DMEA Form 9

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE E/037. DMEA NO. 4268

Application (Denied
(Withdrawn
(After disposition, delete items not applicable)

Contract (Terminated - not Certified
(Cancelled
(Terminated - Certified
(Royalty Agreement

This is the official contract file containing all official records of the project. The records contained in the files are checked and are arranged in this order:

Left Side

no closing letter to be sent.

Interim Royalty Audits
✓ Reports of Royalty Review
Certification of Discovery
Certificate of Audit (Final)
Interim Audit(s)
✓ Report of Review
✓ Termination Notice or Agreement
Recision Notice
Assignment of Contract
✓ Contract Amendments (latest on top)
✓ Contract with all exhibits and annexes
Owner's Consent to Lien
Subordination Agreement
✓ Leases and assignments of leases
✓ Application and attachments
(3) ✓ Envelope for maps

Right Side

✓ Project summary
Work completed analysis
All other material is filed in chronological order with correspondence including the following reports as checked:

✓ Final Field Team Report (Tab)
✓ Operator's Final Report (letter)
(2R) ✓ Interim Reports
(2R) ✓ Operator's monthly reports and all attachments (latest on top)
✓ On-site Exam Report(s) (Tab) ✓
(4) Settlement Sheets

When the volume of records is expected to warrant additional folders, or when convenience of reference warrants separate folders for certain records, they should be set up in this order:

Left Side

Folder No. 2: (In chron. order)
Interim Summary Reports by W. O. Engineers

Right Side

Operator's Semi-Annual Report for Certified Project, Field Team Interim Reports, Operator's Monthly Report with transmittal, narrative, maps, and Field Team review.

Folder No. 3: Maps (Use pocket folder or envelope. Fold maps with title block out and show reference to related document or correspondence.)

Folder No. 4: Settlement Sheets

Folder No. 5: Drill Logs

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Washington office pertaining to Contract Idm-81037, Docket DMEA-4268 (mica), dated November 15, 1956, with

Murphy Mining Company
c/o Lewis Aldridge
Spruce Pine, North Carolina

for the purpose of determining the amount of royalty payable to the U. S. Government on sales of minerals from property referred to as the Murphy Mine and Murphy Rock Mine located in Yancey County, North Carolina, during the period April 18, 1959, through June 22, 1962.

In accordance with an October 18, 1957, Termination Agreement and Article 6 of the contract, royalty is payable on all minerals produced from the land described in Article 2 of the contract for a period of 10 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. A Report of Review dated March 5, 1958, indicated accepted costs under the exploration contract amounting to $1,241.00 with the Government's contribution on a 75 percent basis being $930.75.

The status of the project, the scope of review, and the reasons therefor are stated on page 2.

This review established no sales subject to the Government's royalty subsequent to the period covered by a prior Report of Royalty Review which found the sales subject to the Government's royalty through April 17, 1959, to be $91.95. The royalty account as of April 17, 1959, was:

Total Royalty Payable	$4.60
Total Royalty Paid	4.60
Balance of Royalty Due	$ -0-

As of June 22, 1962, the royalty account of this project was found to be:

Total Royalty Payable	$4.60
Total Royalty Paid	4.60
Balance of Royalty Due	$ -0-

E. D. Talbert
E. D. Talbert, OME Auditor

August 2, 1962

Idm-R1037 Murphy Mining Company DMEA-4268

STATUS OF PROJECT, SCOPE OF REVIEW
AND REASONS THEREFOR

The Termination Agreement provides that the Operator, as principal if the producer or as surety if not the producer, shall pay to the Government a percentage royalty on all minerals produced from the land under the contract. The land consists of 2 acres, more or less, located on Higgins Bald in the Pisgah National Forest. At the time the contract was executed the Operator (a partnership of Lewis Aldridge, Spruce Pine, N. C., and Fred G. Wilson, Old Fort, N. C.) was in possession by virtue of a September 1, 1955 minerals lease (BLM-A 037366) granted Fred G. Wilson by the Bureau of Land Management. In consideration of the contract a Guaranty of Royalty was executed by Samuel P. Brown, Crossnore, N. C., on October 1, 1956.

Exploration work under this contract was discontinued at the end of February 1957 due to difficulties between the partners and infractions of Forest Service regulations. Formal termination was effective March 1, 1957, under the terms of the October 18, 1957, agreement. Production during the exploration period resulted in a single sale of 9.94 pounds of sheet mica for $91.95 in proceeds.

Inquiry by a DM&A regional representative on March 28, 1958, disclosed no further work on the property. In response to an inquiry by the Washington office the Forest Service's District Ranger, Box 128, Burnsville, N. C., advised on April 24, 1962, that: (1) Mr. Wilson's lease was closed December 24, 1959; (2) a lease (BLM-A 048576) was granted to Charles Greene, Homar Greene, and Branton James on August 1, 1961; and (3) there has been no production from the property since March 28, 1958. Furthermore, an examination of the records of the G.S.A. Mica Purchase Depot, Spruce Pine, N. C., during the week ending June 22, 1962, by a Contract Administration and Audit Division representative did not disclose any unreported sales of production.

This review was made in lieu of an on-site audit of the Operator's accounts and records for the following reasons:

(1) The files indicate that all sales of production from the property under the contract have been reported and proper royalty thereon paid; and

(2) The administrative cost to the Government of an on-site royalty audit at this time would be excessive in relation to the amount of possible additional royalty which might be disclosed.

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Division of Nonmetallic Minerals, Office of Minerals Exploration, Washington, D. C., pertaining to Contract No. Idm-E1037, Docket No. DMEA-4268 (Mica), dated November 15, 1956, with

Murphy Mining Company
c/o Lewis Aldridge
Spruce Pine, North Carolina

for the purpose of determining the amount of royalty due the U. S. Government on sales of mica from property referred to as Murphy Mine located in Yancey County, North Carolina, during the period November 15, 1956, through April 17, 1959.

The status of the project, scope of this review and reasons therefor are stated on page 2.

My review established the total sales of mica to be $91.95. Royalty due the U. S. Government at the contract rate of 5 percent is $4.60. The royalty paid and balance due are as follows:

Total Royalty Due	$4.60
Total Royalty Paid	4.60
Balance of Royalty Due	$ -0-

C. E. Fisher
C. E. Fisher, OME Auditor

April 22, 1959

MURPHY MINING COMPANY

Contract No. Idm-81037 Docket No. DMEA-4268

STATUS OF PROJECT, DESCRIPTION
OF REVIEW AND REASONS THEREFOR

A Termination Agreement dated October 18, 1957, waived the issuance of Certification of Discovery or Development and provided that the Operator, as principal or as surety, shall pay to the Government the royalty on production provided for in the contract. Thus royalty, computed as outlined in Article 6 of the contract, is payable on the net value of production from the land described in Article 2 of the contract during a period of 10 years from the date of the contract or until the total amount contributed by the Government, without interest, is fully repaid or said 10 years have elapsed, whichever occurs first. A Report of Review in lieu of final cost audit dated March 5, 1958, indicated accepted costs under the exploration contract amounting to $1,241.00 with the Government's contribution, on a 75 percent basis, being $930.75.

My review consisted of a verification of the settlement data furnished by the Executive Officer, OME Field Team, Region V, pertaining to a sale of 9.54 pounds of trimmed mica on November 8, 1957, to the Mica Purchase Depot, Spruce Pine, North Carolina, for $91.95. The royalty due at 5 percent amounting to $4.60 was deposited in Hamilton National Bank, Knoxville, Tennessee, on November 29, 1957, being included in Deposit No. 14-23-070-46.

The review was made in lieu of an on-site royalty audit of the accounts and records for the following reasons:

(1) Investigation by a representative of the Field Team, Region V, indicates that royalty has been received by the Government on all sales of mica produced from the property covered by this review; and

(2) The administrative cost to the Government of an on-site royalty audit at this time would be excessive in relation to the amount of possible additional royalty which might be disclosed.

MME Form 22
April 59

DEPARTMENT OF THE INTERIOR
Office of Minerals Exploration

CHECK SHEET OF EXAMINING ENGINEER

Operator's Name Murphy Mining Company

Address c/o Lewie Aldridge

Spruce Pine, N.C.

Exploration Contract No. 1037 Docket No. 4268

	Check One Yes	Check One No.
1. (a) Does the Operator stockpile ore subject to royalty repayment?		✓
(b) If so, is segregation and identification procedure adequate?		
2. (a) Does Operator commingle production subject to DMEA or OME royalties with exempt production?		✓
(b) If so, do you consider the allocation of the commingled production equitable?		
3. (a) Does the Operator stockpile mine or mill rejects (low grade ore, tailing, middlings, etc.) that may have potential value within the royalty payment period?		✓
(b) If so, are adequate records maintained on such material to protect the Government's interest?		
4. Do you consider the assay controls in effect are adequate?	✓	
5. Do you consider that the manner of disposing of production gives the Government its fair royalty returns?	✓	
6. Do your periodic examinations of operations indicate the Operator is properly reporting his production of ores subject to DMEA or OME royalties?	✓	
7. Does the Operator buy from or sell to other Operators?		✓
8. Comment on any item 2 (b) to 6 if answer is No.		

APR 17 1959
Date

Original signed
Wm. A. Beck
Mining Engineer

53362

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Murphy Mining Company
c/o Levie Aldridge
Spruce Pine, North Carolina

pertaining to Exploration Project Contract No. Idn-E1037, DMEA No. 4268, including Amendment No. 1, for December 1956 and February 1957, inclusive, covering a project for the exploration of mica on property, known as the Murphy Mine located in Yancey County, North Carolina.

My review included an examination of the Monthly Reports (Forms MF-104) and supporting documents, comparison of the claimed costs with the contract and pertinent schedules, verification of work performed by reference to Field Team reports and correspondence, 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 accepted costs were under a contract provision for payment by the Government at fixed unit costs for work performed.

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

Total cost billed by Operator		$1,241.00
Exceptions:		
Prior to this review	$ -0-	
Herewith	-0-	-0-
Total Accepted Cost		$1,241.00

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

Amount payable to Operator	$930.75
Amount reimbursed	930.75
Balance due Operator	$ -0-

E. D. Talbert

E. D. Talbert, Auditor

March 5, 1958

Government's Copy

TERMINATION AGREEMENT

It is agreed this 18th day of October, 1957, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Murphy Mining Company, a partnership composed of Fred G. Wilson and Lewie Aldridge, hereinafter called the "Operator," parties to that certain Exploration Project Contract Idm-E1037, Docket No. DMEA-4268, dated November 15, 1956, hereinafter called the "Contract," that:

1. Effective MAR 1 - 1957, the Contract and all obligations of the parties thereunder, except as otherwise herein expressly provided, shall be and are hereby terminated.

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

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

4. All rights of the Government provided for in the Contract with respect to percentage royalty and liens for its payment, records, audits, and recovery of any overpayment, are preserved.

5. 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 the royalty on production provided for in the Contract, in the same manner and amount, and for the same period, and subject to the same conditions provided in the Contract, as if certification of discovery or development had been made, such certification being hereby waived by the Operator.

RECEIVED
DATE

Long
Rhodes
Asst'd. Sol. Off.
Anderson
Chapelus
Selfridge
Johnson

6. 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 C O Mitchenor
Administrator, Defense Minerals
Exploration Administration

MURPHY MINING COMPANY

By Fred G Wilson (partner)
Fred G. Wilson

By Lewie Aldridge (partner)
Lewie Aldridge

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

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 22 1957

DATE	INITIALS	CODE
5/23	C	220
	Ds	130
	J	600

May 20, 1957

Memorandum

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

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

Subject: Amendment No. 1, DMEA-4268, Idm-E1037 (Mica)
Murphy Mining Company, Spruce Pine, North Carolina
Murphy Mine, Yancey County, North Carolina

Enclosed are the original and two copies of the subject amendment. The usual distribution of the other copies has been made.

V. J. Lynch

V. J. Lynch

Enclosures 3

Docket Copy OFFICIAL COPY

DMEA RECEIVED MAY 22 1957		
DATE	INITIALS	CODE

EXPLORATION PROJECT CONTRACT

MURPHY MINING COMPANY

DOCKET No. DMEA-4268

AMENDMENT No. I

It is agreed this 6th day of May 1957, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Murphy Mining Company, a partnership composed of Fred G. Wilson and Lewie Aldridge, that Exploration Project contract Idm-E1037(Docket No. 4268), dated November 15, 1956, be amended as follows:

ARTICLE I is amended to provide for completion of the work within nine (9) months from the date of the contract, instead of six months as stated in the original contract.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be required to contribute, nor the amount of any item designated as "maximum."

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

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

MURPHY MINING COMPANY

By Fred G Wilson
Fred G. Wilson, partner

By Lewie Aldridge
Lewie Aldridge, partner

x

Division Copy

EXTRA COPY DMEA RECEIVED MAY 22 1957		
DATE	INITIALS	CODE

EXPLORATION PROJECT CONTRACT

MURPHY MINING COMPANY

DOCKET No. DMEA-4268

AMENDMENT No. I

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This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be required to contribute, nor the amount of any item designated as "maximum."

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

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

MURPHY MINING COMPANY

By Fred G. Wilson
Fred G. Wilson, partner

By Lewie Aldridge
Lewie Aldridge, partner

x

Docket copy

MF-200A
(Rev. April 1956)

RECEIVED DEC 3 1956 D.M.E.A.

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

DMEA No.	*Commodity*	*Contract No. Idm–E*	*County*	*State*
4268	Mica	1037	Yancey	North Carolina

NOV 15 1956

It is agreed ....., between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and MURPHY MINING COMPANY, a partnership composed of Fred G. Wilson and Lewie Aldridge

whose mailing address is % Lewie Aldridge
Spruce Pine, North Carolina
hereinafter called the "Operator," as follows:

ARTICLE 1. *Authority and project.*—(a) This contract is entered into under the authority of the Defense Production Act of 1950, as amended. It consists of this form (MF–200A), the attached Annex I (land description), Exhibit A (work and costs), and the maps and documents listed therein. The project work is a search for indicated or undeveloped deposits of the commodity designated above. The Operator shall begin the work on or before JAN. 10 1957, and, subject to the provisions of Article 7 and Exhibit A, shall complete the work within six months from the date of the contract.

(b) The description of the work and the fixed cost for each unit of work to be performed (per foot of drilling, per foot of drifting, per hour of operations, etc.) are hereby agreed upon as specified in Exhibit A. The estimated total cost of the project work is $4,236.00. The Government will contribute 75 percent of the fixed unit cost of the work performed, not exceeding $3,177.00, in accordance with the provisions of Articles 4 and 5.

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

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

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

(c) The Operator shall preserve and maintain his right, title, and interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. The Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing

in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof. Two copies of such instrument shall be furnished to the Government. If the Government's rights to royalty as provided in Article 6 have been terminated, the provisions of this paragraph (c) shall become inapplicable.

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

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

ARTICLE 4. *Contribution by the Government.*—The Government will make its contribution on the basis of the monthly vouchers referred to in Article 5 (b); but all payments by the Government are provisional only, subject to audit, and until the account between the Operator and the Government is finally audited and settled and the Operator's final report has been rendered, the Government may withhold such sums as it sees fit but not in excess of 10 percent of the estimated total cost of the work. To the extent that excesses over fixed unit costs or any excess over the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such excesses for his own account without contribution by the Government. The Government will not contribute to the cost of any work performed prior to the date of this contract. The Government may make payments for the account of the Operator directly to independent contractors and suppliers rather than to the Operator.

ARTICLE 5. *Reports, accounts, audits.*—(a) Operator's records.—The Operator shall keep suitable records and accounts of the units of work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine all pertinent books, documents, papers, and records of the Operator.

(b) *Progress reports and vouchers.*—The Operator shall provide the Government with five copies of monthly progress reports in three sections as follows: (1) Operator's Monthly Report and Voucher showing a detailed statement of units of work performed during the reporting period; (2) Operator's Unit Cost and Progress Report showing the various types of work performed during the reporting period and the fixed unit costs incurred for each type of work; and (3) a Narrative Report of the work performed during the reporting period including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground. (Forms for reporting under (1) and (2) above will be provided by the Government.)

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

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

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

ARTICLE 6. *Repayment by Operator.*—(a) *Certification.*—If the Government considers that a discovery or development from which production may be made has resulted from the work, the Government, at any time not later than six months after the Operator has rendered a sufficient final report (see Article 5), may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

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

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

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

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

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

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

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

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

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

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

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

ARTICLE 7. *Termination of the Government's obligations.*—(a) If in the opinion of the Government operations at any time have failed to achieve anticipated results that indicate the probability of making a worthwhile discovery and in the opinion of the Government further operations are not justified, the Government may give the Operator written notice thereof, and thereupon the Government shall be free of all obligation to pay on account of units of work not then performed, and the Operator shall be free of all further obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting.

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

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

ARTICLE 8. *Notices to be given by the Government* may be delivered to the Operator or may be sent by registered mail addressed to the Operator at the mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 9. *Officials not to benefit.*—No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 10. *Changes and added provisions.*—

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.....

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.....

.....

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By E C Mittendorf
Administrator, Defense Minerals
Exploration Administration

MURPHY MINING COMPANY
(Operator)

By Fred G. Wilson
Fred G. Wilson, partner

By Lewis Aldridge
Lewis Aldridge, 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: 1956—O-383069

11/5/56

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DEC 3 1956
D.M.E.A.

EXPLORATION PROJECT CONTRACT
MURPHY MINING COMPANY
DOCKET NO. DMEA-4268

ANNEX I

The land referred to in Article 2 of the contract form comprises approximately 2 acres of which the Operator has possession by virtue of a Mineral Lease issued by the U. S. Bureau of Land Management (Serial BLM-A 037366, dated September 1, 1955) to Fred G. Wilson, one of the two partners of the Murphy Mining Company. The land is located on Higgins Bald, an extension of Commissary Ridge on the southeastern slopes of Mount Mitchell, in Yancey County, North Carolina, and is more particularly described as follows:

"Chain and Compass Survey"

Corner 1. (20" dead chestnut) due W. 2.00 chains
2. (36" chestnut oak) due S. 10.00 chains
3. (30" chestnut oak) due E. 2.00 chains
4. (24" chestnut) due N. 10.00 chains.

Tie: From corner 1 due east 3.50 chains to B, a point in Set Rock Creek; corner 4, in Flynn Ridge Trail, thence 54 chains generally S 45° E to a point at junction of trail with wagon road.

The land is immediately adjacent to Set Rock Creek, 1.90 airline miles S. 63° E. from the bench mark at the summit of Mount Mitchell, and 2.62 miles S. 63° W. from Busick School in the Pisgah National Forest.

GUARANTY OF ROYALTY

WHEREAS, negotiations are now pending between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Murphy Mining Company, Spruce Pine, North Carolina, for an Exploration Project Contract relating to certain land in the State of North Carolina, County of Yancey, described in United States Department of the Interior, Bureau of Land Management, Mineral Lease Serial No. NLM-A 037366, dated August 17, 1955, such description being incorporated herein by reference.

NOW THEREFORE, in consideration of the Government entering into said contract, the undersigned hereby guarantees the payment to the United States of America of any royalties that may fall due under the provisions of said contract or any amendment (including a Termination Agreement) or assignment thereof, notice of any such amendment or assignment being hereby waived. If the records of any sales or other disposition of the production upon which any such royalties may accrue, whether the production is by the Operator or by others, are not made available to the Government for the computation of said royalties, the undersigned agrees that the amounts thereof may be determined according to the best estimates that can reasonably be made; and in the event of dispute as to such estimates, the determination thereof by the Administrator of Defense Minerals Exploration Administration or his successor, or by his representative authorized for that purpose, shall be final and binding upon the undersigned.

Dated October 1, 1956.

/s/ Samuel P. Brown
(Guarantor)

I, _____, certify that I am the _____ secretary of the corporation named as Guarantor herein; that _____, who signed this Guaranty, was then _____ of said corporation; that said Guaranty 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]

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DMEA

EXPLORATION PROJECT CONTRACT
MURPHY MINING COMPANY
DOCKET NO. DMEA-4268

EXHIBIT A

Description of the Work

The location of the work is shown on the map entitled "Murphy Mine, Yancey County, North Carolina, DMEA-4268 (Mica)," attached hereto and made a part hereof. The work consists of the following:

1. Improve 800 feet of existing access road.

2. Construct:

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

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

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

The toolhouse may be unfloored; shall be made from 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 equipped with the equivalent of a 5-tumbler jarproof lock.

3. Sink 60 feet of two-compartment inclined shaft.

4. Drive 40 feet of incline raises.

All underground work shall be on the pegmatite or in as close proximity thereto as possible.

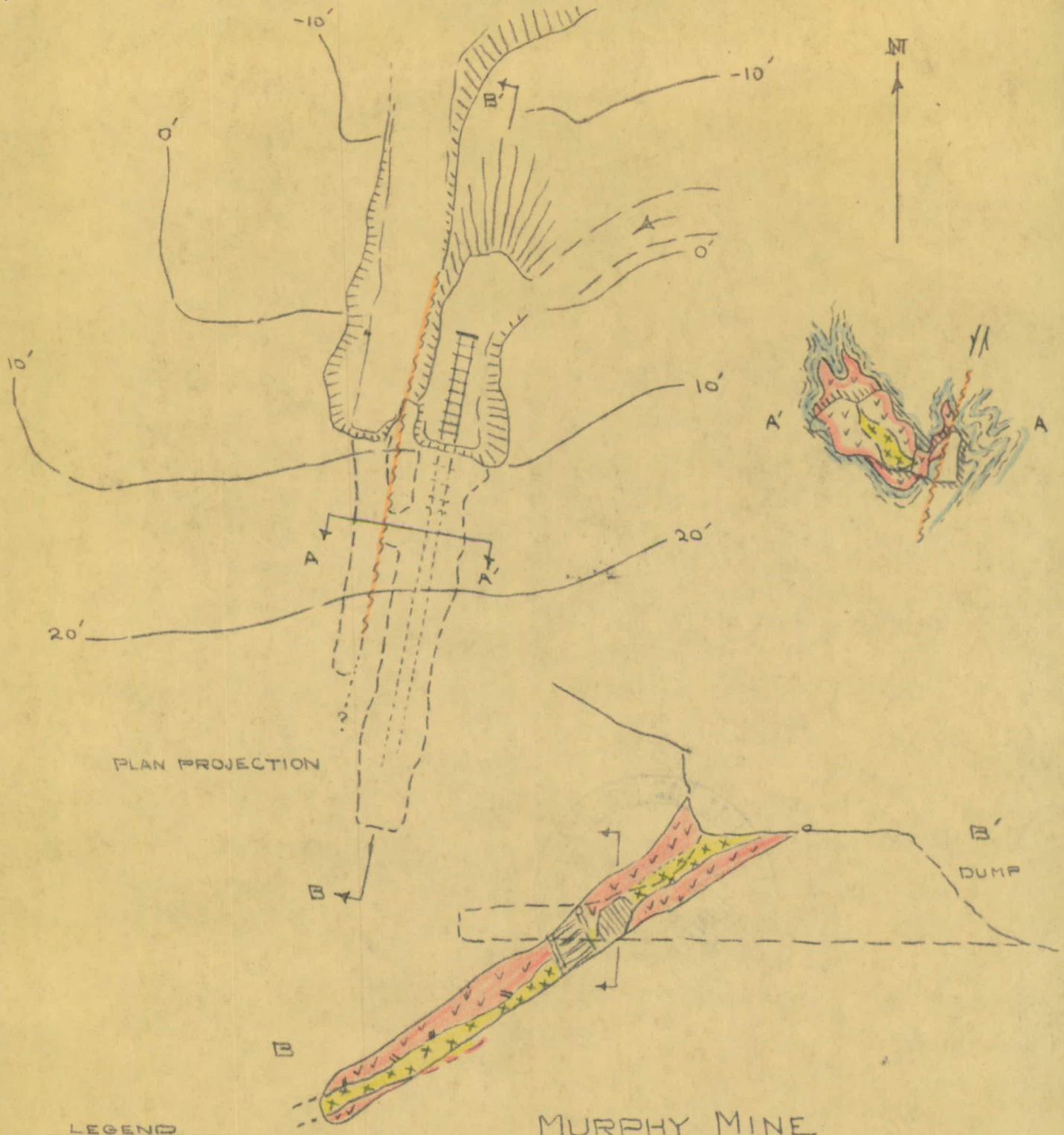
The shaft and raises shall be timbered as necessary and shall have minimum cross-sectional dimensions of 5 feet by 7 feet in the clear of timber.

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

FIXED UNIT COSTS

1. Access road improvement Bulldoze approximately 800 linear feet - 400 cubic yards @ $0.30/cu. yd.		$ 120.00	
2. Construct:			
Toolhouse 1/	$76.00		
Powder Magazine 1/	25.00		
Exploder Magazine 1/	15.00	116.00	
3. Sink 60 feet of shaft @ $45.00/ft.		2,700.00	
4. Drive 40 feet of raises @ $31.00/ft		1,240.00	
Total Estimated Cost of Project			$4,236.00
Government Participation @ 75%			$3,177.00

1/ The completed work constitutes the unit.



LEGEND

- MICA-BEARING PEG.
- QTZ. CORE
- FAULT ZONE
- EXCAVATION
- DUMP

MURPHY MINE

YANCEY COUNTY, NORTH CAROLINA

DMEA - 4268 (MICA)

SCALE: 1" = 20'

7/56

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DEC 3 1956
D.M.E.A.

4-207
(May 1954)

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

FSLR

JUL 17 1956

I HEREBY CERTIFY that the annexed photostatic copy of Mineral Lease No. BLMA 037366, is a true and literal exemplification of the record on file in this office in my custody.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and caused the seal of this office to be affixed, at the city of Washington, on the day and year above written.

Oscar E. Collins
Certifying Officer

61355

INT.-DUP. SEC., WASH., D.C.

Form 4-1100
(June 1953)

UNITED STATES
DEPARTMENT OF THE INTERIOR
Bureau of Land Management
Washington 25, D. C.

Serial No. BLM-A 037366

North Carolina
(State)

MICA
MINERAL LEASE - ACQUIRED LANDS

This mineral lease entered into in quintuplicate this ..... day of SEP 1 1955, 19....., by and between the United States of America, the lessor, through the Bureau of Land Management, and Fred G. Wilson, Old Fort, the lessee, of North Carolina, pursuant to Section 402 of the President's Reorganization Plan No. 3 of 1946, and regulations thereunder (43 CFR 200.31 et seq.); witnesseth:

SECTION 1. Rights of Lessee. In consideration of the rents and royalties to be paid and conditions and covenants to be observed as herein set forth the lessor grants to the lessee, subject to all privileges and uses heretofore duly authorized and prior valid claims, for a period of 20 years from the date hereof, the exclusive right to mine, remove and dispose of all the mica and associated minerals in, upon, or under the following-described tracts

"Chain and Compass Survey"

Corner 1. (20" dead chestnut) due W. 2.00 chains
2. (36" chestnut oak) due S. 10.00 chains
3. (30" chestnut oak) due E. 2.00 chains
4. (24" chestnut) due N. 10.00 chains

Tie: From corner 1 due east 3.50 chains to B, a point in Set Rock Creek; corner 4, in Flynn Ridge Trail, thence 54 chains generally S 45° E to a point at junction of trail with wagon road.

containing 2 acres, more or less, together with the right to construct and maintain thereupon such structures and other facilities as may be necessary for the mining, preparation and removal of said minerals.

