DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Report of:

Carolina Mining Company
P. O. Box 314
Franklin, North Carolina

pertaining to Exploration Project Contract No. Idm-2954, Docket No. DMEA-4224, for the month of June 1956, covering a project for the exploration of mica on property, known as the Clark Mine located in Jackson 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		$1,227.00
Exceptions (schedule attached):		
By DMEA Finance Officer	$ -0-	
Herewith	-0-	-0-
Total Accepted Cost		$1,227.00

The contract calls for a 75 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Nine hundred twenty and 25/100 Dollars

"$920.25"

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

August 24, 1956

Division copy

Boston
Denver
Appr. Sol. Off.
Stefan
Ford
Martin

TERMINATION AGREEMENT

It is agreed this 10th day of August, 1956, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Carolina Mining Company, hereinafter called the "Operator," parties to Exploration Project Contract Idm-2934 (Docket No. DMEA-4234), dated May 21, 1954, hereinafter called the "Contract," that:

1. Effective July 10, 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 final 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. All rights of the Government under the Contract with respect to records, audits, and recovery of any overpayment are preserved.

4. All rights of the Government provided for in the Contract with respect to a certification of discovery or development and a percentage royalty and lien for its payment are preserved.

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 A. Lawrence
Executive Officer
DMEA Field Team, Region V

CAROLINA MINING COMPANY

By Roy H. Fouts
Roy H. Fouts (Partner)

By William Dimmes
William Dimmes (Partner)

Division copy

RECEIVED

JUN - 4 1956

MF-200A
(Revised June 1954)

Docket No. DMEA [redacted]

Commodity [redacted]

Contract No. Idm-E 954

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

It is agreed this MAY 21 1956 day of _____, 195__, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2] [redacted], whose mailing address is [redacted], hereinafter called the "Operator," as follows:

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

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

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

(b) The Operator represents and undertakes that:

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

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

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

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

16—70618-1

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

ARTICLE 3. *The exploration project.*—The project is a search for indicated or undeveloped deposits of [redacted] The work to be performed is described in Exhibit "A." The Operator on or before JUL 15 1956 shall commence the work, and on or before [redacted] (unless the Operator's obligation to complete the work is terminated—see Article 8) shall complete the work.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

ARTICLE 11. *Changes and added provisions.*—

Executed in sextuplicate the day and year first above written.

In lieu 4/30/56
"Appd. Sol. Off."

THE UNITED STATES OF AMERICA

By C. Mitchell Chambers
Administrator, Defense Minerals
Exploration Administration
Selfridge.

CAROLINA MINING COMPANY
(Operator)

By Ray H. Foote
Ray H. Foote (Partner)

By William Dinnes
William Dinnes (Partner)

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

.....

[CORPORATE SEAL]

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

EXPLORATION PROJECT CONTRACT
CAROLINA MINING COMPANY
DOCKET NO. DMEA-4224

ANNEX I

The land referred to in Article 2 of the contract is a portion of the land owned by D. H. Clark and his wife, Edith Elizabeth Clark, conveyed by a deed from Collins' heirs recorded in Book 109, Page 386, in Office of Register of Deeds, Jackson County, North Carolina, more specifically described as follows:

> Beginning on a Spruce Pine, then running North 500' to a chestnut stump; thence North 35 degrees East 530 feet to a Black Pine; thence South 60 degrees East 400 feet to a stake; thence South 565 feet to a stake; thence up the branch 495 feet more or less to the beginning. Containing 8 acres more or less.

EXPLORATION PROJECT CONTRACT
CAROLINA MINING COMPANY
DOCKET NO. DMRA-4224

RECEIVED
JUN - 4 1956

EXHIBIT "A"

Description of the Work

The approximate location of the exploration work is shown in part on the map entitled "Clark Mine DMRA-4224-Mica, Jackson Co., N. C.," attached hereto and made a part hereof. The work is divided into stages as herein indicated. The Operator shall perform Stage I, and shall perform so much of Stage II as the Government approves in writing.

Stage I

Excavate a trench having approximate dimensions of 103 feet long by 18 feet (average) wide by 10 feet (average) deep. The approximate location of the trench is shown on the attached map.

Stage II

1. Construct:

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

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

(c) An exploder storage magazine, minimum dimensions 2 feet by 1½ feet by 1 feet.

The toolhouse may be undlooored; shall be made from unfinished lumber, with protective roof covering; and shall be equipped with lock and key.

The powder and exploder magazines shall be boxed on all sides; shall be made from 2-inch hardwood or 3-inch softwood lumber; and shall be braced at the corners. No metal shall be exposed; and the doors shall be securely locked with the equivalent of a 5-tumbler jarproof lock.

2. Drive not more than a total of 100 feet of adit and/or crosscut and/or incline on the pegmatite having minimum cross-sectional dimensions of 5 feet by 7 feet in the clear of timber.

All work shall be timbered as necessary.

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

Fixed Unit Costs

Stage I

1. Excavate trench approximately 105 feet by 18 feet by 10 feet - 700 cubic yards @ $0.30/cu. yd.	$ 210.00

Stage II

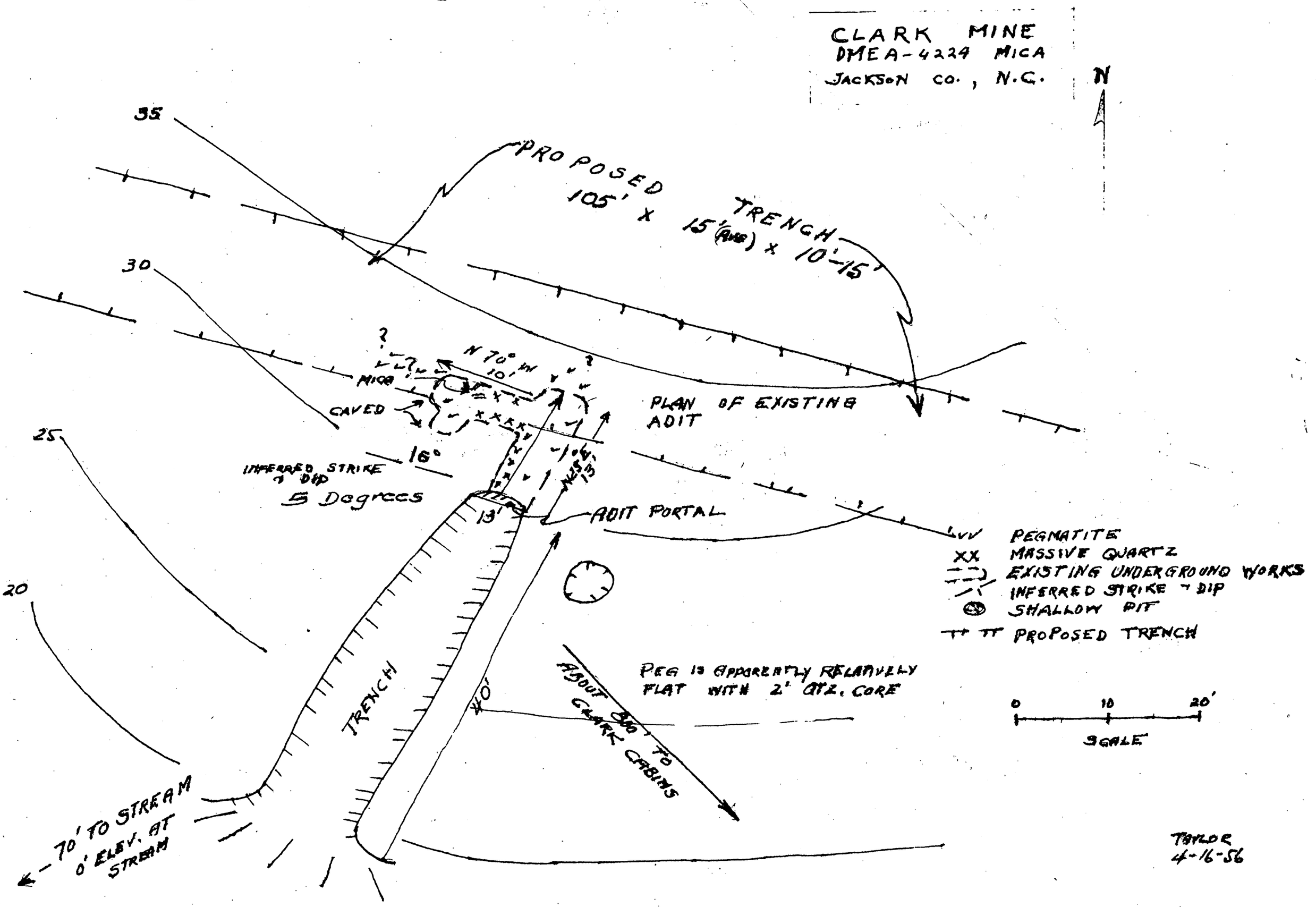
1. Construct:

Toolhouse 1/	$76.00	
Exploder Magazine 1/	16.00	
Powder Magazine 1/	26.00	118.00

2. Drive 100 feet of drift and/or crosscut and/or incline @ $31.00/ft. for all footage inclined less than 5 degrees, and @ $35.00/ft. for all footage inclined 5 degrees or more	3,500.00

Estimated Total Cost of Project	$3,828.00
Government Participation @ 75%	$2,871.00

1/ The completed unit constitutes the work.


