DMEA 40[illegible]

DOCKET INDEX

ACTION DOCUMENTS

1. APPLICATION — DATE RECEIVED 12-1-55

2. CONTRACT — DATE 4-19-56

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

   1 — 7-31-56
   2 — 8-22-56

Docket copy

Pertus
Sawyer
"Appd. Sol. Off."
Hyatt
Chambers
Selfridge
Johnson

EXPLORATION PROJECT CONTRACT
W. S. FLYNT
DOCKET NO. DMEA-4081

AMENDMENT NO. 2

It is agreed this 22nd day of August, 1956, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and W. S. Flynt, that Exploration Project Contract Idm-E945 (Docket No. DMEA-4081), dated April 19, 1956, as amended, is further amended as follows:

1. In Exhibit "A," under Stage I, the work requirement is revised to read:

"Excavate a trench approximately 200 feet long by 15 feet wide by 12 feet deep, or 1334-1/3 cubic yards of excavation."

2. In Exhibit "A," in item numbered 3 under Stage II, the figure "55½" is substituted for the figure "60."

3. In Exhibit "A," under Fixed Unit Costs:

(a) The estimate for Stage I is revised to read as follows:

"1. Excavate 1334-1/3 cubic yards @ $0.30/cu. yd. $ 400.30."

(b) Under Stage II, item numbered 3 is revised to read as follows:

"3. Drive 55½ feet of drift @ $33.40/ft. $1,853.70."

4. In Article 3 of the contract, the completion date "November 30, 1956," is substituted for "October 31, 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 required to contribute, or the fixed unit cost of any item of work.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

W. S. FLYNT

W. S. Flynt

By C. A. Mittendorf
Administrator, Defense Minerals Exploration Administration

DOCKET COPY

RECEIVED
AUG - 8 1956

EXPLORATION PROJECT CONTRACT
W. S. FLYNT, Applicant
DOCKET No. DMEA-4081

AMENDMENT No. 1

It is agreed this 11st day of July 1956, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and W. S. Flynt, that Exploration Project Contract Idm-2945 (Docket No. DMEA-4081), dated April 19, 1956, is amended as follows:

1. The time for beginning the work specified in the Contract is hereby extended to July 10, instead of May 31, 1956 as originally written.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be required to contribute, nor the agreed unit cost of any item of work.

W S Flynt
W. S. Flynt, Operator

THE UNITED STATES OF AMERICA
By: Robert A. Lawrence
Executive Officer, DMEA-Region V

Docket Copy

RECEIVED
MAY 21 1956

MF-200A
(Revised June 1954)

Docket No. DMEA 4081

Commodity Mica

Contract No. Idm-E 945

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

It is agreed this APR 19 1956 day of ....., 1956, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2] W. S. Flynt, whose mailing address is Crossnore North Carolina, hereinafter called the "Operator," as follows:

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

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

ARTICLE 2. *Operator's property rights.*—(a) The land which is the subject of this contract (hereinafter called "the land") is in the State of North Carolina, County of Lincoln, 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 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 Strategic Mica. The work to be performed is described in Exhibit "A." The Operator on or before MAY 31 1956 shall commence the work, and on or before October 31, 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 $4,440.00. The Government will contribute 75 percent of the fixed unit costs as work is performed, in a total sum not in excess of $3,330.00: *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.

W. S. FLINT

(Operator)

By .....

.....

THE UNITED STATES OF AMERICA

By .....

Administrator, Defense Minerals Exploration Administration

Appd. Sol. Off.

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

EXPLORATION PROJECT CONTRACT
W. S. FLYNT
DOCKET NO. DMRA-4081

ANNEX I

The land referred to in Article 2 of the Contract was leased by Nancy L. Leatherman to W. S. Flynt by an instrument, dated November 29, 1955, is situated in Lincoln County, North Carolina, and is more particularly described as follows:

> Beginning at the old shaft of the Brackett-Leatherman Mine which is located 300' West of a large stone on the creek bank, 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 about 10 miles N.E. of Toluca, N. C., two miles East of intersection of Highways #10 and #18.

MF-203
Revised March 24, 1955

Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator W. S. Flynt
Docket No. DMEA- 4081
Contract No. Idm-E 945
Contract Date [redacted]

CONSENT TO LIEN

RECEIVED
MAY 21 1956

To the United States of America:

Referring to that certain land in the County of [redacted], State of [redacted], described as follows:1/ [redacted], 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/

[redacted]

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 2nd day of May, 1956.

Mrs. Nancy L. Leatherman [Seal]

_____ [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]

EXPLORATION PROJECT CONTRACT
W. S. FLYNT
DOCKET NO. DMEA-4081

EXHIBIT "A"

Description of the Work

The location of the work is shown in part, on the map entitled, "Leatherman Prospect, Lincoln County, N. C. DMEA-4081 (Mica)" attached hereto and made a part hereof. The work consists of two stages. The Operator shall perform the work specified in Stage I and as much of the work specified in Stage II as the Government approves in writing.

Stage I

1. Excavate a trench or trenches aggregating approximately 150 feet long by 15 feet wide by 10 feet deep.

Stage II

1. Construct:

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

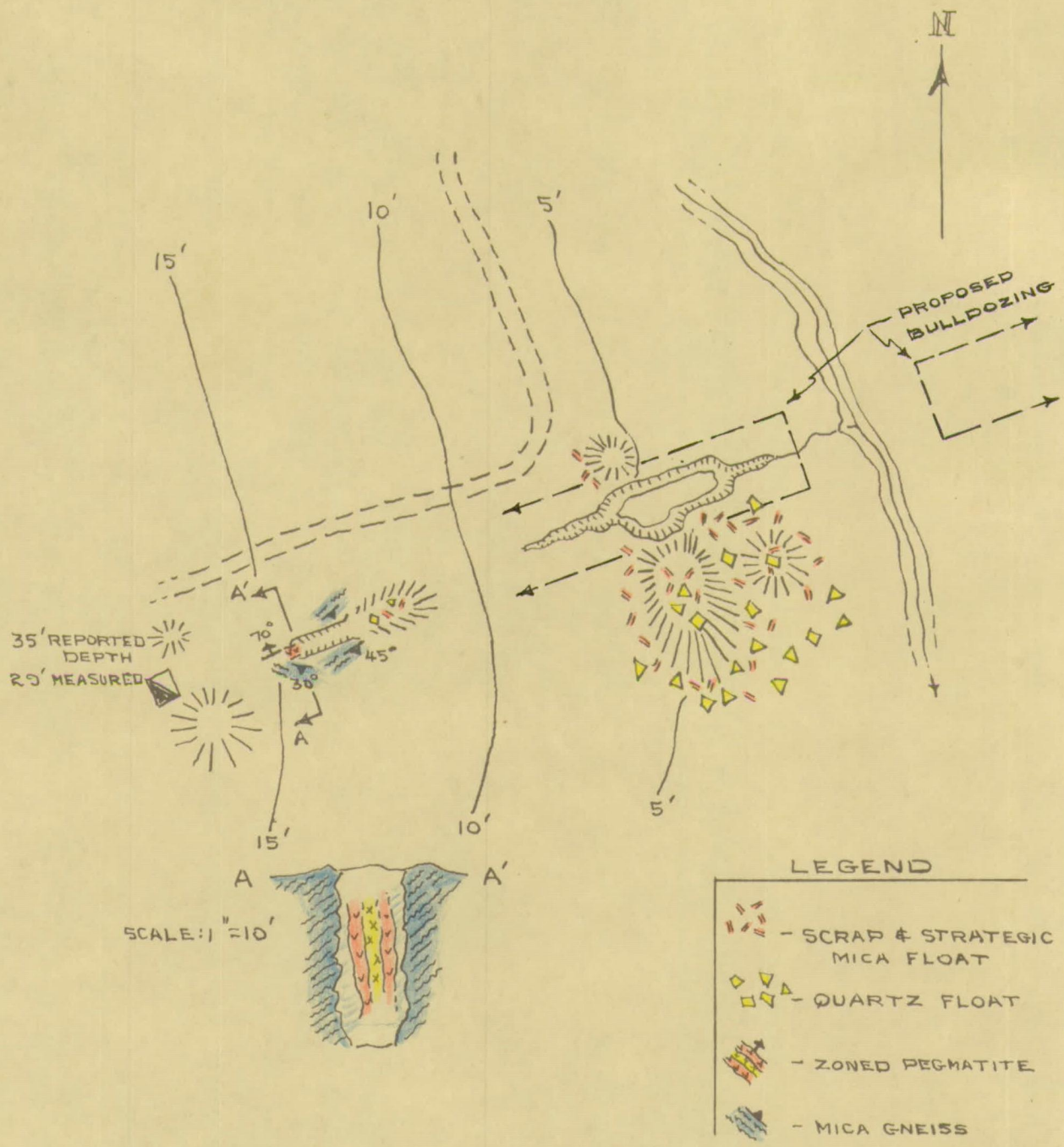
(b) A powder storage magazine, minimum dimensions 4 feet by 3 feet by 2½ feet.