SECTION 2. In consideration of the foregoing, the lessee agrees:

(a) Production. To begin production within 12 months and to continue production thereafter unless operations are interrupted by strikes, the elements or casualties not attributable to the lessee. The lessor may grant reasonable extensions of time for the commencement of production, and may authorize suspensions of production for reasonable periods of time in the interest of conservation or when the lease cannot be successfully operated at a profit, or for other reasons when such action does not adversely affect the interest of the United States.

(b) Rental. To pay to the lessor annually in advance, beginning with the date of this lease, rental of $10.00 for each acre or fraction thereof for each lease year until production commences, the rental payment for the year in which production commences to be credited on royalties that accrue during that lease year.

(c) Royalty. To pay the lessor within 30 days after the end of each period prescribed in subsection (f) of this section a royalty of 8 percent of the gross value of the minerals mined hereunder at the point of shipment to market, such point of shipment to be the mine or preparation plant, as the case may be. The lessee agrees that the Secretary of the Interior, for the purpose of determining the royalties due hereunder, may establish reasonable minimum values for the minerals mined, due consideration being given to the highest price paid for a part or a majority of the production of minerals of like quality produced from the same general area, the price received by the lessee, posted prices, and other relevant matters.

(d) Minimum Royalty. If there is no production or if royalties under subsection (c) of this section total less than $25.00 in any lease year, to pay the lessor a sum equal to the difference between such royalties and $25.00, such minimum royalty obligation to become effective the first lease year commencing after production begins, and to be payable within 30 days following the end of the lease year for which due. Lessor may, in its discretion, suspend the minimum royalty requirement when production is interrupted or suspended as provided in subsection (a).

(e) Bond. To furnish and maintain a bond in the sum of $ 500.00 conditioned upon compliance with the terms and conditions of this lease.

(f) Statement. To furnish for each month or such other period as may be designated by the District Mining Supervisor of the Geological Survey, statements in detail, in such form as may

prescribed by him, 1/ of the amount and value of output from the leasehold during such period for use in determining royalties, such statements to be furnished within 30 days from the close of the month or period so designated. Falsification of such statements shall be grounds for cancellation of the lease. 2/

(g) Inspection. To permit at all reasonable times: (1) inspection by any duly authorized officer of the supervising agencies, of the leased premises and all surface and underground improvements, works, machinery, equipment, and all books and records pertaining to operations and surveys or investigations under this lease; and (2) the lessor to make copies of and extracts from any or all books and records pertaining to operations under this lease.

(h) Maps--Reports. To furnish in duplicate to the District Mining Supervisor, at such times as he may require, a plat in the manner and form prescribed by him 1/ showing prospecting and development work and improvements on the lease land and other related information, with a report as to all buildings, structures, and other works or equipment, situated elsewhere and owned or operated in conjunction with, or as a part of the operations conducted hereunder.

(i) Operations. To conduct operations in compliance with all Federal and State laws and the operating regulations of the Department of the Interior (30 CFR, Chap. II, Part 231), which are made a part hereof, and to exercise reasonable diligence, skill and care in the operation of the property, and to carry on all operations in accordance with approved methods and practices, having due regard for the prevention of damage to mineral deposits, water horizons and property, injury to life and health, and economic waste.

(j) Taxes. To pay when due all taxes lawfully assessed and levied under the laws of the State or the United States upon improvements, output of mines, and other rights, property and assets of the lessee.

(k) Deliver Premises. To deliver up to the lessor in good order and condition and subject to the provisions of Section 9 hereof on the termination of this lease as a result of forfeiture thereof the lands covered thereby, including all underground timbering and such other supports and structures as are necessary for the preservation of the mine.

(l) Assignment. Not to assign this lease, or any interest therein, whether by direct assignment, operating agreement, working or royalty interest, or otherwise, nor sublet any portion of the leased premises, except with the approval in writing of the lessor. All such assignments or subleases must be submitted in triplicate within 90 days from the date of execution and must contain all of the terms and conditions agreed upon by the parties thereto. No overriding royalties or payments out of production shall be created which would exceed 1/2 the royalties payable under this lease to the lessor. An assignment of all or part of the record title to a portion of the acreage in the lease shall separate the lease into separate leaseholds and the terms hereof shall apply separately to the segregated portions. Advance annual rental payments if previously terminated shall be resumed as to an undeveloped segregated portion on the next anniversary date of the lease, the minimum royalty payment herein specified shall apply separately to the segregated portions and the time allowed within which to commence operations on an undeveloped segregated portion shall be such reasonable period as shall be prescribed by the lessor at the time the assignment is approved.

(m) Nondiscrimination. Not to discriminate against any employee or applicant for employment because of race, creed, color, or national origin, and to require an identical provision to be included in all subcontracts.

(n) Payments. To make all payments to the lessor under this section as directed, such payments to be made to the order of the Treasurer of the United States.

SECTION 3. In further consideration of the foregoing, the lessee also agrees:

(a) Protection of Property. To conduct all operations authorized by this lease with due regard for good land management; not to cut or destroy timber without first obtaining permission from the authorized representative of the Secretary of Agriculture, and to pay for all such timber cut or destroyed at rates prescribed by such representative; to avoid unnecessary damage to improvements, timber, crops, or other cover; whenever practicable, to control soil erosion resulting from the operation; to prevent pollution of soil and water resources; unless otherwise authorized by the representative of the Secretary of Agriculture, not to carry on operations, make excavations, construct tunnels, drill, or otherwise disturb the surface of the leased land within 200 feet of any building standing on the leased land; whenever required in writing by the authorized representative of the Secretary of Agriculture, to fence all sump holes and other excavations made by lessee.

(b) Forest, Brush and Grass Fire Precautions. To do all in his power to prevent and suppress forest, brush and grass fires on the leased land and in its vicinity, and to require his employees, contractors, subcontractors, and employees of contractors or subcontractors to do likewise. Unless prevented by circumstances over which he has no control, the lessee shall place his employees, contractors, subcontractors, and employees of contractors and subcontractors employed on the leased land at the disposal of any authorized officer of the Department of Agricuoture

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1/ All forms herein required are subject to approval by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

2/ 18 U.S.C. sec. 1001 makes it a crime for any person knowingly and wilfully to submit or cause to be submitted to any agency of the United States any false or fraudulent statement as to any matter within its jurisdiction.

Form 4-1100

for the purpose of fighting forest, brush, or grass fires, with the understanding that payment for such services shall be made at rates to be determined by the authorized representative of the Secretary of Agriculture, which rates shall not be less than the current rates of pay prevailing in the vicinity for services of a similar character; except that if the lessee, his employees, contractors, subcontractors, or employees of contractors or subcontractors caused or could have prevented the origin or spread of said fire or fires, no payment shall be made for services so rendered.

During periods of serious fire danger to forest, brush, or grass, as may be specified by the authorized representative of the Secretary of Agriculture, the lessee shall prohibit smoking and the building of camp and lunch fires by his employees, contractors, subcontractors, and employees of contractors or subcontractors, within the leased area except at established camps, and shall enforce this prohibition by all means within his power. However, the authorized representative of the Secretary of Agriculture may designate safe places where, after all inflammable material has been cleared away, campfires may be built for the purpose of heating lunches and where, at the option of the lessee, smoking may be permitted.

The lessee shall not burn rubbish, trash, or other inflammable material except with the consent of the authorized representative of the Secretary of Agriculture and shall not use explosives in such manner as to scatter inflammable materials on the surface of the land during the forest, brush or grass fire season, except as authorized to do so or on areas approved by such representative.

The lessee shall build or construct such fire lines or do such clearing on the leased land as the authorized representative of the Secretary of Agriculture decides is necessary for forest, brush, and grass fire prevention and shall maintain such fire tools at his headquarters on the leased land as are deemed necessary by such representative.

(c) Damage to Property. To pay the lessor or its tenant, as the case may be, for any and all damage to or destruction of property caused by the lessee's operations hereunder; to save and hold the lessor or its tenant harmless from all damage or claims for damage to persons or property resulting from the lessee's operations under this lease; and where the surface of the leased land is owned by other than the lessor, to pay such owner, or his tenant, as the case may be, for damage or injury to livestock, crops, trees, pipelines, buildings, and other improvements on the leased land.

(d) Restoration of Surface of Land. Upon any partial or total relinquishment, cancellation or expiration of this lease, as to that part of the leased land as to which the lessee's rights have terminated and to the extent deemed necessary by the authorized representative of the Secretary of Agriculture, to fill all sump holes, ditches and other excavations, remove or cover all debris, and, so far as reasonably possible, restore the surface of the leased land to its former condition, including the removal of structures as and if required.

(e) Department of Agriculture Regulations. To comply with all the rules and regulations of the Secretary of Agriculture governing the national forests or other lands under his jurisdiction which are embraced in this lease.

(f) Special Stipulations.

(a) The lands included within this lease are within the Mt. Mitchell Game Management Area. All Federal and State laws and regulations relating to carrying firearms, hunting, fishing or trapping, as well as all other regulations applicable to the area, must be complied with.

(b) Lessee will construct and maintain all roads needed for this operation on locations and to standards approved by the Forest Supervisor.

(c) The lessee will prevent trailings, washing, silt, chemicals or debris from entering the Setrock Creek, its tributaries, or any other streams or waters, and will prevent any change in the quality of water that may be damaging to recreation, fish and wildlife, or to waterpower equipment.

(d) The lessee will take measures to prevent and/or control soil erosion in a manner satisfactory to the Forest Supervisor.

(g) Appropriate Agency Official. To address all matters relating to this section to Forest Sup'vr, North Carolina Nat'l Forest at P.O. Box 731, Asheville, N. Carolina who is the authorized representative of the Secretary of Agriculture, or to such other representative as may, from time to time, be designated provided that such designation shall be in writing and be delivered to the lessee or his agent as provided by Section 4 hereof.

SECTION 4. Lessee-Agent. Prior to the beginning of operations the lessee shall appoint and maintain at all times during the term of this lease a local agent upon whom may be served written orders or notices respecting matters contained in this lease, and shall inform the authorized representative of the Secretary of Agriculture, and the District Mining Supervisor of the Geological Survey, in writing, of the name and address of such agent. If a substitute agent is appointed, the lessee shall immediately so inform the said representatives.

SECTION 5. Renewal of Lease. If, upon the expiration of this lease, the issuance for an ensuing period of a lease of similar character is determined to be in the public interest, and all of the terms hereof have been satisfactorily complied with, and the lessee is then qualified, he shall be accorded a preference in the issuance of said ensuing lease upon such reasonable terms and considerations as may be prescribed by the Secretary of the Interior, unless otherwise provided by law. The exercise of such preference right shall be in accordance with regulations prescribed by the Secretary of the Interior.

SECTION 6. The lessor expressly reserves:

(a) Rights Reserved. The right to permit for joint or several use easements or rights-of-way, including easements in tunnels upon, through, or in the land leased, occupied, or used as may be necessary or appropriate to the working of the same or other lands, and the preparation and shipment of the products thereof by or under authority of the Government, its lessees or permittees, and for other public purposes.

(b) Monopoly and Fair Prices. Full power and authority to promulgate and enforce all orders necessary to insure the sale of the production of the leased lands to the United States and to the public at reasonable prices, to protect the interest of the United States, to prevent monopoly, and to safeguard the public welfare.

(c) Fissionable materials. All fissionable source materials, together with the right, at any and all times, to enter upon the lands and prospect for, mine and remove such materials, pursuant to Executive Order No. 9908 (12 F. R. 8223).

(d) Waiver of Conditions. The right to waive any breach of the covenants and conditions contained herein, but any such waiver shall extend only to the particular breach so waived and shall not limit the rights of the lessor with respect to any future breach; nor shall the waiver of a particular cause of forfeiture prevent cancellation of this lease for any other cause, or for the same cause occurring at another time.

SECTION 7. It is mutually agreed:

(a) Strip Mining. That this lease does not authorize mining or removal of minerals by stripping or contour mining unless otherwise specifically authorized herein.

(b) Reduction or Smelting of Ores. That the reduction or smelting of ores on the leased land is expressly prohibited in the absence of an agreement between the lessee and the designated representative of the Secretary of Agriculture authorizing such use of the surface of the land and providing for the necessary protection of life and property. Such agreement shall contain all of the terms and conditions under which the reduction or smelting of ores may be carried on and any violation of that agreement shall be considered a violation of the terms of this lease for the purpose of Section 9.

(c) Uses and Disposition of Surface. That the leased land shall be subject at all times to any other lawful uses or sale by the United States, its lessees, permittees, licensees, and assigns; provided that such uses or sale shall not prevent, obstruct, or unduly interfere with any privilege granted under this lease.

(d) Granting Leases for Other Minerals. That the granting of this lease will not preclude the issuance of other leases of the same land for the mining of other minerals with suitable stipulations as to joint operations, in order that full development of the mineral resources may be obtained.

SECTION 8. Relinquishment of Lease. Upon payment of all rentals, royalties and other debts due and payable to the lessor and upon payment of all wages or moneys due and payable to the workmen employed by the lessee, the lessee may, upon a satisfactory showing that the public interest will not be impaired, surrender all or any subdivision or subdivisions of the area included in the lease. In no case will the lease be terminated in whole or in part until and unless the lessee shall have made provision for the preservation of any mines and mineral deposits or productive works or permanent improvements on the lands covered thereby and complied with Section 3(d) hereof. A surrender must be by a relinquishment filed, in triplicate, with the Administrator, Bureau of Land Management. A relinquishment upon its approval shall take effect as of the date it is filed.

SECTION 9. Removal of Equipment, etc., on Termination of Lease. On termination of this lease, by surrender, forfeiture, or otherwise the lessee shall have the privilege at any time within a period of 90 days thereafter of removing from the premises all machinery, equipment, tools and materials, other than underground timbering placed by the lessee in or on the leased lands, which are not necessary for the preservation of the mine. Any materials, tools, appliances, machinery, structures and equipment, subject to removal as above provided, which are allowed to remain on the leased land shall become the property of the lessor on expiration of the 90-day period or such extension thereof as may be granted by the lessor, but the lessee shall remove any or all of such property when so directed by the lessor.

SECTION 10. Proceedings in case of default. If the lessee does not comply with the applicable regulations made a part hereof or the terms of this lease and such default continues for a period of 30 days after service of written notice thereof by the lessor, the lease may be canceled by the Administrator, Bureau of Land Management. However, if production has commenced on

Form 4-1100

the lease, it may be canceled only by appropriate proceedings in a court of competent jurisdiction; but this provision does not apply to leases issued for a period of five years or less which may be canceled in the manner stated above. Furthermore, if the lessee fails to take prompt and necessary steps to prevent loss or damage to the mine, property, or premises, or danger to the employees, the lessor may enter on the premises and take such measures as may be deemed necessary to prevent such loss or damage or to correct the dangerous or unsafe condition of the mine or works thereof, which shall be at the expense of the lessee, but the lessee shall not be held responsible for delays or casualties occasioned by causes beyond the lessee's control.

SECTION 11. Heirs and successors-in-interest. It is further agreed that each obligation hereunder shall extend to and be binding upon, and every benefit hereof shall inure to, the heirs, executors, administrators, successors, or assigns of the respective parties hereto.

SECTION 12. Unlawful Interests. It is also further agreed that no Member of, or Delegate to Congress, or Resident Commissioner, after his election or appointment, or either before or after he has qualified, and during his continuance in office, and that no officer, agent, or employee of the Department of the Interior or of the Department of Agriculture shall be admitted to any share or part of this lease, or derive any benefit that may arise therefrom, and the provisions of Section 3741 of the Revised Statutes, as amended, and 18 U.S.C. 431, 432, and 433, relating to contracts, enter into and form a part of this lease so far as the same may be applicable.

THE UNITED STATES OF AMERICA

AUG 1 7 1955

By J. R. Fiedler
Supervisor, Eastern States Office

WITNESSES TO SIGNATURE OF LESSEE

Robert W. Pruetz

Fred G. Wilson

Lessee.

(The reporting requirements contained in this lease have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942. If this lease is executed by a corporation, it must bear the corporate seal.)

Interior—Duplicating Section, Washington, D. C.

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

RECEIVED
APR 2 3 1956

April 24, 1956

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region V

Subject: Application from Murphy Mining Co., Spruce Pine, N. C.
Murphy Mine, North Carolina (mica)

Enclosed are three copies of the subject application, mailed here by the applicant.

Although this is filed in the name of "Murphy Mining Co.," this apparently has no connection with the partnership using the same name, who operated under Idm-E560 (DMEA-3008) and Idm-E499 (DMEA-2802). I am not sure if the Fred G. Wilson of this project is the same as Fred Wilson of DMEA-2533 (Idm-E407).

Robert A. Laurence

Robert A. Laurence

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

RECEIVED
APR 26 1956

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

Not to be filled in by applicant

Docket No. DMEA-4268
Metal or Mineral Mica
Date Received 4-26-56
Estimated Cost $4,875.00
Participation (Government %)

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address: Murphy Mining Company, c/o Lewie Aldridge, Spruce Pine, N. C.

A Partnership- Fred G. Wilson, Old Fort, N. C.
Lewie Aldridge, Spruce Pine, N. C.

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

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

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

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

ALL OF THE FOLLOWING QUESTIONS ANSWERED ON THREE PAGES HEREWITH ATTACHED

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

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APR 23 1956
U. S. Geological Survey
Knoxville, Tenn.

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

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

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

(*e*) If you own the land, describe any liens or encumbrances on it

(*f*) If the land consists of unpatented claims, add to the description above, the book and page numbers for each recorded location notice.

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

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

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

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

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

ALL QUESTIONS HEREON ANSWERED ON THREE PAGES HEREWITH ATTACHED.

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

.....

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Explain in detail on acompanying paper.

CERTIFICATION

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

Dated April 18th., 1956

MURPHY MINING COMPANY

(Applicant)

By Fred G. Griego

Lonnie Aldridge

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

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

APPLICATION FOR AID IN AN EXPLORATION PROJECT, PRUSUANT TO DMEA ORDER 1. under the defense production act of 1950, as amended.

RECEIVED
APR 26 1953

1- (a) Murphy Mining Company, c/o Lewie Aldridge, Spruce Pine, N. C.

(b) Partnership

(c) Not applicable

(d) Fred G. Wilson, Old Fort, N. C. & Lewie Aldridge, Spruce Pine, N.C.

2 (a) General

3 (a) Lease from the U.S. Department of The Interior, Bureau of Land Management, Washington, D. C. Serial number BLM-A 037366, Yancey County, North Carolina. Recived by Bureau of Land Managment August 12th. 1955 at 2:13 P.M. Section 1 of lease reads as follows:

SECTION 1. Rights of Lessee. In consideration of the rents and royalties to be paid and conditions and covenants to be observed as herein set forth the lessor grants to the lessee, subject to all privileges and uses heretofore duly authorized and prior valid claims, for a period of 20 years from the date herof, the exclusive right to mine, remove and dispose of all the mica and associated minerals in, upon, or under the following-described tracts

"Chain and Compass survey"

Corner 1. (20" dead Chestnut) due W. 2.00 chains
2. (36" Chestnut oak) due S. 10.00 chains
3. (30" Chestnut oak) due E. 2.00 chains
4. (24" Chestnut) due N. 10.00 chains

Tie: From corner 1 due east 3.50 chains to B, a point in Set Rock Creek; corner 4, in Flynn Ridge Trail, thence 54 chains generally S 45° E to a point at junction of trail with wagon road.

containing 2 acres, more or less, together with the right to construct and maintain thereupon such structures and other facilities as may be necessary for the mining, preparation and removal of said minerals.

(b) The Murphy Mine

(c) Leasees

(e f) Not applicable.

4 (a) This mine was discovered seme time ago but was not worked to any extent. The vein of mica ~~pegmatite~~ pegmatite lies in a hard rock formation.

43560
2
89120
132
6
2059 chains

Murphy Mining Co., Partnership, c/o Lewie Aldridge, Spruce Pine, N.C.

4 (b) There has been no production to our knowledge but plenty of vein is exposed to warrent further work.

(c) The mine is on a ridge and is composed of mica pegmatite embedded in a hard rock but it is exposed at the surface in several places. We are attaching sketch of mines with this application. This Mine is located in a good mica producing section.

(d) This mine can be reached by Jeep or Jeep Truck at this time and can be made readily accessible by a little repair work.

(c) This section can supply plenty of man power, materials, supplies and water. We have available to us the nedessary mining equipment and power for the necessary mining operation.

5 (a) Mica

(b) We would like for the work to consist of the following:

Repair existing road.

Clear existing adit of muck and water.

Build the necessar tool house, powder and exploder magazines.

Cut incline and/or drift and/or shaft for 100 feet.

(c) The work would start immediately upon receipt of contract and be finished in six months.

(d) Fred G. Wilson has had 25 years experience in mica mining operations and he will personally supervise the proposed exploration project.

Lewie Aldridge has been operating mica mines for 15 years and is at this time connedted with several other mining operations.

6 (a) The proposed exploration project will be done in terms of and independent contract on a cost of unit basis as follows:

1- Reapir road	$ 60.00
2- Clear adit of water & muck by bulldozing if necessary	200.00

6	(a)	3- Tool House	75.00
		4- Powder Magazine	25.00
		5- Exploder Magazine	15.00
		6- 100 feet of drift and/or incline and/or shaft @ 45.00 per foot.	4500.00
		Total estimated cost of proposed project.	$4875.00

(b c d e) Not applicable

(f) Tool house, powder magazine and exploder magazine.

(g h) Not applicable

7 (a) Yes

(b) Money

CERTIFICATION OF THE FOREGOING PAPERS SIGNED BY THE PARTNERS ON FORM MF-103 attached.

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.
Return if not delivered in TEN days

INTER-OFFICE

OFFICIAL BUSINESS

Mr. Lawrence G. Houk
Room 4451 Interior Bldg.
Chief, Nonmetallic Minerals Division
Defense Minerals Exploration Administration
Washington 25, D. C.

Sent at request of

RUN_____STOP 43

Sink Hole miners, Land & mineral

E.L. Silver

Banner

W. A. Ellis Land and minerals

E.L. Silver
Land and minerals

W.A. Robinson
Land and minerals

E.L. Silver
Land and minerals

Over

COMPLETE WOOD WINDOW UNITS

AW

Andersen Windowalls

Mr. Deck, please add the adjoining land owners to our Barnes Dept. We forgot it.

Thanks,

Frank

OFFICIAL FILE COPY
D M E A
RECEIVED JAN 2 1958

DATE	INITIALS	CODE

Huttig Sash & Door Co.

Headquarters for the finest in Complete Window Units

1116 N. Sixth Street, N.E. Phone 2-6126

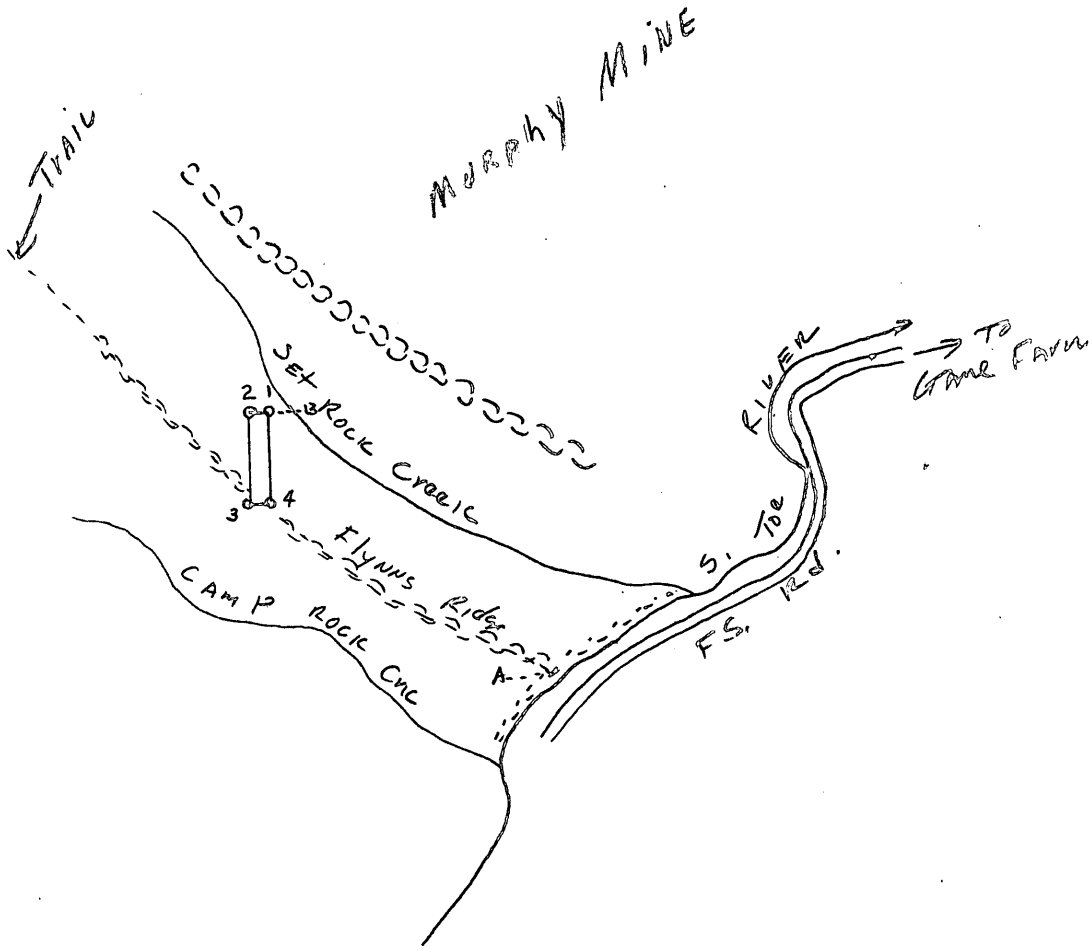
Knoxville, Tennessee

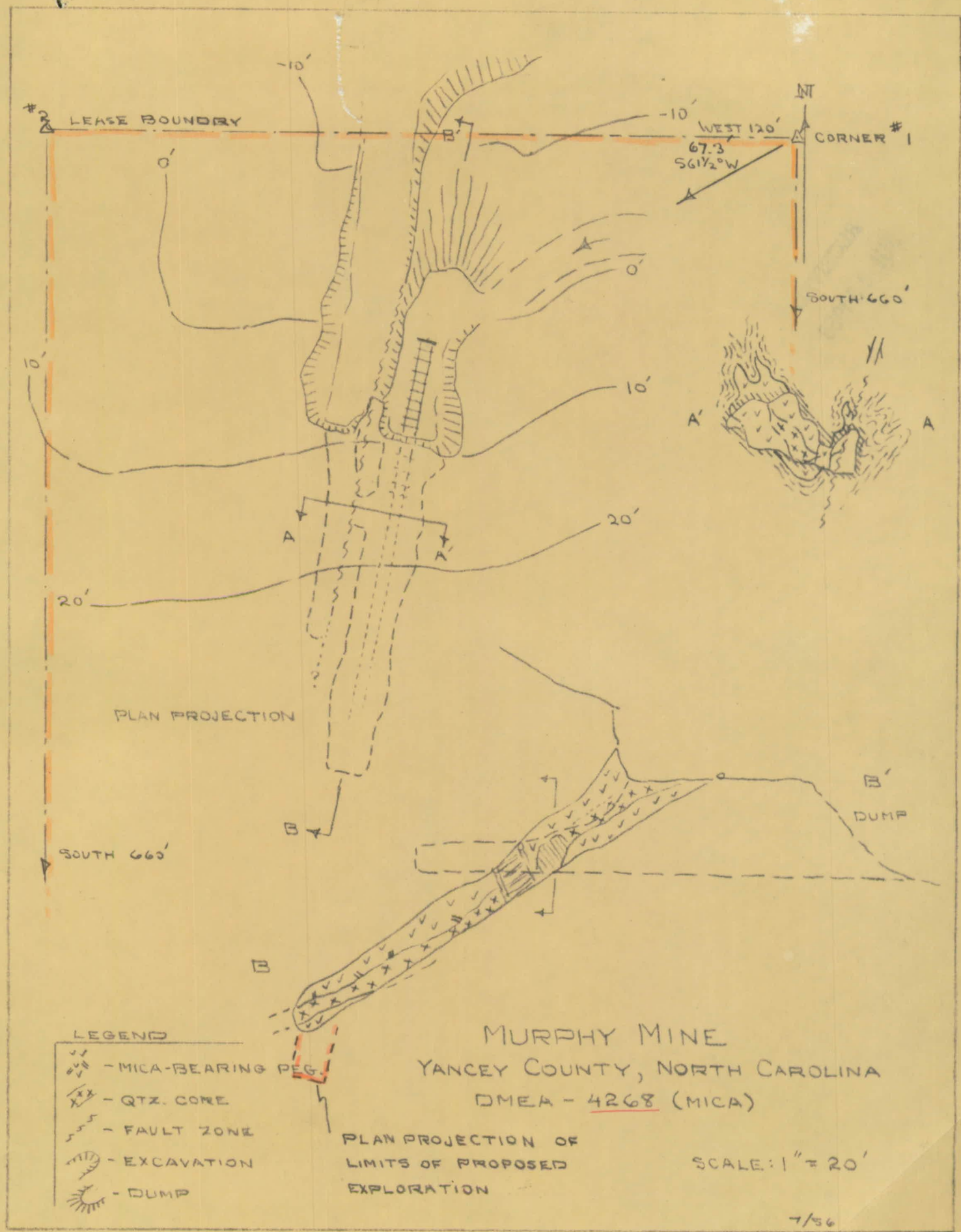
4 - USES - Mining

FRED G. Wilson - Old Ft, NC..
BLM-A-037366
9-1-55

SKETCH OF MINE IN APPLICATION OF PROPOSED
EXPLORATION PROJECT * MURPHY MINING CO.
FRED G. WILSON & LEWIE ALDRIDGE, PARTNERSHIP
C/O LEWIE ALDRIDGE, SPRUCE PINE, N.C.

