DMEA 4021

DOCKET INDEX

ACTION DOCUMENTS

1. APPLICATION DATE RECEIVED 10-17-55

2. CONTRACT DATE 1-18-56

3. TERMINATION AGREEMENT: DATE

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

4. CERTIFICATION DATE

5. AUDIT REPORT DATE

6. AMENDMENTS - NUMBERS DATE

Docket Copy

RECEIVED
JAN 27 1956

MF-200A
(Revised June 1954)

Docket No. DMEA 4021

Commodity Mica

Contract No. Idm-E 912

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

It is agreed this JAN 18 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] Howard Boone, whose mailing address is Route 3, Bakersville, 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 "Howard Prospect DMEA-4021 (Mica)"

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

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

(b) The Operator represents and undertakes that:

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

(2) The Operator's right, title, or interest (whether as owner, lessee, or otherwise) is subject only to the following claims, liens, or encumbrances: 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."

(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 FEB 20 1956 shall commence the work, and on or before May 2, 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 $3,288.00. The Government will contribute 75 percent of the fixed unit costs as work is performed, in a total sum not in excess of $2,466.00: *Provided,* That until the Operator has rendered to the Government his final report, and any final auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of 10 percent of the estimated total cost of the work. The Government will make its contribution on the basis of the monthly vouchers referred to in Article 6(b), but all payments by the Government are provisional only, subject to audit, until the account between the Operator and the Government is finally audited and settled. To the extent that excesses over fixed unit costs or any excess over the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such excesses for his own account without contribution by the Government. The Government may make payments directly to independent contractors and suppliers for the account of the Operator rather than to the Operator.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

ARTICLE 11. *Changes and added provisions.*—

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

HOWARD BOONE
(Operator)

By C. W. Mitteauer
Administrator, Defense Minerals
Exploration Administration

By Howard Boone

Andretz 1/11/56
Dunyon
"Appd. Sol. Off."
Anderson
Hook
Talbot
Selfridge
E. Johnson

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
JAN 27 1956

EXPLORATION PROJECT CONTRACT
BENARD BOONE
DOCKET NO. DMEA-4021

ANNEX I

The land referred to in Article 2 of the contract form is known as the Howard Prospect. It is located in Mitchell County, North Carolina, about 2,000 feet northwest of Oak Grove Church on the southeast slopes of Burns Mountain, 2.6 miles south of Bakersville, North Carolina, and is described in the lease as follows:

> Beginning at a stake at the center of the Howard Prospect which is located 142½' S.W. of another stake; and running North 250'; thence West 250'; thence South 500'; thence East 500'; thence North 500'; thence West 250' to a point of closing. This property located about 300 yards from the R. B. Phillips Mine.

RECEIVED
JAN 27 1956

EXPLORATION PROJECT CONTRACT
HOWARD DOGGE
DOCKET NO. DMEA-4021

Exhibit "A"

Description of the Work

Exploration for concentrations of strategic mineral shall be performed in the area indicated on the map entitled "Howard Prospect DMEA-4021 (Mica)," attached hereto and made a part hereof.

The work is divided into two stages as described below. 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, cut two trenches across the pegmatite, and a site for an adit portal along the road. Each of the crosscutting trenches shall be 40 feet long by 6 feet wide and 6 feet deep. The cut at the adit portal shall be 40 feet long by 10 feet wide and 10 feet deep. The adit cut and the two crosscutting trenches shall be spaced 30 feet apart uphill from the road.

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 bermed 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 trench out along the road drive 100 feet of drifts and/or crosscuts, having a minimum cross-sectional dimension of 5 feet by 7 feet in the clear of timber, and timber 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

Bulldozing trenches and portal site - 250 cu. yds @ $0.50/cu. yd.	$ 125.00
Constructing - Toolhouse 1/	75.00
Powder magazine 1/	25.00
Exploder magazine 1/	13.00
Driving 100 feet of drifts and/or crosscuts @ $30.50/ft.	3,050.00
Estimated Total Cost of Project	$3,288.00
Government Participation @ 75%	$2,466.00

1/ The completed work constitutes the unit.

RECEIVED
OCT 17 1955

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 Mitchell, State of North Carolina, described as follows:1/ Beginning on a stake at the center of the Howard Prospect which is located 142' N.W. of another stake; and running North 250'; thence West 250'; thence South 500'; thence East 500'; thence North 500'; thence West 250' to a point of closing. This property located about 300 yards from the R. D. Phillips Mine.

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 7th day of October, 1959.

R B Phillips [Seal] Beaverville, N. C.

