DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Ted Higdon
Route 5
Franklin, North Carolina

pertaining to Exploration Project Contract No. Idm-2972, Docket No. DMEA-4105, for the months of August 1956 and September 1956, covering a project for the exploration of mica on property, known as the Wild Cove Prospect located in Macon County, North Carolina.

My review included an examination of the Monthly Reports (Forms MF-104) and supporting documents attached thereto, comparison of the costs claimed with the contract and pertinent schedules, verification of work performed by reference to Field Team reports, and a determination of the reasonableness and propriety of the costs.

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

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

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

Total cost as billed by Contractor		$1,865.50
Exceptions:		
By DMEA Finance Officer	$ -0-	
Herewith	-0-	-0-
Total Accepted Cost		$1,865.50

The contract calls for a 75 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of One thousand three hundred ninety-nine and 12/100 Dollars

$1,399.12

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

E. D. Talbert

E. D. Talbert, Auditor

October 25, 1956

Division Copy

RECEIVED
OCT 24 1956

TERMINATION AGREEMENT

It is agreed this 10th day of October, 1956, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Ted Higdon, hereinafter called the "Operator," parties to that certain Exploration Project Contract No. Idm-E972, Docket No. DMEA-4105, dated July 23, 1956, hereinafter called the "Contract," that:

1. Effective September 23, 1956, the Contract and all obligations of the parties thereunder, except as otherwise herein expressly provided, shall be and are hereby terminated.

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

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

4. All rights of the Government provided for in Article 7 of the Contract with respect to certification of discovery or development, percentage royalty, and liens for its payment, records, audit, and recovery of any overpayment, are preserved.

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

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

THE UNITED STATES OF AMERICA

By Robert H. Rausch
Executive Officer
DMEA Field Team, Region V

Ted Higdon
Ted Higdon

Indrity 10/4/56
Dwyer
"Appr. Col. Utl."
Chandler
Selfridge
Mathewson

Division Copy

MF-200A
(Rev. April 1956)

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

RECEIVED
AUG 15 1956

EXPLORATION PROJECT CONTRACT
(Short Form)

DMEA No.	*Commodity*	*Contract No. Idm–E*	*County*	*State*
4105	Mica	972	Macon	North Carolina

It is agreed JUL 23 1956, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Ted Higdon

whose mailing address is Route #5
Franklin, North Carolina
hereinafter called the "Operator," as follows:

ARTICLE 1. *Authority and project.*—(a) 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 Annex I (land description), Exhibit A (work and costs), and the maps and documents listed therein. The project work is a search for indicated or undeveloped deposits of the commodity designated above. The Operator shall begin the work on or before SEP 1 1956, and, subject to the provisions of Article 7 and Exhibit A, shall complete the work within 7 months from the date of the contract.

(b) The description of the work and the fixed cost for each unit of work to be performed (per foot of drilling, per foot of drifting, per hour of operations, etc.) are hereby agreed upon as specified in Exhibit A. The estimated total cost of the project work is $3,148.00. The Government will contribute 75 percent of the fixed unit cost of the work performed, not exceeding $2,361.00, in accordance with the provisions of Articles 4 and 5.

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

ARTICLE 2. *Operator's property rights.*—(a) The Operator represents and undertakes that Annex I correctly describes the land which is the subject of this contract and the nature of the Operator's rights of property and possession therein (whether as owner, lessee, or otherwise), and that such right, title, or interest is subject only to the following claims, liens, or encumbrances:

(b) 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: Owners' Consent to Lien

(c) 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. 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. Two copies of such instrument shall be furnished to the Government. If the Government's rights to royalty as provided in Article 6 have been terminated, the provisions of this paragraph (c) shall become inapplicable.

ARTICLE 3. *Performance of the work.*—(a) Operator's responsibility.—The work shall be performed diligently, efficiently, expertly, in a workmanlike manner, and in accordance with good mining standards and State regulations governing health, safety, and liability insurance covering employment. The Operator shall provide suitable and adequate equipment, facilities, materials, supplies, and labor to complete the work, as specified in Article 1 (a).

(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 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 4. *Contribution by the Government.*—The Government will make its contribution on the basis of the monthly vouchers referred to in Article 5 (b); but all payments by the Government are provisional only, subject to audit, and until the account between the Operator and the Government is finally audited and settled and the Operator's final report has been rendered, the Government may withhold such sums as it sees fit but not in excess of 10 percent of the estimated total cost of the work. 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 will not contribute to the cost of any work performed prior to the date of this contract. The Government may make payments for the account of the Operator directly to independent contractors and suppliers rather than to the Operator.

ARTICLE 5. *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 all pertinent books, documents, papers, and records of the Operator.

(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 6. *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 the Operator has rendered a sufficient final report (see Article 5), 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 (for example, if the Operator either transfers or fails to retain his interest in the land), 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, for 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, 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, but excluding fabricating or manufacturing) applied to the crude ore or other production after it is extracted from the ground to put it into a commercially marketable form.

(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 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 7. *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 Government may also avail itself of any other remedy the law may provide for breach of contract, including the right to rescind the contract and to demand repayment of all moneys contributed by the Government under the contract.

(c) The giving of any notice by the Government under the provisions of this Article 7 shall not affect the Government's rights as provided for in the contract with respect to a percentage royalty, and liens to secure the payment thereof, and such rights shall be fully preserved.

ARTICLE 8. *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 the mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 9. *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 10. *Changes and added provisions.*—

.....

.....

.....

.....

.....

.....

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

TED HIGDON
(Operator)

By Ted Higdon

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

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: 1956—O-383069

Indritz 7/17/56
Douglas
"Appd. Sol. Off."
Hopkins
Talbot
Selfridge
Holch

EXPLORATION PROJECT CONTRACT
TED HIGGS
DOCKET NO. DMRA-410

RECEIVED
AUG 13 1956

ANNEX I

The Operator is the lessee of the mineral rights in the land referred to in Article 2 of the Contract. The land is situated in Macon County, North Carolina, approximately 7.27 airline miles N 69° W of the town square of Franklin, North Carolina, and is more particularly described as follows:

> Beginning at a wild cherry, on north bank of Burningtown Creek, and runs N 33 W., 450 ft. to the S. E. corner of the leased tract. Thence due West 500 ft. to a stake. Thence due North 500 ft. to a stake. Thence due East 500 ft. to a stake. Thence due South 500 ft. to the place of beginning, containing 5.7 acres, be the same more or less. Being part of the land described in a deed from P. C. Wild and A. E. Wild to Newton H. Ray, dated Sept. 22, 1905 and recorded in the office of the Register of Deeds for Macon County, North Carolina, in Deed Book TT, Page 256.

EXPLORATION PROJECT CONTRACT
TED HIGDON
DOCKET NO. DMRA-4105

RECEIVED
AUG 1 8 1956

EXHIBIT "A"

Description of the Work

The location of the work is shown, in part, on the maps entitled "Wild Cove Prospect Map No. 1, Macon County, North Carolina," and "Wild Cove Prospect Map No. 2, Macon County, North Carolina, DMRA-4105 (Mica)" attached hereto and made a part hereof.

The Operator shall complete the Stage I work and as much of the Stage II work as the Government approves in writing.

All work shall be timbered as necessary.

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

The work consists of the following:

Stage I

(1) Excavate a strike length exploratory trench approximately 100 feet by 10 feet by 10 feet deep.

Stage II

(1) Construct by excavation 800 linear feet of access road, 6 feet wide by 2 feet deep.

(2) 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.

(3) At the lowest topographic position possible, as exposed by Stage I excavation, drive 100 feet of exploratory adit and/or cross-cut, having minimum cross-sectional dimensions of 5 feet by 7 feet in the clear of timber.

Estimated Costs of the Project

Fixed Unit Costs

Stage I

1. Excavate strike trench 100 feet by 10 feet by 10 feet, 370 cubic yards @ $0.30/cu. yd. — $ 111.00

Stage II

1. Construct 800 linear feet of access road by excavation - 800 feet by 6 feet by 2 feet deep, 355 cubic yards @ $0.20/cu. yd. — $71.00

2. Construct:

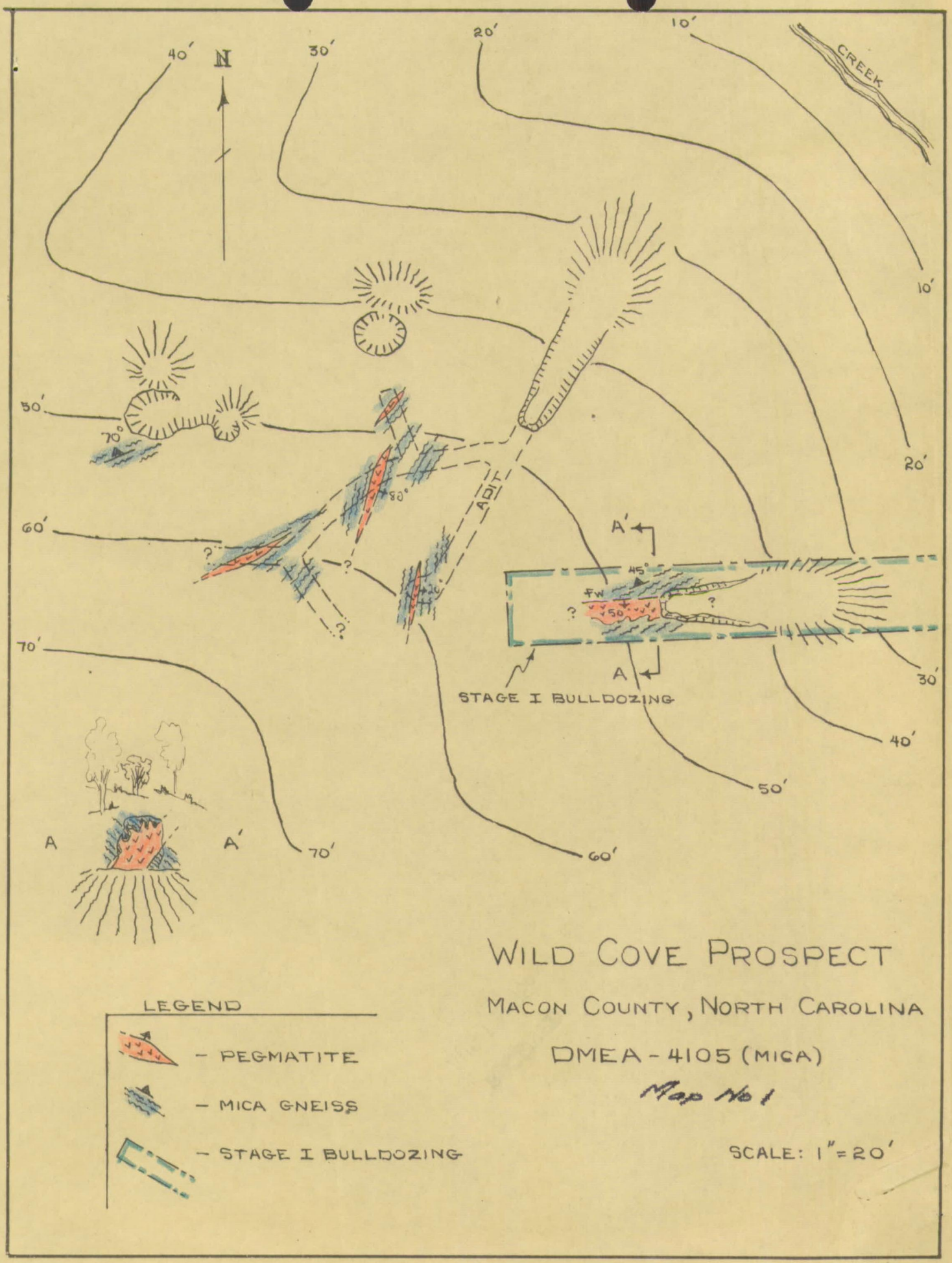
Toolhouse 1/	$76.00	
Powder Magazine 1/	25.00	
Storage Magazine 1/	15.00	116.00