RECEIVED
APR 26 1955

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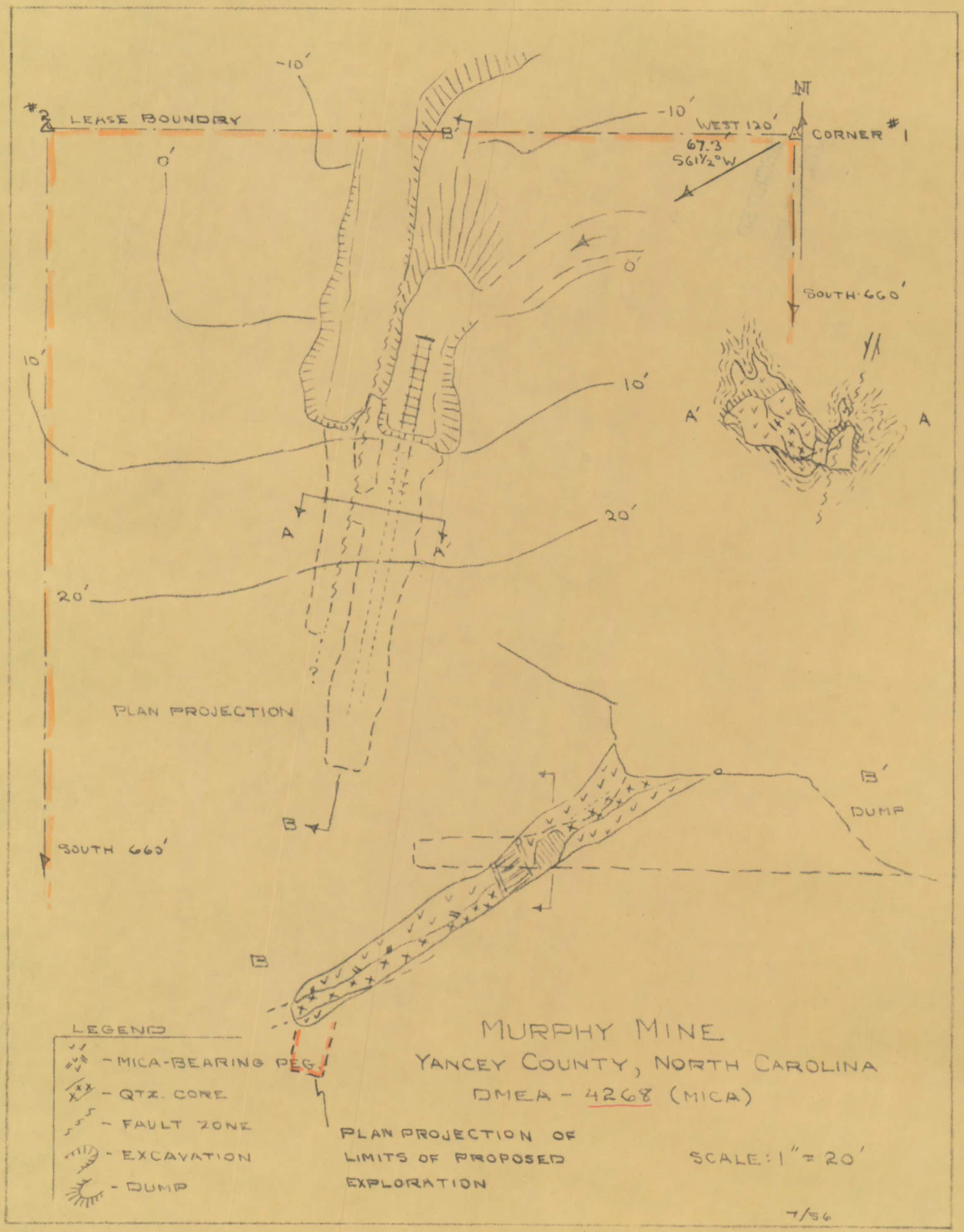
- FAULT ZONE
- EXCAVATION
- DUMP
PLAN PROJECTION OF LIMITS OF PROPOSED EXPLORATION
MURPHY MINE
YANCEY COUNTY, NORTH CAROLINA
DMEA - 4268 (MICA)
SCALE: 1" = 20'
7/56

RECEIVED
JUL 25 1956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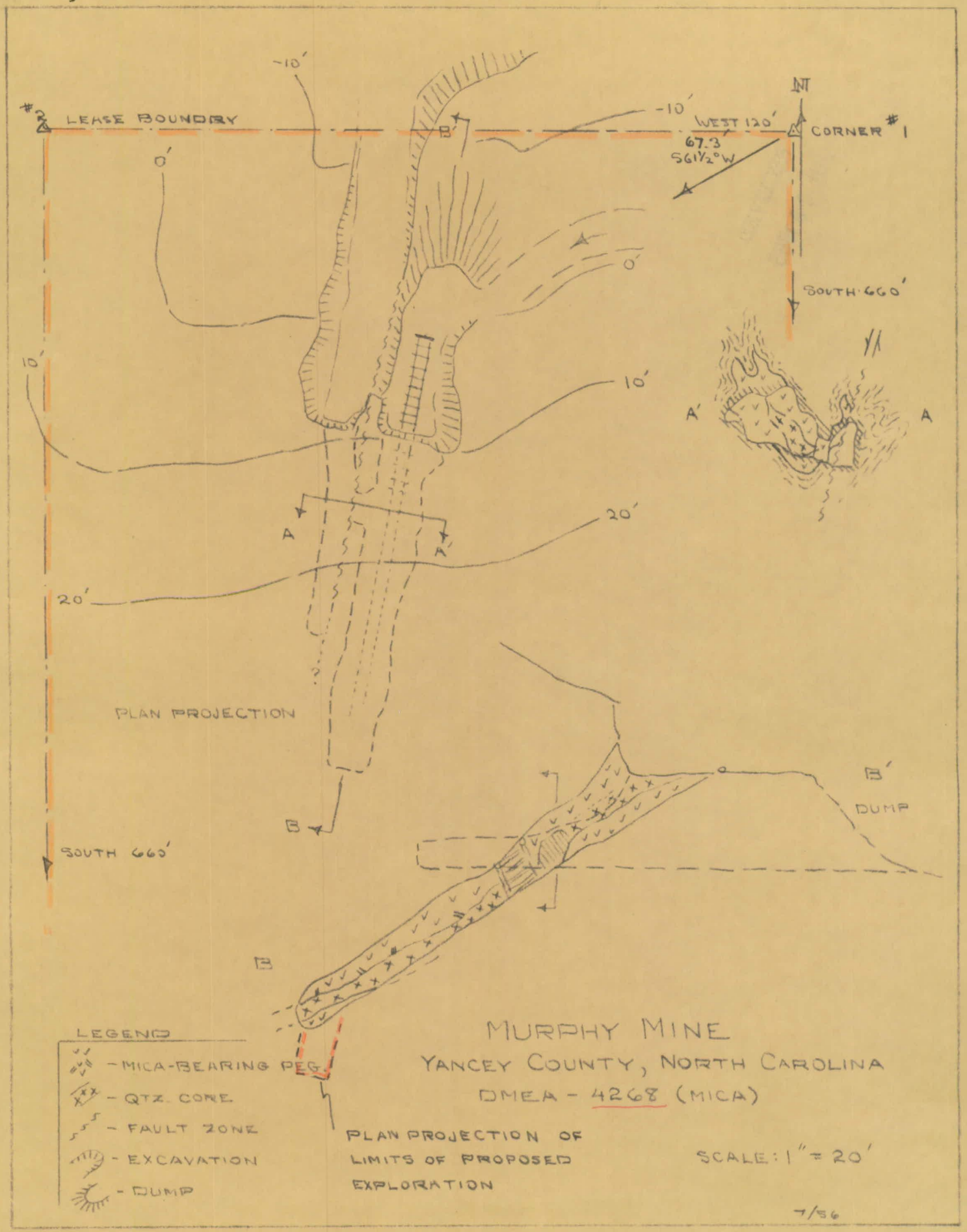
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YANCEY COUNTY, NORTH CAROLINA
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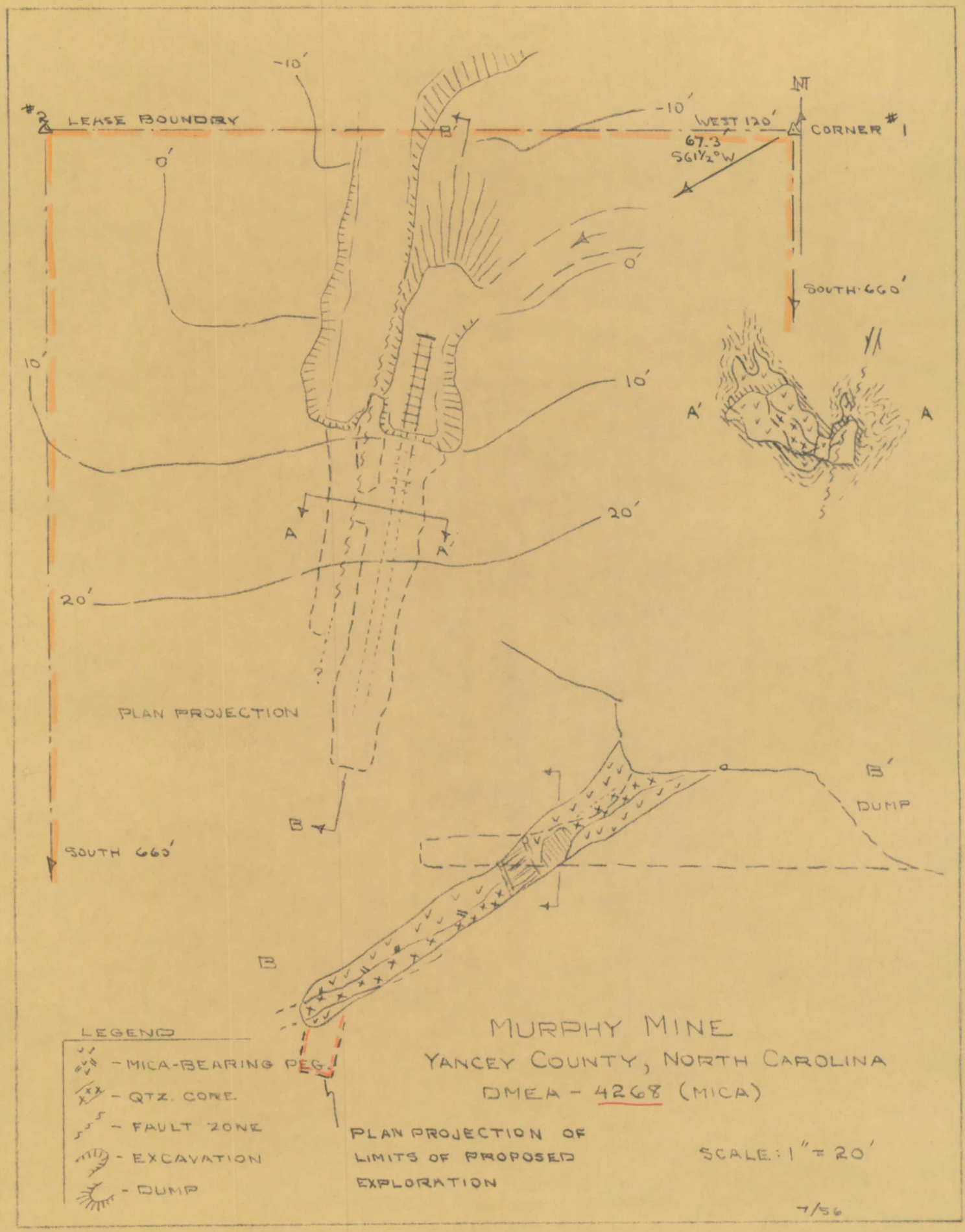
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YANCEY COUNTY, NORTH CAROLINA
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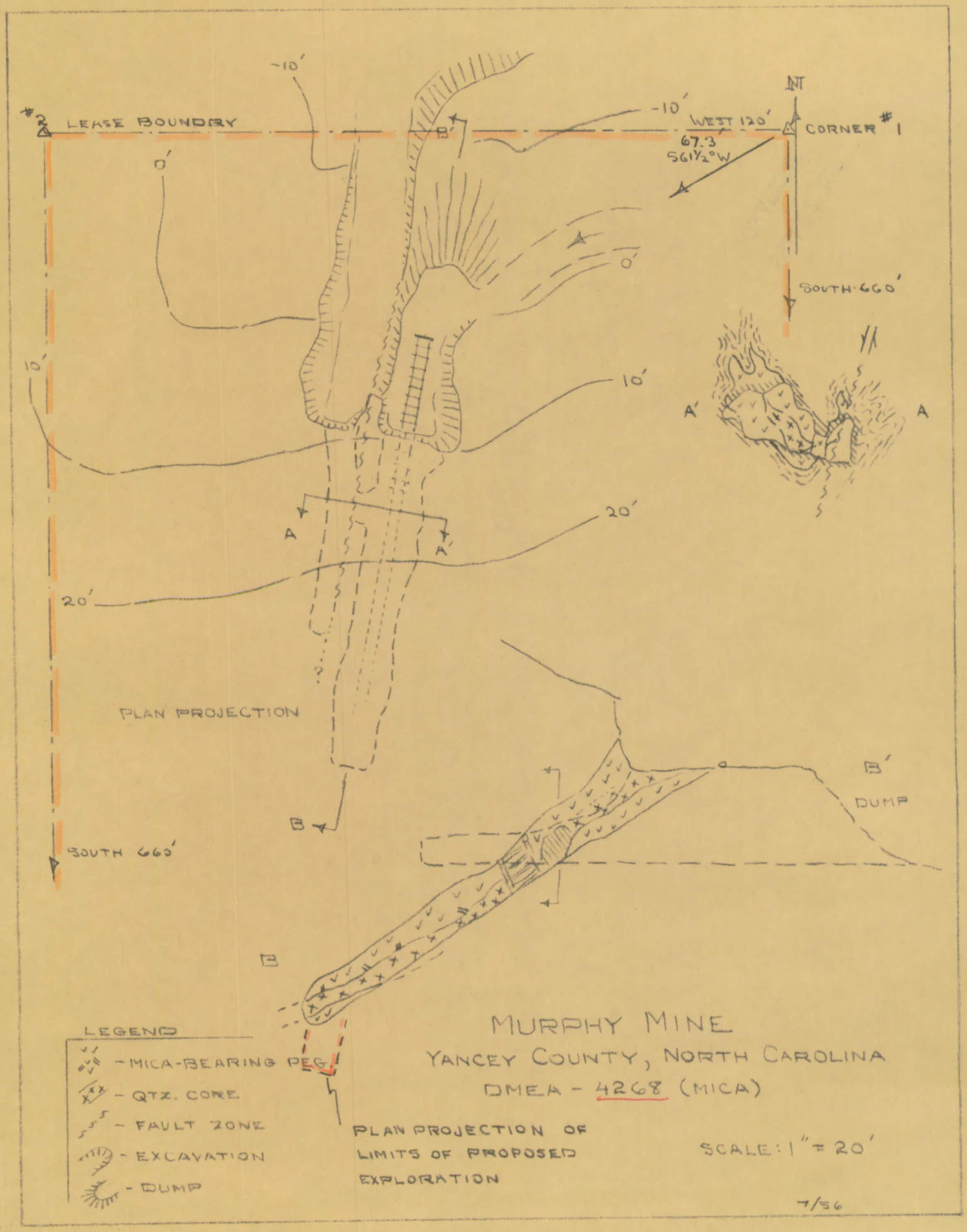
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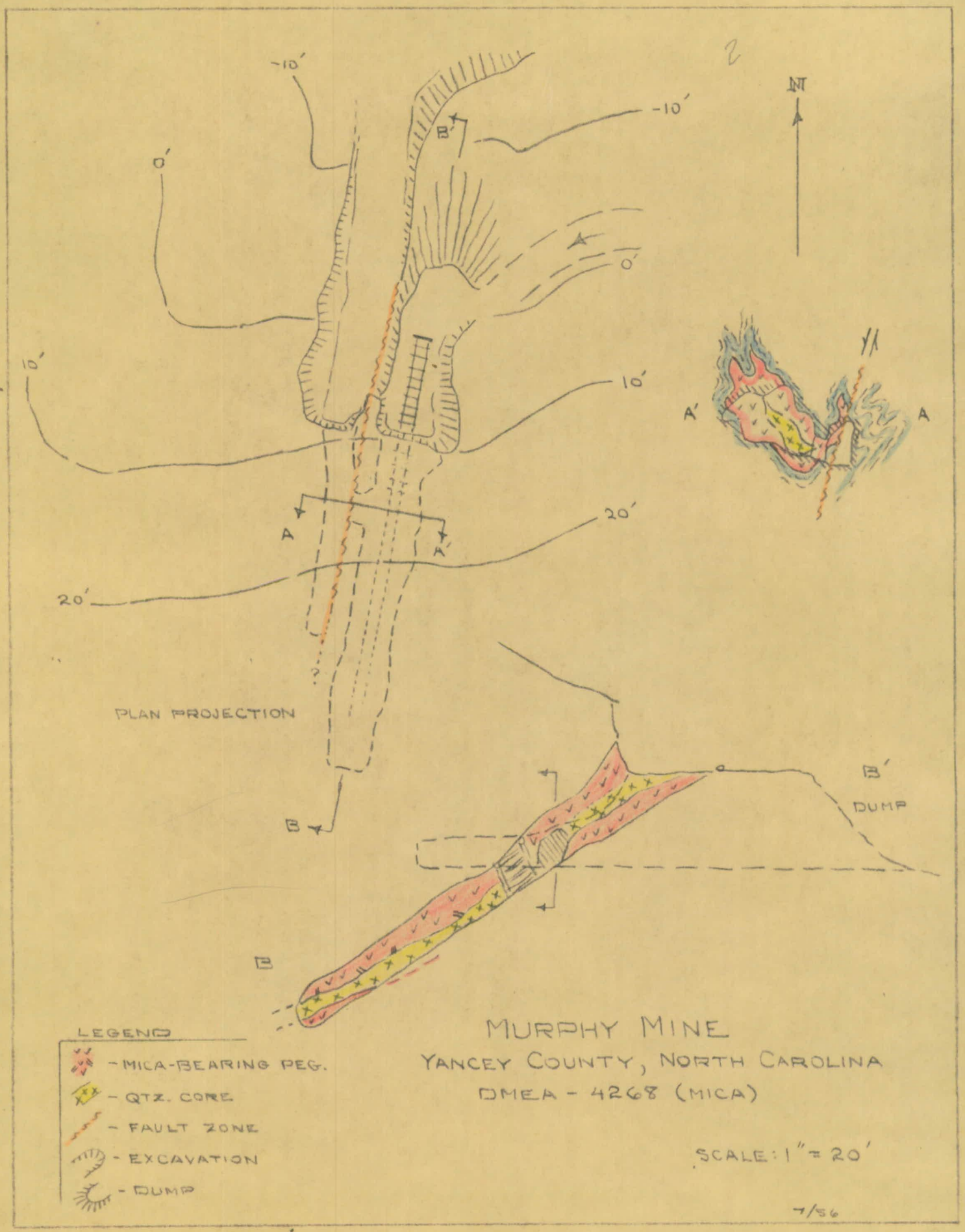
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- DUMP
MURPHY MINE
YANCEY COUNTY, NORTH CAROLINA
DMEA - 4268 (MICA)
SCALE: 1" = 20'
7/56

Form 7
56)

OFFICIAL FILE COPY

Date	Surname	Code
7/23	Anderson	600
7/23	Hoch	600
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		100
		220

600

July 23, 1958

Project Summary Report.

By: Walter C. Anderson, Division of Nonmetallic Minerals

1. Docket No. DMEA-4268-Mica
Contract No. Idm-E1037
Murphy Mine
Yancey County, North Carolina

Application: Form MF-103(April 1952) received April 23, 1956.
Work proposed by Applicant:

Road repair	$60.00
Prepare adit portal	200.00
Construct - Toolhouse, powder & exploder magazines	115.00
100 feet of drift and/or incline @ $45.00/ft.	4,500.00
Total amount requested	$4,875.00

Operators: Murphy Mining Company, a partnership consisting of
Fred G. Wilson and Lewie Aldridge
c/o Lewie Aldridge, Spruce Pine, North Carolina

Operators' Property Rights: Twenty year mineral lease on Bureau of Land Management property consisting of two acres, dated September 1, 1955. Guaranty of Royalty by Samuel P. Brown, Guarantor, dated October 1, 1956.

2. Contract: Form MF-200A(April 1956) dated November 15, 1956
Work authorized:

Access road improvement	$180.00
Construction - Toolhouse, powder & exploder magazines	116.00
60 feet of shaft @ $45.00/ft.	2,700.00
40 feet of raises @ $31.00/ft.	1,240.00
Estimated total cost of project	$4,236.00
Government participation @ 75%	$3,177.00

Amendments: No. 1 - 5/6/1956, extended completion date from May 5, 1957 to August 15, 1957.
Work completed:

Access road	$180.00
Construction - Toolhouse, powder & exploder magazines	116.00
21 feet of shaft @ $45.00/ft.	945.00
Total accepted cost	$1241.00
Government participation	$930.75

Work began on December 10, 1956 and was abandoned on February 28, 1957, after completion of only 21 feet of shaft and finally terminated by mutual agreement on October 18, 1957, effective March 1, 1957. Field Team Final Report received May 1, 1958. Operator's Final Report received February 28, 1958. No equipment purchased under contract.

Value of mica recovered during operation - $91.95
Royalty received $4.60

3. Audit: Report of Review issued March 5, 1958
Total accepted cost $1,241.00
Government participation $930.75

4. Certification of Discovery - Inconclusive results from the small amount of work completed did not justify issuance of a certification of discovery or development, however, a royalty provision was incorporated in the termination agreement of October 18, 1957, to protect the Government's interest in the event subsequent operations resulted in production.

5. Comments: - Work started on December 10, 1956, but was delayed because of inclement weather. The Operator completed an access road, constructed a tool shed, and moved in equipment and supplies. After sinking only 21 feet of shaft he failed to pursue the work diligently. Disagreements between the partners, difficulties with the Forest Service over the access road, as well as disappointment in the quality of the mica encountered, undoubtedly, affected the operations. However, the Field Team succeeded in obtaining an extension of six months of the Forest Service permit, provided the operator's repaired the access road to comply with the Forest Service's specifications. The DMEA also granted an extension for the completion of the work.

"Regardless of these extensions the operator made no effort to resume work. Although one of the partners on several occasions indicated his willingness to continue the project, the other partner who evidently was the financial backer, had lost interest and requested termination of the contract. The Forest Service refused a further extension of time on its permit to the partner who wished to continue."

"In view of the circumstances, and the marginal quality of the mica produced, but considering that the property had not been adequately explored, it appeared to be in the interest of the Government to terminate the contract by mutual agreement with a provision for royalty payments on any production in the same manner as though the project had been certified."

Walter C. Anderson
Walter C. Anderson
Division of Nonmetallic Minerals

WCAnderson:rsi 7/28/58
Rewritten
FEJohnson/WCAnderson:rsi 7/29/58
Copy to: Admr. R. File
Mr. Johnson
Mr. Houk

Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
		110
11/22/66	Kirkemo	120
		220

November 22, 1966

Memorandum

To: The File

From: Chief, Office of Minerals Exploration

Subject: DMEA-4268 (Mica)
Murphy Mining Company
Murphy Mine
Yancey County, North Carolina
Contract Idm-E1037

In accordance with an October 18, 1957, Termination Agreement and Article 6 of the contract, royalty was payable on all minerals produced from the land described in Article 2 of the contract for a period of 10 years from the date of the contract or until the total net amount contributed by the Government without interest was fully repaid, whichever occurred first.

The Operator, Murphy Mining Company, was in possession of the land by virtue of a September 1, 1955, minerals lease (BLM-A 037366) granted by the Bureau of Land Management. After expiration of that lease and subsequent leases, it was learned through correspondence with the Forest Service, Department of Agriculture, and the Regional Mining Supervisor, Eastern Region, Conservation Division, U. S. Geological Survey, that no production has been made from the property since March 28, 1958.

As the period during which production was subject to royalty expired November 15, 1966, and in view of information obtained from Mr. A. V. Bailey, Regional Mining Supervisor, Eastern Region, in his memorandum of November 21, 1966, the subject contract is considered closed.

Frank E. Johnson

Frank E. Johnson

cc: Director's Reading File
Division File
Economic Geology File
OME Reading File
R. A. Laurence w/cy of memo of 11/21/66 from A. V. Bailey
Branch of Budget and Finance
120M

MMerrithew/mm (11/22/66)

23263

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON, D.C. 20242

BLM-A-011426
048576
North Carolina

4268

November 21, 1966

110

220

Memorandum

To: Chief, Office of Minerals Exploration

From: Regional Mining Supervisor, Eastern Region

Subject: Acquired land mining permit BLM-A-011426 and lease BLM-A-048576, North Carolina

This is in response to your memorandum of November 15, concerning production on lands covered by subject permit and lease, which were relinquished, effective September 18, 1963, and August 18, 1962.