(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 doors shall be securely locked with the equivalent of a 5-tumbler jarproof lock.

2. Sink 50 feet of two-compartment shaft.



LEATHERMAN PROSPECT

LINCOLN COUNTY, N.C.

DMEA-4081 (MICA)

SCALE: 1" = 40'

3. From the shaft, drive 60 feet of exploratory drift on the pegmatite.

The shaft and drift shall be timbered as necessary and shall have minimum cross-sectional dimensions of 5 feet by 7 feet in the clear of timber.

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

Fixed Unit Costs

Stage I

1. Excavate trench or trenches aggregating approximately 150 feet by 15 feet by 10 feet - 833 1/3 cubic yards @ $0.30/cu. yd. $ 250.00

Stage II

1. Construct:

Toolhouse 1/	$ 75.00
Powder Magazine 1/	25.00
Cap Magazine 1/	16.00

2. Sink 50 feet of shaft @ $41.40/ft. 2,070.00

3. Drive 60 feet of drift @ $33.40/ft. 2,004.00

Estimated Total Cost of Project	$4,440.00
Government Participation @ 75%	$3,330.00

1/ The completed work constitutes the unit.

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

OFFICIAL FILE COPY
DMEA
RECEIVED SEP 26 1957

DATE	INITIALS	CODE
9/26	B	220
		225

September 25, 1957

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

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

Subject: DMEA-4181 (mica)

Applicant: Harold B. King, Sr.

Name and Location of Property: Clinkscales No. 2 Mine, Abbeville Co., S. C.

Contract Number: Idm-E 947

Date of Field Team Report: 9/9/57

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 9/17/57

Field Team Recommendation: Recommend no certification be granted.

Comments:

1. Under a contract awarded in April 1956 a large intermittently zoned pegmatite was explored by bulldozing, sinking a 42 foot shaft and drifting 80 feet.
2. An estimated 200 pounds of low-valued block muscovite was recovered under contract work.
3. Reserves of strategic mica are estimated to be negligible.
4. Expenditures -

Total approved	$5,948.00
Total cost	5,596.00
Gov't. share of the cost	4,197.00
Value of production during operation	Unknown

Recommendation:

I concur with the recommendation of the field team that no certification be granted.

W. F. Dietrich

W. F. Dietrich

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
5/7	Anderson	600
5/7	Houk	600
5/8	Chambers	800
5/10	Selfridge	130
"	Johnson	110
"	Mittendorf	100
5/22	Zlotz	220
		225

600

MAY -8 1957

Mrs. Nancy L. Leatherman
R. F. D.
Lincolnton, N.C.

Kiilsgaard

Re: Docket No. DMEA-4081-Mica
W. S. Flynt
Leatherman Prospect
Lincoln County, North Carolina
Contract No. Idm-E945

Dear Mrs. Leatherman:

Enclosed is a copy of a self-explanatory letter of today to the Operator under the above-cited contract.

This correspondence relates to the Consent to Lien signed by you on May 2, 1956.

Sincerely yours,

C. O. Mittendorf (for)

Administrator

Enclosure

WCAnderson:rsi 5/6/57
Copy to: Admr. R. File
Mr. Chambers
Field Team, Region V
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
5/8	Anderson	600
5/8	Houk	600
5-8	Chamberlin	800
5/10	Selfridge	130
"	[illegible]	110
"	Brittendorf	100
5/13	C	220
		225

600

MAY 13 1957

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

Kiilsgaard
Yopes

Re: Docket No. DMEA-4081-Mica
W. S. Flynt
Leatherman Prospect
Lincoln County, North Carolina
Contract No. Idm-E945

Dear Mr. Laurence:

Enclosed is a letter to be forwarded to the signer of the Consent to Lien under the subject contract.

Kindly complete the address and forward, retaining your copies and returning the remaining copies.

Sincerely yours,

George C. Selfridge
(by esf)
Chairman, Operating Committee

Approved:

P. F. Yopes
(by esf)
Member, Bureau of Mines

Thor H. Kiilsgaard
(by esf)
Member, Geological Survey

Enclosure

WCAnderson:rsi 5/7/57
Rewritten
WCAnderson:rsi 5/8/57
Copy to: Admr. R. File
Mr. Chambers
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
5/7	Anderson	600
5/7	Houk	600
5-7	Chambers	800
5/80	Selfridge	130
"	Johnson	110
"	Mittendorf	100
		220

600

MAY 13 1957

Mr. W. S. Flynt

Crossnore, North Carolina

Re: Docket No. DMEA-4081-Mica
W. S. Flynt
Leatherman Prospect
Lincoln County, North Carolina
Contract No. Idm-E945

Kiilsgaard

Dear Mr. Flynt:

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,

E. O. Mittendorf

Administrator

WCAnderson:rsi 5/6/57
Copy to: Admr. R. File
Mr. Chambers
Field Team, Region V
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
5/7	Anderson	600
5/7	Hart	600

600

May 6, 1957
Project Summary Report

By: Walter C. Anderson, Nonmetallic Minerals Division

1. Docket No. DMEA-4081-Mica
Contract No. Idm-E945
Leatherman Prospect
Lincoln County, North Carolina

Application: Form MF-103(April, 1952) received December 1, 1955.

Operator: W. S.Flynt
Crossnore, North Carolina

Operator's Property Rights: Five year mining lease on the Leatherman property consisting of 5 plus acres, dated November 29, 1955. Consent to Lien of Owner, dated May 2, 1956.

Work Proposed by Applicant:

60 feet of shaft @ $50.00/ft.	$3,000.00
80 feet of drift @ $35.00/ft.	2,800.00
Amount requested	$5,800.00

2. Contract: Form MF-200A(June, 1954) dated April 19, 1956.

Work Authorized:

Stage I	
Trench excavation - 833 1/3 cubic yards @ $0.30/cu.yd.	$250.00
Stage II	
Construction - Toolhouse, powder and exploder magazine	116.00
50 feet of shaft @ $41.40/ft.	2,070.00
60 feet of drift @ $33.40/ft.	2,004.00
Estimated total cost of project	$4,440.00
Government participation @ 75%	$3,330.00

Amendments:

No. 1. - 7/31/56 - Extends date of starting from 5/31/56 to 7/10/56.