CLARK MINE
DMEA-4224 MICA
JACKSON CO., N.C.
N
35
30
25
20
PROPOSED TRENCH
105' X 15' (AVG) X 10'-15'
N 70° W
10'
MICA
CAVED
PLAN OF EXISTING ADIT
16°
INFERRED STRIKE & DIP
5 Degrees
N 55° W
13'
13'
ADIT PORTAL
PEGMATITE
MASSIVE QUARTZ
EXISTING UNDERGROUND WORKS
INFERRED STRIKE & DIP
SHALLOW PIT
PROPOSED TRENCH
TRENCH
40'
ABOUT 300' TO CLARK CABINS
PEG IS APPARENTLY RELATIVELY FLAT WITH 2' QTZ. CORE
0
10
20'
SCALE
70' TO STREAM
0' ELEV. AT STREAM
TAYLOR
4-16-56

MF-203
Revised March 24, 1955

For Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator
Docket No. DMEA-
Contract No. IdmE 954
Contract Date MAY 21 1956

RECEIVED
JUN - 4 1956

CONSENT TO LIEN

To the United States of America:

Referring to that certain land in the County of Jackson, State of North Carolina, described as follows:1/ A portion of the land owned by B. H. Clark and his wife, Edith Elizabeth Clark, conveyed by a deed from Collins' heirs recorded in Book 108, Page 386, in Office of Register of Deeds, Jackson County, North Carolina, more specifically described as follows:

Beginning on a Spruce Pine, then running North 309' to a chestnut stump; thence North 33 degrees East 330 feet to a Black Pine; thence South 60 degrees East 480 feet to a stake; thence South 565 feet to a stake; thence up the branch 495 feet more or less to the beginning. Containing 8 acres more or less.

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 _____, and recorded in book _____ page _____ official records of said county." If (b) is used, the book and page of recordation cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

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

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

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

5. Added provision: _____

_____

_____

_____

_____

_____

_____

_____

Dated this _____ day of _____, 195__.

D H Clark Jr [Seal]
D. H. Clark

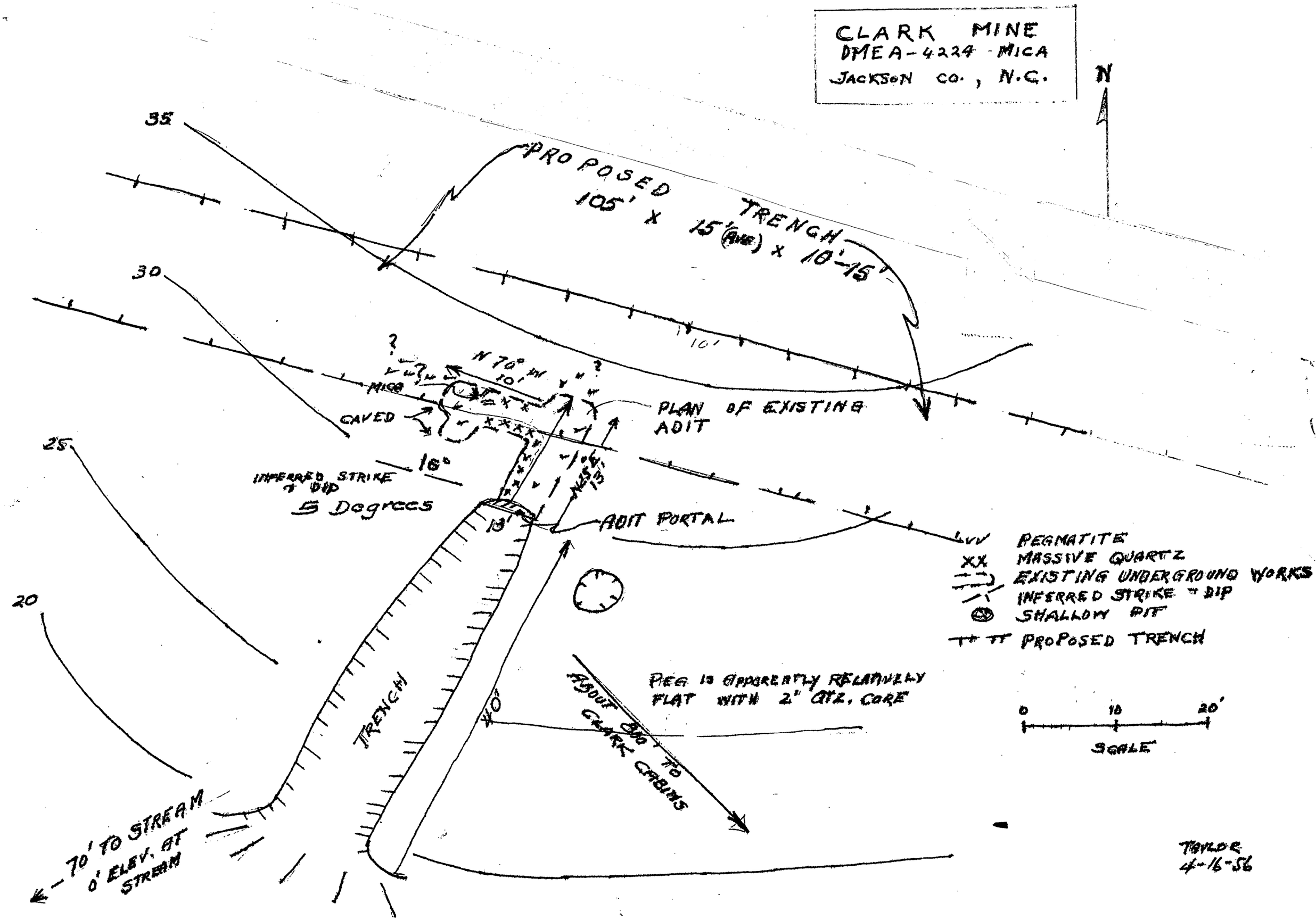
Edith Elizabeth Clark [Seal]
Edith Elizabeth Clark

_____ [Seal]

address
Route 2
Sylva, N.C

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]


CLARK MINE
DMEA-4224 MICA
JACKSON CO., N.C.
N
35
30
25
20
PROPOSED TRENCH
105' x 15' (AVG) x 10'-15'
10'
N 70° W
10'
MICA
CAVED
PLAN OF EXISTING ADIT
16°
INFERRED STRIKE & DIP
5 Degrees
N 65° W
13'
ADIT PORTAL
TRENCH
40'
ABOUT 800' TO CLARK CABINS
PEG IS APPARENTLY RELATIVELY FLAT WITH 2" QTZ. CORE
70' TO STREAM
0' ELEV. AT STREAM
PEGMATITE
MASSIVE QUARTZ
EXISTING UNDERGROUND WORKS
INFERRED STRIKE & DIP
SHALLOW PIT
PROPOSED TRENCH
0
10
20'
SCALE
TAYLOR
4-16-56

DMEA-4224 CLOSING LETTER TO OPERATOR 3/24/57

Letter to Mr. and Mrs. D. H. Clark
signers of Owner's Consent to Lien.

March 14, 1957

Project Summary Report

By: Walter C. Andersen

1. Docket No. DMEA-4224-mica
Contract No. Idm-E954
Clark Mine
Jackson County, North Carolina

Application: Form MF-103 (April, 1952) received March 22, 1956

Work proposed:

Bulldozing to uncover pegmatite, 60 feet of shaft and 100 feet of drifts and/or crosscuts.
Amount requested - $6,500.00

Operators: Roy H. Fouts and William Dinnes
d/b/a Carolina Mining Company
P. O. Box 314, Franklin, North Carolina

Operators' Property Rights:

Three year lease on the B. H. Clark property, containing 35 acres mor or less, dated February 14, 1956.
Consent to Lien of Owner

2. Contract: Form MF-200A (June 1954) dated May 21, 1956

Work Authorized:

Stage I	
Excavate trench	$ 210.00
Stage II	
Construction - toolhouse, powder and exploder magazines	118.00
Drive 100 feet of drift and/or cross-cut and/or incline @ $35/ft.	3,500.00
Estimated total cost of project	$3,828.00
Government participation @ 75%	$3,228.00

Amendments:
None

Work Completed:

Excavating trench	$ 210.00
Construction - toolhouse, powder and exploder magazines	118.00
29 feet of drifts	899.00
Total Accepted Cost	$1,227.00
Government contribution	$ 920.25

Work began on June 6, 1956, and was terminated by mutual agreement effective July 10, 1956.

Field Team Final Report received August 20, 1956.

Operator's Final Report dated August 10, 1956.

There are no significant reserves.

Royalty received amounts to $2.75, which accounts for all the mica produced during operation.