Our records show that no other leases or permits have been issued to cover these lands and there has been no production since the cases were closed.

Andrew V. Bailey

A. V. Bailey
Regional Mining Supervisor

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
		110
		220

NOV 1 5 1966

Memorandum

To: Mining Engineer, Eastern Region

From: Chief, Office of Minerals Exploration

Subject: Mineral production--Acquired land
BLM-A011426
048576
North Carolina

Re: DMEA-4268 (Mica)
Murphy Mining Company
Murphy Mine
Yancey County, North Carolina
Contract Idm-E1037

Please refer to your memorandum of March 30, 1966. Has there been any production from the subject land since that date?

The Office of Minerals Exploration royalty interest in the value of any production from the land in question expired November 15, 1966, and it is necessary that we have this information before we can close our books and records on this property.

Thank you for your assistance in policing this matter.

FRANK E. JOHNSON

Frank E. Johnson

cc: Director's Reading File
Division File
Economic Geology File
DMEA Docket
R. A. Laurence
120M
OME Reading File

MMerrithew/mm (11/15/66)

23263

DMEA — 4268

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON, D.C. 20242

BLM-A-011426
048576
North Carolina

~~RMEA-3799~~ ? no DMEA 4268

March 30, 1966

OFFICIAL COPY
O. M. E.
RECEIVED
MAR 31 1966
CODE
110
120
220

Memorandum

To: Chief, Office of Minerals Exploration

From: Mining Engineer, Eastern Region

Subject: Canceled acquired land permit and lease BLM-A-011426 and BLM-A-048576, North Carolina

4/1/66

In response to your letter, dated February 28, please be advised that the subject permit and lease were relinquished, effective September 18, 1963 and August 13, 1962.

According to our records, there has been no production from the lands involved since that time.

W. B. Gazdik

W. B. Gazdik

cc:
Mr. Walter T. Lewiecki
Regional Geologist
Minerals - Land Branch
U. S. Forest Service
50 Seventh Street, N. E.
Atlanta, Georgia 30323

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
2/28	Selfridge	120
		110
		220

FEB 23 1966

Memorandum

To: Acting Regional Mining Supervisor

From: Chief, Office of Minerals Exploration

Subject: Mineral production--Acquired land
BLM-A011426
048376
North Carolina

Re: DMEA-4268 (Mica)
Murphy Mining Company
Murphy Mine
Yancey County, North Carolina
Contract Idm-H1037

Please refer to the November 27, 1964, memorandum by Mr. D. C. Abernethy, Regional Mining Supervisor, to Mr. George Fumich, Jr., Acting Director, Office of Minerals Exploration.

Has there been any production from the subject land since November 1964?

(signed) FRANK E. JOHNSON

Frank E. Johnson

cc to: Director's Reading File
Division File
Economic Geology File
OME File
OME Reading File
Mr. Selfridge
120M

GCSelfridge/gla 2-28-66

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MME Form 7
(2/63)

OFFICIAL FILE COPY

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NOV 3 0 1964

Mr. Peter J. Hanlon
Forest Supervisor
Forest Service
P. O. Box 731
Asheville, North Carolina 28802

Your reference 2820
Re: DMEA-4268 (Mica)
Murphy Mining Company
Murphy Mine
Yancy County, North Carolina
Contract Idm-E1037

Dear Mr. Hanlon:

Thank you for your letter of November 20, 1964, relating to the subject mine.

The property was originally leased, Serial No. BLM-A-037366, dated September 1, 1955, to Mr. Fred G. Wilson. In a letter of April 24, 1962, we were informed by Mr. John W. Chaffin, District Ranger, that the lease was closed December 24, 1959, and the area again leased under BLM-A-048576, dated August 1, 1961, to Charles Greene, Homer Greene, and Branton James Buchanan. Under the original lease, exploration work was done by the Murphy Mining Company (a partnership of Lewis Aldridge and Fred G. Wilson), the Operator under DMEA Contract Idm-E1037. Once the exploration work is finished, we never change the name of the operator who remains ultimately responsible for royalties even though the land may change hands several times. For quick reference, we always mention the latest lease under which the land might be held.

Sincerely yours,

George Fumich, Jr.

Acting Director

GCSelfridge/gla (11-30-64)
cc to: Director's Reading File
Docket
Region IV (2) w/2 cys incoming letter
120M

23263

UNITED STATES DEPARTMENT OF AGRICULTURE
FOREST SERVICE
NATIONAL FORESTS IN NORTH CAROLINA
Box 731

IN REPLY REFER TO
2820
November 20, 1964

Mr. George Furnish, Jr.
Acting Director
Office of Minerals Exploration
Washington 25, D.C.

Your Ref.: DMEA-4268 (Mica)
Murphy Mining Company
Murphy Mine
Yancey County, N.C.
Contract Idm-E1037

Dear Mr. Furnish:

Ranger Price of Burnsville reports the property which was under BLM-A lease 048576 has not been leased nor has there been any production of minerals therefrom since November 7, 1963.

The designation of your 11/3 letter confuses us. It refers to the Murphy Mining Company, but in the body of the letter BLM-A 048576 is used.

We have a M.M. Murphy (Murphy Mining) folder for BLM-A 011426 (closed) and BLM-A 048576 lease (closed) issued to Charles Greene, Homer Greene, and Branton James Buchanan. Our point in mentioning this is to avoid giving you incorrect information. At any rate, we have no new lease nor has there been any minerals production on either of the above cases since 11/7/63.

Sincerely yours,

PETER J. HANLON
Forest Supervisor

By L. M. Oliphant

OFFICIAL FILE COPY
O. M. E.
RECEIVED NOV 23 1964

DATE	INITIALS	CODE
11/24	LEE	800
		120
		120M

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON, D.C. 20242

IN REPLY REFER TO:
DMEA 4268
BLM-A-011426
048576
North Carolina

November 27, 1964

Memorandum

To: Mr. George Fumich, Jr., Acting Director
Office of Minerals Exploration

From: Regional Mining Supervisor, Eastern Region

Subject: Mineral production - Acquired land

Your letter of November 3, directed to the Forest Supervisor, Asheville, North Carolina, has been referred to this office for further reply.

This will confirm the Supervisor's report in his letter of November 20 to you that there has been no production from leasehold BLM-A-048576 since November 7, 1963. The records of that leasehold, as well as BLM-A-011426, are available for inspection in this office by members of your staff.

D. C. Abernethy
D. C. Abernethy
Regional Mining Supervisor

OFFICIAL FILE COPY
O. M. E.
RECEIVED DEC 11 1964

DATE	INITIALS	CODE
12/1		800
12-2		100
12/2		~~140~~
		~~120~~
12/5		120 m
		250

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
11/2	[illegible]	800
	[illegible]	120
11/2	[illegible]	110
9	[illegible]	100
		220

NOV 3 - 1964

Mr. Peter J. Hanlon
Forest Supervisor
Forest Service
P.O. Box 731
Asheville, North Carolina, 28802

Re: DMEA-4268 (Mica)
Murphy Mining Company
Murphy Mine
Yancey County, North Carolina
Contract Idm-E1037

Dear Mr. Hanlon:

Your letters dated October 18, 1963, and November 7, 1963, reference 2820, indicate that lease BLM-A 048576 had been relinquished, that there had been no mineral production from the subject property under terms of that lease, and that the property had not been sublet to other parties as of the latter date.

The Office of Minerals Exploration has a possible royalty interest in the value of any production from the land in question prior to November 15, 1966. To assist us in policing this matter, will you please advise whether the property has been leased or there has been any production of minerals therefrom since November 7, 1963.

Sincerely yours,

George Fumich, Jr.

Acting Director

CEFisher/mm (10/14/64)
cc: Director's Reading File
R. A. Laurence, Knoxville, Tenn.
Docket
Code 120M

23263

UNITED STATES DEPARTMENT OF AGRICULTURE
FOREST SERVICE
NATIONAL FORESTS IN NORTH CAROLINA
ASHEVILLE, N. C. 28802
P.O. Box 731

IN REPLY REFER TO
2820
November 7, 1963
Your ref.:
DMEA-4268 (Mica)
Murphy Mining Co.
Murphy Mine
Yancey Co., N.C.
Contract Idm-E1037

Mr. F.M. Murphy, Acting Chief
Division of Minerals
Office of Minerals Exploration
Washington 25, D.C.

Dear Mr. Murphy:

Ranger Price informs us "there was no mineral production under lease BLM-A 048576 from August 1, 1961 to the time the lease was relinquished; also the property has not been sublet to other parties."

Sincerely yours,

PETER J. HANLON
Forest Supervisor

By W.E. Howell

OFFICIAL FILE COPY
O. M. E.
RECEIVED NOV 12 1963

11/12 800
500

220

MME Form V
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
10/22	on leave	500
10/22	Talbut	800
	Selfridge	120
10/24	Johnson	110
"	Finnell	100
		220

OCT 2 4 1963

Mr. Peter J. Hanlon
Forest Supervisor
Forest Service
P. O. Box 731
Asheville, North Carolina

Re: DMEA-4203 (Mica)
Murphy Mining Company
Murphy Mine
Yancey County, North Carolina
Contract Idm-E1037

Dear Mr. Hanlon:

We wish to thank you for your letter of October 10, 1963, relating to the subject property.

In addition to the information submitted will you kindly advise if there was any mineral production under Lease No. BLM-A-046576, from August 1, 1951 to the time the lease was relinquished; also, whether or not the property has been leased to other parties and, if so, were any minerals produced.

Sincerely yours,

F M Murphy

F. M. Murphy, Acting Chief
Division of Minerals

FMMurphy/mm
10/23/63
cc: Director's Reading File
R. A. Laurence w/cy of incoming letter and attachment
Docket
Code 500

43683

UNITED STATES DEPARTMENT OF AGRICULTURE
FOREST SERVICE
NORTH CAROLINA NATIONAL FORESTS
ASHEVILLE, NORTH CAROLINA
P.O. Box 731

OFFICIAL FILE COPY
O. M. E
RECEIVED OCT 21 1963
DATE | IN REPLY REFER TO
2820
October 18, 1963
10-22 Murphy 500
520

Mr. F.M. Murphy, Acting Chief
Division of Minerals
Office of Minerals Exploration
Department of the Interior
Washington 25, D.C.

DMEA-4268
Murphy Mining Co
Idm-E 1037

Dear Mr. Murphy:

Ranger John Chaffin has been replaced at Burnsville by District Ranger Harvey Price. Your letter was referred to us for reply.

Attached is copy of BLM decision dated March 11, 1963. The case is closed in our files. Our last address for the permittee was Marion, North Carolina, RFD #3.

Please let us know if this doesn't supply the information needed.

Sincerely yours,

PETER J. HANLON
Forest Supervisor

By W.E. Hawell

Enclosure

IN REPLY REFER TO:

6.03b-1M
BLMA 048376
North Carolina

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

Division of Field Services
Land Office

MAR 11 1963

DECISION

Charles Greene	:	Acquired Lands Mica
Homer Greene	:	Minerals Lease
Brenton James Buchanan	:	

Relinquishment Accepted & Minerals Lease Canceled in its Entirety

A relinquishment of the above identified lease in its entirety was filed on August 13, 1962 in this office.

The Forest Service has advised that it has no objection to the acceptance of the relinquishment and the cancelation of the lease. The Geological Survey has reported that all charges due under the terms of the lease have been paid.

Accordingly, the relinquishment is accepted and the lease canceled effective August 13, 1962, the date the relinquishment was filed.

The period of liability also terminated as of August 13, 1962 under the $500 lease bond executed July 12, 1961 with the lessees as principals and the Employers Mutual Casualty Company as surety. Therefore, a copy of this decision is being furnished the surety for its information.

Lease date Aug 1., 1961.

Joseph P. Hagan

Joseph P. Hagan
Chief, Minerals Adjudication Section

cc: F.S. (3)

FILE COPY
No. Carolina Nat'l Forest
MAR 15 1963
Routing

Done 3/20

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
9/12	Murphy	500
9/12	on leave	500
9/12	Talbert	800
	Selfridge	120
9/12	on leave	110
"	" "	100
		220

SEP 12 1963

Mr. John W. Chaffin
District Ranger
U. S. Forest Service
P. O. Box 128
Burnsville, North Carolina

Re: DMEA-4268 (Mica)
Murphy Mining Company
Murphy Mine
Yancey County, North Carolina
Contract Idm-E1037

Dear Mr. Chaffin:

In your letter of April 24, 1962, you advised that the subject property was held under Mica Mineral Lease No. BLM-A-04876, dated August 1, 1961, granted to Charles Greene, Homer Greene, and Branton James Buchanan.

Will you kindly advise if this lease is still effective and, if so, has there been any production from the property since the date of your letter. Also, we would like to have the addresses of the lessees, if available.

Sincerely yours,

s/F. M. Murphy

F. M. Murphy, Acting Chief
Division of Minerals

FMMurphy/mm
9/12/63
cc: Director's Reading File
R. A. Laurence, Knoxville, Tenn.
Docket
Code 500

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
		~~130~~
8/3	Dr Leave	120
		225

AUG 3 1962

Memorandum

To: Chief, Fiscal Section, Division of Administrative Services, Office of the Secretary

From: Acting Chief, Division of Field Operations, OME

Subject: DMEA-4268 (Mica)
Murphy Mining Company
Murphy Mine
Yancey County, North Carolina
Contract Idm-E1037

Enclosed for your files is the original of a Report of Royalty Review on the subject contract.

/s/ H. R. Drewold (HB)

Enclosure

HBerry (7/26/62)
cc to: Docket DMEA-4268
Director's Reading File
CA&A Division
G. C. Selfridge
R. A. Laurence, USGS, Region IV, w/cy of Report of Royalty Review dtd 8/2/62 & orig. cy of memo dtd 8/2/62 to Chief, Division of Field Operations, from CA&A Division.
Avery Reed, USBM, Reg. IV, w/cy of ea. item sent to Mr. Laurence.

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
		220

AUG 2 1962

Memorandum

To: Chief, Division of Field Operations

From: E. D. Talbert, Acting Chief (Signed) E. D. Talbert
Contract Administration and Audit Division

Subject: DMEA-4268 (Mica)
Murphy Mining Company
Murphy Mine
Yancey County, North Carolina
Contract Idm-E1037

Enclosed are the original and two copies of a Report of Royalty Review covering the subject Region IV contract. If you concur in the facts stated therein, please make the following distribution:

(a) Original to the Fiscal Section, Division of Administrative Services, Office of the Secretary; and

(b) Two copies to Region IV files.

This report is for OME record purposes only; therefore, no copy has been provided for the Operator.

As evidence of your concurrence, a copy of your memorandum transmitting the original of the report to the Department's Fiscal Section should be furnished this Division. If for any reason you do not concur, the original and both copies should be returned to this Division with your comments.

Enclosures

EDTalbert/ama 8-2-62

cc:
Docket
Director's Reading File
CA & A Division
Fiscal Section

43683

OME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
6/26	[illegible]	800
		500
		120
		110
		100
		220

June 26, 1962

Memorandum

To: The File

From: C. E. Fisher, OME Auditor

Subject: Check of Spruce Pine Mica Purchase Depot Records, June 18 - 22, 1962

During the period of June 18 to 22, 1962, I examined the purchase records of the G.S.A. Mica Purchase Depot at Spruce Pine, North Carolina, for the purpose of ascertaining any unreported production under DMEA exploration project contracts. My examination did not disclose any unreported production subject to royalty under the following contracts:

Contract No.	Docket No.	Operator	Mine Names
2- 684	3244	Alex Teague	Old Denson (Denison)
687	3256	Glenn C. Rathburn	Fox, Busby Creek
692	3260	Sam L. Phillips	W. A. McKinney, McKinney No. 1
694	3199	W. B. Chrisawn	R. D. (W. H.) Westall
712	3410	Rock Mining Company	Rock
737	3469	A. Ward	Elmore
757	3559	C. R. Phillips, et al.	Sugar Dave, Ralph
762	3577	Keller Mining Co.	Royster
805	3720	Alvin White, et al.	Coward
830	3265	Mines and Mining, Inc.	Farlow Gap
835	3813	T. B. Vance	Shuffle Vance, Red, Charlie Burleson
840	3799	J. R. Beam	Bennett, Mica Field
865	3860	Ed Boone	Goog Rock
882	3924	J. R. Beam & John Phillips	Little Ray, Pat
891	3543	Buchanan Minerals, Inc.	Buchanan, Dream
900	3942	Sam G. Smith	Doe Hill, Sam Smith
962	4147	Sam L. Phillips	Old Buchanan
1005	4239	John Phillips	Roby (Robby)
1008	4332	John Phillips	John (John's) Brown
1037	4268	Murphy Mining Co.	Murphy, Murphy Rock
1042	4449	Clifton D. Buchanan	Boone, Phillips
1089	4554	Sam L. Phillips	Black Mountain

cc: Docket
Director's Reading File
CA & A Division
Region IV Files (2)

CEFisher/ams
6-26-62

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
4/13	Murphy	500
	[illegible]	500
4/17	Selfridge	120
"	Johnson	110
4/17	Fumich	100
		220
	Murphy	500

APR 17 1962

District Ranger
U. S. Forest Service
Burnsville, North Carolina

Re: DMKA-4268 (Mica)
Murphy Mining Company
Murphy Mine
Yancey County, North Carolina
Contract Idm-E1037

Dear Sir:

The subject property was held under Mica Mineral Lease, Serial No. BLM-A-037366, dated September 1, 1955, granted to Fred G. Wilson.

On March 28, 1958, Mr. H. W. Janelle, District Ranger, advised one of our field men that the lease had expired and would not be renewed until certain repairs had been made on the access road to the mine. If possible, will you kindly inform this office whether or not there has been any mica production from the subject property subsequent to March 28, 1958.

Sincerely yours,

George Fumich, Jr.

Director

FMMurphy/gla
4-13-62
cc to: Director's Reading File
Region IV
Docket

43683

UNITED STATES DEPARTMENT OF AGRICULTURE
FOREST SERVICE
NORTH CAROLINA NATIONAL FORESTS

OFFICIAL FILE COPY
O. M. E
RECEIVED APR 26 1962

DATE
4/26
800
500
220

P.O. Box 128
Burnsville, N. C.
April, 24, 1962

2810
BLM-A-037366

Mr. George Fumich, Jr., Director
Office of Minerals Exploration
U. S. Dept. of Interior
Washington 25, D. C.

RE: DMEA -4268 (Mica)
Murphy Mining Company
Murphy Mine
Yancey County, North Carolina
Contract Idm - E1037

Dear Sir:

Reference your letter dated April 17, 1962, concerning Mica Mineral Lease, Serial No. BLM-A-037366, dated September 1, 1955, granted to Fred G. Wilson.

According to our files and district personnel there has been no mica production from the area since March 28, 1958, and that Mr. Wilson's lease was closed December 24, 1959.

The area is now under Lease No. BLM-A-048576, dated August 1, 1961, granted to Charles Greene, Homer Greene and Branton James Buchanan. As of this date they, too, have not removed any mica from the area other than for analysis.

Very truly yours,

John W. Chaffin

John W. Chaffin
District Ranger

cc: Forest Supervisor

2 cys Region IV

ORIGINAL FILE COPY
DMEA
RECEIVED APR 24 1958

DATE	INITIALS	CODE
4/24	HG	335
25	CDM	100
4/28	HG	110
4/28	[illegible]	800
		600

DMEA EXPLORATION PROJECT

Semi-Annual Report of Certified Project (Pseudo)

Reporting Period: to 1-1-58. Examined: March 28, 1958

Operator: Murphy Mining Company, Spruce Pine, North Carolina

Mine Name: Murphy. County: Yancey. State: North Carolina

Docket No. DMEA-4268. Contract: Idm-E1037. Commodity: Mica

Date of Contract: November 15, 1956. Terminated: March 1, 1957

Expiration Date of Royalty Payments: November 15, 1966

Total Amount of Contract: $4,236.00. Total Expended: $1,241.00

Government Participation at 75%....$930.75.

Royalty Payment this Period: $4.60. Previously Paid: None

Total Royalty Paid: $4.60.

Percent Gov't Participation Repaid: 0.494%. Royalty Due: None

Royalty Remarks: Only one sale of 10 lbs of sheet mica was made to GSA depot.

Original Estimate of DMEA Reserves-- None

DMEA Production this period and to date:

Type	Pounds	Value
Sheet	10.00	$91.95

Remarks: The writer called on Mr. H.W. Janelle, District Ranger, U.S. Forest Service, Burnsville, N.C., in regard to this pseudo certified contract. He stated the lease held by Fred G. Wilson, one of the partners in the Murphy Mining Company had expired and would not be renewed until repairs have been made to the access road and water turnouts have been installed to the satisfaction of the Forest Service. The cost of this will ~~will~~ amount to about $1,000 so the bond that was put up when the lease was signed is being held.

Mr. Janelle said no work has been done since last spring and the road is badly washed. Mr. Wilson requested permission to work the mine by himself, but this request was denied.

Wm. A. Beck

Wm. A. Beck, Mining Engineer
Bureau of Mines (DMEA)

April 22, 1958

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

RECEIVED DEC 11 1958
12/11 C 220 600

December 9, 1958

Mr. Fred G. Wilson

Old Fort, North Carolina

Re: Docket No. DMEA-4268-mica
Murphy Mining Company
Murphy Mine, Yancey County, N.C.
Contract No. Idm-E1037

Dear Mr. Wilson:

Reference is made to your letter of December 8, in which you stated your lease on the subject mine has been reinstated and you requested aid for exploration in your own name.

The Defense Minerals Exploration Administration aid for exploration terminated as of July 1, 1958. Congress has passed a law which grants aid in exploring for certain minerals through a new organization, Office of Minerals Exploration. To date the new regulations and necessary forms have not come out. When they are received in this office we will send them to you. We cannot guarantee however that additional exploration aid will be granted on the subject mine.

As you know the contract by the Murphy Mining Co., was terminated by mutual agreement of the Government and the Murphy Mining Company. This termination agreement was signed by you and Mr. Aldridge for the Company and Mr. C. O. Mittendorf, Administrator for the Government. Item 5 of the agreement guarantees the Government the royalty on any production from the mine the same as if certification of discovery has been made. For your information the Government's share of the exploration costs was $930.75. Royalty paid on production to date is $4.60, leaving a balance of $926.15.

Very truly yours,

Wm. A. Beck, Alternate Acting
Executive Officer, OME
Region V

WAB/zm
cc
Opr. Com-2

July 29, 1958

Mr. Anderson:

As I informed Mr. Houk, I believe the file supports something nearer the following than the Field Team or your comments:

"4 - Certification of Discovery - Inconclusive results from the small amount of work completed did not justify issuance of a certification of discovery or development, however, a royalty provision was incorporated in the termination agreement of October 18, 1957, to protect the Government's interest in the event subsequent operations resulted in production.

"5 - Comments - Work started on December 10, 1956, but was delayed because of inclement weather. The operator completed an access road, contructed a tool shed, and moved in equipment and supplies. After sinking only 21 feet of shaft he failed to pursue the work diligently. Disagreements between the partners, difficulties with the Forest Service over the access road, as well as disappointment in the quality of the mica encountered, undoubtedly, affected the operations. However, the Field Team succeeded in obtaining an extension of six months of the Forest Service permit, provided the operator's repaired the access road to comply with the Forest Service's specifications. The DMEA also granted an extension for the completion of the work.

"Regardless of these extensions the operator made no effort to resume work. Although one of the partners on several occasions indicated his willingness to continue the project, the other partner who evidently was the financial backer, had lost interest and requested termination of the contract. The Forest Service refused a further extension of time on its permit to the partner who wished to continue.

"In view of the circumstances, and the marginal quality of the mica produced, but considering that the property had not been adequately explored, it appeared to be in the interest of the Government to terminate the contract by mutual agreement with a provision for royalty payments on any production in the same manner as though the project had been certified."

Frank E. Johnson

Walter, if you agree, I suggest that you rewrite paragraphs 4 and 5 of your summary. FEJ

Value of mica recovered during operation - $91.95
Royalty received $4.60

3. Audit: Report of Review issued March 5, 1958
Total accepted cost $1,241.00
Government participation $930.75

4. Certification of Discovery: Pseudo-certified on October 18, 1957.

5. Comments:

How conducted: Only 21 feet of shaft out of a total of 100 feet of underground openings was completed when the project was abandoned. The following developments indicate the continual and flagrant lack of good faith in attempting to carry out the terms of the contract:

1. Complete disregard by the Operators in carrying out their contractual obligations.
2. Abandonment of the project before completion.
3. A disagreement between the partners as to the responsibility of payment of accrued expenses and the distribution of money received from DMEA for work completed.
4. The violation of the Forest Service Agreement as to the grade of the access road and provision for drainage. The statement in the Operator's Final Report that the Forest Service would not accept the road is incorrect, as they agreed to accept it for six months. However, the request by one of the partners to continue the work by himself was rejected by the Forest Service.
5. Because of disagreements and difficulties, the contract was terminated with royalty agreement provision, effective March 1, 1957.

Operation: Very poor.
Engineering: Reporting by Operators was poorly done. Although not very informative, his final report was accepted, because the Field Team doubted they could get anything from him that would give useful information.
Geologic Premise: The property was not sufficiently explored to prove whether significant ore reserves exist.
Geologic Criteria upon which work was based:
1. Pegmatite: Well zoned, 10 to 20 feet in cross-section. Has a continuous massive 2 to 5 foot thick quartz core.
2. Mica: Flat, in books 5 to 12 inches wide and up to 3/4 inches thick. Light rum and free from mineral intergrowths.
Geologic Criteria developed during project: Although a rather poor grade of mica was found, not enough work was done to prove whether the criteria upon which work was based is correct.
Future Possibilities The work completed was too limited to prove that the property does not still have environment and potential to warrant further exploration, as outlined in the examination report.
Recommendations: A closing letter will not be written to the Operators because of their attitude in carrying out the terms of the contract.

WCAnderson:rsi 7/28/58
Copy to: Admr. R. File
Mr. Johnson
Mr. Houk

Walter C. Anderson
Walter C. Anderson
Division of Nonmetallic Minerals

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

May 13, 1958

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 13 19
DATE | INITIALS | CODE
5/13 | C | 220
5/14 | Hach | 600

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-4268 (mica)

Applicant: Murphy Mining Co.

Name and Location of Property: Murphy Mine, Yancey County, N. C.

Contract Number: Idm-E 1037

Date of Field Team Final Report: 4/29/58

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 5/3/58

Field Team Recommendation: Recommend that certification of discovery be denied.

Comments:

1. The contract was terminated after only an access road and 21 feet of incline along the axis of a pegmatite lens had been completed.

2. The operators displayed a continual and flagrant lack of good faith in attempting to carry out the terms of the contract.

3. The Forest Service held up the operators' performance bond and were going to cancel their lease unless road was corrected to specifications.

