOWERS CUT)

DMEA - 4008, IDM - E - 922 (MICA)
MACON CO., N.C.

6 - 14 - 1956







0 5 10 15 20
SCALE

MICA: APPROX. 300 LB WAS RECOVERED FROM BULLDOZING + THE TOP PART OF THE SHAFT.
NOTE: CUTS ARE IN EXTREMELY HARD MATERIAL WITH VERY LITTLE OVERBURDEN.

TAYLOR, A.R 6-14-1956