No equipment purchased under contract.

3. Audit:

Report of Review issued August 24, 1956

Total Accepted Cost	$1,227.00
Government participation	$ 920.25

4. Certification of Discovery - none issued

5. Comments:

How conducted:
All of the work in which the Government participated was acceptable.

Operation:
Good

Engineering:
Reporting by the Operator was acceptable

Geological premise:
The mica-rich exposure of pegmatite continued for only a short distance in the adit and completely pinched out at 29 feet.

Geological criteria upon which work was based:

1. Pegmatite - mica-bearing, zoned, flat lying, about 2½ feet thick with a 2-foot quartz core.

Composed of kaolinized feldspar, massive quartz, ruby muscovite, and some sericite. Country rock is a weathered biotite gneiss.

2. Mica - ruby in color, clear, flat and 5 inches by 3 inches in width.

3. A little past production.

Criteria developed during project:

1. Pegmatite - Peanut-like shape (pods - connected) for a distance of 15 feet in adit, then a thin stringer which pinched out at 29 feet. The country rock is a soft, weathered mica schist.

2. Mica - thin ribbon, very badly bent and soft. Of mica recovered, only 1.6% trimmed mica was obtained, most of which was stained and heavy stained.

Future possibilities:

none

Recommendations:

Because of the sudden demise of the pegmatite which started out promising, the Field Team recommends no certification. The Nonmetallic Minerals Division and the Commodity Members of the Bureau of Mines and Geological Survey concur.

Walter C. Anderson

WCAnderson:ms 3/14/57
Copy to: Docket
Admr. R. File
Mr. Anderson

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

RECEIVED
OCT 17 1956

October 15, 1956

Memorandum

To: Finance Office - Region V - for DMEA

From: Executive Officer, DMEA - Region V - Knoxville

Subject: Royalty Payments - Carolina Mining Co., Franklin, N.C.

There are enclosed bills-of-sale on three different mines from the subject company, and a check No.55, in the amount of $55.93 covering the Governments 5% royalty on all the sales.

Idm-E954, DMEA-4224.....$ 0.40
Idm-E952, DMEA-4205..... .53
Idm-E516, DMEA-2926..... 55.00
$55.93 Total

Robert A. Laurence

RAL/sm
cc
Lightbc
Mittendorf

Files
Shirley

_C_O_P_Y_

RECEIVED
OCT 17 1956

CAROLINA MINNNG CO.
P.O. Box 314
Franklin, North Carolina

October 12, 1956

Defense Minerals Exploration Administration
Room 13, Post Office Building
Knoxvile 2, Tennessee

ATTNENTION; Mr. Robert A. Laurence

Dear Mr. Laurence:

We are enclsoing your royalty on the Engle Cope Mine. This is in accordance with our contract with the owner of said Mine.

We are operating this mine continuously but it does not mean that we will have a final settlement on each sale every month and we do not plan to pay royalty on an Initial Payment of a sale.

We are also enclosing royalty on the Hall and Clark Mines, which as you probably know the contract has been cancelled.

If this does not meet with your approval, please let us know.

Very truly yours,

CAROLINA MINING COMPANY

s/ Roy H. Fouts, Partner
BY- CD

Copied by zm.
1- Mittendorf
1 - Lynch
1- Finance Office

Copy

RECEIVED
OCT 17 1956

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

Date Purchased 8-9-56

Acceptance No. 283(a)

Certificate Authorization No. 1872A

LOT No. 283(a)

SP-

VOUCHER No.

	TOTAL Wt. Lb	Lbs-G.S	Lbs-Stained	Lbs-Hy-Stained	Total Value
Processed for Payment	6.04	1.23	.91	3.90	54.94
No Processed Pay't					
THINS					
BLACK Dots Spots Stains					
Undersized					
Process- Gain / Loss	.02				
Total Lbs Purchased	6.02				

Less: Initial Payment - Voucher No. Sch. No. 46.91

Balance Due Government Seller 8.03

Seller's Name: Carolina Mining Co

Franklin, N. C.

Address: Jackson County - N. C.

NAME OF MINE: Clark

DMEA No. 4224 Idm-E 954

Approved

Date:

IN REPLY REFER TO:

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

RECEIVED
SEP 27 1956

September 26, 1956

Re: DMEA 4224, Idm-1954
Carolina Mining Co.
Clark Mine
Jackson Co., Tenn.
Approved $3,828.00
Expended $1,227.00
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.

The expenditure of $3,828.00 was approved for a work program consisting of bulldozing and drifting.

The bulldozing exposed a low dipping lense of pegmatite containing wide thin books of strategic ruby muscovite.

An adit was driven 29 feet on the pegmatite. About halfway in the pegmatite pinched. It continued to be mica-bearing but the quality dropped, due perhaps to slippage. Little strategic mica was recovered and the contract was terminated, $1,227.00 having been expended.

The examiners and the Field Team recommend that no certificate of discovery be issued.

I concur with the recommendation.

NENelson:btr
G 9/26/56

N. E. Nelson

N. E. Nelson

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

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

August 29, 1956

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

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

Subject: DMEA-4224 (mica)

Applicant: Carolina Mining Co.

Name and Location of Property: Clark Mine, Jackson County, N. C.

Contract Number: Mm-E 954

Date of Field Team Report: 8/17/56

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 8/21/56

Field Team Recommendation: Recommend no certification of discovery.

Comments:

1. The pegmatite suddenly pinched out at 29 feet.
2. The project was terminated by mutual consent.
3. Expenditures -

Total approved	$3,828.00
Total cost	1,227.00
Gov't. share of the cost	920.25
Value of production during operation	unknown

Recommendation:

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

Signed
W. F. Dietrich

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

August 17, 1956

Memorandum

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

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

Subject: Final Report, DMEA-4224, Contract Idm-E954 (mica)
Carolina Mining Company, Franklin, North Carolina
Clark Mine, Jackson County, North Carolina

Enclosed are four copies of the final report on the subject contract, which was terminated by mutual agreement.

We agree that it should not be certified.

Robert A. Laurence
Executive Officer

V. J. Lynch
Member, Bureau of Mines

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

Reviewed by
DMEA OPERATING COMMITTEE
8-22-56
(date)

RECEIVED
AUG 20 1956

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT

On

DMEA-4224, Idm-E954 (mica) CLARK MINE
Jackson County, North Carolina

By

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

and

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

August 17, 1956

Reviewed by
DMEA Security Officer
8-22-56
(Date)

EXPLORATION PROJECT

FIELD TEAM FINAL REPORT, REGION V

On

DMEA-4224, Idm-E954 (mica) CLARK MINE

Operator: Carolina Mining Company, P. O. Box 314, Franklin, N. C.

Summary

This project was terminated after 29 ft of adit was driven. The work completed did not result in a discovery of significant reserves; therefore, it is recommended that no certificate of discovery be issued.

General

Location

The mine is 0.75 airline miles N. 35° E. of the junction of the Jackson and Macon County lines and U. S. Highway No. 23 in Jackson County, North Carolina (Greens Creek, N. C., TVA Quadrangle 166-SE, 1/24,000).

Work under Contract

Work began on Stage I on June 6, 1956, and was terminated by mutual agreement effective July 10, 1956.

Stage I consisted of excavation by bulldozer of an east-west trench which is 140 ft long, 60 ft wide, and 15 ft deep. The Operator spent $100.00 more in the excavation than was allowed under the contract. He did this extra work to better expose the body and to provide for good access for future work in the area. A total of about 5,000 cubic yards of material was removed, of which about 1,200 cubic yards were from the trench.

Under Stage II a tool house (20' x 10' x 8'), a powder magazine, and an exploder magazine were constructed. The Operator made the tool house larger than that allowable in the contract at his own expense.

An adit was driven on pegmatite for 29 feet in a N. 20° W. direction from the portal. It was timbered solid overhead with oak and stulled on 4-ft centers to the 15 ft point with 8 inch oak.

The Operator used a spader with some drilling. A 125 cfm. Jaeger Air Compressor was used. The powder used was 40% Dupont gelatin.

Geology

The pegmatite was relatively flat-lying as inferred in the examination report (April 17, 1956) and was almost entirely cut out by the bulldozing.

The pegmatite in the adit assumed a peanut-like shape (pods-connected) from the portal to the 15-ft point. From that point it became a thin stringer and curved upward to pinch out overhead at the 29-ft point.

Wide thin books of good strategic ruby muscovite were recovered from the contact zones in the pegmatite during the bulldozing. About 250 pounds of "mine-run-block", 6 inches wide and 1/4 to 1/2 inch thick was recovered during Stage I.

About 125 pounds of the very thin books (up to 6 inches wide) were recoveredfrom the weathered pods in the adit. The muscovite in the contact zones in the adit is thin ribbon mica, very badly bent and soft. Slickensides along the contacts indicate a horizontal movement that may account for the thin books. The books, oriented parallel to the stringer and pod contacts seem to have been slid (as a deck of cards may be) along their cleavage planes by the movement.