4. Partners disagreed and ultimately termination of contract was requested.

5. Expenditures -

Total cost approved	$4,326.00
Total cost	1,241.00
Gov't. share of cost	930.75
Value of production during operation	91.95
Royalty paid	4.60

Recommendation:

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

W. F. Dietrich

W. F. Dietrich

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

ROOM 13 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

April 29, 1958

DMEA
RECEIVED MAY 1 1958

DATE	INITIALS	CODE
5/1	C	220
5/2	2/B	130
5/6	C	220
5/8	Lynch	600

Memorandum

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

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

Subject: Final Report, DMEA-4268, Contract Idm-E1037 (Mica)
Murphy Mining Company, Spruce Pine, North Carolina
Murphy Mine, Yancey County, North Carolina

Enclosed are the original and two copies of the subject report.

We do not recommend certification.

Robert A. Laurence
Robert A. Laurence
Executive Officer

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

Enclosures 3

Reviewed by
DMEA OPERATING COMMITTEE
5-5-58
(date)

Field Team
Final Rpt.

5/5 2/2 130 220

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT

Field Team-Region V

DMEA-4268, Idm-E1037, MURPHY MINE-mica
Yancey County, North Carolina

By

S. C. Bergman, Geologist
Geological Survey

and

L. E. Shirley and S. A. Feitler, Mining Engrs.
Bureau of Mines

Reviewed by
DMEA OPERATING COMMITTEE
5-5-58
(date)

April 29, 1958

DMEA EXPLORATION PROJECT

FINAL REPORT

DMEA-4268, Idm-E1037(mica) MURPHY MINE
Yancey County, North Carolina

Operator: Murphy Mining Company, composed of Fred G. Wilson, and Lewie Aldridge, c/o Lewie Aldridge, Spruce Pine, North Carolina

DESCRIPTION OF WORK

During the contract period, the Operator completed an access road and 21 feet of incline along the longitudinal axis of a thick contorted pegmatite lens(?). This work is an extension of an existing 72 feet of -32° incline of unknown origin. In constructing the access road, the Operator for the most part merely swept out an existing trail, although excavating in excess of the amount allowed in the contract. He violated his agreement with the Forest Service as to the grade of the road, and the adequacy of drainage. The Examiners did not know of this agreement at the time, and would not have recommended payment for this work if they had. The Operator's lease was to be cancelled and his performance bond held until such time as he restored the road to Forest Service Specifications. A disagreement soon developed between the partners, as to the responsibility of payment of accrued expenses, and the distribution of money received from DMEA for work completed. The project was abandoned even through a status quo agreement had been reached with the Forest Service for sufficient time to finish the project work. The one partner, Mr. Fred Wilson was physically and financially unable to continue the project on his own although expressing a desire to do so. His request to the Forest Service

to continue to work the project by himself was rejected. The other partner, Mr. Lewie Aldridge, although able to continue, and for many months promising and expressing a desire to continue the project, displayed a continual and flagrant lack of good faith in attempting to carry out the terms of the contract. A number of his promises taken in good faith, were found to be pure fabrications. After all contract time extensions had expired, Mr. Aldridge, unilaterally requested termination of the contract. The reasoning behind his request was considered to be weak. In the opinion of the Examiners, his actions constituted actual default of the contract, and a recommendation for repayment of the money so far expended was made. The contract was eventially terminated short of completion, with a pseudo-certification of discovery.

A considerable amount of rather poor quality muscovite was recovered from the limited incline work, of which approximately 150 to 200 pounds was processed for sale. A total of 9.94 pounds of sheet was sold for $91.95. Approximately 1,000 pounds of very light-brownish muscovite was left strewn around the incline portal and dump. The muscovite was in books, sheets and films up to 15-inches across. Most of the muscovite was in soft intergrown, locky, flat to wedge "A" books, with some minor oxide staining particularly along the reeving. Very little if any of this mica was of anything but scrap value. The contract work completed was too limited to materially change the interpretation of the environment and potential outlined in the examination report.

EXPENDITURES

a).	Total approved	$4,236.00
b).	Government's share	3,177.00
c).	Government's share spent	930.75
d).	Government's share unexpend.	2,246.00
e).	Value of production	91.95
f).	Royalty received	4.60

April 29, 1958

S. C. Bergman, Geologist
Geological Survey

L. E. Shirley and S. A. Feitler,
Mining Engineers, Bureau of Mines

z

AEC Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
3/7	Talbert	800
3/10	C	220
/		600

MAR 7 1958

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

Re: Docket No. DMEA-4268 (Misc)
Murphy Mining Company
Murphy Mine
Yancey County, North Carolina
Contract No. Idm-E1037

Dear Mr. Laurence:

Enclosed are the original and three copies of a Report of Review in lieu of a final audit of the referenced project.

If you concur with the facts stated therein please make the normal distribution. If, for any reason, you do not concur, please return all copies to this Division with your comments.

Sincerely yours,

(Signed) E. D. Talbert

for Jay L. Chambers, Director
Contract Administration
and Audit Division

Enclosures

EDTalbert/ama
March 7, 1958

Copy to: Docket
Admr. Reading File
Helen R. Miller
Mr. Chambers

8623

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 9 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

February 28, 1958

Date		
2/3	C	220
2/4		800
3/4	Hoch	600

Memorandum

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

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

Subject: Docket No. DMEA-4268, Contract No. Idm-E1037 (Mica)
Murphy Mining Company, Spruce Pine, North Carolina
Murphy Mine, Yancey County, North Carolina

Enclosed are the original and two copies of a letter submitted in response to our request for a final engineering and geologic report.

The statement that the Forest Service would not accept the road is incorrect; they agreed to accept it for six months. The Operator cannot shift blame for the failure of the project to the Forest Service.

Although the report is not very informative, we doubt if any report we can get from this Operator will add any new information. Therefore we are inclined to accept this as the final report.

Robert A. Laurence
Robert A. Laurence
Executive Officer

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

Enclosures 3

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 3 1958

DATE	INITIALS	CODE

Spruce Pine, N. C.
February 26, 1958

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

Re: Docket No. DMEA-4268 (Mica)
Murphy Mining Company
Murphy Mine
Yancey County North Carolia
Contract No. Idm-E-1037

Dear Mr. Laurence:

Please accept this as our final report on the above mine. We moved our machinery into the mine in December 1956 and also built the necessary buildings. Due to the cold freezing weather and the location of the mine, we were not able to start operation untill the first of February 1957.

We cut a shaft of 21 feet and recovered some mica. We sold a minium sale of this mica and paid the 5% royalty to DMEA. The mica was not up to the required 18% good stained quality, although it might have picked up in quality deeper in the pegamite. Our lease was from the U.S. Forest or the Department of the Interior and they would not accept the road that we had built up to the mine and requested that we build another road on a 10% grade, putting in water cut-outs and seed the sides. The cost of this road would have amounted to a cost much greater than the quanity and quality of the mica warrented: therefore, we ask permission from DMEA to terminate the contract and this permission was granted.

We have given up our lease and moved our equipment from the above named mine. Please close your records on this Contract on the basis of the above report.

Thank you very much.

Yours truly

Murphy Mining Co.

Lewie Aldridge

Lewie Aldridge

LA/bv

Operator Final Rpt.

RECEIVED
FEB 28 1958
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

Operating Comm.

DMEA
RECEIVED FEB 26 1958

DATE	INITIALS	CODE
2/26	C	220
2/26	[illegible]	800
2/26	Hoch	600

February 24, 1958

Mr. Lewis Aldridge

Spruce Pine, North Carolina

Re: Docket No. DMEA-1268 (Mica)
Murphy Mining Company
Murphy Mine
Yancey County, North Carolina
Contract No. Idm-F1037

Dear Mr. Aldridge:

When I sent the Termination agreement to you for signature, on October 24, 1957, my letter (second paragraph) requested prompt submission of your final engineering and geologic report, as required by article 5e of the contract which states, "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."

Termination of the contract did not remove this obligation. Article 3 of the termination agreement states that "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."

Please let me have this long overdue report as soon as possible, in order that we may complete our records on this contract.

Very truly yours,

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

RAL/mg
cc - Mr. Fred G. Wilson, Old Fort, N.C.
Operating Committee (2)
Mr. V. J. Lynch
File

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
2/14	Anderson	600
2/14	Houk	600
2/14	Talbott	800
2/19	[illegible]	130
"	Johnson	110
"	[illegible]	100
2/20	C	220
		600

600

FEB 19 1958

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

Re: Docket No. DMEA-4263-Mica
Murphy Mining Company
Murphy Mine
Yancey County, North Carolina
Contract No. Idm-E1037

Dear Mr. Laurence:

In your memorandum of February 11, 1958, you requested a waiver of the Operator's Final Report. We are reluctant to grant this request since the Operator signed a termination agreement which specifically requires the rendering of a final report and final account.

An all out effort should be made to obtain this final report. The Operator should be reminded of his responsibility in connection with his contract with the Government. His negligence or refusal to comply with his obligations to the Government cannot be condoned.

Further action in connection with the issuance of a Report of Review will be held in abeyance pending your efforts in obtaining a final report.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (FB)

Approved:

Frank D. Lamb (FB)
Member, Bureau of Mines

W. P. Williams (FB)
Member, Geological Survey

WCAnderson:gad 2/14/58
Copy to: Admr. R. File
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

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

OFFICIAL FILE COPY
DMEA
RECEIVED FEB 13 1958

DATE	INITIALS	CODE
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		600

February 11, 1958

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region V - Knoxville

Subject: DMEA-4268, Idm-E1037(mica) Murphy Mining Co., Spruce Pine, N.C. Murphy Mine, Mitchell County, N.C.

We have never been able to obtain a final engineering and geologic report from the Operator. As the work was abandoned at a very early stage, we do not think a report would be of any value to us if we did succeed in getting one. The project was "pseudo Certified" in the Termination Agreement. Therefore, we request a waiver of the Operator's final report.

The Field Team final report will be submitted when it is completed.

Robert A. Laurence
Robert A. Laurence
Executive Officer, DMEA
REgion V

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

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

OFFICIAL FILE COPY
DMEA
RECEIVED FEB 13 1958

DATE	INITIALS	CODE
2/13	Fowler	600

February 11, 1958

Memorandum

To: Jay L. Chambers, Chief Contract Administration and Audit Division, DMEA - Washington

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

Subject: DMEA-4268, Idm-E1037(mica) Murphy Mining Company, Spruce Pine, N.C. Murphy Mine, Mitchell County, N.C.

This project was abandoned by the Operator after payment of $930.75 for work done up to that time. Later, after much correspondence, the contract was terminated, effective March 1, 1957, by mutual agreement. Because of this, there is no final voucher awaiting payment.

The following units of work were performed:

Bulldozing access road, 600 cu.yds.

Construction of toolhouse, powder magazine and Exploder magazine

Shaft sinking --21 feet.

No final report was received, but we have requested the Operating Committee to waive this requirement.

Report of Review is requested.

Robert A. Laurence
Executive Officer, DMEA-Region V

RAL/zm
cc
Lynch
Laurence
Opr. Com-2

V. J. Lynch, Member
Bureau of Mines

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 3 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

OFFICIAL FILE COPY
DMEA
RECEIVED 1957
220
600

November 27, 1957

Memorandum

To: Finance Officer, Region V (DMEA)

From: Acting Executive Officer, DMEA - Region V

Subject: Royalty Payment - Idm-E1037, DMEA-4268-mica
Murphy Mining Co. Murphy Mine, Yancey County, N.C.

Attached is a bill-of-sale in the amount of $91.95, and a check No.90, dated 11-26-57 for royalty in the amount of $4.60.

V. J. Lynch

zm.
cc
Mittendorf
Lynch
Files

[illegible] BY U.S. MARCH [illegible] 25, 1957

GENERAL SERVICE [illegible]DMINISTRATION

FINAL SETTLEMENT - MICA PURCHASE

MICA PURCHASE DEPOT - Spruce Pine, N. C.

PRO[illegible]M: [x] A [ ] B

DATE PURCHASED: [illegible]

ACCEPTANCE NUMBER: A[illegible]-376(a)

CERTIFICATE AUTHORIZATION NUMBER	LOT NUMBER	VOUCHER NUMBER	SCHEDULE NUMBER
[illegible]	32A[illegible]-376(a)		

EVALUATION DATA

RUBY

QUALITY	HALF TRIM POUNDS	HALF TRIM PRICE PER LB.	HALF TRIM AMOUNT	FULL TRIM POUNDS	FULL TRIM PRICE PER LB.	FULL TRIM AMOUNT
GOOD STAINED AND BETTER						
GRADES NO. 3 AND LARGER		$	$		$ 70.00	$
GRADES NO. 4 AND 5				.18	40.00	7.20
GRADES NO. 5½ AND 6				1.54	17.70	27.26
STAINED						
GRADES NO. 3 AND LARGER		12.00			31.90	
GRADES NO. 4 AND 5		5.00		.81	18.25	14.78
GRADES NO. 5½ AND 6		3.00		4.28	7.55	32.31
HEAVY STAINED						
GRADES NO. 3 AND LARGER		8.00			14.80	
GRADES NO. 4 AND 5		4.00		.56	6.85	3.84
GRADES NO. 5½ AND 6		2.00		2.57	4.00	10.28
TOTALS			$			$

NONRUBY

QUALITY	HALF TRIM POUNDS	HALF TRIM PRICE PER LB.	HALF TRIM AMOUNT	FULL TRIM POUNDS	FULL TRIM PRICE PER LB.	FULL TRIM AMOUNT
GOOD STAINED AND BETTER						
GRADES NO. 3 AND LARGER		$	$		$ 70.00	$
GRADES NO. 4 AND 5					40.00	
GRADES NO. 5½ AND 6					17.70	
STAINED						
GRADES NO. 3 AND LARGER		9.60			25.55	
GRADES NO. 4 AND 5		4.00			14.60	
GRADES NO. 5½ AND 6		2.40			6.55	
HEAVY STAINED						
GRADES NO. 3 AND LARGER		6.40			11.85	
GRADES NO. 4 AND 5		3.20			5.45	
GRADES NO. 5½ AND 6		1.60			4.00	
TOTALS			$			$

TOTAL YIELD AND VALUE [x] RUBY [ ] NONRUBY (*Half trim plus full trim*) 9.96 LBS. $ 95.67

ADJUSTED VALUE WHEN LESS THAN 18% GS & B (ABOVE VALUE $ 95.67 x 17.30 = 18) $ 92.95

FOR PROGRAM B, DEDUCT $4.00 PER POUND FOR RIFTING AND TRIMMING

FINAL BASIS FOR PAYMENT $ 92.95

LESS: INITIAL PAYMENT VOUCHER NUMBER SCHEDULE NUMBER 25.59

BALANCE DUE [x] SELLER [ ] GOVERNMENT $ 67.36

NAME AND LOCATION OF MINE

Murphy Rock Mine-Yancey County, N. C.

B GS & B 17.30

SELLER'S NAME AND ADDRESS (*Type or print*)

Lewis Aldridge
Spruce Pine, N. C.

PROCESSED FOR PAYMENT (LBS.)	9.96
PROCESSED - NO PAYMENT (LBS.) THINS	
BLACK (*Dots, Spots, Stained*)	
UNDERSIZED	
PROCESSING LOSS	.06
TOTAL POUNDS PURCHASED	10.00

APPROVED

DEPOT SUPERINTENDENT

[signature]

DATE 11-8-57

RECEIVED [illegible] U.S.A.

GSA WASH D C 58-3177

GSA FORM 1013a SEPTEMBER 1957

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

November 25, 1957

RECEIVED NOV 27
DATE
11-27 gb 220
12/2 600

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Signed Termination Agreement - Idm-E1037, DMEA-4268-mica
Murphy Mining Company, Murphy Mine, Yancey County, N.C.

Transmitted are two signed copies of the subject Termination Agreement.

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

V. J. Lynch
V. J. Lynch
ACTING EXECUTIVE OFFICER
DMEA - REGION V

Helmuth Wedow, Jr. By: BM
Helmuth Wedow, Jr.
Geologist, Geological Survey

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

OFFICIAL FILE COPY
DMEA
RECEIVED NOV 14 1957

DATE		CODE
11/14	C	220
11/14	[illegible]	800
11/15	[illegible]	600

November 12, 1957

Mr. Fred G. Wilson

Old Fort, North Carolina

Re: DMEA-4268(mica)
Murphy Mining Co., Franklin, N.C.
Murphy Mine, Yancey County, N.C.
Contract - Idm-E1037
(Permit-No. BLM-A037366)

Dear Mr. Wilson:

With reference to your letter of November 9, I suggest that you sign the termination agreement and return it promptly, as the contract is now in default and failure to sign the termination agreement could result in a demand for repayment of all Government contributions.

The matter of division of funds between the partners is one in which I have no authority. The Government has contributed its 75% share of all approved costs, and how these or any losses are to be divided is entirely up to the partners of the Murphy Mining Company.

Very truly yours,

Robert A. Laurence
Executive Officer, DMEA
Region V

RAL/zm
cc
Opr. Com.-2
Abernethy
Lynch
Files

11/15 Hook 600

Old Fort, N. C.
November 9, 1957

Mr. Robert A. Lawrence,
Executive Officer,
DMEA Field Team, Region V,
Room 13 P. O. Building,
Knoxville, 2, Tenn.

Dear Sir:-

Re - DMEA-4268 (Mica)
Murphy Mining Co. Murphy Mine
Yancey County, North Car.
Contract No. Idm-E1037

I have a copy of your letter of October 24, 1957 addressed to Mr. Lowie Aldridge at Spruce Pine, N. C. in which you enclosed original and four copies of termination agreement for the subject expolration agreement.

I have contacted Mr. Aldridge and advised him that just as soon as he made a settlement with me of the funds received from the loan made for the operation of the mine, I will be willing to sign the termination agreement.

He has received all the moneys advanced and has never paid me one cent for my part of the expenses, the principal part of which is $180.00 die for grading road into the mine.

Would be glad if you would write Mr. Aldridge and urge him to make this settlement so that the termination agreement can be signed and returned to the Department.

Yours very truly,

Fred G. Wilson

Fred G. Wilson

RECEIVED
NOV 12 1957
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

IN REPLY REFER TO:
BIM-A-037366
North Carolina

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

RCL ✓
Sr BV

October 29, 1957

Mr. Fred G. Wilson
Old Fort
North Carolina

Dear Mr. Wilson:

Reference is made to a letter written to Mr. Lewie Aldridge under date of October 24 by Mr. Robert A. Laurence, D.M.E.A. Executive Officer, in which reference in turn was made to a letter dated July 12, 1957, from Mr. J. P. McKinney to Aldridge indicating that mica has been sold from land under your lease BIM-A-037366, N. C., to the G.S.A. mica depot at Spruce Pine.

By letter of August 24, 1955, from this office your attention was called to Section 2 of the lease requiring payment of royalty amounting to 8 percent of the gross value of the mica mined. You were requested to submit production reports and royalty payments to this office within 10 days following the close of each calendar quarter.

To date no production reports or royalty payments on production have been received in this office. In fact, you gave no indication to Mr. Mattila from this office when he talked with you last October 10 that any mica had been sold.

Please submit immediately a report on the amount of mica disposed of from the lease land and royalty thereon at 8 percent of the value received from the G.S.A. This must be done before your bond is released.

Very truly yours,

D. C. Abernethy

D. C. Abernethy
Regional Mining Supervisor

Copy to: Manager, Eastern States Office, BLM
Robert Laurence

RECEIVED
NOV 1 - 1957
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

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

ROOM 1405
KNOXVILLE, TENN.

RECEIVED OCT 28 1957

DATE		
10/28	gb	220
10/28	[illegible]	800
10/30	[illegible]	600

October 24, 1957

Mr. Lewis Aldridge

Spruce Pine, North Carolina

Re: DMEA-4,260 (Mica)
Murphy Mining Company
Murphy Mine
Yancey County, North Carolina
Contract No. Idm-11037
(Permit BLM-A037366)

Dear Mr. Aldridge:

Enclosed are the original and four copies of a proposed termination agreement for the subject exploration contract. As the contract is in default, the termination agreement includes a certification by agreement (article 5 of the agreement).

Please sign all copies, have Mr. Wilson sign them, and return them to me promptly. Also, your final engineering and geologic report covering the work done under the contract should be submitted promptly, in accordance with article 5c of the contract and article 3 of the termination agreement.

Mr. J. P. McInney's letter to you, dated July 12, 1957, indicates that a sale of mica was made to the GSA Depot. Please send your check for royalty on this and any other sales, with settlement sheets or other supporting documents. This applies to scrap and punch as well as to sheet.

Very truly yours,

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

RAL/mc
Enclosures 5
cc - Mr. Fred G. Wilson
Operating Committee (2)
Mr. V. J. Lynch, USBM
Mr. D. C. Abernethy
File

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
	Rubin	140
	Dwyer	140
10/16	Anderson	600
10-16	Chambers	800
10/18	Selfridge	130
10/18	Lahnt	130
10/18	Gilsgaard	130
"	Johnson	110
"	Mittendorf	100
		220

OCT 21 1957

Mr. Fred G. Wilson
Old Fort, North Carolina

Re: DMEA-4268, Idm-E1037-mica
Murphy Mining Company
Murphy Mine, Yancey County, N.C.

Dear Mr. Wilson:

Reference is made to your letter of September 24, 1957, to Mr. Frank E. Johnson, expressing your personal willingness to resume and complete the project work.

Even as extended by Amendment No. 1, the time fixed for completion of project work passed about 2 months ago, and the Operator thereby has defaulted under the Contract. The partnership has not performed any project work for over 5 months, and apparently the partners are at odds concerning completion of the work. In these circumstances, the Government is unwilling to continue its participation in this project. However, the Government is willing to terminate this Contract by an agreement, containing requirements for payment by the Operator of royalty on any production made from the land by others. The third party Guarantor will also be liable for any royalty due the Government as a result of such a termination agreement with the Operator.

Should you desire to submit an application in your own name for a project on the same or other land, we would be glad to give it our consideration.

The Termination Agreement is being forwarded to Spruce Pine for execution by the partners.

Sincerely yours,

C. O. Mittendorf (for)
Administrator

HCRubin:md
10/14/57

CC: DMEA Docket
Adm. Reading File
Field Team, Reg.V(2)
Mr. Kiilsgard
Mr. Dietrich
Mr. Houck
Mr. Dwyer
Operating Com.
J. L. Chambers

Mr. Dwyer
Mr. Rubin
Chron
Pending

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
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10/16	Andrews	600
10-16	Chambers	800
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10/18	GCS	130
"	Johnson	110
"	Butterday	100
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600

600

OCT 21 1957

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

Re: Docket No. DMEA-4268-Mica
Murphy Mining Company
Murphy Mine
Yancey County, North Carolina
Contract No. Idm-E1037

Dear Mr. Laurence:

Reference is made to your memorandum of September 11, 1957, recommending termination for default, with demand for repayment.

Because of the marginal quality of the mica and the access road difficulties, we have considered favorably Mr. Aldridge's request for termination. However, the partnership must execute a certification by agreement termination. We believe this method to be the best way to protect the Government's interest.

You will find enclosed the original and four copies of a Termination Agreement (with royalty repayment provision), together with two extra copies for the use of the Field Team which should be forwarded to the Operator if you are in agreement. After execution of the Termination Agreement, please make the regular distribution of the copies. Please fill in the effective date of the Termination Agreement.

Regarding the royalty which Mr. Aldridge owes on three projects, please make a written demand on Mr. Aldridge for payment of the royalty due giving him thirty days to make a settlement. If, at the end of thirty days, he fails to make a settlement, refer the collection of royalty to the Washington Office.

Enclosed are two copies of a letter of September 24, 1957, from Mr. Fred G. Wilson, Partner, together with our reply to be forwarded if you agree.

Approved:

Frank D. Lamb (HB)
Member, Bureau of Mines

Thor H. Kiilsgaard (HB)
Member, Geological Survey

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee (HB)

Enclosures 10

LGHouk:gad 10/4/57
Copy to: Admr. R. File
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

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

OFFICIAL FILE COPY
DMEA
RECEIVED OCT 18 1957

DATE	INITIALS	CODE
10/18	GB	220
10/21	Hook	600

October 16, 1957

Memorandum

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

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

Subject: DMEA-4268, Idm-E1037 (Mica)
Murphy Mining Company, Spruce Pine, North Carolina
Murphy Mine, Yancey County, North Carolina
(Permit No. BLM-A037366)

Enclosed are the original and one copy of the latest letter from Mr. Aldridge, and two copies of our reply.

We do not hold much hope for successful completion of this project, as each of the partners is obviously trying to avoid responsibility for the work, while blaming the other for the dismal showing and neither one is making any real effort to do anything about it. Further, we doubt that the Forest Supervisor will permit further use of the access road which washed badly during the long period of inactivity. He agreed to a resumption last February only on the condition that the work would be completed within six months.

Robert A. Laurence
Robert A. Laurence
Executive Officer

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

Enclosures 6

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

OFFICIAL FILE COPY
DMEA
RECEIVED OCT 18 1957

DATE		CODE

October 16, 1957

Mr. Lewis Aldridge

Spruce Pine, North Carolina

Re: Docket No. DMEA-4268 (Mica)
Murphy Mining Company
Murphy Mine
Yancey County, North Carolina
Contract Idm-E1037
(Permit No. BLM-A037366)

Dear Mr. Aldridge:

As I wrote in my letter of September 11 to Mr. Wilson, the disposition of this contract is no longer in the hands of the Field Team. Mr. Johnson's letter of August 21 stated exactly what was needed, in the final sentence. Therefore, I suggest that you write promptly to Mr. C. C. Mittendorf, Administrator, Defense Minerals Exploration Administration, Washington 25, D. C., and notify him as to your intentions. In the meantime, I am forwarding your letter of October 10 to the Washington office for their consideration.

Obviously, no action concerning the Murphy mine can be taken without the approval of the Forest Service. Therefore, I suggest that you inform Mr. Sylsma of your plans and obtain from him a written statement of his approval for extending the time for completion of the work.

Sincerely yours,

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

RAL/mg
cc - Operating Committee (2)
Mr. V. J. Lynch
Mr. D. Carl Abernethy, USGS
Mr. Fred G. Wilson, Old Fort, N. C.
File

Aldridge Motor Company, Inc.

Sales - - Service

TELEPHONE PO 5-4246-4247-4248

Spruce Pine, N. C.

Oct. 10, 1957

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

Re: DMEA-4268 (Mica)
Murphy Mine
Contract No. Idm-E 1037

Dear Mr. Laurence:

In regard to the above loan: my partners, who were susposed to personally supervise the work, have just quit and have left me with the entire responsibility of the contract. Mr. Wilson has no money nor machinery and can do nothing toward helping me, so at this date I am in the middle and I am not sure just what my position is in regard to my obligation to DMEA.

I certainly do not want to ignore nor deny any obligation that I have assummed under a contract with DMEA; therefore, would you please advise me just exactly the situation as it now stands on the Murphy Mine Contract and also advise me if there is any way that I could get an extension of time to complete the contract if I take it on my self alone to finish out the proposed work. If it is possible to get an extension I would like to begin at an early date so that the balance of the work could be completed before the winter weather closes in.

I will certainly appreciate all the information and advise that you can give me.

Yours truly

Lewie Aldridge

Lewie Aldridge

LA/bv

RECEIVED
OCT 11 1957
U. S. Geological Survey
Contracts Division
Knoxville, Tenn.

OFFICIAL FILE COPY
DMEA
RECEIVED SEP 25 1957

DATE	INITIALS	CODE
9/25	B	220
9/26	Hook	600

Old Fort, N.C.
Sept. 24, 1957

Mr. Frank E. Johnson, Acting Adms.,
Department of the Interior,
Defense Minerals Exploration Adms.,
Washington 25, D. C.