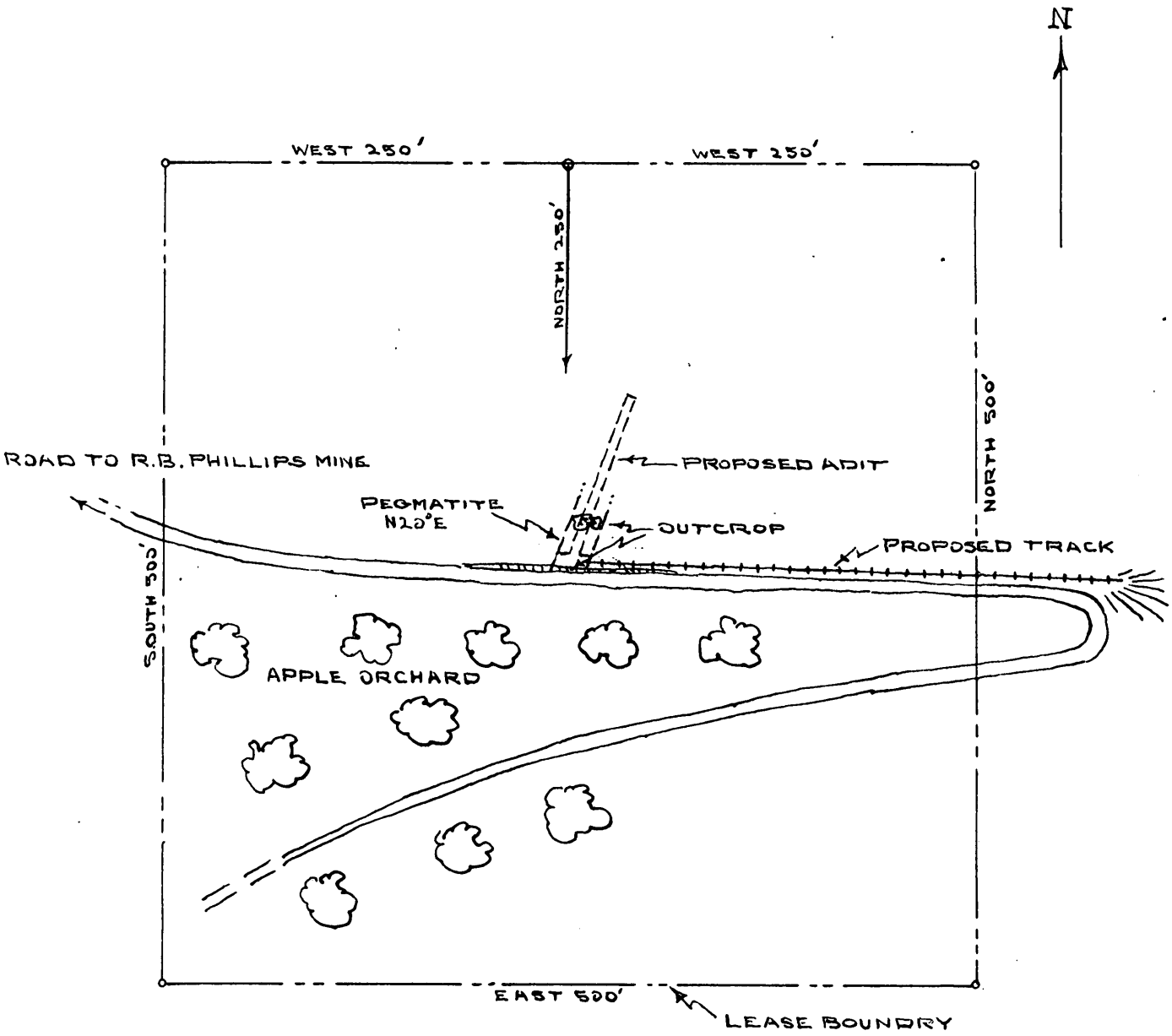
_____ [Seal]

_____ [Seal]

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

_____

[Corporate Seal]



HOWARD PROSPECT

DMEA - 4021 (MICA)

SCALE: 1" = 100'

12/55 SCB

Docket Copy
Surname:
Anderson
Houk
Chapman
Selfridge

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

600

OCT 26 1956

Mr. R. B. Phillips

Bakersville, North Carolina

Re: Docket No. DMEA-4021-Mica
Howard Boone
Howard Prospect
Mitchell County, North Carolina
Contract No. Idm-E912

Dear Mr. Phillips:

Reference is made to the Consent to Lien which you executed on October 7, 1955, in connection with the DMEA contract for an exploration project on your property located in Mitchell County, North Carolina.

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

Sincerely yours,

C. O. Mittendorf (for)

Administrator

Enclosure

WCAnderson:gad 10/24/56
Copy to: Admr. R. File
Docket
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

R.G.S.

Docket Copy
Surname:
Anderson
Houk
Alexander
Selfridge

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

OCT 26 1956

Mr. Howard Boone
Route 3
Bakersville, North Carolina

Re: Docket No. DMEA-4021-Mica
Howard Boone
Howard Prospect
Mitchell County, North Carolina
Contract No. Idm-E912

Dear Mr. Boone:

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

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

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

Sincerely yours,

C. O. Mittendorf

Administrator

WCAnderson:gad 10/24/56
Copy to: Admr. R. File
Docket
Mr. Chambers
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. R. B. Phillips, Bakersville, North Carolina

R.C.S.

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

Project Summary Report

By: Walter C. Anderson October 24, 1956

1. Docket No. DMEA-4021-Mica
Contract No. Idm-E912
(Phillips Mine) Howard Prospect
Mitchell County, North Carolina

Application: Form MF-200A (April 1952) received October 17, 1955.

Work proposed by applicant:

40 hours of bulldozing @ $10.00/hr.	$400.00
70 feet of shaft @ $50.00/hr.	3,500.00
100 feet of drift @ $35.00/hr.	3,500.00
Total requested	$7,400.00

Operator: Howard Boone
Route 3
Bakersville, North Carolina

Operator's Property Rights: Five year mining lease on the R. B. Phillips property consisting of 5 acres more or less, dated October 7, 1955.
Consent to Lien dated October 7, 1955.

2. Contract: Form MF-200A (June 1954) dated January 18, 1956

Work authorized:

Bulldozing - 250 c.yds. @ $0.50/c.yd.	$125.00
Construction - Buildings	113.00
100 ft. of drifts and/or crosscuts @ $30.50/ft.	3,050.00
Estimated total cost of project	$3,288.00
Government participation 75%	$2,466.00

Amendments - None

Work completed: Same as authorized.

Work began January 30, 1956, and was completed March 23, 1956.
Field Team final report received April 30, 1956.
Operator's final report, dated March 26, 1956, received April 9, 1956.
About 50 pounds of poor quality mica produced during project.
No reserves of strategic mica exist.
No equipment purchased under contract.

3. Audit - Report of Review issued April 11, 1956

Accepted cost	$3,288.00
Government participation	2,466.00

4. Certification of discovery - none issued.

5. Comments:

How conducted: All work in which the Government participated was acceptable and was conducted efficiently.
Operation: Good.
Engineering: Reporting by Operator was acceptable.
Geological premise: The premise that the pegmatite would become richer in mica with depth, similar to the adjacent R. B. Phillips Mine (DMEA-3422), did not materialize since mica reserves are negligible and the little mica found was of very poor quality.
Geological criteria upon which work was based:

1. Vertical pegmatite at least 20 feet in width consisting of coarse mixture of potash and plagioclase along the quartz, small books of muscovite and some sericitic material.
2. Mica - small books of green mica.
3. Past production - none, new unexplored pegmatite.