The country rock, a mica schist, is invariably weathered, in the same places it is very soft.

Production

About 375 pounds of wide, bent, thin "mine-run-block" muscovite was recovered.

Of the 250 pounds of block from the bulldozing only 4 pounds of trimmed muscovite was recovered on an over-all recovery of 1.6%. The percentage of good stained was .4%.

Good stained	2 x 2	3 oz.
	4 x 5	13 oz.
Stained	4 x 5	1 lb.
Heavy stained	4 x 5	2 lb.
Total		4 lb.

Conclusions

Although it started out quite promising, the sudden demise of the pegmatite at 29 feet makes it impossible to estimate any economic reserve. Certification is therefore not recommended.

Expenditures

(a)	Total amount of Contract	$3,828.00
(b)	Total spent	1,227.00
(c)	Government's participation	920.25
(d)	Government's share unexpended	1,950.75
(e)	Value of production	Not known
(f)	Royalty to date	None

August 17, 1956

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

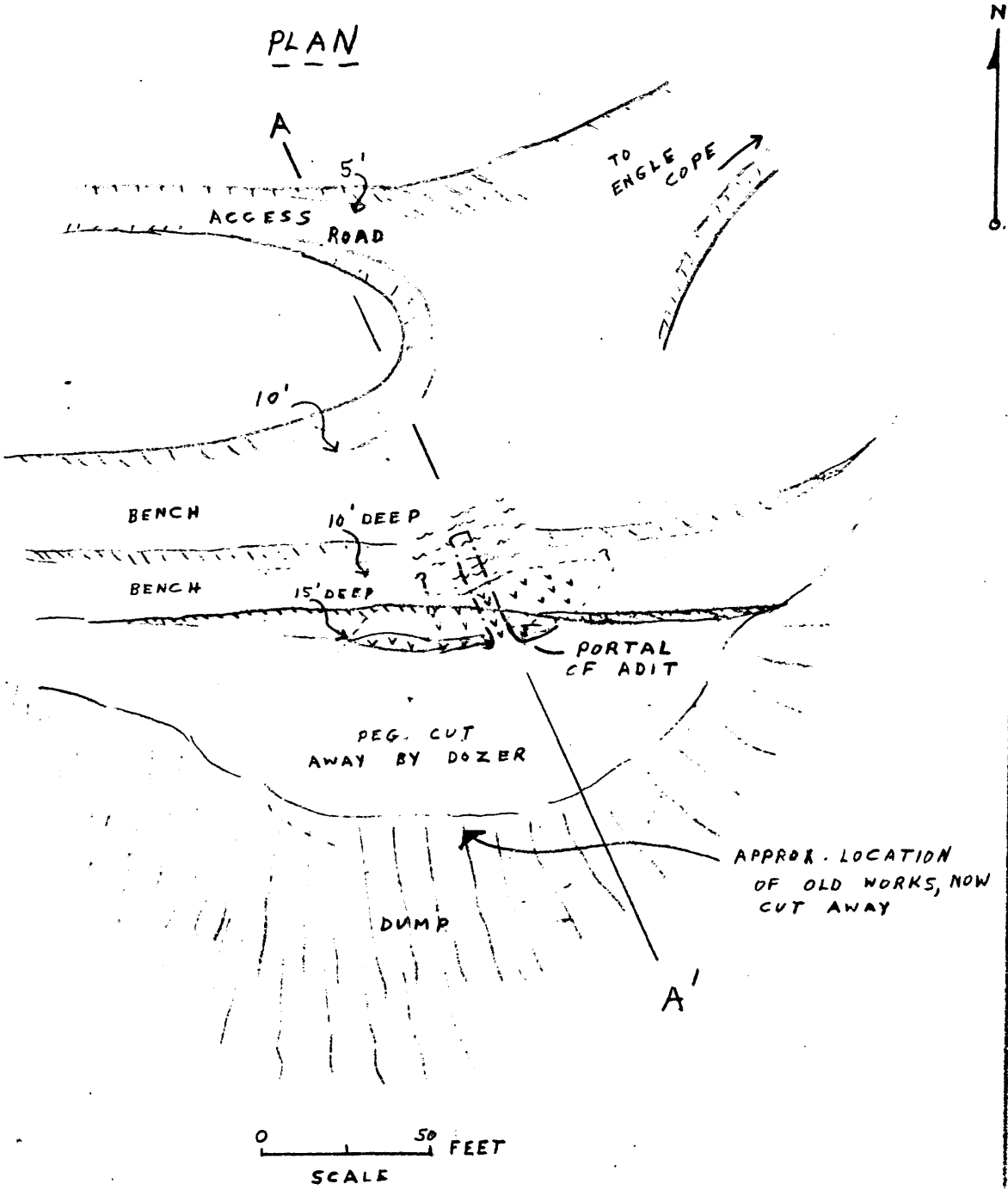
L. E. Shirley, Mining Engineer
U. S. Bureau of Mines

DMEA - 4224, IDM-E 954
(MICA)

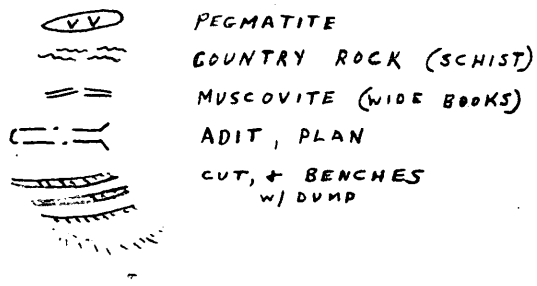
CLARK MINE

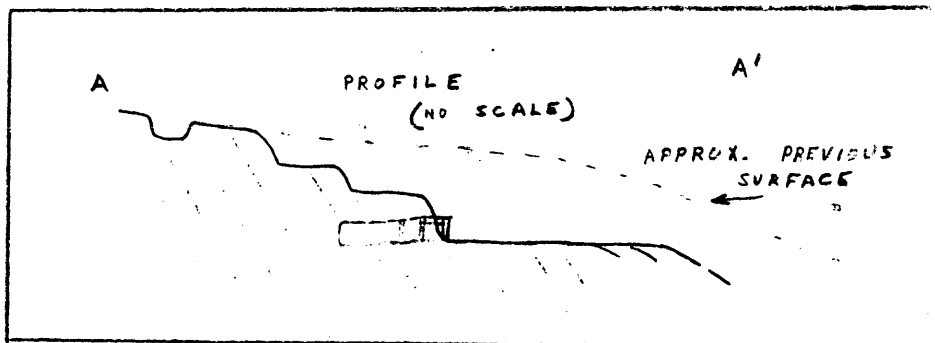
JACKSON CO., N.C.

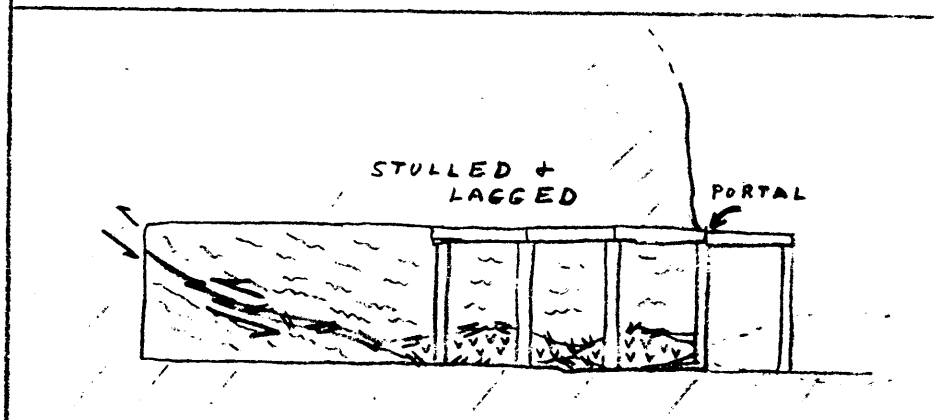
8-3-1956



TAYLOR - 8-3-56







— SECTION THROUGH ADIT —
(WIDE THIN BOOKS OF MICA ALONG CONTACTS - SHOWS SLIPPAGE)

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

August 20, 1956

Memorandum

To: Helen Miller, Ass't Administrative Officer,

From: Executive Officer, DMEA - Region V

Subject: Royalty Payments: Carolina Mining Co.
Franklin, N.C.