Dear Sir:-

Re - Docket No. DMEA-4268 Mica
Mica Mine - Murphy Mining Co.
Yancey County, North Carolina

With reference to your letter of Aug. 21, 1957 addressed to Murphy Mining Co. C/O Mr. Louie Aldridge, Spruce Pine, N. C., a copy of which was sent to me, in which you advise of the contemplated cancellation of our contract under the above number and caption.

Shortly after receipt of this letter, I contacted Mr. Aldridge in this connection and he advised that he had written your office in regard to continuing our contract.

I have been, and still am, willing to go ahead with this work, if I can get any cooperation and help from Mr. Aldridge and Mr. Brown, the other parties interested in this project.

I would be glad if you would advise me if there has been any offer on the part of Mr. Aldridge to continue this work, and if the Department would be willing for us to continue the operation.

Yours very truly,

Fred G. Wilson

Fred G. Wilson

September 12, 1957

Telephone conversation between Mr. Robert A. Laurence of Knoxville 2, Tenn., and Mr. L. G. Houk.

Re: Docket No. DMEA-4268-Mica
Murphy Mining Company
Murphy Mine
Yancey County, North Carolina
Contract No. Idm-E1037

Mr. Laurence stated again that Fred Wilson wants to continue and Lewie Aldridge wants to discontinue. He noted our letter of recent date and wanted to know if we are going to allow them to continue. He stated the letter to Lewie Aldridge was to get his side of the story and find out if the Forest Service would permit them to go back. Mr. Laurence said he was certain the Forest Service would not allow them to go back.

DEFENSE MINERALS ADMINISTRATION

97022

PRODUCTION EXPANSION DIVISION

EXPLORATION LOANS

Name of Company and Address: _____

Name of Mine and Location _____

Docket No. D.M.A. _____ Date received by P.E.D. _____

Metals or Minerals involved _____

Amount of Total Project: _____

Government participation, percent and amount _____

Number of subprojects in total application _____

Type of Exploration	Feet	Cost per foot	Total cost
Preparatory & Rehabilitation			
Equipment			
Shaft sinking & winzes			
Drifts and crosscuts			
Raises			
Diamond or churn drilling			
Other			

Comments on Contract _____

_____

_____

_____

Date sent to Applicant for signature _____

Date returned to P.E.D. _____

Date sent to Legal _____

Date signed by Administrator _____

Additional remarks: _____

_____

_____

Interior—Duplicating Section, Washington, D. C.

Signed _____

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

WASHINGTON 25, D. C.

OFFICIAL FILE COPY
DMEA
RECEIVED SEP 13 1957

DATE	INITIALS	CODE
9/13	C	220
		130
9/13	Hous	600

September 11, 1957

Memorandum

To: Operating Committee, DMEA- Washington

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

Subject: DMEA-4268, Idm-E1085(mica) Murphy Mining Co., Murphy Mine, Yancey County, North Carolina

Enclosed are three copies of a letter from Mr. Fred G. Wilson, one of the partners, asking to resume operations at this mine. Please refer also to Mr. Lewie Aldridge's letter of August 15, requesting termination. It is doubtful if the two partners will agree on a course of action, and it is doubtful if Mr. Wilson is financially able to go on without Mr. Aldridge's participation.

As far as we are concerned, this project is inadequately explored and the target is still as good as it was originally. But we do not think it can be completed satisfactorily by the present Operator. Also, it seems certain that the Forest Service will refuse to sanction another extension without completely rebuilding the access road to conform to their specifications for an access road. They reluctantly agreed to a six month extension last March, and they are not likely to agree to another.

Termination without certification or termination with pseudo-certification would, in effect, reward the Operator for inefficient work. Mr. Aldridge has lost interest and wants to quit, but he should be permitted to do so only by repayment of the Government's contribution. Based on the past six months experience, we could put no faith in any promises by the Operator to begin promptly and carry out the work efficiently. It may be worth noting that Mr. Aldridge now owes royalties on three projects and has not paid even after being reminded.

We recommend termination for default, with demand for repayment.

S A Feitler

S. A. Feitler, for V. J. Lynch
Member, Bureau of Mines

Robert A. Laurence

Robert A. Laurence,
Executive Officer, DMEA
Region V

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

September 11, 1957

Mr. Fred G. Wilson

Old Fort, North Carolina

Re: DMEA-4268, Idm-D1037-mica
Murphy Mining Company
Murphy Mine, Yancey County, N. C.
(Permit No. BLM-A037366)

Dear Mr. Wilson:

This responds to your letter of September 5, in which you express your interest in resuming work on the Murphy exploration contract.

As this contract is now in default, the Field Team does not have the authority to reopen and extend it. In Mr. Johnson's letter of August 21, he asked that you advise him promptly of your intentions. I suggest that you and Mr. Aldridge do so at the earliest possible date, so that our Washington staff may give immediate consideration to the problem.

Very truly yours,

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

RAL/sm
cc
Cpr. Con.-2
Lynch
Shirley
Abernathy
Lewis Aldridge
Files

OFFICIAL FILE COPY
D M E A
RECEIVED SEP 13 1957

DATE	INITIALS	CODE

Old Fort, N. C.
Sept. 6, 1957

Mr. Robert A. Laurence,
Exec. Officer, DMEA, Region V,
Knoxville 2, Tenn.

Dear Sir:-

Re - DMEA-4268 - Mica
Murphy Mining Co. Murphy Mine
Yancey County, N. C.

I am in receipt of a letter dated August 21, 1957 from Mr. Frank E. Johnson, Acting Adms. Washington, D. C., this being a copy of letter addressed to Murphy Mining Co. C/O Mr. Louie Aldridge at Spruce Pine, N. C.

This letter advises that our failure to complete required work on this mining project by the specified time may result in demand for repayment of all fund advanced by the department for this purpose.

I, personally, have been very anxious to continue this work to completion, and would have made every effort to do so if I could have had any cooperation from Mr. Louie Aldridge and Mr. Sam Brown, my partners in this project. I am still willing and anxious to continue the work if I can get any help from my partners.

In the beginning, the Department appropriated for this work the following amounts; For tool house, dynamite and cap houses; $117.00, for grading road into mine; $180.00 Total $297.00 Footage reported: 21 feet @ $45.00 $945.00 Grand total $1242.00. I do not know the exact amount paid by the Department, but I understand that a check was sent to Mr. Aldridge for approximately $932.00, out of which I have received nothing. I have been unable to get a statement of disbursements or any information whatever in regard to same. I worked about three months getting the project ready for operation and hired a man with bulldozer to grade the road, for which I assumed liability and which I have, so far, been unable to pay: $150.00.

#1

#2

Mr. Robert A. Laurence;

I have been advised by Agent in charge of the mica depot at Spruce Pine, N. C. that the mica was suitable for use, and that they would buy all we count offer.

I have a certain amount of equipment on the project, and am willing to contimue working the mine with the help of Mr. Aldridge and Mr. Brown.

Please advise me if the Department would be willing for us to contimue this project.

Yours very truly,

Fred G. Wilson

Fred G. Wilson,
Old Fort, N. C.

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
8/21	Houk	600
"	Johnson	110
8/22	C	220
		600

600

AUG 2 1 1957

Murphy Mining Company
c/o Mr. Lewis Aldridge
Spruce Pine, North Carolina

Re: Docket No. DMEA-426S-Mica
Murphy Mining Company
Murphy Mine
Yancey County, North Carolina
Contract No. Idm-E1037

Gentlemen:

Reference is made to the July 3, 1957, letter from Mr. Robert A. Laurence to the Murphy Mining Company stating that failure to complete the work may result in the Government's demand for repayment of all funds advanced, and to your reply of July 13, 1957, stating that you would do your utmost to complete the contract work by August 15, 1957, and requesting additional time.

From the information we have it appears that there has not been a diligent effort on the part of the Murphy Mining Company to complete the contract work as no work has been done since the beginning of March, 1957. Please note the contract is a firm commitment to complete the work in the time specified. You are now in default of the terms of the contract and unless you make prompt arrangements to remedy this default the Government will, under its option in Article 7 of the contract, take any action it deems necessary to protect its interest.

Please advise this office promptly of your intentions.

Sincerely yours,

Frank E. Johnson (fw)

Acting Administrator

Copy to: Mr. Fred G. Wilson
Old Fort, North Carolina

LGHouk:gad 8/21/57
Copy to: Admr. R. File
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

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

OFFICIAL FILE COPY
DMEA
RECEIVED AUG 22 1957

DATE	INITIALS	CODE
8/22	C	220
8/23	Hook	130 ✓
		600

August 20, 1957

Memorandum

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

From: Executive Officer, DMEA Field Team, Region V

Subject: DMEA-4268, Idm-E1037 (Mica)
Murphy Mining Company, Spruce Pine, North Carolina
Murphy Mine, Yancey County, North Carolina
(Permit No. BLM-A037366)

Enclosed are two copies of a letter from the Operator, requesting termination of the contract.

I am surprised to learn that the Operator has made efforts to resume the project. Our field examiners have seen no evidence of such efforts.

The Operator's troubles with the Forest Service are of their own making. Had they resumed promptly upon receiving approval from the Forest Supervisor, the work could have been completed within the time, as was agreed upon with the Forest Service.

The Field Team's recommendation for termination, preferably for failure to fulfill the terms of the contract, is reaffirmed.

Robert A. Laurence

Robert A. Laurence

August 15, 1957

DMEA
RECEIVED AUG 22 1957
DATE | INITIALS | CODE
8/27 | Hawk

Mr. Robert L. Laurence
Executive Officer, DMEA
Field Team, Region V
U. S. Department of the Interior
Room 13, P. O. Building
Knoxville 2, Tennessee

Dear Sir:

Re: DMEA-4268-mica
Murphy Mine, Yancey County, N. C.
Contract Idm-E1037
(Permit No. BLM-A037366)

We have made efforts to resume the exploration project at the Murphy Mine. We have a letter dated July 12, 1957 from the Depot Superintendent, Mr. J. P. McKinney which we quote as follows:

"From the rough sample which the buyers examined from your lot of Mica from the Murphy Mine they do not believe that your lot will contain 18 per cent good stained.

We can accept the lot as it is, but as you know the value of it will be greatly reduced.

Please let us know if you would like to add more good stained Mica to this lot or sell it as it is."

Sincerely yours,

RECEIVED
AUG 19 1957
Survey
Knoxville Division
Knoxville, Tenn.

J. P. McKinney
Depot Superintendent

We also have a lot of trouble with the Parkway Ranger in regard to the road that goes into the mine and everything

in general seems to be against us in further exploration of this mine. There is approximately 29 feet of inclined shaft and 40 feet of raises. I would like to hear from you in regard to this mine, but I don't believe that the original objectives of the contract should be completed.

Yours very truly,

MURPHY MINE

Lewie Aldridge

Lewie Aldridge

LA:mh

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

WASHINGTON OFFICE

Aug. 15, 1957

OFFICIAL FILE COPY
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Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: DMEA-4268, Idm-E1037(mica) Murphy Mining Company, Spruce Pine, N.C. Murphy Mine, Yancey County, N.C. (Permit No. DLM-A037366).

Enclosed are 3 copies of the latest interim report on the subject exploration contract, stating that work has not been resumed.

Under the terms of Amendment No.1, signed by the Operator in May after approval to continue had been granted by the Forest Service, this contract was to have been completed before August 15. The Operator has made no effort to resume work and we think they have lost interest in the job and do not intend to resume. Therefore, we do not wish to write another Amendment extending the time for completion. It is our opinion that the Operator has defaulted the contract, and that it should be terminated by the Government with a demand for a return of the Government's contribution. If that appears to be too strong a stand to take, then a mutual termination agreement with a "pseudo-certification" might be adequate.

It is our understanding that the District Forest Supervisor intends to require the Operator to repair the damage to the access road, which is now beginning to wash badly, at least up to the amount of their performance bond.

Letters and visits to this Operator from the Field Team have failed to get results. We suggest that the Washington office write to the Operator, taking whatever action your review of the facts indicates to be appropriate.

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

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

ACTION ON INTERIM
OR FINAL FIELD TEAM REPORT

Date 8 19

Referred to:

1. ~~Mr. Mitchendorf~~
2. ~~Mr. Johnson~~
3. ~~Mr. Chambers~~
4. Docket Control Mails and Files
5. Division
6. Docket Control Mails and Files
7. 600

Note comments in report regarding:

1. Action case
2. Results of work
3. Tolerate ?
4.

and take appropriate action.

- - - - - - - - - -

Action taken by Divisions:

Letter to Operator allowing 30 days to rectify default and resume work.

Robert E. Adams

INTERIM REPORT

DMEA-4268, Idm-E1037(mica) MURPHY MINE

Operator: Murphy Mining Co., c/o Lewie Aldridge, Spruce Pine, N.C.

Location: 2.62 miles S63°W from Busick School, Pisgah National Forest, Yancey County, North Carolina

Once more we were assured by Mr. Lewie Aldridge, at his place of business that he was trying to get a crew for the mine "sometime during the coming week." We did not visit the mine as there had been no activity since the last visit.

August 6, 1957

S. A. Feitler and L. E. Shirley,
Mining Engineers, Bureau of Mines

F. G. Lesure, Geologist
Geological Survey

OFFICIAL FILE COPY
D M E A
RECEIVED

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INTERIM REPORT

DMEA-4268, Idm-E1037 (mica) MURPHY MINE

Operator: Murphy Mining Co., c/o Lewie Aldridge, Spruce Pine, N. C.

Location: 2.62 miles S63°W from Busick School, Pisgah National Forest, Yancey County, North Carolina

No progress has been made on this contract since early March 1957. The mine was visited after communication by letter was received from one of the partners, Lewie Aldridge, stating his intentions to resume work in the near future. No one was present at the mine, and the incline was filled with water. Another visit will be made as soon as work is resumed.

L. E. Shirley

L. E. Shirley and S. A. Feitler, Mining Engineers
U. S. Bureau of Mines

F. G. Lesure, Geologist
U. S. Geological Survey

Date inspected:

July 23, 1957

OFFICIAL FILE COPY
DMEA
RECEIVED AUG 5 1957

DATE	INITIALS	CODE
8/5	[illegible]	100
8/6	[illegible]	600

July 30, 1957

Memorandum to the File

From: Lawrence G. Houk, Director, Division of Nonmetallic Minerals

Subject: Substance of telephone conversation of July 30, 1957, with Mr. R. A. Laurence

Re: Docket No. DMEA-4268-Mica
Murphy Mining Company
Murphy Mine
Yancey County, North Carolina

Mr. Laurence stated we have a headache with Lewis Aldridge. He writes they are going to do their utmost to get started but he has not shown good faith. I asked if Lewis Aldridge found anything and if they reached the target area. Mr. Laurence said no, they are not making any money and they want to quit. The road is beginning to wash away and the forest ranger will make him restore the road. Mr. Laurence thinks the forest ranger will refuse to let him go on and said the Region had asked the forest ranger to let him use the road.

Lewis Aldridge's partner Wilson doesn't seem to be happy I told Mr. Laurence, and his reply was that the company may not be reimbursing Mr. Wilson for the bills he pays and he seems to think that the money should be divided up between the partners 1/3 each. That is their own affair.

RAL
VJL
DHA
SCB
FGL

OFFICIAL FILE COPY
DMEA
RECEIVED JUL 10 '57

DATE	INITIALS	CODE
7/19	P.K.	220
7/19	Hook	600

July 13, 1957

Mr. Robert A. Laurence
Executive Officer, DMEA
Field Team, Region V
U. S. Department of the Interior
Room 13 Postoffice Building
Knoxville 2, Tennessee

Dear Mr. Laurence:

Re: DMEA-4268-mica
Murphy Mine, Yancey County, N. C.
Contract Idm-E1037
(Permit No. BLM-A037366)

Thank you very much for your letter of July 3, 1957 in regard to the Murphy Mine. Please be advised that our intentions are to resume work, so that your field examiner may schedule your next inspection. We note that in your letter that this exploration is to be completed on or before August 15. We are doing our utmost to complete this by this date. However, if you could give us just a little longer time, it will be appreciated. Thank you for all your favors.

Yours very truly,

MURPHY MINE

Lewis Aldridge

Lewis Aldridge

LA:mh

RECEIVED
JUL 15 1957
Geological Survey
Knoxville, Tenn.

FGL
files

Old Fort, N. C.
July 13, 1957

RECEIVED
JUL 15 1957
Geology Division
Knoxville, Tenn.

Mr. Robert A. Laurance, 7/19 Thank 600
Executive Officer DMEA,
Field Team, Region V,
Knoxville 2, Tenn.

Dear Sir:-

Re - DMEA-4268-Mica
Murphy Mine, Yancey Co., N. C.
Contract Idm-E1037
(Permit No. BLM-A037366)

I am in receipt of copy of your letter addressed to Murphy Mining Company, C/O Lewie Aldridge, Spruce Pine, N. C., in regard to the above mentioned project.

I have contacted Mr. Aldridge in an effort to get him to work with me toward the completion of the exploration in connection with this mine, but have been unable to get him to agree to do anything.

I have spent all I had in getting this work started, and am unable to go any further witout some help.

In the beginning appropriations were made for the building of tool house, dynamite house and cap house, and for the grading of a road to get in to the operation. I think Mr. Sam Brown has been paid for the erection of the buildings, but the bulldozer work in connection with grading the road, (for which I assumed responsibility) has never been paid. I have requested Mr. Aldridge to pay this bill and he has refused.

Mr. Aldridge advises me that he has received checks for work done on appropriations and for footage worked in the mining operation, but he refuses to pay me any part of the moneys received.

I am still interested in continuing this opertion, if I can get some cooperation and help, and would be glad if you would ## try to get Mr. Aldridge co cooperate.

Yours very truly,

Fred G. Wilson

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

July 3, 1957

OFFICIAL FILE COPY
DMEA
RECEIVED
1957

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7/8	Hoch	600

Murphy Mining Company
c/o Lewis Aldridge
Spruce Pine, North Carolina

Re: DMEA-426d-nica
Murphy Mine, Yancey County, N.C.
Contract Idm-51037
(Permit No. BLM-4037366)

Dear Mr. Aldridge:

Our Field Examiners report that as yet there has been no resumption of the exploration project at the Murphy Mine. I wish to remind you again that, under the terms of Amendment No.1, this exploration is to be completed on or before August 15, so that barely six weeks remains in which to complete approximately 39 feet of inclined shaft and 40 feet of raises. Work should be resumed promptly and carried out diligently, so that the original objectives of the contract may be completed.

Please let me know at once when work is to be resumed so that our field examiners may schedule their next inspection. Failure to complete the job may result in a demand for repayment of all Government funds which have been contributed to the project.

Very truly yours,

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

RAL/rm
cc
Fred G. Wilson
Ansinnethy
Cpr. Con.-2
Lynch
Shirley
Files

Old Fort, N. C. June 6, 1957

OFFICIAL FILE COPY
D M E A
RECEIVED JUN 12 1957

DATE	INITIALS	CODE
6/12	C	220
6/12	[illegible]	800
6/12	[illegible]	600

Mr. Robert A. Laurance,
Executive Officer
DMEA Field Team, Region V

Dear Sir:-

Re - DMEA-4268 (Mica)
Murphy Mining Company
Murphy Mine, Yancey County, N. C.
Contract No.Idm-E1037

With reference to the operation of this mine, I beg to advise that I saw, and talked to, Mr. Lewie Aldridge and Mr. Sam Brown yesterday and discussed this matter with them. They appear to want to discontinue this operation, and Mr. Aldridge asked me if I knew how we could get out from under the loan from the department.

I do not want to discontinue this operation, but want to continue the work, and to have the loan granted for that purpose continued in force.

I have carried about ten pounds of mica to the U. S. Depot at Spruce Pine, N. C. and the man in charge of buying the mica told me it was RUBY mica, but that the percentage could be increased, and a better price had if some bigger mica could be included with it.

I would be glad if you would see what cound be done toward continuing this operation.

RECEIVED
JUN 10 - 1957
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

Yours very truly,
Fred G. Wilson
Fred G. Wilson
Old Fort, N. C.

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

OFFICIAL FILE COPY
DMEA
RECEIVED JUN 12 1957

DATE	INITIALS	CODE

June 10, 1957

Mr. Fred G. Wilson

Old Fort, North Carolina

Re: DMEA-4268 -mica
Murphy Mining Co.
Murphy Mine
Contract Idm-E1037

Dear Mr. Wilson:

This replies to your letter of June 6, inquiring what can be done toward continuing the exploration project at the Murphy Mine.

Please note that the contract, signed by you and Mr. Aldridge as partners of the Murphy Mining Company is a firm commitment to complete the work outlined in the contract at the agreed unit cost, I am glad to note that you want to continue the project, and I urge you to resume work as soon as possible, so that it may be completed on or before August 15 as provided in amendment No.1 of the contract. It is doubtful if the Forest Service will permit use of the existing access road beyond that date, without extensive repairs unless it appeared that the exploration work was being carried out vigorously.

If the work is abandoned before completion, it may be necessary for the Government to demand repayment of all funds contributed by the Government under the contract.

The only thing to be done toward continuing the operation is for Murphy Mining Company to get busy and do the work it agreed to do.

Sincerely yours,

Robert A. Laurence
Executive Officer, DMEA
Region V

RAL/zm
cc
Opr. Com.
Lynch

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

EXTRA COPY
D M E A
RECEIVED JUN 12 1957

DATE	INITIALS	CODE

June 10, 1957

Mr. Fred G. Wilson

Old Fort, North Carolina

Re: DMEA-4268 -mica
Murphy Mining Co.
Murphy Mine
Contract Idm-E1037

Dear Mr. Wilson:

This replies to your letter of June 6, inquiring what can be dnne toward continuing the exploration project at the Murphy Mine.

Please note that the contract, signed by you and Mr. Aldridge as partners of the Murphy Mining Company is a firm commitment to complete the work outlined in the contract at the agreed unit cost, I am glad to note that you want to continue the project, and I urge you to resume work as soon as possible, so that it may be completed on or before August 15 as provided in amendment No.1 of the contract. It is doubtful if the Forest Service will permit use of the existing access road beyond that date, without extensive repairs unless it appeared that the exploration work was being carried out vigorously.

If the work is abandoned before completion, it may be necessary for the Government to demand repayment of all funds contributed by the Government under the contract.

The only thing to be done toward continuing the operation is for Murphy Mining Company to get busy and do the work it agreed to do.

Sincerely yours,

Robert A. Laurence
Executive Officer, DMEA
Region V

RAL/zm
cc
Opr. Com.
Lynch

Old Fort, N. C. June 6, 1957

EXTRA COPY
DMEA
RECEIVED JUN 12 1957

DATE	INITIALS	CODE

Mr. Robert M. Laurance,
Executive Officer
DMEA Field Team, Region V

Dear Sir:-

Re - DMEA-4268 (Mica)
Murphy Mining Company
Murphy Mine, Yancey County, N. C.
Contract No.Idm-E1037

With reference to the operation of this mine, I beg to advise that I saw, and talked to, Mr. Lewie Aldridge and Mr. Sam Brown yesterday and discussed this matter with them. They appear to want to discontinue this operation, and Mr. Aldridge asked me if I knew how we could get out from under the loan from the department.

I do not want to discontinue this operation, but want to continue the work, and to have the loan granted for that purpose continued in force.

I have carried about ten pounds of mica to the U. S. Depot at Spruce Pine, N. C. and the man in charge of buying the mica told me it was RUBY mica, but that the percentage could be increased, and a better price had if some bigger mica could be included with it.

I would be glad if you would see what cound be done toward continuing this operation.

RECEIVED
JUN 10 - 1957
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

Yours very truly,
Fred G. Wilson
Fred G. Wilson
Old Fort, N. C.

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

EXTRA COPY
DMEA
RECEIVED JUN 12 1957

DATE	INITIALS	CODE

June 10, 1957

Mr. Fred G. Wilson

Old Fort, North Carolina

Re: DMEA-4268 -mica
Murphy Mining Co.
Murphy Mine
Contract Idm-31037

Dear Mr. Wilson:

This replies to your letter of June 6, inquiring what can be done toward continuing the exploration project at the Murphy Mine.

Please note that the contract, signed by you and Mr. Aldridge as partners of the Murphy Mining Company is a firm commitment to complete the work outlined in the contract at the agreed unit cost, I am glad to note that you want to continue the project, and I urge you to resume work as soon as possible, so that it may be completed on or before August 15 as provided in amendment No.1 of the contract. It is doubtful if the Forest Service will permit use of the existing access road beyond that date, without extensive repairs unless it appeared that the exploration work was being carried out vigorously.

If the work is abandoned before completion, it may be necessary for the Government to demand repayment of all funds contributed by the Government under the contract.

The only thing to be done toward continuing the operation is for Murphy Mining Company to get busy and do the work it agreed to do.

Sincerely yours,

Robert A. Laurence
Executive Officer, DMEA
Region V

RAL/zm
cc
Opr. Com.
Lemon

Old Fort, N. C. June 6, 1957

EXTRA COPY
D M E A
RECEIVED

DATE	INITIALS	CODE

Mr. Robert A. Laurance,
Executive Officer
DMEA Field Team, Region V

Dear Sir:-

Re - DMEA-4268 (Mica)
Murphy Mining Company
Murphy Mine, Yancey County, N. C.
Contract No.Idm-E1037

With reference to the operation of this mine, I beg to advise that I saw, and talked to, Mr. Lewie Aldridge and Mr. Sam Brown yesterday and discussed this matter with them. They appear to want to discontinue this operation, and Mr. Aldridge asked me if I knew how we could get out from under the loan from the department.

I do not want to discontinue this operation, but want to continue the work, and to have the loan granted for that purpose continued in force.

I have carried about ten pounds of mica to the U. S. Depot at Spruce Pine, N. C. and the man in charge of buying the mica told me it was RUBY mica, but that the percentage could be increased, and a better price had if some bigger mica could be included with it.

I would be glad if you would see what cound be done toward continuing this operation.

Yours very truly,
Fred G. Wilson
Fred G. Wilson
Old Fort, N. C.

RECEIVED
JUN 10 - 1957
U. S. Geological Survey
Spokane Division
Knoxville, Tenn.

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
5/23	Anderson	600
5/24	Houk	
"	Mittendorf	100
		220

May 23, 1957

Memorandum

To: Mr. C. O. Mittendorf, Administrator

From: L. G. Houk, Director, Division of Nonmetallic Minerals

Subject: Amendment No. 1 - Docket No. DMEA-4268-Mica
Murphy Mining Company
Murphy Mine
Yancey County, North Carolina
Contract No. Idm-E1037

The Division of Nonmetallic Minerals concurs in Amendment No. 1 to the subject contract as written and executed in the field. This amendment extends the completion date from [redacted], to [redacted].
May 15, 1957 to August 15, 1957

Amendment No. 1 is necessary because of the work interruption caused by the U. S. Forest Service's objection to the type of access road constructed. After some delay the Forest Service agreed that the road would be satisfactory.

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

WCAnderson:gad 5/23/57
Copy to: Admr. R. File
Mr. Houk

8623

EXTRA COPY
D M E A
RECEIVED MAY 22 1957

DATE	INITIALS	CODE

May 20, 1957

Memorandum

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

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

Subject: Amendment No. 1, DMEA-1268, Ida-1037 (Mica)
Murphy Mining Company, Spruce Pine, North Carolina
Murphy Mine, Yancey County, North Carolina

Enclosed are the original and two copies of the subject amendment. The usual distribution of the other copies has been made.