No. 2. - Under stage I, trench excavation is raised from 833 1/3 cubic yards to 1334 1/3 cubic yards. Under stage II, drifting is changed from 60 feet to 55 1/2 feet.

Work Completed:

Trench excavation - 1334 1/3 cubic yards

@ $0.30/cu. yd.	$400.30
Total accepted cost	$400.30
Government participation @ 75%	$300.22

Work began on July 5, 1956, ended on August 8, 1956, and was terminated by letter dated October 16, 1956, from Field Team. Field Team Final Report received January 14, 1957.
Operator's Final Report - Because all work was included in one monthly report, received October 22, 1956, the Field Team accepted the narrative accompanying the voucher in lieu of the final report.
No equipment purchased under contract.

3. Audit: Report of Review issued October 24, 1956.

Total accepted cost	$400.30
Government participation @ 75%	$300.22

4. Certification of Discovery - None issued.
About 20 pounds of "mine-run-block" produced during the project.
No pegmatite at bottom of cut.

5. Comments:
How conducted: All of the work in which the Government participated was acceptable.
Operation: Good.
Engineering: One and only monthly report submitted by the Operator was above average.

Geologic Premise: The premise that a mica-rich pegmatite, as indicated at the surface, would continue in depth and laterally was proven incorrect, as no pegmatite was found in bottom of excavation.

Geologic Criteria Upon Which Work Was Based:
1. Pegmatite: 2 to 3 feet wide, consisting of a soft mixture of weathered soda and potash feldspars with a strong 1½ to 2 foot quartz core. Disformably enclosed in soft weathered sillimanite mica gneiss.
2. Mica: Some "burr" and small sheet mica in place, flat or flat "A" with minor mineral staining at edges.
3. Past production:

Geologic Criteria Developed During Project:
1. Pegmatite: None found at bottom of excavation.
2. Mica: Small amount of ruby mica (which was left in place) in the pegmatite removed by excavation.

Future Possibilities: None.

Recommendations: The Nonmetallic Minerals Division and the Commodity Members of the Bureau of Mines and Geological Survey concur in the Field Team's recommendation that this project should not be certified.

W. C. Anderson
W. C. Anderson
Nonmetallic Minerals Division

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

OFFICIAL FILE COPY
DMEA
RECEIVED JAN 22 1957

DATE	INITIALS	CODE
1-22	CW	220
		225
January 22, 1957		

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

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

Subject: DMEA - 4081 (mica)

Applicant: W. S. Flynt

Name and Location of Property: Leatherman Prospect
Lincoln County, North Carolina

Contract Number: Idm-E 945

Date of Field Team Report: January 8, 1957

Date Rec'd. by Br. of Ceramic and Fertilizer Materials: January 15, 1957

Field Team Recommendation: Recommend that no certification be issued.

Comments:

1. Only stage I of a two stage operation was completed on this prospect.

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

3. Expenditures -

Total approved	$4,440.00
Total cost	400.30
Gov't. share of cost	300.22
Gov't's. share unexpended	3,032.78
Value of production during operation	unknown

Recommendation:

I concur with the recommendation of the field team that no certification be issued.

W. F. Dietrich

W. F. Dietrich

IN REPLY REFER TO:

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

OFFICIAL FILE COPY
DMEA
RECEIVED JAN 24 1957

DATE	INITIALS	CODE
1-24	C	220
		225

January 18, 1957

Re: DMEA 4081 Idm-E945
W. S. Flint
Leatherman Prospect
Lincoln County, N. C.
$4,440.00 - 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

A contract was awarded the applicant, approving a 2-stage work program to search for the source of masses of quartz, weathered scrap and sheet mica.

Dragline trenching revealed the upper workings of an old mine and small scattered remnants of what appears to be a largely mined out pegmatite.

The pegmatite probably is mica-bearing but the physical conditions make it questionable whether mining should be resumed. Therefore Stage II or underground work was not undertaken and the examiners and Field Team recommend that certification should not be made.

I concur with that recommendation.

N. E. Nelson

N. E. Nelson

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

RECEIVED
OCT 18 1956

October 16, 1956

Mr. W. S. Flynt

Crossnore, North Carolina

Re: DMEA-4081, Idm-E945-Mica
Leatherman Mine,
Lincoln County, N.C.

Dear Mr. Flynt:

Your voucher for work at the Leatherman mine has been approved for payment and forwarded to the Finance Office. Because all work was included in one report, we are accepting the narrative which accompanied the voucher in lieu of a final geologic and engineering report.

Because work under Stage I indicated the improbability of making a significant discovery, Stage II is not approved, and therefore the contract is considered to be terminated.

Sincerely yours,

Robert A. Laurence
Executive Officer, DMEA
Region V

RAL/zm
cc
Opr. Com.-2
Lynch
Shirley
Finance Office
Files

C3

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

RECEIVED
OCT 15 1956

October 11, 1956

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region V - Knoxville

Subject: Amendment No.2 - Idm-E945, DMEA-4081-Mica
W. S. Flynt, Crossnore, N.C.

Transmitted are three signed copies of the subject amendment.

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

Robert A. Laurence

Robert A. Laurence

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

August 9, 1956

Memorandum

To: Mr. C. O. Mittendorf, Administrator

From: Lawrence G. Houk, Chief
Nonmetallic Minerals Division

Subject: Amendment No. 1 - Docket No. DMEA-4081-mica
W. S. Flynt
Leatherman Prospect
Lincoln County, North Carolina
Contract No. Idm-E945

The Nonmetallic Minerals Division concurs in Amendment No. 1 to the subject contract as written and executed in the field. This amendment changes the starting date from May 31, 1956 to July 10, 1956.

Amendment No. 1 is necessary because the operator was unable to obtain equipment or a crew before the expiration of the time to commence work.

James Hopkins
Nonmetallic Minerals Division

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

RECEIVED
AUG - 8 1956

August 6, 1956

Memorandum

To: Operating Committee, DMEA - Washington

From: Acting Executive Officer, DMEA - Region V

Subject: DMEA-4081, Idm-E 945, W. S. Flynt (mica) Amendment No. 1
Leatherman Pros. Lincoln County, N.C.

Transmitted are three signed copies of the subject amendment.

This amendment was necessary because the applicant was unable to obtain xxx equipment or a crew before the expiration of the time given to commence work.

V. J. Lynch

V. J. Lynch

RECEIVED
AUG 16 1956

INTERIM REPORT

DMEA-4081, Idm-E945 (mica) LEATHERMAN PROSPECT

Operator: W. S. Flynt, Crossnore, North Carolina

Location: 4.0 miles S86° E of the intersection of highways 10 and 18 at Toluca, Lincoln County, N.C.

Trenching has continued at this Prospect since the last interim report (July 27,1956) was submitted. All recent work has consisted of extending the trench to the southwest toward the old 35-foot shaft (see exam. report map). The trench is now 138 feet by 25 to 40 feet wide by 15 to 28 feet deep.

The pegmatite terminates along strike near both ends of the trench. The southwest termination is about 40 feet northeast of the shaft. At this point the body changes to a thin migmatite zone which gradually grades into normal country rock. Old underground works extend along most of the bottom of the trench which is well below ground water level.

Only remnants of unmined pegmatite are present in the trench bottom; thus, little can be ascertained about its character and thickness. About 20 lbs of "mine-run" block mica were recovered from the southwestern half of the trench in pegmatite left from former mining.