Transmitted are bills-of-sale and checks on the following:

Idm-E952, DMEA-4205, - Total sales-$18.49 - Royal ty $0.92

Idm-E954, DMEA-4224 - Total Sales $46.91 - Royalty - $2.35

Robert A. Laurence

ZM.
cc
Lynch
Rittendorf
Shirley
Files

Copy

DMEA-4224
IDM-E-954

GENERAL SERVICES ADMINISTRATION WARRANTY, ACCEPTANCE AND INVOICE MICA PURCHASING DEPOT, SPRUCE PINE, N. C.		DATE PURCHASED 8-9-56 ACCEPTANCE No. ✓
CERTIFICATE AUTHORIZATION No. 1872A	LOT No.	VOUCHER No.
RUBY X NON-RUBY	TOTAL LBS. PURHCASED	VALUE - INITIAL PAYMENT
PRELIMINARY PAYMENT	6.02	46.91
GENERAL SERVICES ADMINISTRATION		
By:	NAME OF MINE: Clark COUNTY - STATE N.C	
	DMEA No. 4224 Idm-E 954	
	Seller: Wm Vinines	
	Address: Carolina Mining Co Franklin, N.C	
	Title:	

Division

August 16, 1956

Memorandum

To: Operating Committee, DMEA - Washington

From: DMEA Field Team, Region V - Knoxville,

Subject: Termination Agreement - Idm-E954, DMEA-4224 (mica) Carolina Mining Co., Franklin, N.C.

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

Robert A. Laurence
Executive Officer, DMEA
Region V

V. J. Lynch, Member
Bureau of Mines

cc:
Lynch
Finance Office
Shirley
Files

RECEIVED
AUG 20 1956

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

RECEIVED
AUG 13 1956

August 10, 1956

Memorandum

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

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

Subject: Docket No. DMEA-4224, Contract Idm-E954 (mica)
Carolina Mining Company, Franklin, N. C.
Clark Mine, Macon County, North Carolina
Operator's Final Report

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

Robert A. Laurence
Executive Officer

W. J. Lynch, Member
Bureau of Mines

RAL/mg
Enclosures 4
cc - Operating Committee (3)
Lynch
Shirley
files

COPY

CAROLINA MINING COMPANY
P.O. Box 314
FRANKLIN, NORTH CAROLINA

Contract No. Idm-E954
Docket No. DMEA-4224-Mica

Clark Mine, Macon County
North Carolina

Engineering and Geologic Report

This contract by and between Carolina Mining Company and the Government was signed on May 21, 1956, and preparation for work immediately got under way, however, the actual starting date was June 6, 1956.

Subject contract was set up in two stages. Stage I consisting of excavating a trench 105 feet by 18 feet by 10 feet, which consisted of moving 700 cubic yards of earth. Over 1200 yards of earth was moved, which was done at the Operators expense over and above 700 cubic yard but it permitted them to locate the portal of the drift in a more desirable position.

After stage one was completed the Field Team inspected the area and advised to proceed with stage two. This was verbal order but was confirmed later in writing from the office of V.J. Lynch.

A tool house, powder Storage magazine, and exploder storage magazine was constructed with dimensions being larger in each case than the contract description work called for.

Twenty-nine feet of adit was driven having a minimum cross-sectioned dimensions of 5 feet by 7 feet in the clear of timber. It was solidly legged and stulled for 15 feet with each stand of timber on 4 feet centers using eight inch oak.

The country rock was decomposed but had hard spots in it which necessitated drilling and blasting, but not over one or two pounds at a time.

Pegmatite was highly weathered indicating a lot of movement along the zone. It was lying north 10° West. The pegmatite consisted of magmatite and gneiss, with muscovite which was clay stained, but were as large as 3" x 5" and some of it very ruled. Part of the mica was very clear but percentage very low. Out of a 300 lb. test on mica run we recovered - 3 oz. of No.5, good stained; 13 oz. of 5½ & 6, good stained; 1 lb. of 5½ & 6, stained; 2 lbs. of 5½ & 6 heavy stained.

AUG

Mr. Robert A. Lawrence
Executive Officer, DMEA
Field Team, Region 7
Room 13, Post Office Building
Knoxville, 2, Tennessee

Re: Docket No. DMEA-4224-nlm
Carolina Mining Company
Clark Mine
Jackson County, North Carolina
Contract No. Idm-6954

Dear Mr. Lawrence:

Reference is made to the Field Team memorandum of July 19, 1956, recommending termination of the subject contract by mutual agreement.

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

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

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

Sincerely yours,

Approved:

FRANK D. LAMB
Director, Bureau of Mines

N. E. Nelson
Director, Geological Survey

W. S. Martin
ACTING Chairman, Operating Committee

JHopkins:ms 8/6/56

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

Enclosures: 6

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
JUL 20 1956

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of June 1956 Docket No. DMEA 4224 Contract No. 954
Operator's Name CAROLINA MINING COMPANY Minerals Mica
Address P.O. Box 314, 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	Unit Costs
Drifting	Ft	899.00	29	899.00	29	31.00		
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Bulldozing	Cu.Yd	210.00	700	210.00	700	.30		
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.		118.00		118.00				
TOTAL COSTS		1,227.00		1,227.00				

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

July 13, 1956 Operator CAROLINA MINING COMPANY
By William Quinn Title Roy H. Forte

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)

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

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
PAYMENTS K

OPERATOR'S MONTHLY REPORT AND VOUCHER

RECEIVED JUL 20 1956

Month of June, 1956 Docket No. DMEA 4224 Contract No. 954
Operator's Name CAROLINA MINING COMPANY Minerals Mica
Address P. O. Box 314, Franklin, N. C.
Contract Amount, $2871.70 Government Participation: 75% Amount, $ 3,828.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent / Short Form Contracts:						
Drilling						
Bulldozing	210.00	None	210.00			
Crosscutting						
Drifting and/or Crosscut	899.00	None	899.00			
(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.	118.00	None	118.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	1227.00		1,227.00	1227.00		1227.00

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

Date 7-13-56 *Payee CA ROLINA MINING COMPANY

Per William Jones Title Roy H. Forte

*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:

$ 920.25

Signature Helen R. Miller
(Authorized Certifying Officer)

Date M 18 1956 Vou. No. 14
(See other side)

306.75

(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-954 in accordance with the terms of the contract.

Signature Alfred R. Taylor Title Geologist Date July 16, 1956

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature V. J. Lynch Title ACTING EXECUTIVE OFFICER DMEA REGION Date JUL 16 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.

NARRATIVE

MONTHLY REPORT FOR

JUNE - 1956

CAROLINA MINING COMPANY
P. O. Box 314
Franklin, North Carolina

Contract No. IDM-E 954
DMEA - 4224 - Clark Mine
Mica - Macon County
North Carolina

1956

June - 4 -- Bulldozed Road to Clark Mine.
5 - - Completed road surrounding the mine
6 - - Starting date on Clark Mine. Excavated trench 100 foot long with D-8 dozer.
7 - - Continued to enlarge Trench - picked up loo lbs of book Mica.
8 - - Completed dozing, making a trench 125 feet by 30 feet by 15 feet. Recovered another 200 lbs of book mica.
18 - - Visited by field team, Mr. L. C. Shirley and Mr. Taylor. They gave us a verbal order to proceed with Stage II of subject contract. Cut mine timber, and started drift. Put men to work on tool house, exploder magazine and powder Magazine.
19 - - Put in first stand of timber, worked on tool house, Mucked.
20 - - Installed compressor, and started using air spader, mucked, worked on tool house.
21 - - Drilled and blasted. The country rock is soft and decomposed but hard spots which have to be drilled and blasted. Completed exploder magazine and powder magazine, and tool House.
22 - - Put in stand of timber, drilled, blasted and mucked, used
- - spader operated by compressor.
25 - - Mucked, put in timber, drilled, blasted. The vein is flat but is producing some mica.
26 - - Mucked, drilled blasted and put in timber, The vein is somewhat thiner, but has been as thick as 18" to 24".
27 - - Mucked, Drilled, Blasted, put in timber, and used spader
28 - - Mucked, Drilled, Blasted and put in timber
The vein is getting very thin and don't look too good

C A R O L I N A M I N I N G C O M P A N Y

P. O. BOX 314

FRANKLIN, NORTH CAROLINA

Contract No. IDM-E 954
Docket No. EMEA 4224 - Mica

Clark Mine, Macon County
North Carolina

ENGINEERING AND GEOLOGIC REPORT

This contract by and between Carolina Mining Company and the government was signed on May 21, 1956, and preparation for work immediately got under way, however, the actual starting date was June 6, 1956.

Subject contract was set up in two stages. Stage I consisting of excavating a trench 105 feet by 18 feet by 10 feet, which consisted of moving 700 cubic yards of earth. Over 1200 yeard of earth was moved, which was done at the operators expense over and above 700 cu yard but it permitted them to locate the portal of the drift in a more desirable position.

After stage one was completed the field team inspected the area and advised to proceed with stage two. This was a verbal order but was confirmed later in writting from the office of V. J. Lynch.

A tool house, powder Storage magazine, and exploder storage magazine was constructed with dimensions being larger in each case than the contract description work called for.

Twenty nine feet of adit was driven having minimum Cross-sectioned dimensions of 5 feet by 7 feet in the clear of timber. It was solidly legged and stulled for 15 feet with each stand of timber on 4 feet centers, using eight inch oak.

The country rock was decomposed but had hard spots in it which necessitated drilling and blasting, but not over one or two pounds at a time.