3. Drive 100 feet of adit-drift and/or crosscut @ $28.50/ft. — 2,850.00

Estimated Total Cost of Project — $3,148.00

Government Participation @ 75% — $2,361.00

1/ The completed work constitutes the unit.



WILD COVE PROSPECT

MACON COUNTY, NORTH CAROLINA

DMEA - 4105 (MICA)

Map No 1

SCALE: 1" = 20'

SCB 3/56

RECEIVED
AUG 15 1956

RECEIVED
MAR 26 1956

MF-203
Revised March 24, 1955

For Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator
Docket No. DMEA-
Contract No. Idm-E 972
Contract Date JUL 23 1956

CONSENT TO LIEN

To the United States of America:

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

Beginning at a pine stump, on north bank of Dorsington Creek, and runs S. 39 W., 45 to the S. E. corner of the Jarrad tract, thence due West 500 ft. to a stake, thence due North 500 ft. to a stake, thence due East 500 ft. to a stake, thence due South 500 ft. to the pinned beginning, containing 5.7 acres, to the same more or less. Being part of the land described in a deed from R. E. Dyer and A. E. Dyer to Duncan H. Day, dated Oct. 22, 1905 and recorded in the office of the register of deeds for Macon County North Carolina, in Deed Book 22, page 256.

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/

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 Sept. 22, 1905, and recorded in book TT page 256 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.

RECEIVED
JUL 5 - 1956

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: ~~In paragraph 2 the words "the period fixed in the contract or any amendment thereof has" are substituted for "ten years have"~~ **These typed words are to be disregarded. Words unnecessary and confusing have been marked out.**

Lizzie Ray

Howard Ray

Ellen Ray

Ted Higdon

Ted Higdon, LESSOR

Dated this _____ day of _____, 195__.

Howard Ray [Seal]

Ellen Ray [Seal]

Lizzie Ray [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]

600

MAY 10 1957

Mr. Ted Higdon
Route 5
Franklin, North Carolina

Re: Docket No. DMA-4105-Mica
Ted Higdon
Wild Cove Mine Property
Macon County, North Carolina
Contract No. Idm-1972

Dear Mr. Higdon:

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 DMA exploration program and participation therein are fully appreciated.

Sincerely yours,

O. C. Mittendorf

Administrator

WCAnderson:rsi 5/7/57
Copy to: Admr. R. File
Mr. Chambers
Operating Committee
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

COO

MAY 10 1957

Miss Ellen Ray

Route 3
Franklin, North Carolina

Re: Docket No. [illegible]-105-Mica
Ted Rigdon
Wild Cove Mine Property
Macon County, North Carolina
Contract No. Idr-1972

Dear Miss Ray:

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.

Sincerely yours,

C. O. Mitcheltree

Administrator

Enclosure

MCandersonjral 5/7/57
Copy to: Mr. R. File
Mr. Chambers
Operating Committee
Field Team, Region V
Mr. Killagaard, 5222
Mr. Dietrich, 3061
Mr. Houk

Mrs Lizzie Hoy
Route 3
Franklin, North Carolina

MAY 10 1957

Re: Docket No. [illegible]Xa-4105-Nlca
Ted Higdon
Wild Cove Mine Property
Macon County, North Carolina
Contract No. Idm-[illegible]

Dear Miss Hoy:

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.

Sincerely yours,

C. O. Mittendorf

Administrator

Enclosure

WCAnderson:rsi 5/7/57
Copy to: Admr. R. File
Mr. Chambers
Operating Committee
Field Team, Region V
Mr. Killagaard, 5222
Mr. Dietrich, 3061
Mr. Houk

MAY 10 1957

Mr. Howard Ray

Route 3
Franklin, North Carolina

Re: Docket No. DMA-4105-Ida
Ted Higden
Wild Cove Mine Property
Macon County, North Carolina
Contract No. Idm-697a

Dear Mr. Ray:

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.

Sincerely yours,

C. O. Mittendorf

Administrator

Enclosure

NCanderson:rsi 5/7/57
Copy to: Mr. R. File
Mr. Chambers
Operating Committee
Field Team, Region V
Mr. Hillsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

60J

MAY 10 1957

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

Re: Docket No. DGA-410[illegible]-Ges
Ted Higdon
Wild Cove Mine Property
Macon County, North Carolina
Contract No. Idm-5972

Dear Mr. Laurence:

Enclosed are three letters to be forwarded to the signers of the Consent to Lien under the subject contract.

Kindly complete the addresses and forward, retaining your copies and returning our copies.

Sincerely yours,

Chairman, Operating Committee

Approved:

P. F. Yopes

Member, Bureau of Mines

Thor H. Killsgaard

Member, Geological Survey

Enclosures 3

WGAnderson:rsi 5/7/57
Copy to: Admr. R. File
Mr. Chambers
Operating Committee
Mr. Killsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

May 7, 1957

Project Summary Report

By: Walter C. Anderson, Nonmetallic Minerals Division

1. Docket No. DMEA-4105-Mica
Contract No. Idm-E972
Wild Cove Prospect
Macon County, North Carolina

Application: Form MF-103(April, 1952) received December 27, 1955.
Work proposed by applicant:
75 feet of crosscut and 175 feet of drifting along pegmatite.
Amount requested: $9,042.00

Operator: Ted Higdon
Route #5, Franklin, North Carolina

Operator's Property Rights: Lessee, lease not contained in the files. Consent to Lien, undated.

2. Contract: Form MF-200A(April, 1956) dated July 23, 1956.
Work authorized:

Excavating trench	$111.00
Build access road	71.00
Construction - Toolhouse, powder and exploder magazines	116.00
100 feet of adit - drift and/or crosscut @ $28.50/ft.	2,850.00
Estimated cost of project - total	$3,148.00
Government participation @ 75%	$2,361.00

Amendments: None.
Work completed:

Trench excavation	$111.00
Access road	71.00
New Buildings	116.00
55 feet of adit @ $28.50/ft.	1,567.50
Total accepted cost	$1,865.50
Government participation	$1,399.12

Work began August 16, 1956, and terminated by mutual agreement on October 10, 1956. Field Team Final Report received November 23, 1956. Operator's Final Report dated September 25, 1956, received October 1, 1956. No equipment purchased under contract. No mica production resulted from the exploration work.

3. Audit: Report of Review issued October 25, 1956.

Total accepted cost	$1,865.50
Government participation @ 75%	$1,399.12

4. Certification of Discovery: None issued.
No reserves outlined by the work.

5. Comments;
How Conducted: All of the work in which the Government participated was acceptable.
Operation: Satisfactory.
Engineering: Reporting by Operator was satisfactory.

Geologic Premise: The inferred sturctural continuity and favorable mineralogical environment upon which recommendation was based, was not substantiated by the work.

Geologic Criteria Upon Which Work Was Based:
1. Plagioclase feldspar pegmatite; soft, kaolinized, and disconformably enclosed in a soft, earthy migmatite. 3 to 6 feet wide and exposed for a strike distance of 10 feet.
2. Mica: Considerable small scrap size books of clear, flat muscovite. A few books 3 to 5 inches across, no mineral stain, flat "A" and some wedge "A" books. Greenish-amber to ruby.
3. No past production - new pegmatite.

Geologic Criteria Developed During Project:
1. Pegmatite: 1 to 3 feet thick by about 50 feet long, irregular, fine grained, feldspathic.
2. Mica: Non-existant, except for very small disseminated crystals.

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 not to certify the project.

W. C. Anderson
Nonmetallic Minerals Division

WCAnderson:rsi 5/7/57
Copy to: Admr. R. File
Mr. Houk

EXTRA COPY DMEA RECEIVED JAN 1957		
DATE	INITIALS	CODE
1-16	CW	220
		600

January 15, 1957
Re: DMEA 4105 Idm-8972
Ted Higdon
Wild Cove Prospect
Macon County, North Carolina
$3,148.00 - 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 approving the expenditure of $3,148.00 was awarded for exploring a pegmatite.

The sum of $1,865.50 was spent on bulldozing and drifting. The work disclosed an irregular pegmatite about 50 feet long and 1 to 3 feet thick. No mica was recovered. Because of the unfavorable results, the examiners and the Field Team recommend that a certification should not be made.

I concur with that recommendation.

N. E. Nelson

N. E. Nelson

cc: Director's reading, 4212
Branch reading, 4212
DMEA (3)
Docket file
Chron. file
W. F. Dietrich, 3061
Nelson:pbb
1/15/57

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

December 4, 1956

RECEIVED

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

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

Subject: DMEA-4105 (mica)

Applicant: Ted Higdon

Name and Location of Property: Wild Cove Prospect, Macon County, N. C.