Depth and ground water prevent further deepening of the trench. Results of trenching are not conclusive as to the character of the pegmatite or its mica content but do not appear favorable due to the limited strike extent of the body.

Inspected: Aug.8, 1956.

S. C. Bergman and D. H. Amos
Geologists

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

August 14, 1956

RECEIVED
AUG 16 1956

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: DMEA-4081, Idm-E945 (mica) W.S. Flynt, Crossnore, N.C. Leatherman Mine, Lincoln County.

Enclosed are four copies of the latest interim report on the subject contract, and three copies of a letter from the Operator requesting another amendment. Please refer to our letter of August 1 in which amendment No.2 was requested.

The Operator has now done the additional open-cut work requested August 1 in anticipation of approval of amendment No.2, in order to utilize equipment already at the site. We still recommend approval of amendment No.2 to authorize that work.

Unfortunately, old workings were far more extensive than anyone anticipated, and all the work done to date has not yet made it possible to determine whether Stage II is justified. It is extremely doubtful that a ten-foot test pit in the present bottom of the open cut could be done for $20 per foot, or that it would be deep enough to expose any new pegmatite.

It is our opinion now, shared by the Field Examiners, that enough work has been done to show that the target is much smaller than originally expected, and is insufficient to justify the additional work which would be necessary to complete the originally proposed Stage II work.

Therefore, we recommend:

1. Approval of Amendment No.2, as already requested.

2. Denial of Operator's request for Amendment No.3.

3. Termination of contract at end of Stage I, by Non-approval of Stage II.

Robert A. Laurence

Robert A. Laurence
Executive Officer, DMEA
Region V

V. J. Lynch

V. J. Lynch, Member
Bureau of Mines

Spruce Pine, North Carolina
August 9, 1956

RECEIVED
AUG 16 1956

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

Re: Docket No. DMEA-4081-Mica
W.S. Flynt
Leatherman Prospect
Lincoln County, North Carolina

We would like to do some further work at the Leatherman Mine in Lincoln County, North Carolina, and we wish to request an amendment to the contract to cover this additional work.

Our request is for two test pits, 10' deep each @ $20.00 per foot.

The field team is familier with this project. If you need further information from me, please let me know.

Very truly yours,

W. S. Flynt

W.S. Flynt

F/g

RECEIVED
AUG 13 1956
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

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

August 14, 1956

RECEIVED
AUG 16 1956

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: DMEA-4081, Idm-E945 (mica) W.S. Flynt, Crossmore, N.C. Leatherman Mine, Lincoln County.

Enclosed are four copies of the latest interim report on the subject contract, and three copies of a letter from the Operator requesting another amendment. Please refer to our letter of August 1 in which amendment No.2 was requested.

The Operator has now done the additional open-cut work requested August 1 in anticipation of approval of amendment No.2, in order to utilize equipment already at the site. We still recommend approval of amendment No.2 to authorize that work.

Unfortunately, old workings were far more extensive than anyone anticipated, and all the work done to date has not yet made it possible to determine whether Stage II is justified. It is extremely doubtful that a ten-foot test pit in the present bottom of the open cut could be done for $20 per foot, or that it would be deep enough to expose any new pegmatite.

It is our opinion now, shared by the Field Examiners, that enough work has been done to show that the target is much smaller than originally expected, and is insufficient to justify the additional work which would be necessary to complete the originally proposed Stage II work.

Therefore, we recommend:

1. Approval of Amendment No.2, as already requested.

2. Denial of Operator's request for Amendment No.3.

3. Termination of contract at end of Stage I, by Non-approval of Stage II.

Robert A. Laurence
Executive Officer, DMEA
Region V

V. J. Lynch, Member
Bureau of Mines

RAL/sm
cc:
Lynch
Shirley
Files

Opr. Com.

Spruce Pine, North Carolina
August 9, 1956

RECEIVED
AUG 16 1956

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

Re: Docket No. DMEA-4081-Mica
W.S. Flynt
Leatherman Prospect
Lincoln County, North Carolina

We would like to do some further work at the Leatherman Mine in Lincoln County, North Carolina, and we wish to request an amendment to the contract to cover this additional work.

Our request is for two test pits, 10' deep each @ $20.00 per foot.

The field team is familiar with this project. If you need further information from me, please let me know.

Very truly yours,

W.S. Flynt

F/g

RECEIVED
AUG 13 1956
U.S. Geological Survey
Knoxville, Tenn.

DOCKET COPY
Surname:

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

AUG 22 1956

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

Re: Docket No. DMEA-4061-mica
W. S. Flynt
Leatherman Prospect
Lincoln County, North Carolina
Contract No. Idm-E945

Dear Mr. Laurence:

Reference is made to the Field Team memorandum of August 1, 1956, requesting an amendment providing for 500 cubic yards of additional trenching, on the subject property.

We have prepared and enclose the original and five copies of Amendment No. 2 which have been signed by the Administrator for the Government. Two extra copies are enclosed for the use of the Field Team. If it meets with your approval, please present it to the operator for approval and signature.

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

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

FRANK D. LAMB

Member, Bureau of Mines

W. P. Williams

Member, Geological Survey

Enclosures: 5

JHopkins:ms 8/20/56
Copy to: Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Hopkins
Admr. R. File

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25 PACE BLDG.
KNOXVILLE 2, TENN.

RECEIVED
AUG - 6 1956

August 3, 1956

Memorandum

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

From: Field Team - DMEA - Knoxville, Tennessee

Subject: DMEA-4081, Idm-E945 (Mica)
W. S. Flynt, Crossnore, N. C.
Leatherman Prospect Lincoln County, North Carolina

Reference is made to our memorandum of August 1.

Enclosed are the original and three copies of a letter from the Operator, requesting amendment no. 2, which was recommended in our memorandum.

Robert A. Laurence
Robert A. Laurence
Executive Officer

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

Enclosures 4

RECEIVED
AUG - 6 1956

Spruce Pine, North Carolina
August 1, 1956

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

Re: DMEA-4081 (Mica)
Leatherman Prospect
Lincoln County, N. C.

Dear Mr. Laurence:

We wish to request an amendment to our contract on the Leatherman Prospect which would allow an additional fifteen hours of bulldozing work. We did not anticipate the need for as much bulldozing work as we have found necessary since we began work at the project.

Your early consideration of this request will be appreciated. We would like to continue while our equipment is set up at the prospect.

Very truly yours,

W. S. Flynt

W. S. Flynt

WSF/mb

RECEIVED
AUG 2 - 1956
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

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

RECEIVED
AUG - 3 1956

August 1, 1956

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: DMEA-4081, Idm-E945 (mica) W. S. Flynt, Crossnor, N. C.
Leatherman Prospect, Lincoln County, N. C.
Request for Amendment No.2

Enclosed are four copies of the latest interim report on the subject exploration contract.

On the basis of completed work (about 50 cu. yds over the amount authorized), it is impossible to determine whether Stage II is justified. Depth to the pegmatite in the area west of the old dump exceeded the estimates; also the pit is full of water. We agree with the Field Examiners conclusion that extending the trench to the slightly higher ground to the west is desirable, and therefore request permission to prepare an amendment providing for 500 cu.yds. additional trenching at 30¢ per yard. This could be obtained by reducing the amount of drifting by 4.4 feet.

Please note that this would be Amendment No.2. Amendment No. 1 (not yet signed by the Operator) extended the starting date from May 31 to July 10, as the Operator was unable to obtain a crew and equipment before the date originally specified in the contract.

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

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

RECEIVED
AUG - 3 1956

August 1, 1956

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: DMEA-4081, Idm-E945 (mica) W. S. Flynt, Crossnor, N. C.
Leatherman Prospect, Lincoln County, N. C.
Request for Amendment No.2

Enclosed are four copies of the latest interim report on the subject exploration contract.