Pegmatite was highly weathered indicating a lot of movement along the zone. It was lying North 10° West. The pegmatite consisted of Magmatite and gneiss, with muscovite which was clay stained, but were as large as 3" X 5" and some of it very ruled. Part of the mica was very clear but percentage very low. Out of a 300 lb test on Mica run we recovered - 3 oz of No. 5, good stained; 13 oz of 5½ & 6, good stained; 1 lb of 5½ & 6, Stained; 2 lbs of 5½ & 6 Heavy stained.

RECEIVED
JUL 23 1956

July 19, 1956

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: DMEA-422h, Idm-~~E945~~ 954, Clark Mine, Jackson County, N. C.
Request for Termination

Enclosed are 4 copies of the latest interim report on the subject contract.

On the last inspection of this project by the Field Examiners the pegmatite had pinched out completely in the drift. They have recommended termination of the contract and the Operator fully agreed with them. Therefore, we request permission to Terminate the contract by mutual agreement effective July 10, 1956.

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

S. C. Bergman, Geologist
U. S. Geological Survey

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

INTERIM REPORT

RECEIVED JUL 22 1955

DMEA-4224, Idm-E954 (Mica) CLARK MINE

Operator: Carolina Mining Company, P. O. Box 314, Franklin, North Carolina

Location: 0.75 Airline miles N35°E of the junction of the Jackson and Macon County lines and U. S. Highway No. 23 in Jackson County, North Carolina (U. S. TVA Quadrangle Map - Greens Creek Sheet, 166 SE).

Stage II of this contract, consisting of drift work, has been in progress during the past three work weeks. Results of this work have not been encouraging during last 10 feet of drift. The pegmatite began narrowing with advance and near the present face it cuts out completely. The Field Examiners do not recommend any additional exploration on this contract.

Drifting began upon completion of Stage I which consisted of excavation by bulldozer to better expose the pegmatite and to prepare a site for future work. The drift was driven for a total distance of 29 feet in a N20°W direction, and followed a relatively flat-lying pegmatite body which varied considerably in thickness and thinned and swelled along the projected dip, which was slight. Approximately 125 pounds of mine-run book mica resulted from the drift work. This mica was not been processed to date. Mica recovered from the excavation during Stage I has been processed and consists of 4 pounds of all sizes and grades; 3 pound of this, however, is No. 4 and 5 stained and heavy stained. The operator indicates that royalty will be paid on all production just as soon as sales settlements are final.

The Field Examiners recommend, due to the absence of pegmatite and the operator is in agreement, that this contract be terminated by mutual consent of both parties. Work completed under contract consisted of excavation by bulldozer, driving 29 feet of drift and building a tool house and powder and exploder magazines. All work was completed in a satisfactory and efficient manner.

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

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

July 9, 1956

INTERIM REPORT

DMEA-4224, Idm-E954 (Mica) Clark Mine

Operator: Carolina Mining Company, P. O. Box 314, Franklin, North Carolina

Location: 0.75 Airline miles N35°E of the junction of the Jackson and Macon County lines and U. S. Highway No. 23 in Jackson County, North Carolina (U. S. TVA Quadrangle Map - Greens Creek Sheet, 166 SE).

Stage I of this contract, consisting of trench excavation by bulldozer, has been completed. The trench trends East-West and is 140 feet long, 60 feet wide and 15 feet deep. Much of the bulldozing was concentrated in the center of the trench and considerable pegmatite removal resulted. Pegmatite was exposed in the cut bottom and on the north side of the trench. The body is rather thin as now exposed, but was considerably thicker and was continuous during the bulldozing. About 250 pounds of mine-run mica was recovered from the trenching. The mica is generally of excellent quality, occurs in large sizes up to 8" x 10" blocks, and has few defects. Considerable clay staining, some ruling and a few reeves were noted as principal defects.

The Field Examiners recommend that Stage II of the contract be authorized. Discussion was held with the Operator concerning the proper method for exploration and an inclined shaft will begin in the near future. The operator was advised to conduct all of the work in pegmatite, as nearly as possible.

Trench excavation costs exceeded allowable costs by approximately $100.00. The operator did additional trenching on his own to better expose the body and to prepare good access for future work in the pegmatite area.

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

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

June 18, 1956

RECEIVED
JUN 27 1956

June 25, 1956

Carolina Mining Company
P.O. Box 314
Franklin, N. C.

Re: DMEA-4224, IGM-8954 (mica)
Clark Mine
Jackson County, N. C.

Gentlemen:

This is to verify the oral authorization given you by the Field Examiners on June 18 to proceed with Stage II on the subject contract.

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

VJL/mm
cc:
Finance Officer
Lynch
Shirley
Files
Opr. Com.-3

RECEIVED
JUN 18 1956

INTERIM REPORT

DMEA-4224, Idm-E954 (mica) CLARK MINE

OPERATOR: Carolina Mining Co., P. O. Box 314, Franklin, N. C.

LOCATION: 0.75 airline miles N35°E of the junction of the Jackson and Macon County lines and U. S. Highway No. 23 in Jackson County, N. C. (T.V.A. Quadrangle Map - Greens Creek Sheet, 166 SE)

The starting date on this contract is June 6, 1956. Stage I of the contract, consisting of trench excavation by bulldozer, is underway but has not been completed. Instructions were given at the time of this visit concerning additional excavation. Work completed had exposed but little pegmatite for shallow depth obtained, but several medium-sized books of mica was recovered. Most of the books were thin and contained a clay stain. The Operator was advised not to begin Stage II until another inspection has been made with subsequent approval in writing. Progress on this contract is satisfactory.

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

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

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

June 5 & 6, 1956

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

RECEIVED
JUN - 4 1956

June 1, 1956

Memorandum

To: Operating Committee, DMEA- Washington

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

Subject: DMEA-4224, Edm-2954, Carolina Mining Co. Franklin, N. C.
Clark Mine (mica) Jackson County, N. C.

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

Robert A. Laurence

XM.

cc:
Lynch
Shirley
Finance Office
Files

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

MAY 21 1956

Re: Docket No. DMEA-4224-nion
Carolina Mining Company
Clark Mine
Jackson 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 map of the Clark Mine. Two extra copies of Annex I, Exhibit "A" and map are enclosed for the use of the Field Team.

Also enclosed are copies of an executed subordination agreement form MF-201 that is not acceptable. Please have the land owners execute the enclosed Consent to Lien and attach to the contract before it is executed by the operator.

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

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

Copies of memoranda dated April 23 and 24, 1956 by Mr. E. L. Nelson, USGS, and Mr. W. F. Diehrich, 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: 23

Mr. Kent
Mr. Hopkins
Adm. L. File

Telephoned on 5/21/56
Copy to: Docket
Operating Committee
Mr. Kilgaard, 5222
Mr. Diehrich, 9261

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

APR 30 1956

Memorandum

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

From: Assistant Solicitor, Division of Mineral Resources

Subject: Docket No. DMEA-4224, Carolina Mining Company (Mica)

Pursuant to your request we have prepared the attached draft of contract, and a draft of Consent to Lien which is to be substituted for the Subordination Agreement previously executed.

Robert P. Dwyer

Attachments

RPDwyer/cmd

Copy to: DMEA Docket
Solicitor's Docket (2)
L. G. Houk
P. Indritz
R. P. Dwyer
chron.

O.K. [illegible]

May 3, 1956

Mr. Robert A. Laurence calling Mr. L. G. Houk

Re: Docket No. DMEA-4224 - Mica
Carolina Mining Company
Clark Mine
Jackson County, North Carolina

Mr. Houk: On that Carolina Mining Company, Clark Mine, the trench is quite a ways from the portal of the adit. We are wondering what the trench projection 5°, the trench would not get down to the pegmatite. You might have a loose back. It is a 5 ft. back.

Mr. Laurence: We could cut so it wouldnt be 6 ft. Those are on the hill.

Mr. Houk: Flat hill.

Mr. Laurence: Not too steep.

Mr. Houk: What is the function of a 15 ft. trench.

Mr. Laurence: To cut the pegmatite so you could see the thing.

Mr. Houk: Wouldn't it be better to strike trench the outcrop.

Mr. Laurence: Let me get the file on that -- a strike trench would be difficult.

Mr. Houk: According to the sketch you go up 10 feet not 40.

Mr. Laurence: In that old portal?

Mr. Houk: Why not bulldoze the underground workings?

Mr. Laurence: Come in at the portal?

Mr. Houk: Find out how the thing lays. Just a continuation of his trench then a strike trench following the contours.

Mr. Laurence: Al says he had some suggestions from Roy Fouts on it. This inferred strike & dip was taken from an old mine which we thought was the same but it is not the same. We cannot see enough in there to tell about ~~what~~ the strike and dip. That old report does not apply here.

Mr. Houk: Moving a lot of dirt. It came out 1700 yards instead of 1200. There is a possibility of that going down. Put the trench where we know it will reach the pegmatite

Mr. Laurence: That would be a little difficult.

Mr. Houk: Start digging from the strike.

Mr. Laurence: To the north end of the adit?