Criteria developed during project:

1. From 18 to 30 foot wide conformable pegmatite, enclosed in weathered biotite gneiss.
2. Mica - very little encountered, non-strategic, heavily stained. No reserves.

Future possibilities: None

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

Walter C. Anderson
Walter C. Anderson
Nonmetallic Minerals Division

IN REPLY REFER TO:

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

RECEIVED
SEP 27 1956

September 27, 1956

Re: DMEA 4021 - Idm E-912
Howard Boone
Phillips Mine
Mitchell County, North Carolina
Approved $3,288
Expended $3,288
Mica

Memorandum

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

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

Subject: Review of Field Team final report.

The contract approved the expenditure of $3,288 on the exploration of an 18-30-foot thick pegmatite, by bulldozing and adit.

About 50 pounds of non-strategic mica were recovered. The pegmatite is not zoned and is nearly barren of mica.

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

I concur with the recommendation.

T. H. Kilsgaard
for: N. E. Nelson

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

RECEIVED
MAY 8 - 1956

May 8, 1956

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

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

Subject: DMEA-4021 (mica)

Applicant: H. Boone

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

Contract Number: Idm-E 912

Date of Field Team Report: 4/26/56

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 5/5/56

Field Team Recommendation: Recommend no certification of discovery.

Comments:

1. No strategic mica was disclosed in the 100 feet of adit and crosscut.
2. Sufficient work has been done to indicate the pegmatite is not suitable for producing large quantities of strategic mica.
3. Expenditures

Total approved	$3,288.00
Total cost	3,288.00
Gov't. share of the cost	2,466.00
Value of production during operation	NONE

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

W. F. Dietrich

W. F. Dietrich

4021

ACTION ON INTERIM
OR FINAL FIELD TEAM REPORT

Date 5/7

Referred to:

1. ~~Mr. Mittendorf~~
2. ~~Mr. Johnson~~
3. ~~Mr. Conway~~
4. Docket Control Mails and Files
5. _____ Division
6. Docket Control Mails and Files

Note comments in report regarding:

1. Finished — bust,
2.
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4.

and take appropriate action.

- - - - - - - -

Action taken by Division:

Robert E. Adams

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

April 26, 1956

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region V - Knoxville

Subject: Final Field Team Report - Idm-E912, DMEA-4021 (mica) Howard Boone, Bakersville, N. C. Howard Prospect, Mitchell County, N.C.

Attached are four copies of the subject report with maps attached to each copy.

Certification is not recommended.

Robert A. Laurence

Robert A. Laurence

RECEIVED
APR 3 1956

Reviewed by
DMEA OPERATING COMMITTEE
5-4-56
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT

FIELD TEAM, REGION V

On

DMEA-4021, HOWARD PROSPECT (mica) N. C.
Mitchell County, N. C.

By

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

and

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

Reviewed by
DMEA OPERATING COMMITTEE
5-4-56
(date)

April 26, 1956

FINAL REPORT

DMEA-4021, Idm-E912, HOWARD PROSPECT - Mica
Mitchell County, N. C.

Operator: Howard Boone, R#3, Bakersville, N. C.

Location: 900 ft southeast of the R. B. Phillips Mine, Mitchell County, N. C. (Micaville,N.C. TVA. Quad. 1927, 1/24,000)

Summary

A total of 112 feet of adit and crosscut was driven (12 ft at the Operator's expense) in a 20-30 ft thick graphic-textured pegmatite. Only about 50 pounds of non-strategic, heavily stained muscovite were recovered. No further exploration is warranted. Certification is not recommended.

General

Work began January 30, 1956 and was completed March 23, 1956. The work consisted of a 2-stage program. Under Stage I, two parallel bulldozer cuts (50 ft apart) were made trending N 65° W, each being 100 ft in length, 10 ft in width, and 10 ft in depth. Total material removed from the cuts was about 740 cu. yds. (see map).

The crosscutting trenches exposed a pegmatite with an average width of 25 feet.

Stage II, consisted of building a tool house, powder and exploder magazines, and driving 100 ft of adit and crosscut. An additional 12 feet was driven by the Operator at his own expense (see map).

The Operator conducted the work in an effecient workmanlike manner. No equipment was purchased under the contract.

Geology

A graphic-granite, conformable pegmatite, barren of strategic muscovite, ranges in thickness from 18 ft to 30 ft. It is exposed in both

crosscutting trenches, with a strike of N 30° E to N 55° E, and a dip of 65° to 80° SE. It is enclosed in a weathered biotite gneiss. The dike is unzoned, fine-grained, and composed of a mixture of potash and plagioclase feldspars, disseminated quartz, small green muscovite, and sericite.

About 50 lbs of non-strategic, gree, heavily stained muscovite were recovered. Approximately 30 lbs of that amount was obtained from the wall zone at the adit portal.

No zones of muscovite were encountered, just disseminated groups of crystals. Although a large pegmatite was explored, no reserves can be indicated or inferred.

Conclusions and Recommendations

Only about 50 lbs of poor quality, heavily stained green muscovite was recovered during the work. The pegmatite is predominately barren graphic-granite. No reserves of strategic mica exist, and no further exploration is warranted. Certification of discovery is not recommended.

Expenditures:	(a) Total approved	$3288.00
	(b) Total cost of project	3288.00
	(c) Government's share unexpended	0
	(d) Value of production	0
	(e) Royalty to date	0

April 26, 1956

S. C. Bergman and A. R. Taylor, Geologists
U. S. G. S.

A. L. Peyton, Mining Engineer
U. S. B. M.

z

4021

4-9

Referred to:

1. ~~[illegible]~~
2. ~~[illegible]~~
3. ~~[illegible]~~
4. ~~Docket Control Mails and Files~~
5. ~~Non-Metallic Minerals Division~~
6. Docket Control Mails and Files

Note comments in report regarding:

1. Finished?
2.
3.
4.

and take appropriate action.