On the basis of completed work (about 50 cu. yds over the amount authorized), it is impossible to determine whether Stage II is justified. Depth to the pegmatite in the area west of the old dump exceeded the estimated; also the pit is full of water. We agree with the Field Examiners conclusion that extending the trench to the slightly higher ground to the west is desirable, and therefore request permission to prepare an amendment providing for 500 cu.yds. additional trenching at 30¢ per yard. This could be obtained by reducing the amount of drifting by 4.4 feet.

Please note that this would be Amendment No.2. Amendment No. 1 (not yet signed by the Operator) extended the starting date from May 31 to July 10, as the Operator was unable to obtain a crew and equipment before the date originally specified in the contract.

V. J. Lynch, Member
Bureau of Mines

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

ACTION ON LIBRARY
[illegible]
DATE 8-3

Referred to:

1. ~~Mr. Watson~~
2. ~~Mr. Johnson~~
3. ~~Mr. Chambers~~
4. ~~Docket Control, Mails and Files~~
5. ~~Mr. Quattlebaum~~
6. Docket Control, Mails and Files

Note comments in remarks regarding:

1. Amendment recommended — to
2. do more teaching
3.
4.

and take appropriate action.

Action taken by Division:

In preparation

Robert E. Adams

RECEIVED
AUG - 3 1956

INTERIM REPORT

DMEA-4081, Idm-E945 (Mica) LEATHERMAN PROSPECT

Operator: W. S. Flynnt, Crossmore, North Carolina

Location: 4.0 miles S86°E of the intersection of highways 10 and 18 at Toluca, Lincoln County, North Carolina

The starting date on this contract is July 5, 1956. Stage I, consisting of trenching, is underway but not complete. Considerable difficulty has been encountered in trying to properly expose the pegmatite, and the bottom of old works had not been located at the time of this inspection. A dragline is in use on the northeast end of the prospect and a cut has been made 60' x 20' x 20' deep. Allowable funds for Stage I are exhausted. The operator and the Field Examiners are of the opinion that additional trenching to the southwest is necessary to expose the pegmatite properly. The Field Examiners recommend that an ammendment be prepared allowing for the removal of an additional 500 cubic yards of material at $0.30 per cubic yard. Underground work cannot be attempted on the basis of completed work and additional work along the projected strike of the body is deemed necessary. Another visit will be made to the project in the near future.

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

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

July 27, 1956

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 25 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: Signed Contract - Idm-E945, Docket No. DMEA-4081 - Mica W. S. Flynt, Crossnore, North Carolina

Transmitted are three copies of the subject contract, with corrected forms MF-203 attached and properly signed.

The usual distribution of the other copies has been made.

V. J. Lynch

V. J. Lynch

RECEIVED
APR 18 1956

Crossnore, N. C.
April 10, 1956

Mr. Lawrence G. Houk, Chief
Nonmetallic Minerals Division
Washington 25, D. C. 600

Re: Docket No. DMEA-4081-Mica
W. S. Flynt
Leatherman Prospect
Lincoln County, N. C.

Dear Mr. Houk:

Upon receipt of your letter of March 30th we contacted Mr. Laurence of Region 5, Knoxville, Tennessee, and he advised that he would give you the requested information. If this has not been done, please advise.

We will appreciate anything you may do for us in the way of expediting this application as the Lessor of this prospect is becoming impatient with us because of our slow starting.

Thanking you and with kind regards, I am

Yours very truly,

W. S. Flynt

WSF:rhc

DOCKET COPY
Surname:

Hopkins
Houk
Chambers
Selfridge
Fitzsimmons
Rutledge

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

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

APR 19 1956

Re: Docket No. DMEA-4081-Mica
W. S. Flynt
Leatherman Prospect
Lincoln 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"(2 pages), and map of the Leatherman Prospect. Two extra copies of Annex I, Exhibit "A" and the map are enclosed for the use of the Field Team.

It is noted that the spelling of the Owner's name on the Consent to Lien does not agree with the spelling on the Lease. The Owner should be requested to state in writing that she is one and the same person who signed the Consent to Lien and Lease; or if she regularly spells her name "Leatherman", she should be asked to re-execute the Consent to Lien.

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 Annex I, Exhibit "A" and the map are to be returned to this office, together with the proposed changes for consideration.

Copies of memoranda dated February 28 and March 2, 1956, by Mr. W. F. Dietrich, USBM, and Mr. N. E. Nelson, USGS, respectively, relating to the project are enclosed.

Enclosures: 12

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee

Approved:

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

Thor H. Kiilsgaard
Member, Geological Survey

JHopkins:ms 4/17/56
Copy to: Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Hopkins
Admr. R. File

R.A.L.

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

APR 13 1956

Memorandum

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

From: Associate Solicitor, Division of Mineral Resources

Subject: Docket No. DMEA-4081 (Mica)
W. S. Flynt

Pursuant to your request, we have prepared the attached draft of contract.

Your attention is called to the fact that the name of the owner as signed to the Consent to Lien is spelled differently than as signed on the lease. The owner should be requested to state in writing that she is one and the same person who signed the Consent to Lien and Lease; or if she regularly spells her name "Leatherman," she should be asked to re-execute the Consent to Lien.

Robert P. Dwyer

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

APR 13 1956

Memorandum

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

From: Associate Solicitor, Division of Mineral Resources

Subject: Docket No. DMEA-4061 (Mica)
W. S. Flynt

Pursuant to your request, we have prepared the attached draft of contract.

Your attention is called to the fact that the name of the owner as signed to the Consent to Lien is spelled differently than as signed on the lease. The owner should be requested to state in writing that she is one and the same person who signed the Consent to Lien and Lease; or if she regularly spells her name "Leatherman," she should be asked to re-execute the Consent to Lien.

Robert P. Dwyer

P. Indritz/wog
April 12, 1956
Copy to: Solicitor's Docket (2)
DMEA Docket
L.G.Houk (2)
R.P.Dwyer
P.Indritz
Chron.

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

APR 1956

Memorandum

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

From: Associate Solicitor, Division of Mineral Resources

Subject: Docket No. DMEA-4081 (Mica)
W. S. Flynt

Pursuant to your request, we have prepared the attached draft of contract.

Your attention is called to the fact that the name of the owner as signed to the Consent to Lien is spelled differently than as signed on the lease. The owner should be requested to state in writing that she is one and the same person who signed the Consent to Lien and Lease; or if she regularly spells her name "Leatherman," she should be asked to re-execute the Consent to Lien.

Robert P. Dwyer

Robert P. Dwyer

P. Indritz/wog
April 12, 1956
Copy to: Solicitor's Docket (2)
DMEA Docket
L.G.Houk (2)
R.P.Dwyer
P.Indritz
Chron.

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

RECEIVED
APR 4 - 1956

April 2, 1956

Memorandum

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

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

Subject: DMEA-4081 (Mica)
W. S. Flynt, Crossnore, North Carolina
Leatherman Mine, Lincoln County, North Carolina

Reference is made to the examination report, and your letter of March 30 to the applicant.

While in Spruce Pine last week, our field examiners re-checked the lease description with the applicant, and they are now satisfied that the correct property is described in the lease which accompanied the application. Apparently, there has been a change of names, in the two Leatherman prospects since publication of Professional Paper 248-D which led to the original confusion.

We therefore recommend approval of the contract as outlined in the examination report.