Mr. Houk: Yes! If you would put in a trench across there that would get you down

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 _____

to the pegmatite. They have 13 here.

Mr. Laurence: 13 feet from the bottom of the trench to the top of the portal.

Mr. Houk: The pegmatite outcrops around 30 ft.

Mr. Laurence: No,the top would be lower than that.

Mr. Houk: Then the projected outcrop would be around 30 ft. contour.

Mr. Laurence: Yes if flat in there.

Mr. Houk: Then if we wrote up a strike trench between the 30 and 30 ft. contour would it be possible.

Mr. Laurence: Yes. A dozer in there.

Mr. Houk: My idea has always been from the known to the unknown. You could go to the 35 ft contour.

Mr. Laurence: Down the hill closer.

Mr. Houk: On this deal we do not know whether this is going to be level work or incline work. I think we should have separate costs for each of those. We have been allowing 30 - 31 dollars without hoisting. $5 to $7 more for that kind of work. He will have to have a hoist and a pump. In cases like this please recommend one cost for level work.

Mr. Laurence: If this is a incline it would be such a slight incline we wont need a hoist.

Mr. Houk: Did you decide on that equipment for depreciation and rental. We agreed that that seemed like a reasonable figure. This fellow depreciated his stuff 4 yrs. - 2 yrs. and he came up with $622 and we were close but use his figures. On these small maps 10 ft scale. We have made what we thought was the proper location. Legal wants a tie in from the starting point.

Mr. Laurence: We figure the operators should do it.

Mr. Houk: Suppose we re-work this contract. We have it practically ready we will re-draw the maps and re-locate the trench and give one figure for level work and one figure for incline less than $5. Do you think it will be agreeable with Fouts.

Mr. Laurence: Yes.

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 _____

Memorandum April 26, 1956

To: Files

From: James Hopkins

Subject: Review of Application and Field Team Report

Docket No. DMEA 4224

Carolina Mining Company

Clark Mine

Jackson County North Carolina

The applicant proposes to explore a pegmatite by stripping to expose more clearly the outcrop and determine the best place to put down a 60-foot shaft and drift for 100 feet from the shaft, at a cost of $6500.00. Money and Equipment is offered as the applicants share of the cost

Field Report

Mica

Ruby muscovite of excellent quality exists in small piles at the mine. The applicant recovered it recently. The muscovite is clear flat and 5" x 3" in width. A little muscovite could be seen in the old workings but it is impossible to estimate its quantity from the accessible face.

Pegmatite:

A mica-bearing zoned pegmatite is exposed in the underground. It is 2½ feet thick with a 2-foot core. Dip is very low to the North.

It is composed of kaolinized feldspar, massive quartz, ruby muscovite and some sericite

Country rock is weathered biotite gneiss. Weathering extends to a depth of 13 feet.

Old Workings

Recent work has exposed a trench 140' x 6' x 6 feet deep and about 23 feet of caved underground workings.

Economics:

There appears to be no record of production

Proposed Exploration:

Bulldozing a trench 125' x 15' x 18' to expose the pegmatite

Construct necessary Toolhouse, Explosives Powder magazines

Drive 100 feet of adit, crosscut and for work on pegmatite

Recommendations:

The proposed work is sound exploration and is recommended by the writer

The Field Team's allowance for Depreciation of applicant's equipment is too high for a contract, it has been reduced to the 1/6 of present value per month as customarily allowed.

By Mr. [illegible]

~~Tract~~
That part of the land owned by D H Clark and his wife Edith Elizabeth Clark under a deed from Collins' heirs recorded in Book 109, page 386, in office of Register of Deeds, Jackson County, N. Car, specifically described as follows:

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

RECEIVED
APR 24 1956

April 24, 1956

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

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

Subject: DMEA-4024 (mica)

Applicant: Carolina Mining Co., (R. H. Foute)

Name and Location of Property: Clark Mine, Jackson Co. N. C.

Date of Field Team Report: 4/17/56

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 4/23/56

Field Team Recommendation: Recommend a staged exploration program at an estimated cost of $3,671.00.

Comments:

1. Proposed exploration outlined by the field team is consistent with good engineering practices and estimated costs are in line with other DMEA projects.

2. The proposed program of exploration will determine value of ground in mine that previously has been reported as a producer of mica.

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 24 1956

April 23, 1956

Re: DMEA 4224
Carolina Mining Co.
Clark Mine
Jackson County, N. C.
Est. Cost: $6,500
Recommended Est.Cost: $3,670.59
Mica

Memorandum

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

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

Subject: Review of Field Team report

The applicant requested assistance in exploring an 8-foot pegmatite.

The examiners recommend a 2-stage work program consisting of:

Stage I		
	Bulldozing 1,215.3 cu. yd. at 30¢	$364.59
Stage II		
	Drifting or driving incline 100 feet	
	Labor	1,400.00
	Supplies	1,170.00
	Equipment (rental)	622.00
	Buildings tool shed and magazines	114.00
		$3,306.00
	Total	$3,670.59

The examiners found the pegmatite to be about 4½ feet thick, and has a 2-foot quartz core. Apparently the total thickness is not shown in the face of the adit, otherwise the proposed trench will be of little use since it will bottom in biotite gneiss of the hanging wall. If the gneiss is weathered and decomposed the pegmatite may be bared, in which case the adit would break through into the trench. Perhaps the stripping should extend back to the portal of the adit.

I concur with the staged work recommendation of the Field Team.

N. E. Nelson

N. E. Nelson

NENelson:jch
4/23/56
cc: Director's reading 4212
Branch reading 4212
BMEA (3)
Docket file
W. F. Dietrich 3061 Int.

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

April 18, 1956

RECEIVED
APR

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Field Examination Report - DMEA-4224, Carolina Mining Co. Clark Mine, (mica) Jackson County, N. C.

Transmitted are the original and three copies of the subject examination with nine extra copies of the map.

The Field Team concurs with the field examiners in the recommendations set forth in the report for a staged contract on this application.

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

S. C. Bergman, Geologist
Geological Survey

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

Reviewed by
DMEA OPERATING COMMITTEE
4-23-56
(date)

RECEIVED
APR 20 1956

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

EXAMINATION BY FIELD TEAM, REGION V

On

DMEA-4224, CLARK MINE (mica)
Jackson County, N. C.

By

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

and

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

Reviewed by
DMEA OPERATING COMMITTEE

April 17, 1956

(date)

FIELD EXAMINATION REPORT
On

DMEA-4224, CLARK MINE - Mica
Jackson County, N. C.

Applicant: Carolina Mining Company, c/o Roy H. Fouts, Franklin, N. C.

Summary

Strategic grade book mica is adbundant in an apparently flat-lying, zoned pegmatite. This is a prospect that warrants exploration under a staged program. It is recommended that the application be approved.

Introduction

Location.

It is .75 airline miles N. 35° E from the junction of the Jackson county and Macon County line and Highway 23 (see SC Sect., TVA., Greens Creek, N. C., Quadrangle, 166-SE) It is about 800 ft northwest of the Clark Cabins.

Examination

The mine was examined March 30, 1956 in the company of Mr. Roy H. Fouts. Mr. R. A. Laurence, Executive Officer, DMEA Region V, accompanied the examiners.

Accessibility - Working-Conditions

The mine is easily accessible by car from U.S. Highway #23. It is on a relatively unwooded, gentle slope about 70 ft north of a stream which can furnish water for drilling.

Mr. Fouts has a competent crew of miners to perform the work according to the contract.

Competency of Applicant:

The applicant is quite competent and responsible. Mr. Fouts has explored several mica deposits under DMEA contracts and has always conducted a safe and efficient job.

History

The Hardy Clark Prospect No.2, now the Clark Mine, was worked before 1942, and from December 1943 to January 5, 1944, it was operated by C. C. Harris and H. A. Lawhead (Blue-Ridge Manuscript). No records of production are available but apparently it was small.

Present Workings

Recent work by the applicant, at the site proposed for exploration, has exposed a trench 40 x 6 x 6 feet deep and about 23 feet of caved underground workings (see map). This closely resembles the Hardy Clark Prospect No.2 as described in the unpublished Blue Ridge District Manuscript (U.S.G.S).

Pegmatite-Country Rock

A mica-bearing, zoned pegmatite is exposed in the underground works. It is apparently flat lying, but may be dipping slightly to the north (into the hill) and is about 2 1/2 ft in thickness, with a 2 ft quartz core. It is composed of kaolinized feldspar, massive quartz, ruby muscovite, and some sericite.

The country rock is a weathered biotite gneiss. It is weathered to a depth of at least 13 ft.

Muscovite

Ruby muscovite of excellent quality exists in small piles at the mine. The applicant recovered it recently. The muscovite is clear, flat, and 5" x 3" in width. A little muscovite could be seen in the old workings, but it is impossible to estimate its quantity from the accessible face.

Proposed Exploration

The work should be staged. First, to determine the extent, strike and dip of the pegmatite body, and to determine where underground work should begin.