- - - - - -

Action taken by Division: Work began on 1-30-56 and all of the work of the contract was completed 2/23/56. No discovery. Will write closing letter 9/26/56, 6 mos. after the date of operation final report

ROBERT E. ADAMS

Initials

RECEIVED
APR 9 - 1956

INTERIM REPORT

DMEA-4021, Idn-E912, HOWARD PROSPECT

Operator: Howard Boone, Route #3, Bakersville, North Carolina

Location: 900 feet southeast of the R. B. Phillips Mine, Mitchell County, N. C.

The Operator cut 22 feet of drift this period making a total of 112 feet which completes this contract. Exploration discloses a 20 to 30 foot pegmatite striking northeast about 45° and dipping to the southeast at 65°. The pegmatite contains disseminated quartz, potash and plagioclase feldspar with some biotite and heavily stained muscovite. The Field Examiners feel that additional exploratory work would not be justified. Certification will not be recommended.

This project was conducted in a satisfactory manner.

Inspected: March 26, 1956

A. L. Peyton

A. L. Peyton, Mining Engineer
Bureau of Mines

S. C. Bergman

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

z

Operator's Final Engineering
and Geologic report.

RECEIVED
APR 9 - 1956

Spruce Pine, North Carolina
March 26, 1956

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

Re: DMEA-4021, Idm-E912 (Mica)
Howard Prospect, Mitchell Co., N. C.
Final Engineering Report

Dear Mr. Laurence:

Work began on the Howard Prospect on January 30, 1956, and was completed on March 23, 1956.

The bulldozing work uncovered veins 26' and 23' wide, and after the trenches had been completed, the field team approved Stage II.

Began drift at spot located by field team, and drifted 35' Northeast, in vein of feldspar and small bits of mica. At 35' distance, we ran a crosscut; 3' Southeast and 20' Northwest, running out of vein in both directions. We then continued drift to Northeast following slate, and the remaining 42' of the 100' total was in vein, and a few pounds of non-strategic quality mica were recovered. The vein consisted of fluking feldspar, some quartz and small mica bits.

In the cross cut operation, we found mica which was badly spotted and of no commercial value. In the entire operation, we recovered about fifty pounds of mica, none of which was marketable.

Work progressed at good speed with no difficulties, and was completed on March 23. No further operation at this prospect is anticipated.

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

Very truly yours,

Howard Boone

Howard Boone

B/b

RECEIVED
MAR 28 1956
Knoxville, Tenn.

Operator's Final Engineering
and Geologic report.

RECEIVED
APR 9 - 1956

Spruce Pine, North Carolina
March 26, 1956

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

Re: DMEA-4021, Idm-E912 (Mica)
Howard Prospect, Mitchell Co., N. C.
Final Engineering Report

Dear Mr. Lawrence:

Work began on the Howard Prospect on January 30, 1956, and was completed on March 23, 1956.

The bulldozing work uncovered veins 26' and 23' wide, and after the trenches had been completed, the field team approved Stage II.

Began drift at spot located by field team, and drifted 35' Northeast, in vein of feldspar and small bits of mica. At 35' distance, we ran a crosscut; 3' Southeast and 20' Northwest, running out of vein in both directions. We then continued drift to Northeast following slate, and the remaining 42' of the 100' total was in vein, and a few pounds of non-strategic quality mica were recovered. The vein consisted of fluking feldspar, some quartz and small mica bits.

In the cross cut operation, we found mica which was badly spotted and of no commercial value. In the entire operation, we recovered about fifty pounds of mica, none of which was marketable.

Work progressed at good speed with no difficulties, and was completed on March 23. No further operation at this prospect is anticipated.

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

Very truly yours,

Howard Boone

Howard Boone

B/b

RECEIVED
APR 9 - 1956

Operator's Final Engineering and Geologic report.

Spruce Pine, North Carolina
March 26, 1956

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

Re: DMEA-4021, Idm-E912 (Mica)
Howard Prospect, Mitchell Co., N. C.
Final Engineering Report

Dear Mr. Laurence:

Work began on the Howard Prospect on January 30, 1956, and was completed on March 23, 1956.

The bulldozing work uncovered veins 26' and 23' wide, and after the trenches had been completed, the field team approved Stage II.

Began drift at spot located by field team, and drifted 35' Northeast, in vein of feldspar and small bits of mica. At 35' distance, we ran a crosscut; 3' Southeast and 20' Northwest, running out of vein in both directions. We then continued drift to Northeast following slate, and the remaining 42' of the 100' total was in vein, and a few pounds of non-strategic quality mica were recovered. The vein consisted of fluking feldspar, some quartz and small mica bits.

In the cross cut operation, we found mica which was badly spotted and of no commercial value. In the entire operation, we recovered about fifty pounds of mica, none of which was marketable.

Work progressed at good speed with no difficulties, and was completed on March 23. No further operation at this prospect is anticipated.

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

Very truly yours,

Howard Boone

Howard Boone

B/b

4021

[illegible] ON INTE[illegible]

Date 3-26

Referred to:

1. ~~Mr. Wittenstein~~
2. ~~Mr. Chambers~~
3. Mr. Chambers
4. Docket Control Mails and Files
5. _____ Division
6. Docket Control Mails and Files

Note comments in report regarding:

1. about done!

2.

3.

4.

and take appropriate action.

- - - - - -

Action taken by Division:

ROBERT [illegible]

Initials

INTERIM REPORT

DMEA-4021, Idm-E912, HOWARD PROSPECT (mica)

Operator: Howard Boone, Route #3, Bakersville, North Carolina

Location: 900 feet southwest of the R. B. Phillips Mine, Mitchell County, N. C.

The Operator completed 38 feet of drift and 17 feet of crosscut in the past two weeks, making a total of 90 feet of drift and or crosscut. The mica observed in very poor as to quality and quantity. An additional 10 feet will complete the contract. No further exploration is warranted.