Robert A. Laurence
Robert A. Laurence
Executive Officer

V. J. Lynch
V. J. Lynch, Member
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
APR 4 - 1956

April 2, 1956

Memorandum

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

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

Subject: DMEA-4081 (Mica)
W. S. Flynt, Crossnore, North Carolina
Leatherman Mine, Lincoln County, North Carolina

Reference is made to the examination report, and your letter of March 30 to the applicant.

While in Spruce Pine last week, our field examiners re-checked the lease description with the applicant, and they are now satisfied that the correct property is described in the lease which accompanied the application. Apparently, there has been a change of names, in the two Leatherman prospects since publication of Professional Paper 248-D which led to the original confusion.

We therefore recommend approval of the contract as outlined in the examination report.

Robert A. Laurence
Executive Officer

V. J. Lynch, Member
Bureau of Mines

RAL/mg
cc - Operating Committee (2)
Mr. V. J. Lynch
Mr. L. E. Shirley
Files

DOCKET COPY
Surname:

Hopkins Houk Cmr

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

MAR 30 1956

Mr. W. S. Flynt

Crossmore, North Carolina

Re: Docket No. DMEA-4081-Mica
W. S. Flynt
Leatherman Prospect
Lincoln County, North Carolina

Dear Mr. Flynt:

Reference is made to a request by the Executive Officer, DMEA Field Team, Region V, for satisfactory proof of your leasehold interest in the subject property. To date this information has not been received.

Upon receipt of this information we will continue to process your application.

Sincerely yours,

Lawrence G. Houk, Chief
Nonmetallic Minerals Division

JHopkins:ms 3/29/56
Copy to: Docket
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Hopkins
Admr. R. File

IN REPLY REFER TO:

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

RECEIVED
MAR - 5 1956

March 2, 1956

Memorandum

To: L. G. Houk

From: N. E. Nelson

Re: DMEA 4081, W. S. Flynt.
Leatherman prospect,
Lincoln Co., N. C.
$4,805.00 - Mica

Subject: Review of Field Team report

The applicant requested assistance in searching for and, if found, exploring a pegmatite. Little pegmatite is exposed but abundant weathered scrap mica sheets and masses of quartz suggest a nearby source looking for which by bulldozing is warranted.

A 2-stage work program is recommended by the examiners to consist of:-

Stage I

Bulldozing 833 cu. yds. @ 30¢	$250.00

Stage II

Buildings	$115.00
Sink 50 feet	2,410.00
Drift 60 "	2,030.00
Total	4,805.00

4805
250
4555.00

I concur with the 2-stage work recommendation of the examiners and Field Team.

N. E. Nelson

Ned E. Nelson

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

RECEIVED
FEB 29 1956

February 28, 1956

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-4081 (mica)

Applicant: W. S. Flynt

Name and Location of Property: Leatherman Prospect, Lincoln Co., N. C.

Date of Field Team Report: 2/21/56

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 2/28/56

Field Team Recommendation: Recommend a two-stage contract.

Comments:

1. The uncertainty regarding the area covered by the lease should be resolved.

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

3. Total estimated costs are in the amount of $4,805.00.

Recommendation:
I concur with the field team's recommendation for a two-staged, unit-cost exploration program.

W. F. Dietrich

W. F. Dietrich

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 2038 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

RECEIVED
FEB 23 1956

FEB 21 1956

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Field Examination Report, DMEA-4081 (mica) W. S. Flynt, Crossnore, N. C., Applicant. Leatherman Prospect, Lincoln County, N. C.

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

There is some uncertainty as to whether the applicant's lease actually covers the Prospect which was examined. He has been requested to clarify this and to submit a new lease if necessary.

Although the pegmatite is not sufficiently exposed to permit actual measurements of its size, structure and mineral content, the geologic evidence which is available strongly suggests presence of a zoned, mica-bearing pegmatite, and we consider the proposed trenching to be a proper part of exploration.

Therefore, if the applicant submits satisfactory proof of his leasehold interest, we recommend approval of a two-stage contract for work at the northeast end of the prospect as outlined in the report.

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

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

Reviewed by
DMEA OPERATING COMMITTEE
2-27-56
(date)

RECEIVED
FEB 23 1956

FIELD EXAMINATION REPORT

On

DMEA-4081, LEATHERMAN PROSPECT (mica) (Brackett Tract)

Applicant: W. S. Flynt, Crossnore, North Carolina

Location: 4.0 miles S 86° E of the intersection of highways 10 and 18 at Toluca, Lincoln County, N. C.

There has been a limited amount of exploration along a strike length of 150 feet that indicates a very favorable enviroment for the discovery of strategic mica. (OK)

Although little pegmatite is exposed, there has been a great deal of mica removed, as evidenced by the abundant weathered scrap mica sheets which cover the dumps. Some of the mica has been of strategic grade and is found in sheets up to 6 inches in diameter. Large quartz masses 1 to 3 feet in diameter, liberally strewn over the dumps and adjacent field, indicate a strong quartz core. On this evidence, the examiners recommend a two stage exploration contract be established.

large (?)

On January 12, 1956, the property was examined in the company of Messrs. J. R. Beam and John Jarrett. Two hours were spent by the examiners at the prospect site. The applicant, Mr. W. S. Flynt, has had a long successful association with mica mining and with other DMEA exploration ventures.

Referring to the Shelby-Hickory District Report (USGS-Professional Paper 248-D), the prospect site examined is one marked No. 12 on the accompanying plate 19, and is listed as the J. G. Leatherman Mine. The workings and situation fit the description given on page 239 of the Pink Leatherman Mine, which is described as being some 2 miles to the NW (Site 13) of this site. The applicant's location of his lease is not clear as to which property is covered. He has been requested to clarify this situation.

Workings consist of a 35-foot shaft which shows little mica on the dumps, and 32 feet to the NE, a 15-foot long trench 10 feet deep, which has a 2 to 3 foot wide pegmatite in its SW end. The pegmatite is a soft mixture of

Reviewed by
DMEA OPERATING COMMITTEE
2-27-56
(date)

weathered soda and potash feldspars with a strong 1 1/2 to 2 foot quartz core. The pegmatite strikes N 70° E and dips 75 - 80° NW. There is some "burr" and small sheet mica in place. The vein is disconformably enclosed in a soft weathered sillimanite mica gneiss which has an attitude of N 83° W 30° SW to N 60° E 45° SE. Sixty-eight feet along strike to the NE, is a 30 x 15 by 10 foot deep (at present) open pit. Dumps along its southern margin are literally(?) covered with bleached, weathered, scrap sheets and thin books of muscovite ranging up to 6-inches in diameter. Almost all mica seen was flat or flat "A" with minor mineral staining at the sheet edges. The area is strewn with large irregular masses of quartz from 1 to 3 feet in diameter. All evidence seems to indicate a (strong) zoned, mica-bearing pegmatite at the NE end of the Prospect. It is at this end of the Prospect that the proposed work will be concentrated.

The examiners recommend bulldozing a trench along strike for approximately 150 feet to establish vein continuity at the NE end and select a spot for Stage II exploration. It is suggested that Stage II consist of 50 feet of shaft and 60 feet of drift.

<u>Stage I</u> - Bulldoze along strike, a trench or trenches aggregating approximately 150' x 15' x 10' deep.