Contract Number: Idm-E 972

Date of Field Team Report: 11/20/56

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 11/27/56

Field Team Recommendation: Recommend no certification.

Comments:

1. Exploration work consisted of bulldozing 175 feet of trench and drifting 55 feet.
2. Only a small amount of scrap mica was recovered during exploration.
3. Expenditures -

Total approved	$3,148.00
Total cost	1,865.50
Gov't. share of the cost	1,399.12
Value of production during operation	None

Recommendation:

I concur with the recommendation of the field team that the prospect should not be certified.

Signed
W. F. Dietrich

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

RECEIVED NOV 23 1956 D.M.E.A.

November 20, 1956

Memorandum

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

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

Subject: Field Team Final Report - Idm-E972, DMEA-4105 (mica)
Wild Cove Prospect, Macon County, N.C.

Transmitted are four copies of the subject report with copies of the map attached. The Field Team concurs with the examiners that this project does not warrant certification.

Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION V

V. J. LYNCH
MEMBER, BUREAU OF MINES

RAL

cc
Lynch
Shirley
Files

V-J-L
R A-L

Reviewed by
DMEA OPERATING COMMITTEE
11-28-56
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT

FIELD TEAM, REGION V -DMEA

On

DMEA-4105, Idm-E972, WILD COVE PROSPECT
(mica) Macon County, North Carolina

By

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

and

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

November 20, 1956

Reviewed by
DMEA OPERATING COMMITTEE
11-28-56
(Date)

FINAL REPORT

On

DMEA-4105, Idm-E972-WILD COVE PROSPECT
(mica) Macon County, N.C.

Operator: Ted Higdon, Route # 5, Franklin, N. C.

Summary

A limited amount of small scrap-sized muscovite was recovered during the bulldozing of Stage I and 55 feet of drifting under Stage II. No further work is warranted on the small (4-ft thick) kaolinized pegmatite and certification is not recommended. The project was terminated September 23, 1956.

Introduction

Location

The Wild Cove Prospect is 7.27 airline miles N 69° W of Franklin, Macon County, N.C., on the Ray property (Burningtown Bald Quad. N.C. TVA. 1/24,000).

Work Under Contract

Work on this contract began August 16, 1956, and was terminated by mutual agreement October 10, 1956. Work actually ceased however, on September 21, 1956.

The contract provided for a two-stage program of exploration. Under Stage I a trench (No.1) trending N 80° W and one trending due west (No.2 joining No.1) was excavated by a bulldozer. Trench No. 1 is 100 feet long, 10 feet wide, and a maximum of 12-feet deep. No. 2 is 75 feet long, 15 feet wide and 10 feet deep. (The excavation at the Operator's expense).

Stage II was authorized and a tool house, powder magazine and exploder magazine and an access jeep road were constructed. The road is 1100 feet long and 10 feet wide. This is in excess of the contracts' road of 800 feet by 6 ft by 2 ft. The Operator did the extra work at his expense.

An adit was driven on pegmatite for 38 feet S 40° W thence 17 feet N 55° W to a point where the pegmatite terminated. All work was performed in the pegmatite. The adit was stulled and lagged to the 20-foot point on 5 feet centers with a 6-inch hitch.

The Operator performed the work in a satisfactory manner.

No equipment was purchased by the Government.

Geology

The largest trench cut through the adit described in the examination report (see also Sect. A-A', Exam. Report 2/3/56) and exposed an irregular pegmatite about 50 ft long and 1 to 3 feet thick. It is essentially a fine-grained, feldspathic body barren of muscovite except for very small (1/2") disseminated crystals with small scattered quartz in the center. The general strike is about N 80° W.

The second trench exposed a zoned pegmatite about 20 feet thick composed of a 2-ft quartz core flanked by a few crystals of bent "A" muscovite (4 in.wide) and kaolinized plagioclase. In the adit the core narrows from the roof at the portal to the 28-ft point where it pinches out at a five-foot height on the NW wall of the adit. The pegmatite also narrows considerably with a general thickness of 3 to 4 feet.

From the 28-foot point to the 55-ft point the plagioclase decreases in grain size to a fine-grained white feldspar.

No reserves were outlined by the work and no muscovite worth saving was recovered.

Expenditures:

(a)	Total approved	$3,148.00
(b)	Total cost of project	1,865.50
(c)	Gov. share of cost	1,399.12
(d)	Gov. share unexpended	961.88
(e)	Value of production	None
(f)	Royalty paid	None

Conclusions

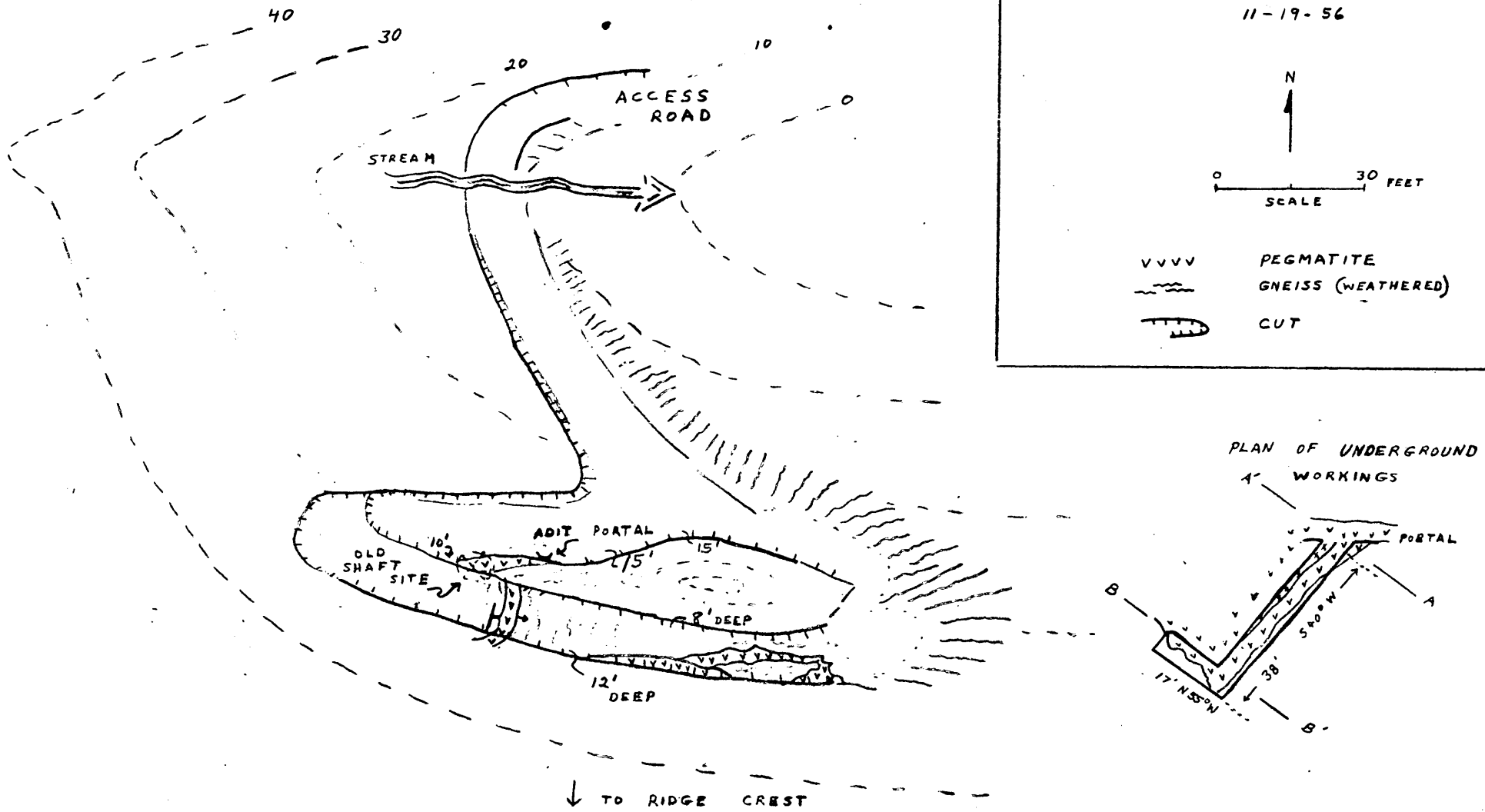
No production resulted from exploratory work in a generally barren kaolinized pegmatite. It is recommended that the prospect not be certified as a discovery.

A. R. Taylor, Geologist
USGS

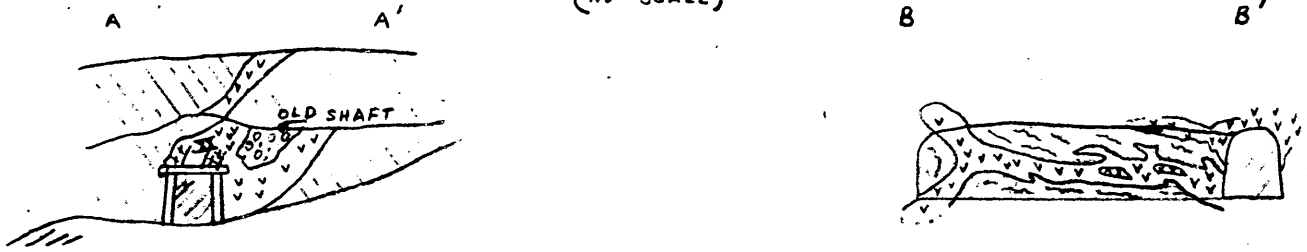
L. E. Shirley, Mining Engineer
USBM

November 20, 1956

WILD COVE PROS.
DMEA-4105, IDM-E 972 (MICA)
MACON CO., N.C.
11-19-56



CROSS SECTIONS (NO SCALE)



11-19-56
ART

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

RECEIVED
OCT 24 1956

October 22, 1956

Memorandum

To: Operating Committee, DMEA - Washington

From: Acting Executive Officer, DMEA - Region V

Subject: Idm-E972-DMEA-4105 (mica) Termination Agreement.
Ted Higdon, Franklin, N.C. Wild Cove Mine