The pegmatite strikes about N 45° E and dips 65° Scutheast. The dike contains disseminated quartz, kaolinized feldspar and heavily stained muscovite. Width varies from 20 to 30 feet

Progress is satisfactory at this project.

Inspected: March 12, 1956.

A. L. Peyton

A. L. Peyton, Mining Engineer
Bureau of Mines

S. C. Bergman

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

z

RECEIVED
MAR 12 1956

INTERIM REPORT

DMEA-4021, Idm-E912, HOWARD PROSPECT

Operator: Howard Boone, Route #3, Bakersville, North Carolina

Location: 900 feet southwest of the R. B. Phillips Mine, Mitchell County, N. C.

The Operator has drifted 35 feet in pegmatite with no mica recovery. The drifting is in accordance with Stage II of this contract. The Field Team instructed the Operator to crosscut the pegmatite from wall to wall from the present heading before extending the drift.

About 30 pounds of mica recovered during excavation for preparation of portal is heavily stained.

Inspected: February 29, 1956

A. L. Peyton

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

ART by SCO

A. R. Taylor, Geologist
Geological Survey

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

RECEIVED
FEB 23 1956

February 21, 1956

Mr. Howard Boone
Route # 3
Bakersville, N. C.

Re: DMEA-4021, Idm-K912 - Mica
Howard Boone Prospect
Mitchell County, N. C.

Dear Mr. Boone:

Authorization is herewith granted to start work on Stage II of the subject contract.

Very truly yours,

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

VJL/sm
cc:
Lynch
Ogr. Con.-2
Shirley
Files

INTERIM REPORT

RECEIVED

DMEA-4021, Idn-6912, HOWARD PROSPECT-Mica

FEB 23 1956

Operator: Howard Boone, Route # 3, Bakersville, N. C.

Location: 900 feet SW of the R. B. Phillips Mica Mine, Mitchell County, Bakersville, N. C.

The pegmatite to be examined is unexplored, has a strike of 10° to 20° NE and dips about 80° SE; width as exposed by bulldozing averages about 25 feet. The pegmatite occurs in a weathered mica gneiss and contains green muscovite up to 6 inches in diameter with considerable biotite staining.

Stage I is complete and consists of two bulldozer cuts running N 65° W. The cuts will average 100 feet in length and 10 feet in depth. Building construction, toolhouse and magazines, was completed under Stage I.

Stage II had not begun at the time of this inspection, but permission was given to start.

Inspected: February 15, 1956

A. L. Peyton

A. L. Peyton, Mining Engineer
Bureau of Mines

S. C. Bergman A. R. Taylor

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

z

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

Subject: Signed Contract - Idm-E912, DMEA-4021, Howard Boone Mica- Mitchell County, 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

Robert A. Laurence

Docket Copy
Surname:
Anderson
Houk
Talbert
Selfridge
H. Johnson

B

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

JAN 18 1956

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

Subject: Docket No. DMEA-4021 - Mica
Howard Boone
Howard Prospect
Mitchell 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 No. 1, "Exhibit A", Consent to Lien, and a map of the Howard Prospect. 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 Applicant for execution. Please explain to the Applicant 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 Applicant 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 21 and 23, 1955, by Mr. N. E. Nelson, USGS, and Mr. W. F. Dietrich, USBM, respectively, relating to the project are enclosed.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee (WB)

Approved:

O. M. Bishop (WB)
Member, Bureau of Mines

Thor H. Kiilsgaard (WB)
Member, Geological Survey

Enclosures 12

WCAnderson:gad 1/16/56
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Anderson

R.C.B.

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

RECEIVED
DEC 23 1955

December 23, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-4021 (mica)

Applicant: H. Boone

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

Date of Field Team Report: 11/2/55

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 12/21/55

Field Team Recommendation: Recommend a 2-stage unit-cost exploration contract at an estimated cost of $3,265.00.

Comments:

1. The quality and quantity of mica are unknown at this property but the occurrence of a 20-foot pegmatite in the vicinity of a good producing mine warrants DMEA assistance for this application.

Recommendation: I concur with the field team's recommendation.

W. F. Dietrich

W. F. Dietrich

IN REPLY REFER TO:

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

RECEIVED
DEC 22 1955

December 21, 1955

Re: DMEA 4021
Howard Boone
Howard prospect
Mitchell Co., N. C.
$3,265.00 - Mica

Memorandum

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

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

Subject: Review of Field Team report.

The examiners and Field Team recommend bulldozing and 100 feet of drifting and/or crosscutting for exploration of the unexplored pegmatite at a cost of $3,265.00.

The proposed work program appears to fit the conditions and the work justified.

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

N. E. Nelson

N. E. Nelson

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

RECEIVED
DEC 16 1955

December 14, 1955

Memorandum

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

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

Subject: Field Examination Report DMEA-4021 (Mica)
Howard Boone, Bakersville, North Carolina
Howard Prospect, Mitchell County, North Carolina

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

We agree with the recommendation for a contract, as outlined in the report. It should be a two-stage contract, with Stage 1 consisting of bulldozing three trenches, and Stage II consisting of the adit work, after the field examiners have examined the trenches, approved starting Stage II, and approved the site and direction of the adit. We recommend a unit-cost, short-form contract.

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

Wm A Beck
Wm. A. Beck, Acting Member
Bureau of Mines

Enclosures 13

Reviewed by
DMEA OPERATING COMMITTEE
12-21-55
(date)

RECEIVED
DEC 16 1955

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

EXAMINATION REPORT BY FIELD TEAM
REGION V

On

DMEA-4021, HOWARD PROSPECT (mica)
Mitchell County, N. C.

BY

Kefton H. Teague, Geologist
Alfred R. Taylor, Geologist
Sheldon C. Bergman, Geologist
U. S. Geological Survey

and

L. E. Shirley, Mining Engineer
Bureau of Mines

November 2, 1955

Reviewed by
DMEA OPERATING COMMITTEE
12-21-55
(date)

FIELD EXAMINATION REPORT
On

RECEIVED
DEC 16 1955

DMEA-4021, (mica) HOWARD PROSPECT

Applicant: Howard Boone, Route # 3, Bakersville, N. C.