833 cu. yds. @ $ .30/cu.yd $ 250.00

<u>Stage II</u>

Toolhouse	75.00	
Powder magazine	26.00	
Cap Magazine	14.00	115.00

Sink 50 feet of shaft, location dependant on results of Stage I (30 shifts) (27 sinking, 3 timbering)

Labor:

	30 shifts	25 shifts
1 - Miner @ $1.50/hr.	$360.00	300.00
1 - Hoistman @ $1.25/hr.	300.00	250.00
2 - Laborers @ $1.00/hr.	480.00	400.00
	1140.00	950.00

Equipment (rental)

Compressor and drill @ $230/Mo.	345.00
Hoist @ $50/Mo.	75.00
Pump @ $20/Mo.	30.00

Supplies:

Explosives		165.00
Drill steel		90.00
Small tools and pipe		100.00
Gasoline and oil		100.00
Timber, 1500 b.f. @ $65/M		100.00
Miscellaneous		110.00
Insurance	$115.00	
Social Security	23.00	
Sales Tax	17.00	155.00

Total estimated cost of drifting..... $2,410.00

Drive 60 feet of exploratory drift in pegmatite (25 shifts) with xtra laborer, reduce to 20 shifts

Labor:

		25 shifts	20 shifts
1 - Miner @ $1.50/hr.	12.00	300.00	240
1 - Hoistman @ $1.25/hr.	10.00	250.00	200
2 - Laborers	16.00	400.00	320
		950.00	760.00

Equipment (rental)

Compressor, drill & Jackleg @ $250/Mo.	315.00
Hoist @ $50/Mo.	65.00
Pump @ $20/Mo.	25.00

Supplies:

Explosives		$185.00	
Drill steel		90.00	
Small tools and pipe		70.00	
Gasoline and Oil		110.00	
Miscellaneous		90.00	
Insurance	$95.00		
Social Security	19.00		
Sales tax	16.00	130.00	
Total estimated cost of drifting			$2,030.00 1840.00
Total cost of exploration.....			$4,805.00

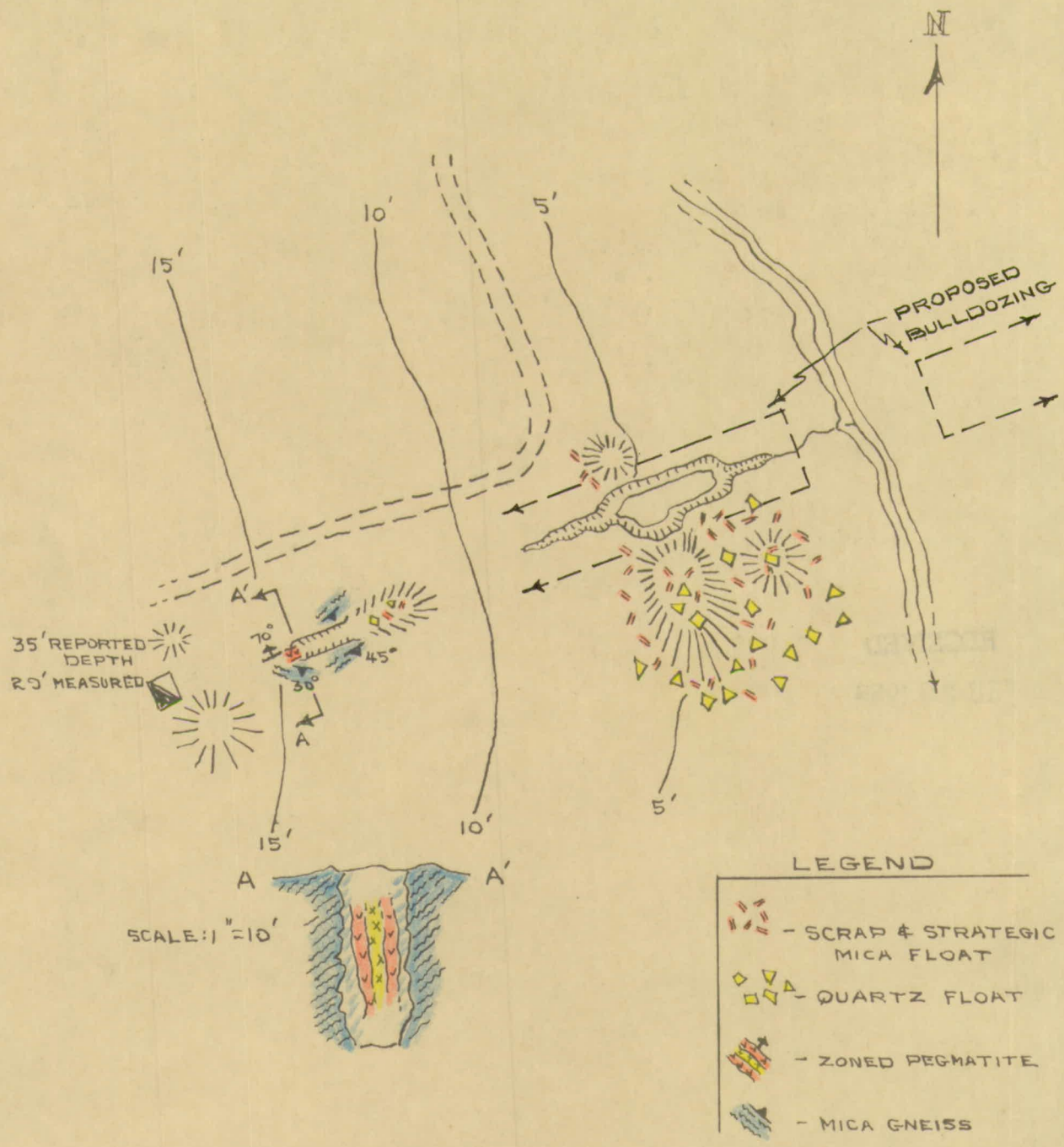
Examined: January 12, 1956

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

and

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

z



LEATHERMAN PROSPECT

LINCOLN COUNTY, N.C.

DMEA-4081 (MICA)

SCALE: 1" = 40'

RECEIVED
FEB 23 1956

DOCKET FILE
Surname:

Hopkins
Houk
Selfridge
Johnson

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

DEC 14 1955

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

Subject: Docket No. DMEA-4081 - Mica
W. S. Flynt
Leatherman Mine (Brackett Tract)
Avery County, North Carolina

Dear Mr. Laurence:

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

Copies of memoranda dated December 5 and December 8, 1955, by N. E. Nelson, USGS, and W. F. Dietrich, USBM, respectively, relating to the project are enclosed.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee (GHB)

Approved:

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

Thor H. Kiilsgaard (GHB)
Member, Geological Survey

Enclosures 4

JHopkins:ad 12/13/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Hopkins

DOCKET FILE
Surname:
Hopkins
Houk
Kiilsgaard
Geehan
Selfridge
Johnson

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

DEC 14 1955

Mr. W. S. Flynt

Crossnore, North Carolina

Re: Docket No. DMEA-4081 - Mica
W. S. Flynt
Leatherman Mine (Brackett Tract)
Avery County, North Carolina

Dear Mr. Flynt:

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,

C. O. Mittendorf

Administrator

JHopkins:ad 12/13/55
Copy to: Admr. R. File
Docket
Operating Committee
Field Team, Region V
Mr. Deitrich, 3061
Mr. Kiilsgaard, 5222
Mr. Houk
Mr. Hopkins

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

RECEIVED
DEC - 8 1955

December 8, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA - 4081 (mica)

Applicant: W. S. Flynt

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

Date Application Rec'd. by Br. of Ceramic & Fertilizer Materials: 12/2/55

Comments:

1. No data available in this office on subject mine.

2. 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.

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

IN REPLY REFER TO:

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

RECEIVED
DEC - 6 1955

December 5, 1955

Re: DMEA 4081
W. S. Flynt
Leatherman Mine (Brackett Tract)
Avery County, North Carolina
$5,800.00 - Mica

Memorandum

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

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

Subject: Review of application.