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

V. J. Lynch

VJL/zm
cc
Enahce Office
Shirley
Files

UNITED STATES
DEPARTMENT OF THE INTERIOR

BUREAU OF MINES

ELECTROTECHINCAL LABORATORY
NORRIS, TENNESSEE
Region V

RECEIVED
OCT - 3 1956

P. O. Box 217
October 1, 1956

Memorandum

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

From: Administrative Assistant, Electrotechnical Experiment Station, Bureau of Mines, Region V, Norris, Tennessee

Subject: Monthly reports and vouchers

We are enclosing two copies each of the following monthly reports and vouchers:

Idm-E972 — Ted Higdon
Docket No. DMEA-4105
2nd and final payment - month of September
Terminated: 9-23-56
Amount $684.00

Idm-E989 — John Phillips
Docket No. DMEA-4232
1st payment - month of August
Starting Date: 8-26-56
Amount $135.00

Helen Miller
Helen R. Miller

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

Final

04 (Rev.)
052)

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K- 2

OPERATOR'S MONTHLY REPORT AND VOUCHER

RECEIVED OCT - 3 1956

Month of September, 1956 Docket No. DMEA 4105 Contract No. 972
Operator's Name Ted Higdon Minerals Mica
Address Route 5 Franklin N.C.
Contract Amount, $ 3,148.00 Government Participation: 75% Amount, $ 2361.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling			111.00			
Bulldozing 370 cu. yds.		111.00	~~111.00~~			
Crosscutting						
Drifting	912.00	655.50	1567.50			
Access road 355 cu yds		71.00	71.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.		116.00	116.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	912.00	953.50	1865.50	912.00	953.50	1865.50

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

Date Sept. 25 *Payee Ted Higdon

Per _____ Title operator

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

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

(Instructions on reverse)

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

$ 684.00

Signature Helen R. Miller
(Authorized Certifying Officer)

Date OCT 1 1956 Vou. No. 51
(See other side)

2 + 7

T 9-2383 228.00

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E-972 in accordance with the terms of the contract.

Signature Alfred R. Taylor Title Geologist, USGS Date Sept. 27, 1956

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION V Date SEP 27 1956

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

MF-104A
(6-1-052)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
OCT - 3 1956

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of September 195 6 Docket No. DMEA 4105 Contract No. Ø 972
Operator's Name Ted Higdon Minerals Mica
Address Franklin N. C. Route 5

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting	32	$912	32	$1567.50	55	$1567.50	55	@28.50
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails cu.yds.				$71.00	355	@.20	355	@.20
Bulldozing cu.yds.				$111.00	370	@.30	370	@.30
Total Distributed Costs		$912.00	32	$1749.50				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				$116.00				
Total Costs		$912.00	32	$1865.50Ø				

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

Date September 25, Operator Ted Higdon

Per ..... Title .....

Remarks:

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

(Instructions on reverse)

(For Government use only)

Alfred R. Taylor
Geologist, USGS

INSTRUCTIONS

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

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

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

GPO 872894

Operators
Progress Report for September

RECEIVED
OCT - 3 1956

DMA Co. 9161.

Work Accomplished

Drove Sty 7 drift 15 ft. s. 40 w. Then turned S. 55 w. drove drift 17 ft. for a total of 32 ft.

Daily Notes

Sept. 3 Drove drift 4 ft. in pegmatite.

Sept. 4 Drove drift 4 ft. in pegmatite.

Sept. 5 drove drift 3 ft. vein in center of tunnel.

Sept. 6 Drove drift 4 ft in pegmatite.

Sept 7 Drove drift 4 ft in pegmatite.

Sept. 10 Drove drift 4 ft in pegmatite.

Sept. 11 Drove drift 3 ft. in pegmatite.

Sept. 12 Drove drift 3 ft. vein in east side wall of tunnel.

Sept. 13 Drove drift 3 ft. Vein turned into east wall of drift. Stopped work to consult field team.

write

OCT - 8 1956

600

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

Subject: Docket No. DMEA-4105-Miss
Ted Higdon
Wild Cove Prospect
Macon County, North Carolina
Contract No. Idm-E972

Dear Mr. Laurence:

Reference is made to your memorandum of September 26, 1956, recommending termination of the subject contract by mutual agreement.

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

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

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

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

O. M. Bishop

Member, Bureau of Mines

Thor H. Kiilsgaard

Member, Geological Survey

Enclosures 8

LGHouk:gad 10/5/56
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

September 28, 1956

Memorandum

To: Mr. Robert Dwyer
Associate Solicitor

From: Lawrence G. Houk, Chief
Nonmetallic Minerals Division

Subject: Termination Agreement - Docket No. [illegible]-4105-mica
Ted Higdon
Wild Cove Mine
Macon County, North Carolina
Contract No. Idm-E972

Pursuant to Field Team memorandum dated September 26, 1956, please prepare for the signature of Robert A. Lawrence, a Termination Agreement for the subject contract, effective September 23, 1956, as per the attached form. Certification will not be recommended.

James Hopkins

JHopkins:ms 9/28/56
Copy to: Docket
Mr. Houk
Admr. R. File

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

RECEIVED
OCT - 1 1956

September 27, 1956

Memorandum

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

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

Subject: Operator's Final Report, DMEA-4105, Idm-5972 (Mica)
Ted Rigdon, Franklin, North Carolina
Wild Cove Mine, Macon County, North Carolina

Enclosed are four copies of the Operator's final report.

Termination of this project was requested, in a recent memorandum from the Field Team.

RAL/mg

Robert A. Laurence

cc
Operating Committee (3)
V. J. Lynch
L. E. Shirley
File

September 25, 1956

United States
Department of The Interior
Defense Minerals Exploration
Administration Re:DMEA 4135
Idn 972 (Mica) Wild Cove Prospect,
Macon County, North Carolina

RECEIVED
OCT - 1 1956

Stage One: **Final Engineering Report**

Bulldozed cut 10 by 10 by50ft. in the direction of north. Cut additional trench south east 10 ft. by 10 ft. by 50 ft. , to expose pegmatite vein to complete stage one of contract.

Stage two:

Bulldozed road 800 linear ft. 6 ft. wide by 2 ft. deep. Construced tool house, powder mag. and storage mag.
Drove drift 38 ft. south 40 west in slumped vein. All pegmatite but no mica. Turned north 55 west 17 ft. Pegmatite ended at this point.

Ted Hedgon

RECEIVED
SEP 27 1956
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

RECEIVED
SEP 28 1956

September 26, 1956

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: DMEA-4105, Idm-E972 - Mica. Ted Hidgon, Franklin, N.C.
Wild Cove Prospect, Macon County, N.C.

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

We agree with the recommendation to terminate the contract. Therefore, we request permission to terminate by mutual consent, effective September 23, 1956. Certification will not be recommended.

Robert A. Laurence
Executive Officer, DMEA
Region V

RAL/sm
cc:
Lynch
Shirey
Files

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

RECEIVED
SEP 23 1973

INTERIM REPORT

DMEA-4105, Idm-E972 (mica) WILD COVE PROSPECT

Operator: Ted Higdon, Route No. 5, Franklin, North Carolina
Location: 7.27 airline miles N69°W of Franklin, Macon County, North Carolina

Drifting has been in progress on this contract. The Field Examiners recommend that this contract be terminated by mutual consent of both parties because the pegmatite has pinched out in the present drift heading.

Work completed under contract consisted of trench excavation as Stage I, followed by access road construction, building of toolhouse, powder and exploder magazines, and driving a total of 55 feet of drift on the pegmatite. Drift directions and distances were as follows: 38 feet S40°W, and 17 feet N55°W. Pegmatite was followed for the entire distance but pinched out in the N55°W heading. The body followed in this portion of the drift was 3 to 4 feet thick and was composed of kaolinized feldspar, sugary textured quartz, and small scrap sizes of green muscovite mica.

The Field Examiners are of the opinion that no further exploration is warranted at this mine and that the proper termination forms be sent the operator for his signature. The contract was conducted satisfactorily and in accordance with the Field Examiners recommendations. No mica was produced under the contract.

Mr. Milford L. Skow, Commodity-Industry Analyst, Branch of Ceramic and Fertilizer Materials, Washington, D. C., accompanied the Field Examiners on this visit to the mine.

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

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

September 21, 1956

RECEIVED
SEP 13 1956

INTERIM REPORT

DMEA-4105, Idm-E972 (mica) WILD COVE PROSPECT

Operator: Ted Higdon, Route No. 5, Franklin, North Carolina
Location: 7.27 airline miles N69°W of Franklin, Macon County, North Carolina

Drifting is underway on this contract and now totals 43 feet. An adit was started in pegmatite at the portal and a drift has been driven for 33 feet in a S40°W direction and 10 feet in a N70°W direction. Material encountered has been massive quartz, kaolinized feldspar containing small quartz and small scrap-sizes of muscovite mica. Scant mica production has resulted to date and is negligible. The operator was advised to continue following the pegmatite to the northwest in an effort to produce strategic mica, and to continue timbering where necessary. Progress on this contract has been good.

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

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

September 6, 1956

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS

OPERATOR'S MONTHLY REPORT AND VOUCHER

RECEIVED
SEP 12 1956

Month of August, 1956 Docket No. DMEA 4105 Contract No. 972
Operator's Name Ted Hegdon Minerals Mica
Address Route 5, Franklin, N.C.
Contract Amount, $ 3,145.00 Government Participation: 75 % Amount, $ 2,361.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing 370 cu. yds.	$111.00		$111.00			
Crosscutting						
Drifting	$655.50		$655.50			
Access road 375 cu. yds.	$71.00		$71.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Tool house	$76.00		$76.00			
Poder magazine	$25.00		$25.00			
(8) Contingencies (specify):						
Storage magazine	$15.00		$15.00			
TOTALS	$953.50		$953.50	953.50		953.50

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

Date August 31 *Payee Ted Hegdon

Per _____ Title Operator

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

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

(Instructions on reverse)

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

$ 715.12

Signature Walter R. Melin
(Authorized Certifying Officer)

Date SEP 10 1956 Vou. No. 37
(See other side)

238.38

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. DMEA 972 in accordance with the terms of the contract.

Signature W. A. Beck Title Mining Engr. USBM Date SEP 6 1956

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lamanna Title EXECUTIVE OFFICER DMEA REGION V Date SEP 6 1956

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
SEP 12 1956

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of August 1956 Docket No. DMEA 4105 Contract No. 972
Operator's Name Ted Higdon Minerals Mica
Address Route 5 Franklin, N. C.