Although little can be deduced about the quality or quantity of contained mica, this prospect is recommended for DMEA assistance by the field team. The pegmatite is unexplored, approximately 20 feet in width, easily accessible, and in this immediate vicinity of an excellent producing mine (R. B. Phillips Mine, 900 feet west - DMEA-3422).

The property was visited on November 2, 1955. The field examiners were accompanied by Mr. Ramey Beam. The pegmatite occurs about 2000 feet NW of Oak Grove Church (Micaville, N. C. Quadrangle, 1927, 1/24,000) on the southeast slopes of Burns Mountain, 2.6 miles south of Bakersville, N. C.

The pegmatite is exposed in a shallow road cut leading to the R. B. Phillips Mine and in place outcrops 30 feet uphill. The contacts are obscure, but the vein is at least 20 feet in width. The pegmatite exposed showed a coarse mixture of potash and plagioclase feldspar along the quartz, small books of green muscovite and some sericitic material. The attitude of the pegmatite is N. 20° E and essentially vertical.

The applicant appears capable of carrying through a DMEA contract, having been in the mica industry for a number of years. He has been associated with DMEA projects prior to this time.

The Field Team recommends bulldozing 2 crosscutting trenches an approximately 30 feet spacing uphill from the road, and the dulldozing of an entry alongside the road. This work to establish the contacts and character of pegmatite so as to properly position a recommended 100-feet of adit (drift and/or crosscut). In a zone this wide it is felt that a provision for possible crosscutting be included to adequately explore the zone. A provision in the lease prohibits dumping in the vicinity of the portal. Therefore, the estimated costs provide for 300 feet of additional track (600 ft. of rail) to reach the nearest available dump site.

Estimated Costs:

Toolhouse	$75.00
Powder magazine	25.00
Exploder magazine	15.00

Preliminary bulldozing to explore contacts and character of pegmatite -

3 trenches at 40' x 6' x 6' = 53 cu. yds.
Entry along road 40' x 10' x 10' = 148 " "

201 cu. yds at .50 ¢ $100.00

Drive 100' of adit (drift and/or crosscut)
5' x 7' with timbered portal (40 shifts)

Labor:

1 - Miner at $1.50/hr.	$480.00
2 - Laborers at $1.00/hr.	640.00

Equipment (rental)

Compressor, drill and jackleg at $230/Mo.	460.00

Supplies:

Explosives	310.00
Drill steel	150.00
Gasoline and oil	190.00
Timber, 1000 b.f. at $65/M	65.00
Small tools, pipe, etc.	115.00
Rail (400 est. feet of track)	200.00
Miscellaneous	200.00
Insurance	175.00
Social Security	35.00
Sales tax	30.00