The applicant requests assistance in looking for a "lost vein" by sinking a shaft 60 feet and drifting 80 feet at a cost of $5,800.00. Some high quality ruby mica is said to have been recovered but no official records are quoted.

Referral to the Field Team is recommended.

N. E. Nelson

N. E. Nelson

December 2, 1955
Subject: DMEA-4081
Re: Exploration Assistance
Leatherman Mine

Mr. W. S. Flynt
Crossnore, North Carolina

My dear Mr. Flynt:

The receipt of your application dated November 29, 1955, for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA-4081 and referred to the Nonmetallic Minerals Division.

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

Sincerely yours,

Robert E. Adams, Chief
Operations Control and
Statistics Division

60932

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1035.2.

RECEIVED
DEC - 1 1955

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

Not to be filled in by applicant

Docket No. DMEA - 4081
Metal or Mineral Mica
Date Received 12-1-55
Estimated Cost $5,800.00
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: W. S. Flynt
Crossnore, N. C.

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

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

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

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

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

(*b*) State any mine name by which the property is known. Leatherman Mine - (Brackett Tract) (of land)

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

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

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

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

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

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

Explain in detail on acompanying paper.

CERTIFICATION

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

Dated 11-29-55, 195...

W. S. Flynt
(Applicant)

By W. S. Flynt

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

RECEIVED
DEC - 1 1955

MF-103 (continuation sheet)

4. (a) Leatherman mine was worked a little during Colonial program. Old shaft approximately 20' deep now exists.

(b) No official production records. Reports are that high quality ruby mica was recovered at this mine.

(c) We believe that by lowering shaft at site near old works, vein can again be found.

(d) Project is accessible to roads, being about two miles off N.C.Highway 10.

(e) Manpower, equipment, supplies and materials available. Power is about 400 feet away.

5. (b) We propose to lower a shaft near old works to a depth of sixty feet, then drift with vein 80'.

6. Estimate of costs:

60' 5' x 7' shaft @ $50.00 per ft.	$ 3,000.00
80' drift @ $35.00 per ft.	2,800.00
Total estimated cost of project	$ 5,800.00

MINING LEASE

RECEIVED
DEC - 1 1955

State of North Carolina Lincoln County:

This indenture made this 29th day of November, 1955 ~~19~~, between Nancy L. Leatherman of Lincoln County and State of North Carolina as party of the first part, and known as lessor, and W. S. Flynt of Avery County and State of North Carolina, party of the second part and known as lessee.

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

Beginning at the old shaft of the Brackett Leatherman Mine which is located 300' West of a large stone on the creek bank, 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 about 10 miles N.E. of Toluca, N.C., two miles East of intersection of Highways No. 10 and No. 18.

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 (One-eighth) 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:

Hillard Leatherman

Kenneth R McKinney
Notary Public - Mitchell county N.C.
My Com Exp 8/17/57

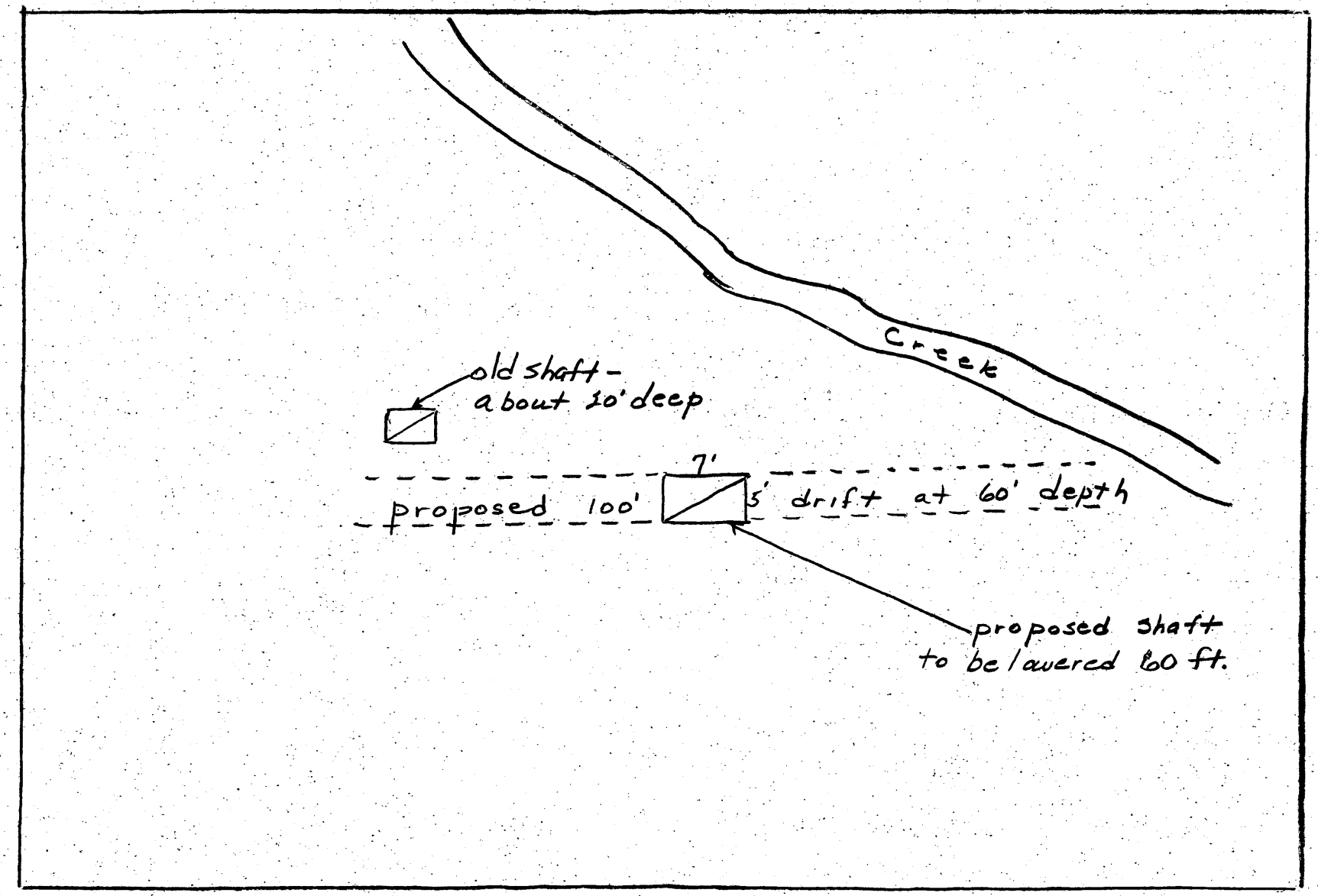
Nancy L Leatherman (Seal)

_____ (Seal)

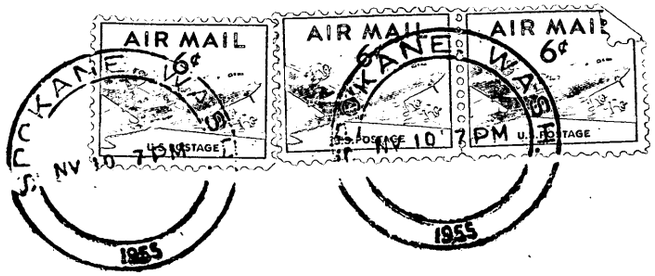
_____ (Seal)

LEATHERMAN MINE

Lincoln County
N. C.



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1201 N. DIVISION STREET
SPOKANE 2, WASHINGTON



VIA AIR MAIL

VIA AIR MAIL

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.