Stage I (see map)

A bulldozed trench -125 ft long, average 15 ft deep (20 ft on upslope side and 10 ft on downslope side), and 17 1/2 ft wide. The cuts' sides should be sloped to avoid cave ins, and slumpage (20 ft wide at top, and 15 ft wide at the bottom).

15 Ave.
18 Ave.

Costs: $.30¢ / cu. yd.
Total: 32,812.5 cu ft or 1,215.3 cu. yd @ 30¢ ~~$364.59~~
125 x 15 x 18 = 1250 cu. yd.
$375.00

Stage II (construct)

Toolhouse	$76.00	
Exploder Magazine	~~13.00~~ 16.00	117.00
Powder Magazine	~~25.00~~	~~114.00~~

Drive not more than 100 ft of adit, crosscut, and/or incline on pegmatite. (50 shifts)
2 1/2 mos

Labor:

1 - Miner @ $1.50/hr.	$600.00	
2 - Laborers @ $1.00/hr	800.00	1400.00

Equipment: (Owned by Operator)

Rental [illegible]

Total value $8,401.00 > 250.00 x 2 1/2 = 630.00

Depreciation for 3 months $ ~~622.00~~

3200.00
32.00/ft

(Operator's itemized copy of equipment depreciation has been forwarded to Washington)

Supplies:

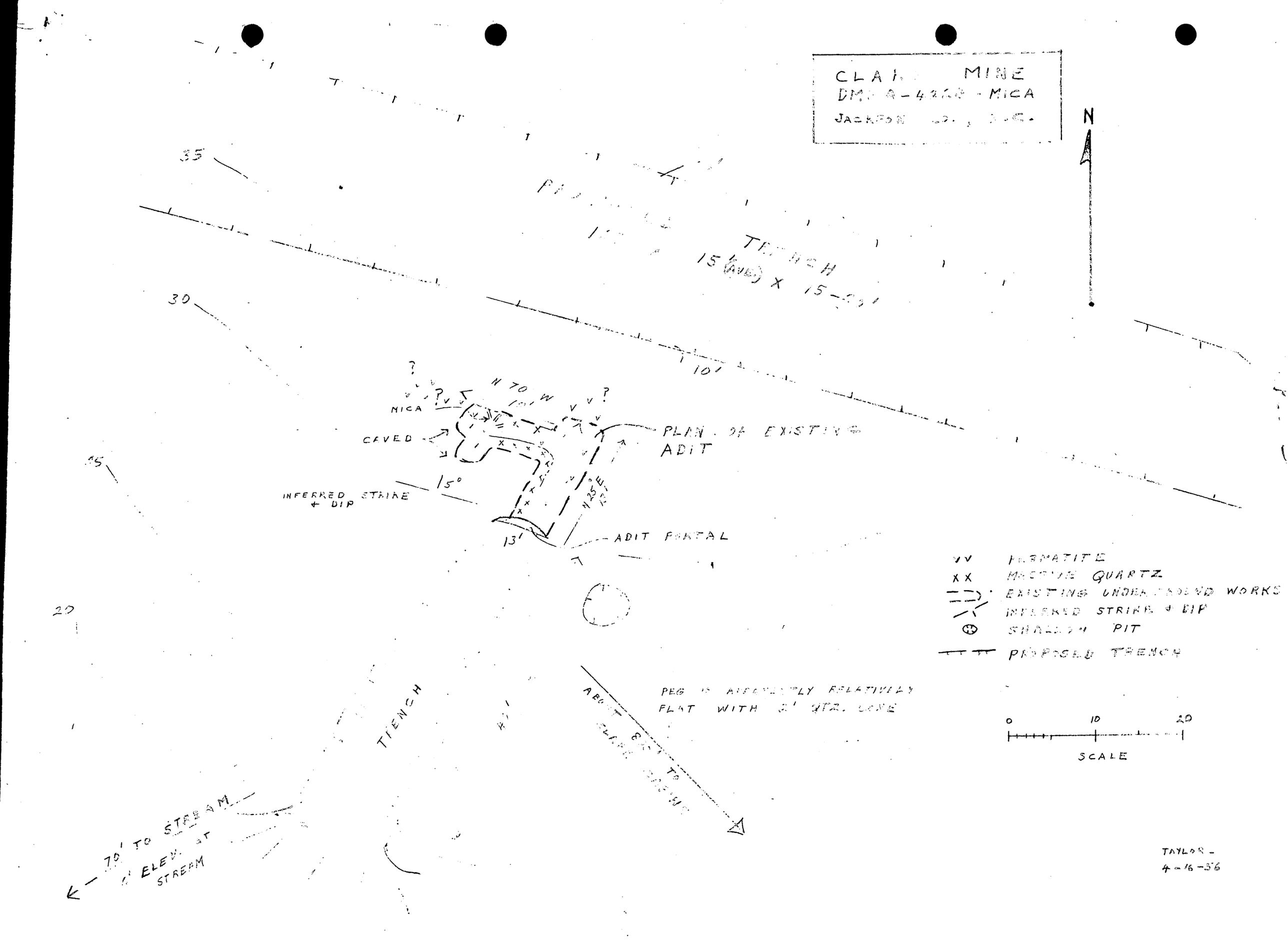
Drill steel	$150.00	
Gasoline and oil	190.00	
Explosives	310.00	
Timber, 3 M @ $65/M	195.00	
Miscellaneous	100.00	
Liability Insurance	140.00	
Social Security and Unemployment Ins.	56.00	
Sales Tax	29.00	1170.00

(100 ft adit and/or incline @ ~~$31.00~~/ft.)
32.00

Total ~~$3,671.00~~
Total 3692.00
50 yd. 2769

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

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


CLA MINE
DM A-4 - MICA
JACKSON CO., N.C.
N
35
30
25
20
PROPOSED TRENCH
15 (AVE) X 15
10'
N 70 W
MICA
CAVED
PLAN OF EXISTING ADIT
15°
INFERRED STRIKE + DIP
N 25 E
13'
ADIT PORTAL
TRENCH
PEG IS APPROXIMATELY RELATIVELY FLAT WITH 2' DIA. LOG
ABOUT 8 TO CLARK MINE
70' TO STREAM
ELEV. AT STREAM
HEMATITE
MASSIVE QUARTZ
EXISTING UNDERGROUND WORKS
INFERRED STRIKE + DIP
SHALLOW PIT
PROPOSED TRENCH
0
10
20
SCALE
TAYLOR -
4-16-56

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

RECEIVED
APR 1 0 1956

April 10, 1956

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region V

Subject: DMEA-4224 (mica) Carolina Mining Co., Franklin, N. C.
Clark Mine, Jackson County, N. C.

Enclosed is a copy of a list of equipment and values* submitted by the applicant in connection with the subject application.

*(SEE OFFICIAL DOCKET FOR PHOTOSTATIC COPIES OF LIST)

Robert A. Laurence

RAL/sm
cc:
Lynch
Shirley
Files

APR 2 1956

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

Re: Docket No. DMEA-1221-Mica
Carolina Mining Company
Clark Mine
Jackson County, North Carolina

Dear Mr. Lawrence:

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

Copies of memoranda dated March 27 and 28, 1956, by Mr. N. E. Nelson, USGS, and Mr. W. F. Dietrich, USBM, respectively, relating to the project are enclosed.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee

Approved:

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

N. E. Nelson
Member, Geological Survey

Enclosures: 4

JHopkins:mm 3/30/56
Copy to: Docket
Operating Committee
Mr. Killingsard, 5222
Mr. Dietrich, 3061
✓Mr. Houk
Mr. Hopkins
Admr. R. File

600

APR 2 1956

Carolina Mining Company
P. O. Box 714
Franklin, North Carolina

Re: Docket No. DMEA-(224-Mica
Carolina Mining Company
Clark Mine
Jackson County, North Carolina

Gentlemen:

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

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

Sincerely yours,

C. O. Mittendorf

Administrator

JHopkins:mm 3/30/56
Copy to: Docket
Operating Committee
Mr. Killagnard, 5222
Mr. Dietrich, 3061
✓Mr. Houk
Mr. Hopkins
Admr. R. File
Field Team, Region V

IN REPLY REFER TO:

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

RECEIVED
MAR 30 1956

March 27, 1956

Re: DMEA 4224
Carolina Mining Co.
Clark Mine
Jackson Co., N. C.
$6,500.00 - Mica

Memorandum

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

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

Subject: Review of application.

The applicant requests assistance in exploring an 8-foot zoned pegmatite by stripping, shaft sinking, 60 feet, and drifting 100 feet on an estimated cost of $6,500.00.

Referral to the Field Team for appropriate action is recommended.

N. E. Nelson

N. E. Nelson

NENelson:iml
G-3/27/56

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

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

RECEIVED
MAR 28 1956

March 28, 1956

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-4224 (mica)

Applicant: Carolina Mining Co. (R. H. Fouts)

Name and Location of Property: Clark Mine, Jackson Co., N. C.

Date Application Rec'd. by Br. of Ceramic & Fertilizer Materials: 3/23/56

Comments:

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

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

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