W. J. Lynch

mg
Enclosures 3
cc - Operating Committee (2)
Finance Officer
Lynch
Shirley
File

OFFICIAL FILE COPY DMEA RECEIVED MAY 1 1957		
DATE	INITIALS	CODE
5/1	C	220
5/2		800
		~~225~~
		600

April 29, 1957

Mr. Fred G. Wilson

Old Fort, North Carolina

Re: DMEA-4268 (Mica)
Murphy Mining Company
Murphy Mine, Yancey County, N.C.
Contract No. Idm-E1037

Dear Mr. Wilson:

This replies to your letter of April 26.

The Operator under the subject contract is "Murphy Mining Company, a partnership composed of Fred G. Wilson and Lewis Aldridge." This is exactly the way the application was made. As the application gave the address as "c/o Lewis Aldridge, Spruce Pine, N. C.", all correspondence about this contract is directed to that address. Both the checks referred to in your letter, payable to the Murphy Mining Company, have been sent to Mr. Aldridge.

Sincerely yours,

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

RAL/mg
cc
Oper. Comm. (2)
Lynch
Shirley
files

RECEIVED
APR 29 1957
Geologic Division
Knoxville, Tenn.

Old Fort, N. C. April 26, 1957.

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 1 1957

DATE	INITIALS	CODE

Mr. Robert A. Lawrence
Executive Office
DMEA Regional V
Room 13 P. C. Building,
Knoxville, Tennessee

Dear Sir:-

Re - No. DMEA-4268 (Mica)
Murphy Mining Co. (Yancey County)
Spruce Pine, N. C.

I am writing to inquire in regard to proceeds from loan granted for the operation of mica mine under the above number.

To begin with an allotment of $297.00 was made for the preparatory work; Opening road to the mine, building tool house, dynamite house and house for storage of dynamite caps. A check for 75% of this amount was sent. I was responsible for the payment of cost of opening the road but have never been able to get any of this check to pay for it.

There is also supposed to be a payment of $45.00 per foot for the opening of the mine. When to engineers checked the measurements, it was shown that 21 feet had been removed, amounting to $945.00, 75% of which would be $708.75, a check for which, i have been infoemed, has been received by Mr. Lewie Aldridge of Spruce Pine, N. C. I have never been able to get any part of this money.

I would like to know if this loan was made to Mr. Aldridge and Sam Brown, or to the Murphy Mining Co. and if the checks from loan are made to them, or one of them, or to the Murphy Mining Co.

Yours very truly,
Fred G. Wilson
Fred G. Wilson,
Old Fort, N. C.

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

OFFICIAL FILE COPY
DMEA
RECEIVED APR 24 1957

DATE	INITIALS	CODE
4/24	C	220
4/25	[illegible]	800
		225

April 22, 1957

Mr. Lewis Aldridge
Spruce Pine, North Carolina

Re: DMEA-4268, ~~IdM-E1037 (Mica)~~
Murphy Mining Company
Murphy Mine, Yancey Co., N. C.
(Permit No. BLM-A037366)

Dear Mr. Aldridge:

Our field examiners report that there was no activity at the Murphy Mine at the time of their regular inspection last week. I realize that it was necessary for you to shut down until the Forest Supervisor gave you permission to resume exploration.

This permission was given you on April 1, and work should have been resumed promptly. Under the original contract, work was to have been completed on or before May 15, 1957, or six months from the date of the contract. Because of the delay resulting from the enforced shut down, we are willing to extend the time for completion by a couple of months.

In writing to the District Ranger to request him to permit you to complete the exploration project, I pointed out that this was a six-month job and that, with this unexpected two month delay, it would still be only an eight-month job. It was only because of the limited time during which the temporary access road would be in use that the Forest Service agreed to permit you to continue. Therefore, it is imperative that you show that we were acting in good faith, by immediately resuming work under the contract and diligently completing the approved units of work.

Please advise me at once when you plan to resume work, and approximately how much time will be required to complete the work. I will then prepare an amendment authorizing the time extension.

Sincerely yours,

Robert A. Laurence
Executive Officer, DMEA
Region V

RAL/as
Lynch
Operating Com. 2
Shirley
Abernethy
Files

OFFICIAL FILE COPY
DMEA
RECEIVED APR 15 1957

DATE	INITIALS	CODE
4/15	C	220
"	COM	100

INTERIM REPORT

DMEA-4268, Idm-E1037 (mica) MURPHY MINE

Operator: Murphy Mining Co., c/o Lewie Aldridge, Spruce Pine, N. C.

Location: 2.62 miles S63°W from Busick School, Pisgah National Forest, Yancey County, N. C.

No work has been completed at this mine during the interim. One of the Operators, Lewie Aldridge, was contacted to learn when work would resume. Mr. Aldridge reported that the Forest Service would allow the contract to be completed if certain Forest Service requirements or regulations were met. He stated that a copy of the letter outlining these requirements would be sent by Mr. D. J. Morris, Forest Supervisor, Asheville, N. C., to the Executive Officer of DMEA, Region V. Mr. Aldridge further stated that he anticipated exploration to again resume within the coming week. The Operator will be contacted by the Field Examiners on the next regular visit to the area.

L. E. Shirley

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

E. L. Boudette

E. L. Boudette, Geologist
U. S. Geological Survey

April 3, 1957

RECEIVED
APR 2 - 1957
Survey
Geologic Division
Knoxville, Tenn.

P. O. Box 731
(Asheville N.C.)

U
USES-Mining
Wilson, Fred G.
BLM-A-037366

April 1, 1957

DMEA 4268 (MICA)
Idm E1037

Mr. Fred G. Wilson
Old Fort, N. C.

Dear Mr. Wilson:

Reference is made to our discussion in this office on March 26, concerning the continued use of the road to your mica prospecting area, designated BLM-A-037366.

As we agreed, you may continue to use the present road for prospecting activity, under the following conditions:

1. That water turnouts be installed on the present road to the satisfaction of the District Ranger, while this road is being used for prospecting during the exploratory stage.

2. That, if upon the completion of the exploratory work, it is found that the area will not support a mining operation, the present road be completely drained and brushed to the satisfaction of the District Ranger.

3. That, if at the end of the exploratory period, it is found that the prospecting area will sustain a mining operation, a new road be constructed according to Forest Service standards before any additional work is done.

We hope that this will make it possible for you to continue your operation, and we request that you keep the District Ranger at Burnsville fully informed of your activity on this area.

Very sincerely yours,

D. J. MORRISS
Forest Supervisor

BY: C. DuPree

OFFICIAL FILE COPY
DMEA
RECEIVED APR 4 1957

DATE	INITIALS	CODE
4/4	C	220
		600
		225

CC: Mr. Robert A. Laurence, Exec. Officer, DMEA Field Team, Region V, U. S. Dept. of Interior, Defense Minerals Exploration Admn., Room 13, P. O. Building, Knoxville 2, Tennessee

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 15 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 25 1957

DATE	INITIALS	CODE
3/26	C	220
4/26		800
		225

March 21, 1957

Mr. Don Bylsma
District Ranger
U. S. Forest Service
Burnsville, North Carolina

Re: Docket No. DMEA-4268-Mica
Murphy Mining Company
Murphy Mine, Yancey County, N.C.
Contract No. Idm-E1037
Permit No. BLM-A 037366

Dear Mr. Bylsma:

Yesterday, I visited your office, en route home from Spruce Pine. I am sorry that it happened to be while you were out, as I had hoped to discuss with you our activities in the Spruce Pine district, and especially the exploration contract with Murphy Mining Company in Yancey County.

The enclosed pamphlet and DMEA Order 1, as amended, describe the DMEA program of aid in exploration for strategic minerals. Please note that we do not assist in development or mining, but only in exploration projects and that these have a maximum life of two years. The average contract in North Carolina has been for about four to seven months. Please note also that the responsibility for the work is that of the Operator, not the Government, and that our only participation is to reimburse the Operator for 75% of the cost of all work approved in the contract.

In the case of the Murphy contract, the following units of work are approved:

1. Improve the existing access road, approximately 800 linear feet

2. Construct a toolhouse, powder and exploder magazines

3. Sink 60 feet of inclined shaft

4.. Drive 40 feet of raises

The contract calls for completion of the exploratory work on or before May 15, 1957. Because of the delays, which have occurred, it will obviously not be completed by that time, but completion by September 1 appears to be feasible.

It is my understanding that you intend to cancel the lease because the access road does not conform to Forest Service stardards for permanent roads. Therefore I would like to ask that you reconsider this, and permit the Company to complete the exploration project which is, after all, a temporary operation. If it were necessary to conform to permanent road specifications for exploratory projects, there would be few exploration jobs undertaken, as the expense is not warranted. If, at the end of the exploration project, some time this summer, a mineable mica deposit has been discovered, it would then be in order to require the Company to build a more suitable road. If, on the other hand, no discovery is made and the mine is to be abandoned, the Company can be required to treat the road in the same manner as an abandoned logging trail, in order to prevent washing or other damage to the Forest.

I would appreciate it if you will send me a copy of your specifications for logging roads and skid trails, and also those for permanent roads. We are anxious to avoid a recurrence of this situation in any future exploration contracts on National Forest land. We have had several such projects over the past five years, and this is the first time this situation has arisen.

Sincerely yours,

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

RAL/sm
cc
Opr. Com-2
E. A. Finley
Murphy Mining Co.
Shirley
Lynch
Files

COPY

INTERIM REPORT

DMEA-4268, Idm-41037 (mica) MURPHY MINE

Operator: Murphy Mining Co., c/o Lewie Aldridge, Spruce Pine, N. C.

Location: 2.62 miles S63°W from Busick School, Pisgah National Forest, Yancey Co., N. C.

Inclined shaft sinking has progressed slowly on this contract during the interim. The incline bottom could not be examined because of water accumulation over a period of several days.

Mr. R. A. Laurence, Executive Officer of DMEA, Region V, and Mr. Sam Brown, mine foreman, accompanied the Examiners on this visit to the mine, following a short meeting in Spruce Pine with the Operators and the mine foreman.

The Operator will be contacted when the Field Examiners are again in the area to learn if the Forest Service will permit mining to continue. This condition exists because of an infraction by the Operator, of Forest Service rules, and was discussed briefly in the previous Interim Report.

L. E. Shirley

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

S. C. Bergman

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

March 20, 1957

OFFICIAL FILE COPY
DMEA
RECEIVED APR 2 1957

DATE	INITIALS	CODE
4/2	C	
"	CRW	220
		100

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 15 1957

DATE	INITIALS	CODE
3-18	C	220
18	COM	100

INTERIM REPORT

DMEA-4268, Idr-41037 (mica) MURPHY MIN

Operator: Murphy Mining Co., c/o Leslie Aldridge, Spruce Pine, N. C.

Location: 2.62 miles S63°W from Busick school, Pisgah ~~National Forest~~, Yancey Co., N. C.

Inclined shaft sinking is underway on this contract, and 21 feet of work has been completed to date. The work is following the plunge of the pegmatite on a -25° slope and is being driven S30°W. The work has followed a quartz core, thickness unknown, and a feldspathic-mica zone 12 to 18 inches thick adjacent to the core. The enclosing rock observable on the SE side of the incline is biotite gneiss. Considerable poor quality mica has been recovered from the limited work completed, but processable mica will not exceed 150 pounds of book. Instructions were given for continuing the incline.

A controversial issue has arisen recently between the Operator and the Forest Service over failure of the Operator to comply with Pisgah Forest Service regulations concerning access road construction. According to Mr. Fred Wilson, leaseholder and one of the Operators of this contract, instructions were given that the access road had to be constructed on a +10% grade or less. Mr. Wilson did not comply because of the steep topography and lack of necessary funds. On the date of this visit, the Examiners offered to meet the Forest Service Representative at the mine to discuss the situation and to learn both sides of the story, but the Forest Service Representative declined. It was later learned that a 5 weeks extension of time was given the Operator by the Forest Service to

complete the work and get out. If past progress is any criteria for future progress this contract cannot be completed in 12 weeks. The Field Examiners request instructions as to the continuance of this contract.

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

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

E. L. Boudette

E. L. Boudette, Geologist
U. S. Geological Survey

March 6, 1957

4268

Date 3/18

Referred to:

1. ~~Mr. Wisenbaker~~
2. ~~Mr. Johnson~~
3. ~~Mr. Williams~~
4. ~~Docket Control Mails and Files~~
5. ~~Non-Contentious Division~~
6. Docket Control Mails and Files

Note comments in report regarding:

1. Guidance requested
2.
3.
4.

and take appropriate action.

A Lawrence was advised by phone to have operators continue the work and visit the Local Forest ranger and discuss the matter with view to allowing sufficient time to complete the contract work

Robert Adams

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of February 1957 Docket No. DMEA 268 Contract No. Idaho 1037

Operator's Name Murphy Mining Company Minerals Iron

Address c/o Louie Aldridge, Spruce Pine, N. C.

Contract Amount, $ 4236.00 Government Participation: 75 % Amount, $ 3177.00

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 600 L.F.		100.00	100.00			
Crosscutting						
Drifting						
Shaft Feet	95.00		95.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives Magazine		15.00	15.00			
Powder Magazine		25.00	25.00			
Tool House		76.00	76.00			
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	95.00	236.00	331.00	445.00	296.00	1241.00

RECEIVED APR 8 1957 D.M.E.A.

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

Date 3-7-57 *Payee Murphy Mining Co.

Per Louie Aldridge Title Partner

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

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

2 (Instructions on reverse)

236.25

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

$ 708.75

Signature Helen R. Miller
(Authorized Certifying Officer)

Date APR 3 1957 Vou. No. 159
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. DMEA 1037 in accordance with the terms of the contract.

Signature W. E. Beck Title Mining Engr. USBM Date APR 2 1957

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION V Date APR 2 1957

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of February 195 7 Docket No. DMEA 120 Contract No. 70-8 2037

Operator's Name Murphy Mining Co. Minerals Mica

Address c/o Louis Aldridge, Spruce Pine, N. C.

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting								
Crosscutting Bulldozing				150.00	1	150.	1	150.00
Raising								
Shafts Foot	Foot	945.00	21	945.00	21	945.	40	21.00
Winzes								
Drilling: Core								
Explosives Magnetite				15.00	1	15.	1	15.00
Powder Magnetite				25.00	1	25.	1	25.00
Stripping Coal Hauling				76.00	1	76.	1	76.00
Trenching								
Test Pits								
Roads and Trails								
Total Distributed Costs		945.00	21	1211.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		945.00		1211.00				4256.00

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

Date 3-7-57 Operator Murphy Mining Co.

Per Louis Aldridge Title Partner

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)

RECEIVED APR 8 1957 D.M.E.A.

W. A. Beck, Mining Engineer

APR 2 1957

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

[illegible] MINING CO. c/o [illegible] ADDITION
[illegible] PAT, [illegible]

DMEA 4260, [illegible]-P 1037 Mica

PROGRESS REPORT FOR MONTH OF FEBRUARY, 1957

Feb. 4-6 Laid track, water & air line, set up pump, drilled, shot & mucked.
7-8 Rained and could not get to mine.

Feb. 11-14 Drilled, pumped water, shot & mucked. No trouble.
15 Water Pump needed repairs-no work-took pump in for repair.

Feb. 18-19 Drilled, pumped water, shot & mucked.
20 Rained, men could not get to the mine. Foreman there and visited with field men.
21-22 Pumped water, worked on water line, drilled and shot.

Feb. 25-28 Drilled, pumped water, shot & mucked. No delays.

Pulled 21 feet of shaft in the above period. Have been in the pegmatite and have recovered around 150 pounds of mica containing a few very good blocks which are still small.

OFFICIAL FILE COPY
DMEA
RECEIVED APR 8 1957

DATE	INITIALS	CODE

RECEIVED
MAR 11 1957
[illegible] Division
[illegible], Tex.

INTERIM REPORT

DMEA-4268, Idm-E1037 (mica) MURPHY MINE

Operator: Murphy Mining Co., c/o Lewie Aldridge, Spruce Pine, N. C.

Location: 2.62 miles S63°W from Busick School, Pisgah National Forest, Yancey County, N. C.

Inclined shaft sinking is underway on this contract, but no measurement could be made because the incline had not been pumped dry for an inspection and contained several feet of water. Later contact with the operator divulged that sinking was progressing slowly and that considerable poor quality mica had been produced from work completed. Much of the mica observed in scattered piles in and around the mine showed the mica to contain considerable wedge "A" structure, and a few flat pieces were "locky" or "tied" and would not split easily.

The operator was instructed to obtain a new hoisting rope. Another inspection will be arranged with the operator when the Field Examiners are again in the area.

L. E. Shirley

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

S. C. Bergman

S. C. Bergman and E. L. Boudette
Geologists, U. S. Geological Survey

OFFICIAL COPY

DMEA
RECEIVED MAR 4 1957

DATE	INITIALS	CODE
3/5	CDM	100
		225

February 20, 1957

RECEIVED
FEB 11 1957
D.M.E.A.

INTERIM REPORT

DMEA-4268, Idm-E1037 (mica) MURPHY MINE

Operator: Murphy Mining Co., c/o Lewie Aldridge, Spruce Pine, N. C.

Location: 2.62 miles S63°W from Busick School, Pisgah National Forest, Yancey County, N. C.

Inclined shaft sinking had not begun on this contract at the time of this visit. Some loose muck removal had been accomplished, a water hole completed and track had been lain from the dump to the present face. The Operator stated that incline sinking would begin during the coming week, weather permitting. Instructions were given for future work, and suggestions were made concerning additional timber work at the portal.

A tool house, powder magazine, and exploder magazine ~~has~~ have been built. Progress on this contract has been slow due to inclement weather.

L. E. Shirley

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

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

January 21, 1957

February 21, 1957

Memorandum

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

From: Administrative Assistant, Electrotechnical Experiment Station, Norris, Tennessee

Subject: Monthly report and voucher

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

Idm-F1037 Murphy Mining Company
Docket No. DMEA-4268
1st payment - month of December
Starting Date: 12/10/56
Amount $222.00

EXTRA COPY DMEA RECEIVED FEB 25 19[illegible]		
DATE	INITIALS	CODE
2/26/57	JEJ	110
2/26	[illegible]	600

Helen R. Miller

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

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K- 51

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of December 1956 Docket No. DMEA 4268 Contract No. Idn-E 1037
Operator's Name Murphy Mining Co. Minerals Mica
Address c/o Lewis Aldridge, Spruce Pine, N. C.
Contract Amount, $ 4236.00 Government Participation: 75 % Amount, $ 3177.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing 1800 L.Ft.	180.00		180.00			
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives Magazine	15.00		15.00			
Powder Magazine	25.00		25.00			
Tool House	76.00		76.00			
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	296.00		296.00	296.00		296.00

RECEIVED FEB 25 1957 D.M.E.A.

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

Date 2-13-57 *Payee Murphy Mining Co.

Per Louie Aldridge Title Partner

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

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

(Instructions on reverse)

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

$ 222 00

Signature Helen R. Miller
(Authorized Certifying Officer)

Date FEB 21 1957 Vou. No. 136

(See other side)

74 00

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E-1037 in accordance with the terms of the contract.

Signature V. J. Lynch Title MINING ENGINEER U. S. BUREAU OF MINES Date FEB 20 1957

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION V Date FEB 20 1957

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Dec. 1956 Docket No. DMEA 4268 Contract No. DM-E 1037

Operator's Name Murphy Mining Co. Minerals Mica

Address c/o Lewie Aldridge, Spruce Pine, N. C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting Bulldozing	1	180.00	1	180.00	1	180.00	1	180.00
Raising Feet							40	1240.00
Shafts Feet							60	2700.00
Winzes								
Drilling: Core								
Explodon Magazine	1	15.00	1	15.00	1	15.00	1	15.00
Powden Magazine	1	25.00	1	25.00	1	25.00	1	25.00
Tool House	1	76.00	1	76.00	1	76.00	1	76.00
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		296.00		296.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc								
TOTAL COSTS		296.00		296.00				4936.00

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

Date 2-13-57 Operator Murphy Mining Co.

Per Lewie Aldridge Title Partner

REMARKS: Due to the unusually bad weather, we are late with the work and we have just now been able to acquire the voucher blanks to fill out for December.

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

(Instructions on reverse)

(For Government use only)

RECEIVED FEB 25 1957 D.M.E.A.

W. J. Lynch
MINING ENGINEER
U. S. BUREAU OF MINES

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

Dailey Operating progress Report.

DMEA-4260 Mica
Contract No. Idm-U 1037

Started work on December 10, 1957

Had Bulldozer to do 18 hours work covering 300 linear feet.

Then hauled in lumber and built the Exploder Magazine, the Powder Magazine and the Tool House.

The above work was completed by the 20th. day of December, but the muck weather got so bad that it was impossible to start the operations for actual mining in December.

EXTRA COPY
D M E A
RECEIVED FEB 25 1957

DATE	INITIALS	CODE

Cw

RECEIVED
DEC 1 5 1956
U.S.G.S.

INTERIM REPORT

DMEA-4268, Idm-E1037 (mica) MURPHY MINE

Operator: Murphy Mining Co., c/o Lewie Aldridge, Spruce Pine, North Carolina
Location: 2.62 miles S63°W from Busick School, Pisgah National Forest, Yancey County, Nofth Carolina

The starting date on this contract is December 10, 1956. Access road construction in excess of 600 cubic yards has been completed. Timber has been moved to the site and a powder magazine has been built. However, work has not begun on the incline and it still contains water. According to the operator inclined shaft sinking will begin in the coming week. Equipment at the site consists of a 105 c.f.m. air compressor and a gasoline-powered hoist. Another trip will be made to the mine on the next regular visit to the area.

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

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

December 12, 1956

Forrest called Forest service should to show the off the property

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1, POST OFFICE BLDG.
WASHINGTON 25, D.C.
KNOXVILLE 2, TENNESSEE

November 29, 1956

RECEIVED DEC 3 1956 D.M.E.A.

Memorandum

To: Operating Committee - DMEA - Washington

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

Subject: Signed Contract - Idm-E1037, DMEA-4268-Mica
Murphy Mining Co., Spruce Pine, N.C.

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

Robert A. Laurence

Robert A. Laurence

Docket Copy
Surname:

Hopkins
Houk
Chapman
Selfridge
Johnson
Matthews

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

B

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

NOV 15 1956

Re: Docket No. DMEA-4268-Mica
Murphy Mining Company
Murphy Mine
Yancey County, North Carolina

Dear Mr. Laurence:

Enclosed are the original and five copies of a proposed short-form contract signed by the Administrator for the Government. It consists of the form, Annex I (1 page), Guaranty of Royalty (1 page), Exhibit (A) (2 pages), and map. Also enclosed are two extra copies of Annex I, Exhibit (A), and the map for Field Team use.

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 July 18 and 20, 1956, by Mr. W. F. Dietrich, USBM, and Mr. N. E. Nelson, USGS, respectively, relating to the project are enclosed.

Sincerely yours,

Approved:

Frank D. Lamb
Member, Bureau of Mines

Thor H. Kiilsgaard
Member, Geological Survey

George C. Selfridge
Chairman, Operating Committee

JHopkins:gad 11/7/56
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

Enclosures 12

Docket Copy
Surname:

Houk
Dietrich 11/2/56
Kiilsgaard
Layer
Selfridge

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

7 1956

Murphy Mining Company
C/O Mr. Lewis Aldridge
Spruce Pine, North Carolina

Re: Docket No. DMEA-4268-Mica
Murphy Mining Company
Murphy Mine
Yancey County, North Carolina

Gentlemen:

Reference is made to your letter dated October 4, 1956, enclosing a copy of Guaranty of Royalty executed by Mr. Samuel P. Brown.

The Guarantor, Mr. Samuel P. Brown, is acceptable to the Government, and the guaranty meets all of our requirements.

We will now continue to process your application.

Sincerely yours,

Frank E. Johnson

ACTING Administrator

JHopkins:gad 10/31/56
Copy to: Admr. R. File
Docket
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Fred G. Wilson, Old Fort, North Carolina

Docket Copy
Surname:

Hopkins
Houk
Dietrich 11/2/56
Hanson
Selfridge
FSJohnson

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

NOV - 2 1956

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

Re: Docket No. DMEA-4268-Mica
Murphy Mining Company
Murphy Mine
Yancey County, North Carolina

Dear Mr. Laurence:

Reference is made to your memorandum dated October 25, 1956, in which you report the results of your investigation of the reputation of Mr. Samuel F. Brown who executed the Guaranty of Royalty on the subject property.

Since you have found that Mr. Brown is considered an honorable citizen and enjoys a good reputation, we will continue to process the subject application.

With regard to the last paragraph of your memorandum, we feel that the Government is in a much better position with the added Guaranty of Royalty than it would be with only the applicant's guarantee.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (GCS)

Approved:

Frank D. Lamb (GCS)
Member, Bureau of Mines

Thor H. Kiilsgaard (GCS)
Member, Geological Survey

JHopkins:gad 10/31/56
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

H

RECEIVED
NOV 6 1956
D.M.E.A.

Old Fort, N. C.
Nov. 5, 1956

Re - Docket No. DMEA 4268 Mica
Murphy Mining Co.
Murphy Mine
Yancey County, N. C.

Department of the Interior
DMEA Region IV,
Washington 25, D. C.

Attention Mr. Mittendorf.

Crossed in mail to with answer to letter of Oct. 16

Dear Sir:-

With reference to my letter of October 16th. and with further reference to your letter of Sept. 19, 1956 addressed to the Murphy Mining Co., Spruce Pine, N. C. in connectiion with third-patry guanantor as to payment of royalties due under our contract.

I am writing to inquire as to whether any answer has been given to Mr. Lewis Aldridge's letter of Oct. 4, 1956 enclosing third-party guaranty as requiredl

I am a partner in this mining development, and the lease for the mine is in my name, and Mr. Aldridge is the other partner. He advised me some time ago that he had obtained a signer of the third-party gaurantor agreement and had forwarded same to your office.

I would like to know if this third-party guarantor agreement has been received and, whether or not, same was found in order and satisfactory.

I am anxious to get to work on this operation, and would greatly appreciate your advising me as to the stutus of the loan approved by your office for this purpose.

Kindly write me at OLD FORT, N. C.

Yours very truly,

Fred G. Wilson

Fred G. Wilson

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

RECEIVED
OCT 29 1956

October 25, 1956

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region V - Knoxville

Subject: DMEA-4268 (mica) Murphy Mining Co., Spruce Pine, N.C.
Murphy Mine, Yancey County, N.C.

Reference is made to your letter of October 16, 1956.

As none of our staff is acquainted with Mr. Sanuel P. Brown, we have made a few inquiries at Spruce Pine. Mr. Brown is a farmer, and apparently has not engaged in mining activity. He is considered an honorable citizen and his reputation is good. Several persons thought his farm to be worth three or four times as much as he showed on his financial statement. Noboby had anything derogatory to say about Mr. Brown.

However, considering that an individual Operator (e.g. Roland F. Beers, Benjamin H. Putnam), no matter how solvent or how reputable, is not permitted to guarantee royalty payments on his proof of financial responsibility because an individual may be here today and gone tomorrow, rich today and broke tomorrow, it is difficult for me to understand how an individual, even though solvent and reputable, can guarantee royalty payments for 10 years solely on proof of financial responsibility.