Total estimated cost of project..... $3,265.00

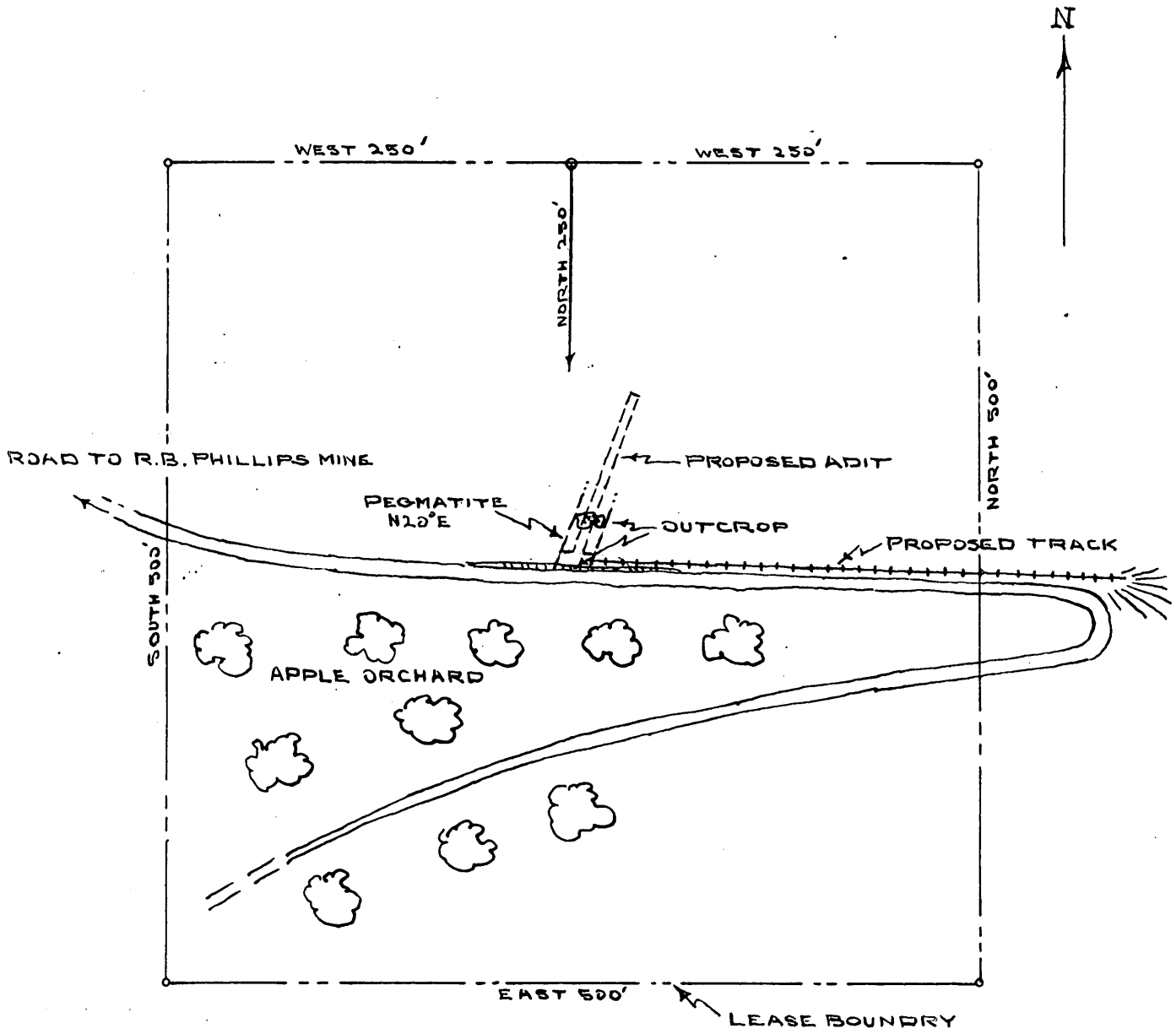
November 2, 1955
Examined

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

and

L. E. Shirley, Mining Engineer
Bureau of Mines

z



HOWARD PROSPECT

DMEA - 4021 (MICA)

SCALE: 1" = 100'

12/55 SCB

Docket Copy
Surname:
Anderson
F L Kawasaki
Selfridge
Stylmacher

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

OCT 28 1955

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

Subject: Docket No. DMEA-4021 - Mica
Howard Boone
Howard Prospect
Mitchell County, North Carolina

Dear Mr. Laurence:

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

Copies of memoranda dated October 20, 1955, by N. 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 was forwarded to your office on October 17, 1955. The land description on the Consent to Lien is the same as in the lease.

If surface excavations are recommended for the proposed trenching and shaft site, detailed estimated costs for this work should be reported as costs per cubic yard in lieu of hours and cost of tractor or manual labor time.

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

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee (WB)

Approved:

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

Thor H. Kiilsgaard (WB)
Member, Geological Survey

Enclosures 4

WCAnderson:gad 10/25/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Anderson

RCG

Docket Copy
Surname:
Anderson
Kilsgaard
Gulson
Selfridge

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

OCT 28 1955

Mr. Howard Boone
Bakersville, Route 3
North Carolina

Re: Docket No. DMEA-4021 - Mica
Howard Boone
Howard Prospect
Mitchell County, North Carolina

Dear Mr. Boone:

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

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

Sincerely yours,

Frank E. Johnson

Acting Administrator

WCAnderson:gad 10/25/55
Copy to: Admr. R. File
Docket
Field Team, Region V
Operating Committee
Mr. Kilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Anderson

R.C.G.

IN REPLY REFER TO:

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

RECEIVED
OCT 21 1955

October 20, 1955

Re: DMEA 4021
Howard Boone
Howard prospect
Mitchell Co., N. C.
$7,400.00 - Mica

Memorandum

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

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

Subject: Review of application.

No information concerning the outcropping vein is given in the application, but strategic mica is believed to occur in it.

Probably the bulldozing is warranted after which the mica-bearing potential of the pegmatite should be rated. The shaft sinking and drifting could follow.

Referral to the Field Team is recommended.

N. E. Nelson

N. E. Nelson

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

October 20, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-4021 (mica)

Applicant: H. Boone

Name and Location of Property: Howard Prospect, Mitchell County, N. C.

Date Application Rec'd. by Br. of Ceramic & Fertilizer Materials: 10/18/55

Comments:

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

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

3. Total estimated costs are in the amount of $7400.00.

Recommendation:

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

W. F. Dietrich

W. F. Dietrich

October 17, 1955

Subject: Howard Prospect
Re: DMEA-4021

Howard Boone
Bakersville, Route 3
North Carolina

Dear Sir:

The receipt of your application dated October 7, 1955 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA-4021 and referred to the Non-Mettalic Minerals Div.

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

Sincerely yours,

Robert E. Adams, Chief
Operations Control and
Statistics Division

60932

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

RECEIVED
OCT 17 1955

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

Not to be filled in by applicant

Docket No. 4021
Metal or Mineral Mica
Date Received 10-17-55
Estimated Cost 7,400.00
Participation (Government %)

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address: Howard Boone
Bakersville, Route 3
North Carolina

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Explain in detail on acompanying paper.

CERTIFICATION

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

Dated October 7, 1955

Howard Boone
(Applicant)

By Howard Boone

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

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

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OCT 1 5 1955

4. (a). No mining or exploration has been done at this site.

   (b). No past production; new prospect.

   (c). From appearance of outcropping vein, we believe strategic mica may be uncovered.

   (d). Project is accessible to roads and shipping.

   (e). Manpower, equipment, supplies, etc. available. Power is within 100 yards.

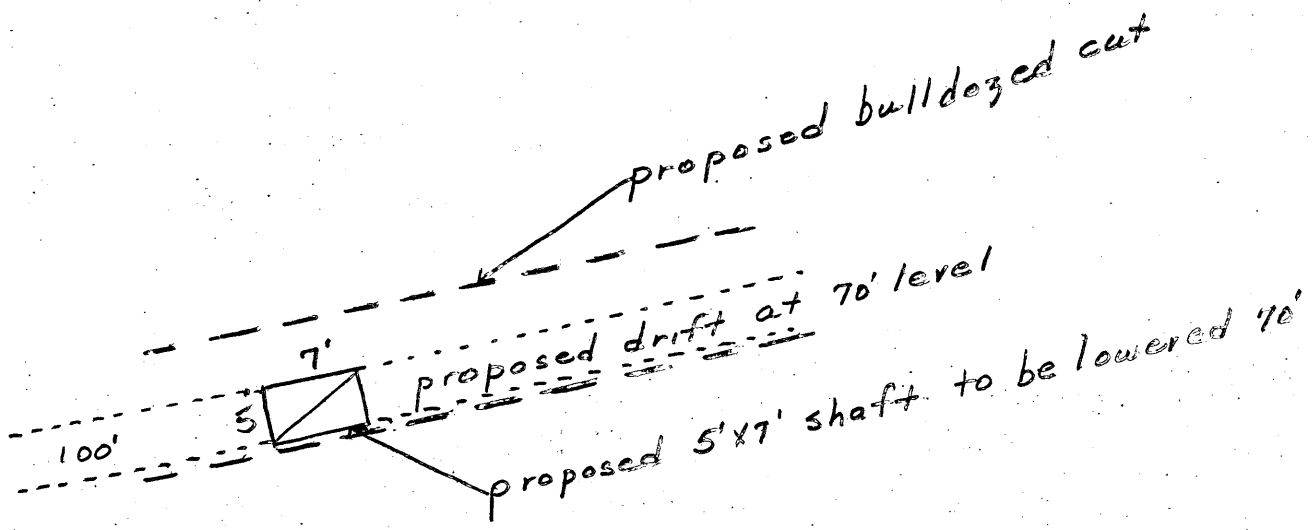
5. (b). We propose to bulldoze a cut to uncover vein and best locate shaft; sink a shaft 70', then drift 100'.