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting	23	$655.50	23	$655.50	23	@$28.50	23	@$28.50
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails	cu.yds.	$71.00	355	$71.00	355	@ 0.20	355	@ 0.20
Bulldozing	cu.yds.	$111.00	370	$111.00	370	@0.30	370	@ 0.30
Total Distributed Costs		$837.50		$837.50				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Tool house, powder mag.		$116.00		$116.00				
storage magazines		$953.50		$953.50				

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

Date August 31, Operator Ted Higdon

Per _____ Title _____

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

Remarks:

(Instructions on reverse)

(For Government use only)

W. A. Beck, Mining Engr.
U.S.B.M. 9/5/56

INSTRUCTIONS

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

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

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

GPO 872894

Operators
Progress Report for August
1956

RECEIVED
SEP 12 1956

DMEA No. 4105

Work Accomplished

Bulldozed cut 10ft. by 10 ft. by 10ft. north. Cut additional trench S. E. 50ft. by 10ft. by 10ft. to expose pegmatite to complete stage one of contract 972.

Constructed 800 feet of access road. Drove 5by 7 drift, 23ft. put in 5 rings of timber.

Daily Notes

Aug. 16. Bulldozed cut 100 ft. by 10 ft. by 10 ft. north.

Aug. 17. Bulldozed S.E. 50 ft. by 10 ft. by 10 ft. Bulldozed access road 800 ft.

Aug. 27. Drove 5 by 7 drift. 6 ft. Put in 2 rings of timber.

Aug. 28. Drove drift 5 ft. Put in one ring of timber. Pegmatite coming in on north side.

Aug. 29. Drove drift 5 ft. Put in one ring of timber.

Aug. 30. Drove drift 4 ft. Put in one ring of timber. Pegmatite full in heading. Quartz showing on north side top.

Aug. 31. Drove drift 3 ft. Put in one ring of timber.

Note; The following people are employed at the Wild Cove Mine.

Ted Higden, Dale Carter, and J.L. Stamey @ $1.25 per hour.

4

INTERIM REPORT

DMEA-4105, Idm-E972 (mica) WILD COVE PROSPECT

RECEIVED
SEP - 3 1956

OPERATOR: Ted Higdon, Rt. #5, Franklin, N. C.

LOCATION: 7.27 airline miles N69°W of Franklin, Macon Co., N. C.

The starting date on this contract is August 20, 1956. Stage I of the contract, consisting of excavation by bulldozer to expose pegmatite along the strike, has been completed. Two trenches were made:

Trench No. 1 trends N80°W and is 100 feet by 10 feet by 12 feet (maximum depth). Pegmatite was followed along its strike for a distance of about 50 feet. The body was feldspathic and barren of mica and did not exceed 2 feet in thickness of any point along its strike. Stage II is not warranted from this trench.

Trench No. 2 was begun after pegmatite with lateral extent was exposed upon completion of Trench No. 1. This trench trends due west and is 75 feet by 15 feet by 10 feet deep, was excavated at the Operator's own expense and exposed a pegmatite about 20 feet thick on the south side of the cut that trends north and dips moderately to the East. The body contains massive sugary quartz flanked by considerable mica, much of which contains "A" structure. The Examiners are of the opinion that Stage II should be undertaken from this trench, and that an adit be driven to the southwest following the hanging wall contact. The Operator is in agreement with the proposed program and should be sent approval in writing in order to begin Stage II.

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

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

August 23, 1956

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

August 27, 1956

Mr. Ted Higdon
Route 5
Franklin, North Carolina

Re: DMEA-4105, Idm-E972 (Mica)
Wild Cove Prospect
Macon County, North Carolina

Dear Mr. Higdon:

This will confirm the verbal authorization, given by Mr. Shirley and Mr. Taylor recently, to begin work under Stage II of the contract, at the Wild Cove prospect.

Very truly yours,

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

RAL/mg
cc
Oper. Comm. (3)
Finance Office
Lynch
Shirley
File

RECEIVED
AUG 29 1956

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

August 13, 1956

RECEIVED
AUG 13 1956

Memorandum

TO: Operating Committee, DMEA - Washington

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

Subject: Signed Contract: Idm-E972, DMEA-4105, Ted Higdon (mica) Wild Cove Prospect, Macon County, N.C.

Transmitted are three signed copies of the subject contract with the lease agreement and signed copies of MF-203 attached. The usual distribution of the other copies has been made.

Robert A. Laurence
Executive Offider, DMEA
Region V

V. J. Lynch, Member
Bureau of Mines

Lynch
Finance Office
Shirley
Files

JUL 13 1956 600

Mr. Robert A. Lawrence
Executive Officer, DMEA
Field Team, Region V
Room 11, Post Office Building
Knoxville, 2, Tennessee

Re: Docket No. DMEA-4105-mica
Ted Higdon
Wild Cove Prospect
Macon County, North Carolina

Dear Mr. Lawrence:

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, Exhibit "A" (2 pages) and two maps of Wild Cove Prospect. Two extra copies of Annex I, Exhibit "A" and the maps are enclosed for the use of the Field Team.

Also enclosed are copies of Consent to Lien and a copy of the lease. Please have the lease corrected to show the revised description of the tract. The added provision in Article 15 on the Consent to Lien is irrelevant and confusing. It is suggested that the owners provide a signed statement that the typed words are to be disregarded, or a new Consent to Lien be executed.

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 maps are to be returned to this office, together with the proposed changes for consideration.

Copies of memoranda dated March 29 and April 2, 1956, by Mr. N. E. Nelson, USGS, and Mr. W. F. Dietrich, USBM, respectively, relating to the project are enclosed.

Approved:

[illegible]

Member, Bureau of Mines

N. E. Nelson

Member, Geological Survey

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Enclosures: 19

Jhopkins:ms 7/20/56
Copy to: Docket
Operating Committee
Mr. Killingsard, 5222
Mr. Dietrich, 3061
Mr. Hank
Adm. R. File

Incorrect To Be returned to Applicant

MF 03
Revised March 24, 1955

RECEIVED
DEC 27 1955

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

CONSENT TO LIEN

To the United States of America:

Referring to that certain land in the County of Macon, State of North Carolina, described as follows:1/ BEGINNING at wild cherry corner, thence N. 30 W. 649 feet to a stake in west boundary line, S. W. corner of tract being leased, thence North 500 feet to a stake the N.W. corner thence East 500 feet to a stake the NE. corner, thence South 500 feet to a stake the S.E. corner thence West 500 feet to the beginning corner of leased tract. Mine location is in center of leased tract. Containing 5.7 acres more or less.

(Continued on Back)

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/

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 Sept. 22, 1905, and recorded in book TT page 256 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: In paragraph 2 the words "the period fixed in the contract or any amendment thereof has" are substituted for "ten years have".

Dated this 19th day of December, 1955.

Howard Ray [Seal]

Ellen Ray [Seal]

Lizzie Ray [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]

Cont. Description:

Being part of the land described in a deed from P.C. Wild and A. E. Wild to Newton H. Ray, dated Sepp. 22, 1905, and recorded in the office of the Register of Deeds for Macon County, North Carolina, in Deed Book TT, Page 256.

RECEIVED

DEC 27 1955

MF-203
(Revised July 1, 1954)

OWNER'S CONSENT TO LIEN

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of North Carolina, County of Macon, described as follows: 1/ BEGINNING at wild cherry corner, thence N. 30 W. 649 feet to a stake in west boundary line, SW. corner of tract being leased, thence North 500 feet to a stake the N.W. corner thence East 500 feet to a stake the N.E. corner, thence South 500 feet to a stake the S. E. Corner, thence West 500 feet to the beginning corner of leased tract. Mine location is in center of leased tract. Containing 5.7 acres more or less. (Continued on Back)

which is the subject of a proposed exploration project contract, hereinafter called the "contract", between the United States of America, hereinafter called the "Government", and

2/

hereinafter called the "Operator"; and

WHEREAS, under the provisions of said contract the Government is entitled to a percentage royalty on production and to other rights and equities which do or may conflict with or be adverse to the rights of the undersigned:

NOW THEREFORE, the undersigned, in consideration of said contract and as an inducement to the Government to enter into same, undertakes and agrees as follows:

1. The Government's equity in and right to dismantle, sever, take possession of, and remove and dispose of facilities, buildings, fixtures, equipment, or other items as provided in the contract or any amendment thereof shall prevail over and be prior and superior to any conflicting or adverse rights of the undersigned, and the Government is authorized to enter upon the land for such purposes.

2. To secure the payment to the Government of the percentage royalty on production 3/ provided for under the terms of said exploration project contract or any amendment thereof there is hereby granted to the Government a lien upon the land above referred to and upon any production of minerals therefrom until said royalty is fully paid or ten years have elapsed from the date of the contract, whichever occurs first.

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 Sept. 22, 1905, and recorded in book TT page 256 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/ Insert the name of the Operator as it will appear in the exploration project contract.

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

(OVER)

3. The undersigned shall commit no act nor assert any claim that may contravene or conflict with the lien, claim, or rights of the Government under the provisions of said contract. This agreement shall be binding upon the heirs, executors, administrators, successors, and assigns of the undersigned.

4. Changes and added provisions **In paragraph 2 the words "the period fixed in the contract or any amendment thereof has" are substituted for "ten years have."**

Dated this 19th day of December, 1955.

Harvard Ray [Seal]

Ellen Ray [Seal]

Lizzie Ray [Seal]

Cont. Description:

Being part of the land described in a deed from P. C. Wild and A. E. Wild to Newton H. Ray, dated Sept. 22, 1905, and recorded in the Office of the Register od Deeds for Macon County, North Carolina, in Deed Book TT, Page 256.

MF-203
Revised March 24, 1955

RECEIVED
DEC 27 1955

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

CONSENT TO LIEN

To the United States of America:

Referring to that certain land in the County of Macon, State of North Carolina, described as follows:1/ BEGINNING at wild cherry corner, thence N. 30 W. 649 feet to a stake in west boundary line, S. W. corner ~~of tract being leased, thence North 500 feet to a stake the N.W. corner~~ thence East 500 feet to a stake the NE. corner, thence South 500 feet to ~~a stake the S.E. corner thence West 500 feet to the beginning corner of~~ leased tract. Mine location is in center of leased tract. Containing 5.7 acres more or less.