6. Estimate of costs:

40 Hours Bulldozing @ $10.00 per hour	$ 400.00
70' 5'x7' Shaft @ $50.00 per foot	3500.00
100' Drift @ $35.00 per foot.	3500.00
	$ 7400.00

HOWARD PROSPECT

Mitchell County
N. C.



MINING LEASE

RECEIVED
OCT 1 [illegible] 1955

State of North Carolina Mitchell County:

This indenture made this 7th day of October, 1955, 195[illegible]

between R. B. Phillips

of Mitchell County and State of North Carolina as party of the first part, and known as lessor, and Howard Boone

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

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

Beginning at a stake at the center of the Howard Prospect which is located 142½' S.W. of another stake; and running North 250'; thence West 250'; thence South 500'; thence East 500'; thence North 500'; thence West 250' to a point of closing. This property located about 300 yards from the R. B. Phillips Mine.

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

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

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

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

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

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

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

Witness:

Kenneth R McKinney
Notary Public
My Comm Expires: 8/17/57

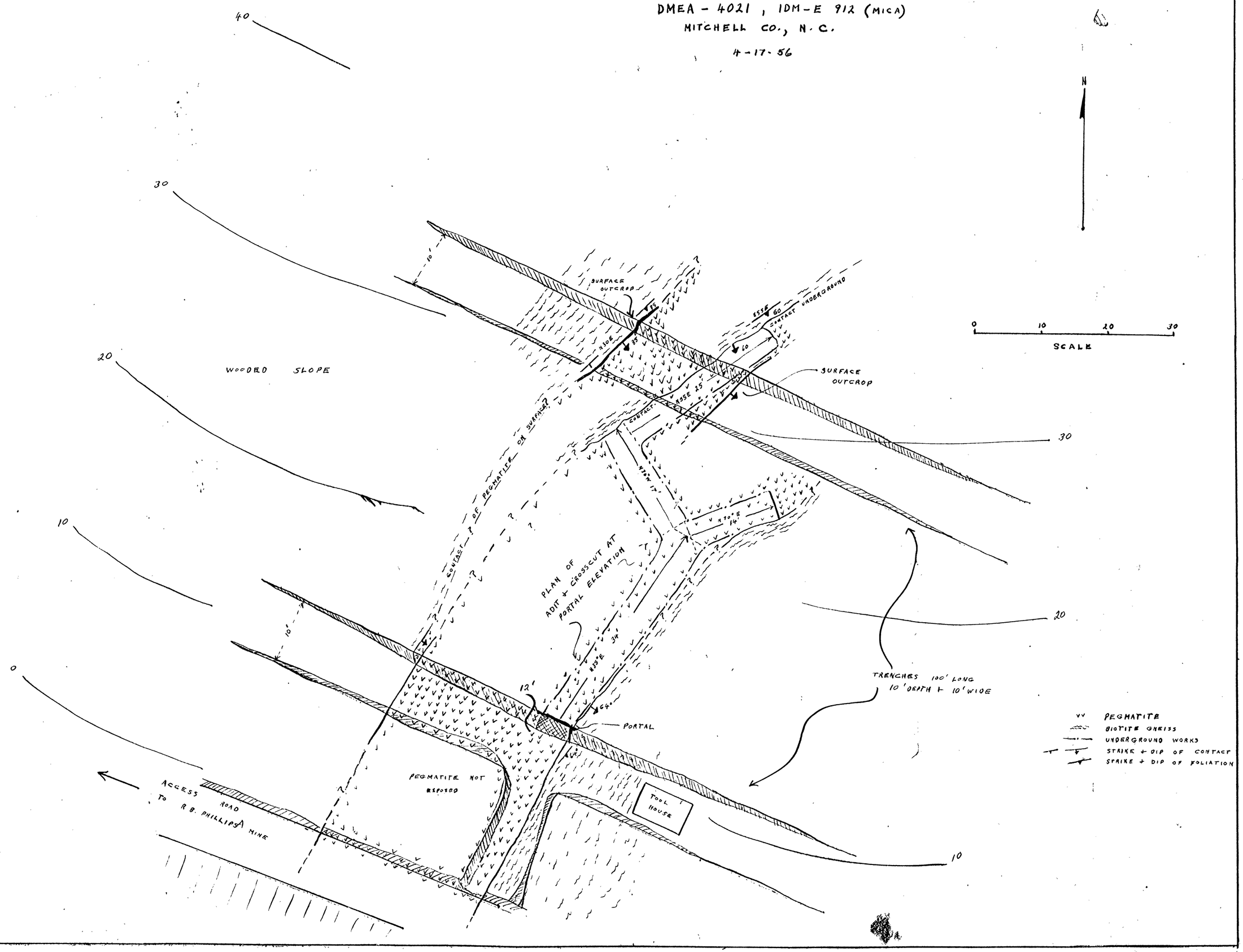
R B Phillips (Seal)

_____ (Seal)

_____ (Seal)

HOWARD PROSPECT

DMEA - 4021 , IDM-E 912 (MICA)

MITCHELL CO., N.C.

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