(Continued on Back)

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/

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 Sept. 22, 1905, and recorded in book TT page 256 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: ~~In paragraph 2 the words "the period fixed in the contract or any amendment thereof has" are substituted for "ten years have".~~

Dated this 19th day of December, 1955.

Howard Ray [Seal]

Ellen Ray [Seal]

Lizzie Ray [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]

Cont. Description:

Being part of the land described in a deed from P.C. Wild and A. E. Wild to Newton H. Ray, dated Sept. 22, 1905, and recorded in the office of the Register of Deeds for Macon County, North Carolina, in Deed Book TT, Page 256.

RECEIVED

DEC 27 1955

MF-203
(Revised July 1, 1954)

OWNER'S CONSENT TO LIEN

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of North Carolina, County of Macon, described as follows:1/ BEGINNING at wild cherry corner, thence N. 30 W. 649 feet to a stake in west boundary line, SW. CORNer of tract being leased, thence North 500 feet to a stake the N.W. corner thence East 500 feet to a ~~stake the N.E. corner, thence South 500 feet to a stake the S. E. Corner,~~ thence West 500 feet to the beginning corner of leased tract. Mine ~~location is in center of leased tract. Containing 5.7 acres more or~~ less.

(Continued on Back)

which is the subject of a proposed exploration project contract, hereinafter called the "contract", between the United States of America, hereinafter called the "Government", and

2/

hereinafter called the "Operator"; and

WHEREAS, under the provisions of said contract the Government is entitled to a percentage royalty on production and to other rights and equities which do or may conflict with or be adverse to the rights of the undersigned:

NOW THEREFORE, the undersigned, in consideration of said contract and as an inducement to the Government to enter into same, undertakes and agrees as follows:

1. The Government's equity in and right to dismantle, sever, take possession of, and remove and dispose of facilities, buildings, fixtures, equipment, or other items as provided in the contract or any amendment thereof shall prevail over and be prior and superior to any conflicting or adverse rights of the undersigned, and the Government is authorized to enter upon the land for such purposes.

2. To secure the payment to the Government of the percentage royalty on production3/ provided for under the terms of said exploration project contract or any amendment thereof there is hereby granted to the Government a lien upon the land above referred to and upon any production of minerals therefrom until said royalty is fully paid or ten years have elapsed from the date of the contract, whichever occurs first.

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 Sept. 22, 1905 and recorded in book TT page 256 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/ Insert the name of the Operator as it will appear in the exploration project contract.

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

(OVER)

3. The undersigned shall commit no act nor assert any claim that may contravene or conflict with the lien, claim, or rights of the Government under the provisions of said contract. This agreement shall be binding upon the heirs, executors, administrators, successors, and assigns of the undersigned.

4. Changes and added provisions In paragraph 2 the words "the period fixed in the contract or any amendment thereof has" are substituted for "ten years have."

Dated this 19th day of December, 1955.

Howard Ray [Seal]

Ellen Ray [Seal]

Lizzie Ray [Seal]

Cont. Description:

Being part of the land described in a deed from P. C. Wild and A. E. Wild to Newton H. Ray, dated Sept. 22, 1905, and recorded in the Office of the Register od Deeds for Macon County, North Carolina, in Deed Book TT, Page 256, and [illegible]

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

July 3, 1956

Memorandum

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

From: Executive Officer, DMEA Field Team, Region V

Subject: DMEA-4105 (Mica)
Ted Higdon, Franklin, North Carolina
Wild Cove Mine, Macon County, North Carolina

Enclosed are the following items, received today from the applicant:

1) New Consent to Lien

2) Survey, showing corner, and tie-in of mine

3) Revised form MF-103 supplement, with revised land description

Robert A. Laurence

RAL/mg
Enclosures 3
cc
Operating Committee (3)
Lynch
files
Shirley

RECEIVED
JUL 5 - 1956

June 12, 1956

Mr. L. G. Houk calling Mr. R. A. Laurence in Knoxville, Tenn.

Re: Docket No. DMEA-4105 - Mica
Ted Higdon
Wild Cove Mine Property
Macon County, North Carolina

Mr. Hopkins: We would like the status of the Wild Cove Mine. The field examination does not appear to be the land described in the lease.

Mr. Laurence: He has a lease for 500 acres more or less. We had two dockets for the same man. DMEA-4105, Wild Cove Mine - on that the Forest Service says it is not on the Forest land. We have asked the Operator to re-define the area and we have not gotten that back yet.

DEFENSE MINERALS ADMINISTRATION

97023

PRODUCTION EXPANSION DIVISION

PROCUREMENT APPLICATIONS

Name of Company and Address _____

Name of Mine and Location _____

Docket No. DMA - _____ Date received by P.E.D. _____

Metals or Minerals involved _____

Length of Contract (preproduction plus production) _____

Amount of Metals or Minerals in tons, units or pounds _____

Floor price or Guaranteed price and whether or not escalated _____

Maximum Government Commitment _____

Comments on Contract: _____

_____

_____

_____

_____

_____

Date sent to Legal Division _____

Date of Recommendation to D.P.A. for Certification _____

Date Certification sent to G.S.A. by D.P.A. _____

Date signed into Contract by G.S.A. _____

Additional Remarks: _____

_____

_____

_____

_____

NOTE: If application is denied, or if it is recommended for change into exploration, etc., please state under additional remarks.

Interior—Duplicating Section, Washington, D. C.

Signed _____

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

RECEIVED
MAY 25 1956

May 23, 1956

Memorandum

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

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

Subject: DMEA-4105, Ted Higdon, Route 5, Franklin, N. C.
Wild Cove Mine (mica), Macon County, North Carolina

According to the U. S. Forest Ranger in Franklin, N. C., there is no dispute over land where the new Wild Cove Mine is located. He has no record of any past disputes in that immediate area.

The position of the mine, about 800 feet west of the house shown on the enclosed map, is about 1200 feet off of the U. S. Forest land. The total distance shown on the map between the house and the line to the west is approximately 2000 feet.

The field examiners did not see any Forest line markers when they traversed the area.

The 400 yards to the old "Wildes Cove" mine would also place the new "Wild Cove Mine" about 1200 feet from the line.

However, the field examiners report that the mine does not appear to be within the square described in the lease. We are asking the applicant for further information.

Robert A. Laurence
Executive Officer

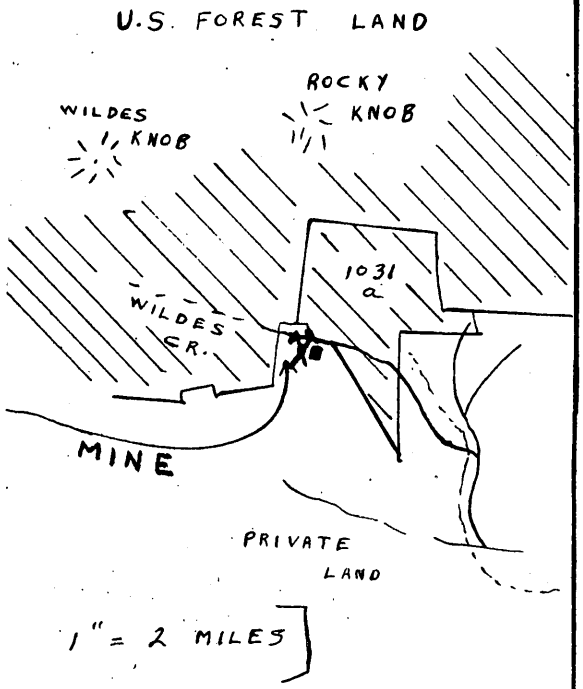
V. J. Lynch, Member
U. S. Bureau of Mines

Enclosures 3
ART/mg
cc - Operating Committee (2)
Mr. V. J. Lynch
Mr. L. E. Shirley

3° 30'

35° 15'

C-4



WILD COVE MINE

DMEA - 4105

MACON CO., N.C.

A

TRACING MADE FROM
U.S. FOREST MAP:
TAYLOR - 5-9-56

RECEIVED
MAY 2 5 1956

May 23, 1956

Mr. Ted Higdon
Route #5
Franklin, N. C.

Re: DMEA-4105 (mica)
Wild Cove Mine, Macon County, N. C.

Dear Mr. Higdon:

It appears, from our field examiners' report, that the Wild Cove Mine does not lie within the 500-foot square covered by your lease. If the southeast corner of the leased square is 649-feet N 30 W form the wild cherry corner, then the mine falls to the southwest of it. It will be necessary to clarify or correct this before we can further process the application.

Mr. Taylor and Mr. Shirley will be in Franklin again on June 4 and 5. I suggest you contact them at the Franklin Motor Court and discuss this with them.

Very truly yours,

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

PAL/sm
cc:
Opr. Com-3
Lynch
Shirley
Files

600

MAY 2 4 1956

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

Re: Docket No. DMEA-4105-nlcm
Ted Higham
Old Cove Mine Property
Macon County, North Carolina

Dear Mr. Lawrence:

Reference is made to our letter dated April 26, 1956, in regard to making a check of the applicant's lands against Government-owned mineral and surface rights in the vicinity.

Please advise if this check has been made so that we may continue processing the application.

Sincerely yours,

W. S. Martin

Acting Chairman,
Operating Committee

Approved:

/s/ Robert W. Geehan

Member, Bureau of Mines

Thor H. Kiilsgaard

Member, Geological Survey

J.Hopkins:mr 5/22/56

Copy to: Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Diehrich, 3061
Mr. Hook
Mr. Hopkins
Admr. R. File

APR 16 1956

Mr. Robert A. Lawrence
Executive Officer, IMRA
Field Team, Region V
Room 19, Post Office Building
Knoxville, 2, Tennessee

Re: Docket No. IMRA-4105-Mica
Ted Higbee
Hill Cove Mine Property
Macon County, North Carolina

Dear Mr. Lawrence:

Reference is made to the Field Team Report dated March 5, 1956, (cover sheet is dated February 3, 1956), on the subject property.

It is noted that the examiners have suggested that the applicant's lease be checked against government-owned mineral and surface rights in the vicinity. If a check has been made please advise if the lease is valid so that we may continue processing the application.

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 4/12/56

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

Memorandum: April 6, 1957

To: Files

From: James Hopkins

Subject: Evaluation of application and Field Exam. Report
Docket No DMEA 4105 Mica
Ted Higdon
Wild Cove Prospect
Macon County North Carolina

Mica

Considerable small scrap size books of clear flat muscovite was observed. Also seen were a few books of muscovite, which were 3 to 5 inches across, free from mineral staining and in the form of flat "A" with an occasional wedge A book. The mica was greenish amber to ruby in color.

Quantitative estimates of strategic mica were impossible to obtain, because none is ever left by the Operators.

Pegmatite:

At the prospect site, is a highly contorted plagioclase, quartz muscovite-bearing pegmatite which strikes N85°E and dips roughly 50° SE on the approximately polished surface. It is 3 to 6 feet in width. It is soft, kaolinized, and disconformably enclosed in a soft earthy migmatite. It is predominantly plagioclase feldspar with

abundant massive quartz zones. Clear flat muscovite minor biotite and sericite.

Old Workings:

An adit 10 feet in length has been driven on the pegmatite. Thirty five feet to the northwest is the portal of an adit which with a series of narrow branches extends some 60 feet into the hill. Numerous small lenticular concordant pegmatites which show no continuity or favorable environment were cut by these workings
There are several cased test which show no evidence of pegmatites

Economics:

There is no reports of production

Proposed Work:

It has been proposed along strike of the pegmatite to establish continuity of the structure. If continuity is shown, then an 100-foot adit is to be driven from the lowest topographic position.

Recommendations:

This is sound exploration practice and is concurred in by the writer. However the small lenticular pegmatites cut by the other adit seems to throw doubt on the success of a project on the larger discordant pegmatite. (Over)

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

RECEIVED
APR 3 - 1956

April 2, 1956

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-4105 (mica)

Applicant: Ted Higdon

Name and Location of Property: Wild Cove Prospect, Macon Co., N. C.

Date of Field Team Report: 2/3/56

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 3/30/56

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

Comments:

1. A few books of strategic grade muscovite were observed.

2. The mica bearing pegmatite was exposed along the strike for about 10 feet.

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

4. Total estimated costs are in the amount of $3,195.00.

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

Signed
W. F. Dietrich

IN REPLY REFER TO:

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

RECEIVED
APR [illegible]

March 29, 1956

Re: DMEA 4105
Ted Higton
Wild Cove prospect
Mason Co., N. C.
Applied for: $9,042.00
Recommended: 3,195.00 Mica

Memorandum

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

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

Subject: Review of Field Team report

The applicant requested assistance on work in a quartz vein concerning which little information was given.

In addition to old work on concordant pods of pegmatite a new open cut discloses a discordant pegmatite 3 to 6 feet wide and exposed for 10 feet. The footwall appears to be a regular, planar surface, perhaps the result of shearing, and the hanging wall is irregular. Strategic mica is present and the structural environment is considered favorable.

The examiners and Field Team recommend a 2 stage work program consisting of:

Stage I	
Bulldozing 370 cu. yards	$110.00
Stage II	
Road work	70.00
Tool house and magazines	115.00
Drifting	2,900.00
Total	$3,195.00

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

NENelson:btr
G 3/29/56

N. E. Nelson

N. E. Nelson

cc: W. F. Dietrich, Rm. 3061 Interior
Director's reading 4212 GSA
Branch reading 4212
DMEA (3)
Docket File
Chron. File

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

RECEIVED
MAR 26 1956

March 23, 1956

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: DMEA-4165, (mica) Field Examination Report.
Wild Cove Prospect, Macon County, N. C.

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

We recommend approval of a unit cost, two stage contract as outlined in this proposal.

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

S. C. Bergman, Geologist
Geological Survey

VJL/sm
cc:
Opr. Com-2
Lynch
Files
Shirley

Reviewed by
DMEA OPERATING COMMITTEE
3-30-56
(date)

RECEIVED
MAR 8 3 1956

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FIELD EXAMINATION REPORT, REGION V

On

DMEA-4105, WILD COVE PROSPECT
(mica)
Macon County, N. C.

By

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

February 3, 1956

Reviewed by
DMEA OPERATING COMMITTEE
3-30-56
(date)

EXAMINATION REPORT BY FIELD TEAM

On

DMEA-4105, (mica) WILD COVE PROSPECT
Macon County, North Carolina

Applicant: Mr. Ted Higdon, Route # 5, Franklin, North Carolina

Numerous small lenticular mica-bearing pegmatites occur emplaced in a highly contorted, weathered, migmatitic gneiss. The prospect site contains a 6-foot-wide disconformable, plagioclase, quartz, muscovite bearing pegmatite, with the possible strike length continuity of a shear zone emplacement. Potential continuity and a favorable mineralogic environment for the occurence of strategic muscovite leads the examiners to recommend a 2-stage exploration contract.

The Prospect is located in Macon County, North Carolina, on the Burningtown Bald Quadrangle (TVA, Ed:1934-5, 1:24,000) and is 7.27 airline miles N 69° W of the town square of Franklin, N. C.

Access is by paved and graveled all-weather roads from Franklin, approximately 12 miles to the Wilde homestead, thence up a draw along a branch of Wilde's Creek, 1200 feet to the Prospect site. The Prospect is about 100 feet southwest and 40 feet above the creek bed. Approximately 800 feet of access road would have to be built to the Prospect site.

The property was examined February 3, 1956. Two hours were spent in the company of the applicant, Mr. Ted Higdon at the prospect site. Mr. Higdon is a mica miner of some year standing, and seems to be a capable, responsible man.

Some 400 yards to the northwest and over the ridge, is an old mine known variously as: " The Wildes Cove, Bud, Wildes, or Mudhole Mine." This has been the subject of 3 previous DMEA denials for exploration assistance (DMEA-2220, 2409, 2937), based mainly on disputed private lease holdings,

which proved to be part of U. S. Forest Service Tract #1031a, in the Mantahala National Forest. It is suggested that the applicants lease be checked against government-owned mineral and surface rights in the vicinity, to prevent any possible conflict of interest.

There are no improvements, equipment, buildings, or extensive workings at the prospect site. The applicant has driven an adit, by hand for ten feet along the strike of what seems to be a previously unexplored discordant pegmatite. Thirty-five feet to the northwest is the portal of an adit which, with a series of narrow branches extends some 60 feet into the hill. Numerous small lenticular concordant pegmatites which show no continuity, or favorable environment were cut by these workings. There are several caved test pits further to the northwest which show little or no evidence of pegmatite occurence (see map). There are abundant large masses of quartz float in the stream bed down slope from the prospect site. This probably bears no relation to the subject pegmatite.

At the prospect site, is a highly contorted, plagioclase, quartz, muscovite-bearing pegmatite, which strikes N 85° E and dips roughly 50° SE, on the approximately planar footwall surface. About 10 feet of pegmatite is exposed along strike. It is from 3 to 6 feet in width, most of the variation being on the extremely contorted hanging wall contact. The pegmatite is soft kaolinized, and disconformably enclosed in a soft, earthy, migmatite which has a local attitude of N 70° E 45° NW.

The pegmatite is predominantly plagioclase feldspar with abundant massive quartz zones, considerable small scrap size books of clear flat muscovite, and minor biotite, sericite. A few books of muscovite were observed in place, which were 3 to 5 inches across, free from mineral staining, and in

the form of flat A with an occasional wedge A book. The mica was greenish-amber to ruby in color.

Quantitative estimates of strategic muscovite were impossible to obtain, because very little if any strategic grade muscovite is ever left for the examiners to observe in place. There were no sales or production figures on which to base any estimate of recovery. Recommendations by the examiners are based largely on observed or inferred structural continuity and favorable mineralogic environment.

Summary & Conclusions:

The planar, discordant nature of the pegmatite footwall suggests a joint or shear zone fracture emplacement, in contrast to the vague structural environment of the other local pegmatites which are small concordant pods and lenses in a thoroughly saturated gneissic country rock.

The presence of some strategic grade muscovite, a favorable mineralogic environment, and possible continuity of structure leads the field examiners to suggest that a 2-stage exploration program be contracted.

A bulldozer trench measuring 100' x 10' x 10' is recommended to establish strike length continuity of the structure. If continuity is established, it is recommended that 800 feet of access road be built, and 100 feet of exploratory adit be driven from as low a topographic position as possible.

Estimated Costs:

Stage I - Bulldoze with a caterpillar D-6 or equivalent, a strike length exploratory trench 100 feet by 10 ft x 10 ft deep:

370 cu.yds. @ $0.30/cu.yds. $116.00 $111.00

Stage II

Build 800 linear feet of access road to prospect site using D-6 Tractor or equiv.

800 ft x 6 ft x 2 ft deep, 355 cu. yds. @ $.20/cu.yds. rounded to $ 70.00

Construct:

Toolhouse	~~$75.00~~ 76.00	$117.00
Powder magazine	~~26.00~~ 26.00	~~115.00~~
Cap magazine	~~14.00~~ 15.00	

Drive 100 ft of exploratory adit and/or crosscut at the lowest topographic position possible, as exposed by Stage I, bulldozing (40 shifts) = 2 months

Adv = 2½' per day

Labor:

1 - Miner (foreman) @ $1.50/hr.	$480.00	
2 - Laborers @ $1.00/hr.	640.00	1,120.00

1120.00
450.00
1115.00
165.00
$2850.00
111.00
117.00
3078.00
70.00
3148.00

Equipment (rental)

Compressor, drill & jackleg : $250/Mo. 2 mos @ 225.00 — 450.00 ~~500.00*~~

Supplies:

Drill steel	$140.00	$28.50 per foot
Explosives	300.00	
Gasoline and Oil	180.00	
Small tools and pipe	115.00	
Timber, 3000 b.f. @ $65/M	195.00	
Miscellaneous	185.00	1,115.00
Liability Insurance	112.00	
Social Security	23.00	
Sales tax	30.00	165.00

$3027.00	Total Cost of Stage II	~~$ 3,085.00~~
$111.00	Total Cost of Stage I.....	116.00
$3148.00	Total cost of project.	$ 3,195.00
Gov. $2361.00		

*Equipment being furnished under rental-purchase agreement. It is not known on what basis to discount full rental allowance to protect the Government's equity.

March 5, 1956.

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

600

JAN 17 1956

Mr. Ted Higdon
Route #5
Franklin, North Carolina

Re: Docket No. DMEA-4105 - Miss
Ted Higdon
Wild Cove Mine Property
Macon County, North Carolina

Dear Mr. Higdon:

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. C. Mittendorf

Administrator

JHopkins:gad 1/12/56
Copy to: Admr. R. File
Docket
Operating Committee
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Hopkins

JAN 17 1956

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

Subject: Docket No. DMEA-4105 - Mica
Ted Higdon
Wild Cove Mine Property
Macon County, North Carolina

Dear Mr. Laurence:

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

Copies of memoranda December 30, 1955, and January 5, 1956, by M. E. Nelson, USGS and W. F. Dietrich, USBM, respectively, relating to the project are enclosed.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

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

Thor H. Kiilsgaard
Member, Geological Survey

Enclosures 4

JHopkins:gad 1/12/56
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Hopkins
Mr. Houk

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

January 5, 1956

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA - 4105 (mica)

Applicant: Ted Higdon

Name and Location of Property: Wild Cove Mine _____, N. C.

Date Application Rec'd by Br. of Ceramic & Fertilizer Materials: 12/29/55

Comments:

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

2. It appears a field examination is necessary to determine the feasibility of a project.

Recommendation:

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

SIGNED

W. F. Dietrich

RECEIVED
JAN 6 1956

IN REPLY REFER TO:

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

December 30, 1955

Ref: DMEA A105
Ted Higdon
Wild Cove property
Macon Co., N. C.
$9,042.00 - Lice

Memorandum

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

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

Subject: Review of application.

The applicant proposes to do work on a quartz vein concerning which no information is given and of which probably little is known.

Referral to the Field Team is indicated and recommended.

N. E. Nelson

N. E. Nelson

N. E. Nelson:btr
G 12/30/55

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

RECEIVED
JAN 3 1956

Beginning at a wild [illegible] on North bank of [illegible] creek and runs,

N33°W. 450 feet to the southeast corner of the leased tract,

Thence Due West 500 feet to a stake

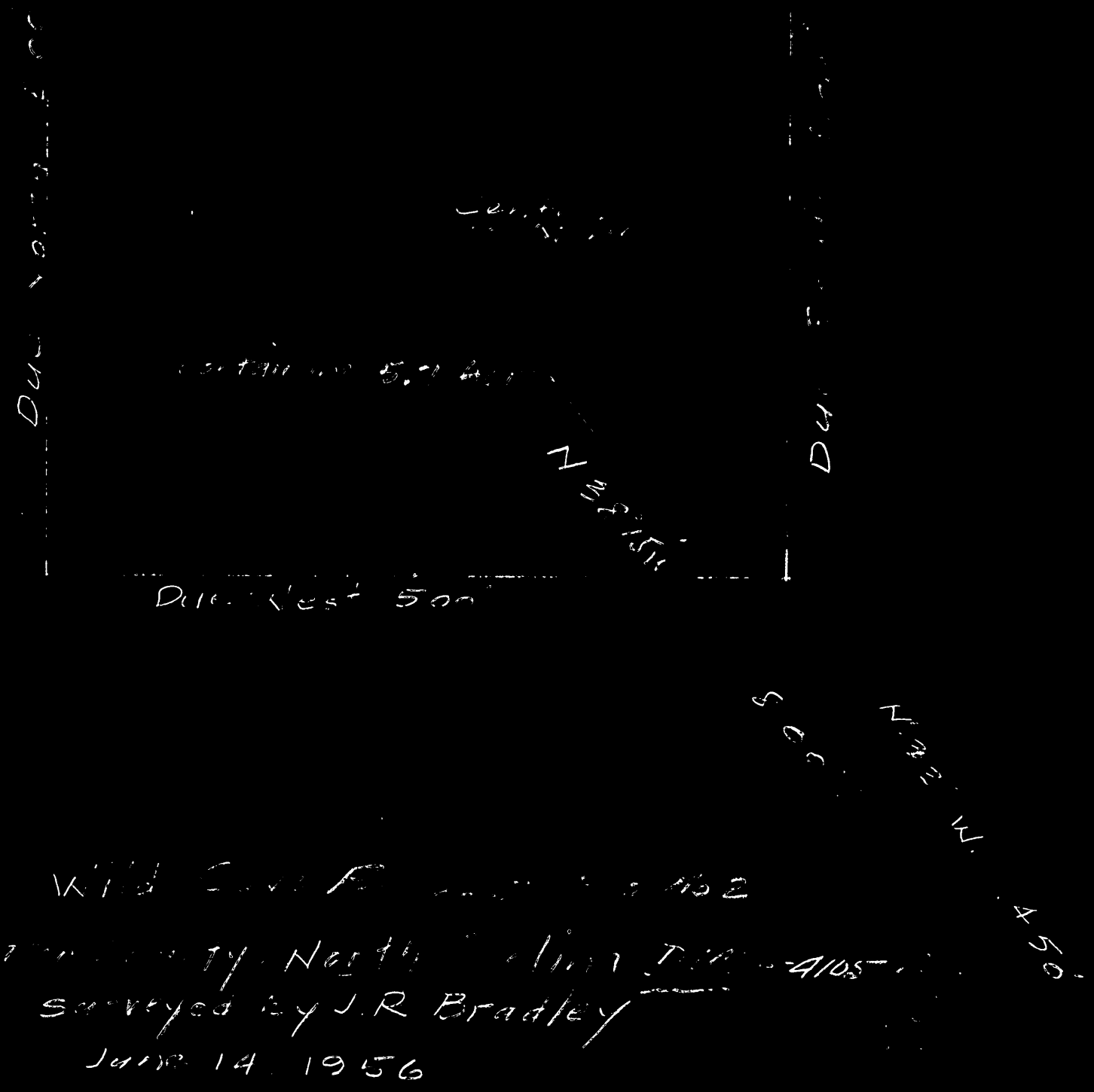
Thence Due North [illegible] feet to a stake

Due East [illegible]

Thence - Due South 500 feet to the [illegible]

[illegible] 5.7 acres, [illegible]

Due East 500



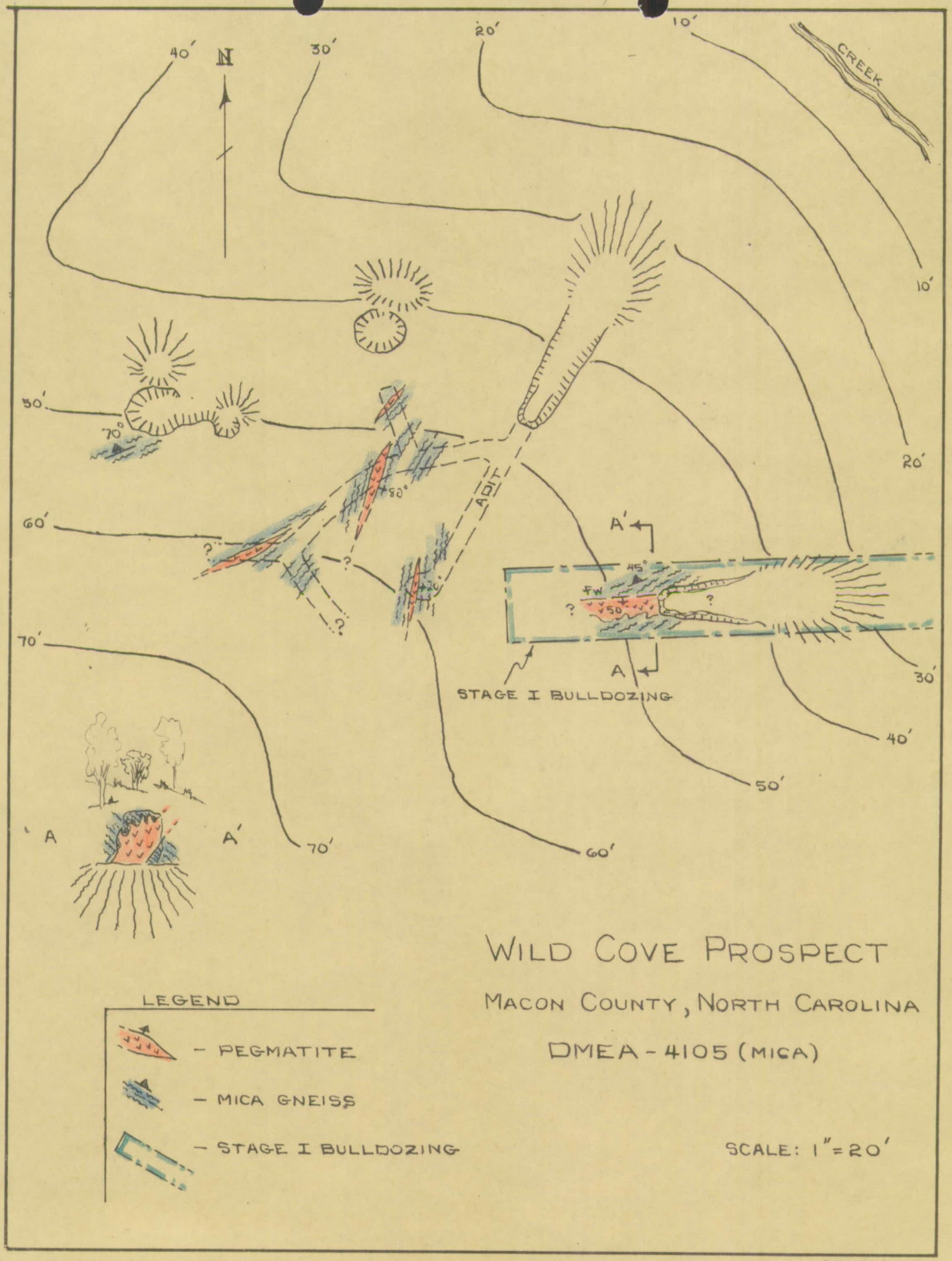
Wild [illegible]

M[illegible] County, North Carolina [illegible]

Surveyed by J.R Bradley

June 14 1956

RECEIVED
AUG 1 5 1956



WILD COVE PROSPECT

MACON COUNTY, NORTH CAROLINA

DMEA - 4105 (MICA)

SCALE: 1" = 20'

SCB 3/56

RECEIVED
MAR 26 1956