Robert A. Laurence

Robert A. Laurence

RECEIVED

OCT 17 1956

Old Fort, N. C.
October 16, 1956

Department of the Interior,
DMEA Region IV,
Washington 25, D. C.

Attention Mr. Mittendorf

Re - Docket No. DMEA 4268-Mica
Murphy Mining Co.
Murphy Mine,
Yancey County, N. C.

Dear Sir:-

With referance to your letter of Sept. 19, 1956, addressed to the Murphy Mining Co., Spruce Pine, N. C. in connection with third-party guarantor as to payment of royalties payable under our contract.

I have a copy of Mr. Lewis Aldridge's letter of transmittal enclosing third-party guaranty required in connection with this contract, dated Oct. 4, 1956.

Please advise me if this third-party guaranty is satisfactory, and if there are any other requirements to be met in connection with our contract.

Kindly let me hear from you at once as I am anxious to get to work on this operation.

Yours very truly,

Fred G. Wilson

Fred G. Wilson,
Old Fort, N. C.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D.C.
ROOM 18 POST OFFICE BLDG
KNOXVILLE 2, TENN.

RECEIVED
OCT 17 1956

October 15, 1956

Memorandum

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

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

Subject: Docket No. DMEA-4268 (Mica)
Murphy Mining Company, Spruce Pine, North Carolina
Murphy Mine, Yancey County, North Carolina

Reference is made to your letter of October 10.

We have no information about Mr. Samuel P. Brown, and do not know him. We will make inquiries at Spruce Pine this week, and notify you.

Robert A. Laurence
Robert A. Laurence
Executive Officer

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

Docket Copy
Surname:
Houk
Selfridge
Mitterdorf

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

600

OCT 2 0 1956

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

Re: Docket No. DMEA-4268-Mica
Murphy Mining Company
Murphy Mine
Yancey County, North Carolina

Dear Mr. Laurence:

Enclosed are two copies of a letter from Mr. Lewis Aldridge, dated October 4, 1956, and two copies of a financial statement from Mr. Samuel P. Brown who has signed the guaranty of royalty statement.

Please comment on the local reputation and character of Mr. Samuel P. Brown.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee

Approved:

Frank D. Lamb
Member, Bureau of Mines

Thor H. Kiilsgaard
Member, Geological Survey

Enclosures 4

LGHouk:gad 10/9/56
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

you can pay more but you can't buy better

ALDRIDGE MOTOR COMPANY Inc.

Telephone PO 5-4246-4247-4248
SPRUCE PINE, NORTH CAROLINA

October 4, 1956

RECEIVED
OCT - 8 1956

Department of Interior
DMEA Region IV
Washington 25, D. C.

Attention: Mr. Mittendorf

Re: Docket No. DMEA-4268-mica
Murphy Mining Company
Murphy Mine
Mitchell County, North Carolina

Dear Sir:

We are herewith enclosing a third party guaranty of royalty, WHEREAS negotiations are pending between the Department of Interior and Murphy Mining Company, Spruce Pine, N. C. for an exploration project contract relating to certain lands in the state of North Carolina. This third party guaranty is to guarantee the payment to the United States of America of any royalties that may fall due under the provisions of the contract including, therefore, any termination agreements.

We are also enclosing a financial statement of the third party guarantor. Your prompt action in this behalf will be appreciated.

Yours very truly,

Lewie Aldridge

Lewie Aldridge

LA:mh

Enc.

SAMUEL P. BROWN
GROSSMOOR, N. C.
FINANCIAL STATEMENT AS OF OCTOBER 4, 1956

RECEIVED
OCT - 8 1956

CURRENT ASSETS		
Cash on Hand & In Bank	$ 90.00	
Accounts & Notes Receivable	325.00	$ 415.00
REALESTATE		
90 Acres Farm	$5000.00	
MOTOR EQUIPMENT	$ 600.00	
Automobiles & Truck	750.00	$6765.00 Total Assets
LIABILITIES		
Mortgage on Farm	$500.00	
Open Accounts	80.00	$580.00 Liabilities
NET WORTH	$6185.00	
		$6765.00 $6185.00

I, hereby certify that the above statement is true to the best of my knowledge and belief.

Samuel P. Brown

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

Rubin
Lemmer
Hopkins
Johnson

SEP 1 8 1956

Murphy Mining Company

Spruce Pine, North Carolina

Re: Docket No. DMEA-4268 (Mica)
Murphy Mining Company
Murphy Mine
Yancey County, North Carolina

Gentlemen:

In response to your letter dated September 11, 1956, we have enclosed a third-party guaranty form for use in connection with your application for a contract under the subject docket.

In considering the acceptability of the Guarantor, the Government should be furnished, with the Guaranty of Royalty, evidence of the financial ability of the Guarantor, such as a statement of assets and liabilities.

Pursuant to the request in your letter, we are sending a copy of this form to Mr. Fred G. Wilson, Old Fort, North Carolina.

Sincerely yours,

C. O. Mittendorf

Administrator

Enclosures

HCRubin/emd
9/17/56
Copy to: DMEA Docket
Adm. R. File
Field Team, Reg. V (2)
Mr. Kiilsgaard
Mr. Dietrich
Mr. Houk
Mr. Rubin
Mr. Dwyer
chron.
pending

R.C.S.

Docket Copy
Surname:

Hopkins
Houk

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

SEP 12 1956

Mr. Fred G. Wilson
P. O. Box 207
Old Fort, North Carolina

Re: Docket No. DMEA-4268-Mica
Murphy Mining Company
Murphy Mine
Yancey County, North Carolina

Dear Mr. Wilson:

Reference is made to your letter dated August 23, 1956, requesting information on the status of your application for exploration assistance.

In our letter to your associate, Mr. Lewie Aldridge, dated July 27, 1956, we explained that a guaranty of royalties by a third party or a performance bond would be required, because the property is Government owned. To date a reply to that letter has not been received.

Upon receipt of either a third-person guaranty of royalties or a performance bond we will continue to process your application.

Sincerely yours,

Frank E. Johnson

ACTING Administrator

JHopkins:gad 9/11/56
Copy to: Admr. R. File
Docket
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

R.C.S.

RECEIVED
SEP 12 1956

September 11, 1956

U. S. Department of Interior
DMEA 140
Washington 25, D. C.

Attention: Mr. C. O. Mittendorf

Dear Sir:

Re: Docket No. DMEA-4268 (Mica)
Murphy Mining Company
Murphy Mine
Yancey County, North Carolina

Please send us a third party guaranty form for use in connection with Docket #DMEA-4268, Murphy Mining Company. We need this to complete the application for our exploration project.

Thanking you, we are

Yours very truly,

MURPHY MINING COMPANY
SPRUCE PINE, N. C.

Lewie Aldridge

Lewie Aldridge

P. S. Please send Mr. Fred G. Wilson of Old Fort, N. C. a copy of this form.

BRADLEY INSURANCE AGENCY
P. O. BOX 207
OLD FORT, N. C.

THE OLDEST INSURANCE COMPANY IN THE WORLD

August 23, 1956

RECEIVED
AUG 24 1956

Mr. C. O. Mittendorf, Administrator
Defense Minerals Exploration Adms.,
U. S. Dept. of the Interior,
Washington, D. C.

Dear Sir:-

Re - DMEA-4268 (Mica) Murphy Mining Co.
Murphy Mine, Yancey County, N. C.

I am writing you in regard to application for operational loan made by Mr. Louis Aldridge of Spruce Pine, N. C. and myself for the purpose of operating the above mentioned mine.

In a letter from Mr. Robert A. Laurence, Adms. Office at Knoxville, Tenn. I was informed that you had written Mr. Aldridge on July 27, 1956 that a performance bond for the guaranty of royalties under this operation would be required.

I have contacted Mr. Aldridge and he advises me that he has had bond executed and has forwarded same to your office.

I am anxious to get the operation started and would be glad if you could advise me as to when this loan could be completed.

Yours very truly,

Fred G. Wilson

Fred G. Wilson,
Old Fort, N. C.

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

RECEIVED
AUG - 6 1956

August 3, 1956

Mr. Fred G. Wilson

Old Fort, North Carolina

Re: DMEA-4268 (mica) Murphy Mining Co.
Murphy Mine, Yancey County, N.C.

Dear Mr. Wilson:

Your letter of August 1 to Mr. Bergman inquiring about the status of the subject application has been referred to me.

The information in your letter of July 19 was forwarded immediately to our Washington office. However, as pointed out in my letter of April 24, a guaranty of royalties, either by a third party or by a performance bond, is required.

On July 27, Mr. C. O. Mittendorf, Administrator, wrote to Mr. Aldridge explaining this situation, and stating that processing of the application would be continued immediately after receipt of the guaranty or bond.

Very truly yours,

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

RAL/sm
cc:
Opr. Com.-2
Lynch
Lewis Aldridge
Files

Rubin
Dwyer
Houk

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION 140
WASHINGTON 25, D. C.

JUL 27 1956

Mr. Lewis Aldridge
Murphy Mining Company
Spruce Pine, North Carolina

Re: Docket No. DMEA-4268 (Mica)
Murphy Mining Company
Murphy Mine
Yancey County, North Carolina

Dear Mr. Aldridge:

Reference is made to a letter to you dated April 24, 1956, from Mr. Robert A. Laurence, Executive Officer, DMEA Field Team, Region V, advising that a third-party guaranty of royalties to the Government will be necessary in lieu of a Consent to Lien. The guaranty of royalty must be executed by a responsible third party. Such a guaranty form is prepared in our Washington office, upon your submission of the name of a guarantor acceptable to the Government, accompanied by evidence of assets in an amount sufficient to cover the amount of the Government's contribution under a contract.

However, if you do not find it convenient to furnish a third-party guaranty, you will find enclosed copies of a performance bond, showing the penal sum of the bond, which will be acceptable to the Government when properly executed by a Surety company. The penal sum of $3,177.00 represents the amount of Government participation in an exploration project on your property.

Upon receipt of the performance bond properly executed, or your expressed desire to furnish the guaranty form, we will continue processing your application.

It should be pointed out also that it is our policy to require a minimum area of 5 acres in mica projects. However, we would accept the smaller acreage in this case because the land involved is Government-owned land.

LGHouk/HCRubin/emd
7/24/56

Sincerely yours,

C. O. Mittendorf

Administrator

Copy to: DMEA Docket
Adm. R. File
Operating Comm.
Mr. Kiilsgaard
Mr. Dietrich
Mr. Houk
Mr. Dwyer
Mr. Rubin
chron.

Enclosures

pending

Field Team, Reg. V (2)

R.C.J.

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

RECEIVED
JUL 25 1956

July 23, 1956

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Murphy Mine, DMEA-4268 (mica) Murphy Mining Co., Spruce Pine

The applicant has sent a tie in from the mine to one of the lease corners as previously requested. This information has been plotted on the examination report map and is enclosed. Although the lease area is unusually small, the proposed exploration is well within the lease boundaries and is recommended as being adequate for the purposes outlined in the examination report.

Although the applicants have been contacted in regard to the necessity of a third-party guarantee, it has not been received as yet in this office.

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

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

Spruce Pine, N. C.
July 19, 1956

RECEIVED
JUL 25 1956

Mr. Robert A. Laurence
Executive Officer
DMEA Region V
Room 13 Post Office Building
Knoxville, Tenn.

Re: Docket No.DMEA-4268-Mica
Murphy Mining Company
Murphy Mine
Mitchell County, N.C.

Dear Sir:

We are attaching the description of the exact location of the Murphy Mine as it is situated in the lease.

With this description we hope that you will forward us the contract so that we can start operations.

Thank you very much.

Yours truly

Murphy Mining Co.
Fred G. Wilson
Lewie Aldridge
Fred G.Wilson
Lewie Aldridge

Location of Murphy Mine in Lease to F. G. Wilson

Mine Location

From 25' Chestnut Corner #1
1 Chain 2 Links South
5½° West To Mine

Corner Ore

RECEIVED
JUL 30 1956
BUREAU OF MINES
MIN. ADM.
Knoxville, Tennessee

IN REPLY REFER TO:

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

RECEIVED
JUL 23 1956

July 20, 1956

Re: DMEA 4268 H
Murphy Mining Co.
Murphy Mine
Yancey Co., N. C.
App. Est. $4,875.00
Rec'd Est. 4,265.00
Mica

Memorandum

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

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

Subject: Review of Field Team report.

The applicant requested aid in the further exploration of an old mine by extending a 72-foot incline and raising.

A continuous 2- to 5-foot quartz core is exposed for the length of the incline in a pegmatite 10 x 20 feet in cross-section. The core is bordered by hard-unweathered plagioclase feldspar zone with 4 to 5 good size books of muscovite lying adjacent to the quartz core.

No information is available concerning the quantity of mica produced in driving the incline.

The examiners conclude the mineralogic environment is favorable and recommend road work, extension of the incline and raising.

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

N. E. Nelson

N. E. Nelson

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

July 18, 1956

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

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

Subject: DMEA-4268 (mica)

Applicant: Murphy Mining Co.

Name and Location of Property: Murphy Mine, Mitchell County, N. C.

Date of Field Team Report: 7/9/56

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 7/16/56

Field Team Recommendation: Recommend a unit-cost exploration program.

Comments:

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

2. Total estimated costs are in the amount of $4,265.00.

Recommendation:

I concur with the recommendation of the field team.

W. F. Dietrich

W. F. Dietrich

RECEIVED
JUL 19 1956

Memorandum

To: Files

From: James Hopkins

Subject: Evaluation of application for exploration assistance and Field Team report

Docket No. DMEA 4268-Mica

Murphy Mining Company

Murphy Mine

Mitchell County, North Carolina

The land involved in this application is a mineral lease from the Bureau of Land Management on two acres. Lease number is BLM-A-037366. The land is a rectangular plot - 10 chains by 2 chains or 132 feet by 660 feet.

The Field Team report states that the leased area is adequate for an exploration project.

However, a tie-in of the mine to a corner of the leased area is not shown on the map.

Proposed work appears to be sound exploration.

Mica

The quartz core of the pegmatite is bordered by a hard-unweathered plagioclase feldspar zone with 4 to 5 good size books of muscovite lying adjacent to the quartz core. The muscovite is light in books 5 to 12 inches wide and up to 3/4" thick. It is free from mineral intergrowths and is a very light rum, almost water clear color.

Fine-grained sericite and biotite are accessory minerals

Pegmatite:

The pegmatite is contorted, well zoned and roughly 10' to 20' in cross section

There is a continuous massive 2' to 5-foot thick quartz core exposed for 72 feet in an incline

The exposed cross-section is suggestive of a southwest plunging anticlinal fold implacement, bordered on the northwest by a steeply inclined normal fault

Workings

The Workings consist solely of 72-foot incline driven on the longitudinal axis of the pegmatite

Economics:

There is no record of production

Field Team Proposal:

The Field Team proposes to deepen the incline an additional 60 feet and drive two inclined raises to crosscut the quartz core to explore its margins

Costs

	Field Team	Reused by Division	Rounded to
Sinking Incline	$44.33/ft	$44.66	$45.00
Casing	32.75/ft	$30.91	$31.00
Road	30¢/cu yd	–	30¢/cu yd
Buildings	115.00	116.00	116.00
Estimated Total Cost		$4236.00	
Government participation		$3177.00	

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

RECEIVED
JUL 12 1956

ON-SITE Report

July 10, 1956

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Field Examination Report, DMEA-4268 (mica) Murphy Mining Co. Spruce Pine, N.C. Murphy Mine, Mitchell County, N. C.

Enclosed are four copies of the subject report, and nine extra copies of the sketch map. We agree with the Examiners' recommendations, and suggest approval of a unit-cost contract as outlined in the report.

It appears that the long rectangular lease area of 2 acres is adequate, as its long axis is practically parallel to that of the 130 x 10-foot area proposed for exploration. However, we have asked the field examiners to check with the Applicant and get a tie-in of the mine to one corner of the leased area.

The Applicant's sketch indicates that permit BLM-A-037366 was issued to Fred G. Wilson, but the application is in the name of Murphy Mining Company. Also we do not find any indication that the applicant has provided a third party guaranty or surety bond, in lieu of Consent to Lien, unless it has been sent directly to the Washington Office.

Reference is made to our memorandum of April 24. There is no connection between this partnership and the other "Murphy Mining Co." This Fred Wilson is not the same Fred Wilson as the one associated with DMEA-2533, DMEA-4283, etc.

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

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

Reviewed by
DMEA OPERATING COMMITTEE
7-16-56
(date)

RECEIVED
JUL 12 1956

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FIELD EXAMINATION REPORT
FIELD TEAM REGION V

On

DMEA-4268 (mica) MURPHY MINE
Yancey County, North Carolina

By

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

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

Reviewed by
DMEA OPERATING CONTRACTOR
7-16-56
(date)

July 9, 1956

RECEIVED
JUL 12 1956

FIELD EXAMINATION REPORT
On

DMEA-4268 (mica) MURPHY MINE - Yancey County, N. C.

Applicants: Murphy Mining Co., c/o Lewie Aldridge, Spruce Pine, N. C.

Summary:

Seventy-two feet of -32° incline have followed the longitudinal axis of a thick (10' x 20' cross-section) well-zoned pegmatite mass of good indicated mica potential. There is a suggestion that the structure may be a contorted southwest plunging synclinal fold emplacement bordered on the northwest by a steeply inclined normal fault. Several large books of fairly good quality muscovite are found in place adjacent to the quartz core. It is recommended that an exploration program be set up to explore the structure by extending the present incline and raising at intervals along the quartz core.

Location:

T he mine is located on Higgins Bald, an extension of Commissary Ridge on the southeastern slopes of Mount Mitchell, in Yancey County, N. C.

It is immediately adjacent to Set Rock Creek, 1.90 airline miles S. 63° E from the bench mark at the summit of Mount Mitchell, and 2.62 miles S 63° W from Busick School in the Pisgah National Forest, (Celo-Black Brothers, N. C. Quadrangle, TVA.Ed. 1934 (1/24,000)).

Introduction:

On May 7, 1956, the Field Examiners spent 2 1/2 hours examining the subject mine in the company of Mr. Fred Wilson and Mr. Lewis Aldridge. The applicant is not physically able to undertake any mining venture himself, but has a good background in mica mining and is capable of contracting and supervising the work.

The existing incline was dirven about 20 years ago by Tom and John Murphy.

No records are available as to any production. Water seepage evidently was a factor at the time, in abondoning the property. Although considerable water seepage is present, it would not hamper an operation supplied with an adequate pumping system.

The property is at least 3000 feet from the nearest all weather Forest Service Road. A jeep trail has been bulldozed to the mine, but the last 100 feet is impassable except on foot. The property is on a fairly steep heavily wooded mountain side at an elevation of approximately 4000 ft. No buildings, equipment or supplies are presently at the mine site.

Geology:

A 72-foot, -32° incline has followed the longitudinal axis of a contorted, well zoned, mica-bearing pegmatite of roughly 10 x 20 ft cross-section. There is a continuous massive 2 to 5 foot thick quartz core, exposed the length of the incline. The exposed cross-section is suggestive of a southwest plunging synclinal fold implacement, bordered on the northwest by a steeply inclined normal fault (see map). The core is bordered by a hard-unweathered plagioclase feldspar zone with 4 to 5 good size books of muscovite lying adjacent to the quartz core. The muscovite is flat, in books 5 to 12 inches wide and up to 3/4 inchesthick. It is free from mineral intergrowths and a very light rum, almost water clear color. Rare fine-grained sericite and biotite occur as accessory minerals.

Recommendations

The potential for the occurrence of strategic muscovite is excellent as regards the mineralogic environment. The indicated structural

continuity is strong for the entire incline length and there is no reason to believe that there should not be at least an equivalent length of pegmatite beyond the end of the incline. It is recommended that the incline be extended 60 feet from as low a position on the structure as possible and preferably at the lower end of the quartz core. A total of 40 feet of inclined raise should be driven, tentatively at the 20 and 60 foot points, of the proposed incline to crosscut the quartz core to explore its margins. About 800 feet of access road should be improved by D-6 bulldozer or equivalent.

Estimated Costs

Access Road: Improve 800 ft of existing access road. Bulldoze 2' x 10' x 800' feet or 600 cu. yds @ $.30¢ per cu. yds. $180.00

Contruct:

Toolhouse	$76.00	
Powder Magazine	25.00	
Exploder	14.00	115.00

Drive 60 feet of 5' x 7' incline shaft at approximately -32° (40 shifts)

Labor:

1 - Miner @ $1.50/hr.	480.00
1 - Hoistman @ $1.25/hr.	400.00
1 - Laborer @ $1.00/hr.	320.00

Equipment (rental)

Compressor, drill & Jackleg @ $250/Mo.	375.00
Hoist @ $50/Mo.	75.00
Pump, @ $20/Mo.	30.00

Estimated Cost (cont'd)

Supplies:

Explosives	$190.00
Drill Steel	120.00
Gasoline and oil	160.00
Timber, 2000 b.f. @ $65/M	130.00
Small tools, pipe, etc.	125.00
Miscellaneous	75.00
Liability Ins.	120.00
Social Security	36.00
Sales Tax	24.00

Total Cost of shaft sinking ($44.33 /ft. $2,660.00

Drive 40 ft of incline raises. Location to be determined later (20 shifts)

Labor:

1 - Miner @ $1.50/hr.	$240.00
1 - Hoistman @ $1.25/hr.	200.00
1- Laborer @ $1.00/hr.	160.00

Equipment (rental)

Compressor, drill & Jackleg @ $250/Mo.	250.00
Hoist @ $50/Mo.	50.00
Pump @ $20/Mo.	20.00

Supplies:

Explosives	125.00
Drill steel	65.00
Gasoline and oil	80.00
Miscellaneous	30.00
Liability Insurance	60.00
Social Security	18.00
Sales Tax	9.00

Total cost of raising (($32.75/ft). $1310.00

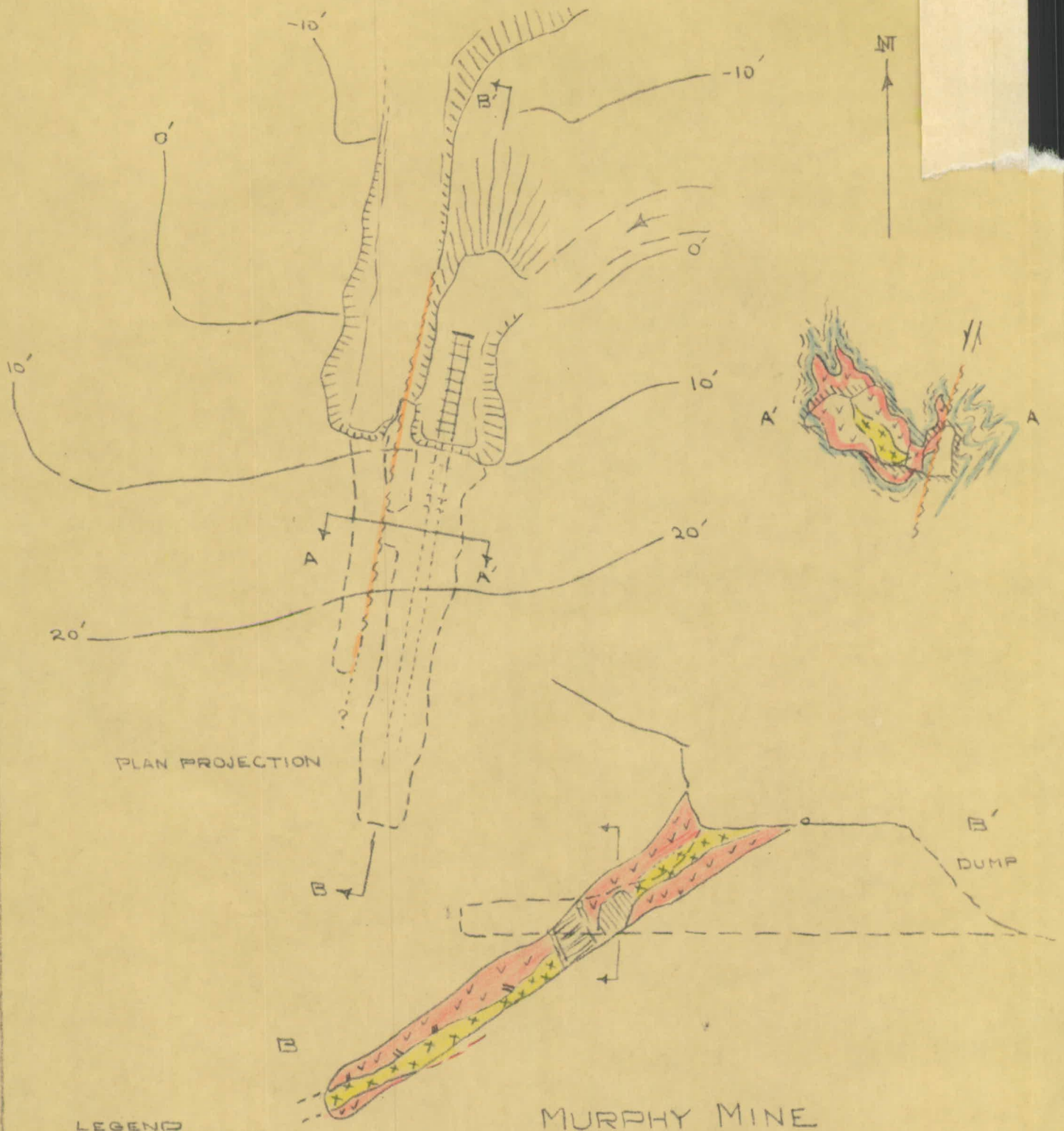
Estimated Total cost of project $4,265.00

July 9, 1956

S. C. Bergman, Geologist
U. S. G. S.

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

z



LEGEND

- MICA-BEARING PEG.
- QTZ. CORE
- FAULT ZONE
- EXCAVATION
- DUMP

MURPHY MINE

YANCEY COUNTY, NORTH CAROLINA

DMEA - 4268 (MICA)

SCALE: 1" = 20'

7/56

July 6, 1956

Mr. Lewie Aldridge of Spruce Pine, N. C. telephoned Mr. L. G. Houk
DMEA-4268 - Mica
Re: Murphy Mining Company
Lewie Aldridge, et al
Murphy Mine
Yancey County, N. C.

Mr. Aldridge: How about the Murphy Mine?

Mr. Houk: That was referred to the field on May 8th. Havent they made the examination yet?

Mr. Aldridge: Yes, they approved it.

Mr. Houk: Did they mention that there is only a two acre plot of ground there? Can you get more land on that? Get another lease or extend that one.

Mr. Aldridge: Yes I can get more land. I can do that through the Land Management office.

Mr. Houk: I thought the Government gave you a ten acre plot.

Mr. Aldridge: We paid $1,000 and they said $1,000 bond for mining rights.

Mr. Houk: Two acres is rather small area it is 220x220 ft. and generally you people want 3 or 4 bulldozer trenches outside the ground. Are you sure the field team did not mention there is only two acres of ground.

Mr. Aldridge: No they did not. I can go back and get more land.

Mr. Houk: Dont do anything until we get the field team report in here.

Mr. Aldridge: I guess that is about all. Thank you very much Mr. Houk.

DEFENSE MINERALS ADMINISTRATION

97021

PRODUCTION EXPANSION DIVISION

LOAN APPLICATIONS

Name of Company and Address _____

Name of Mine and Location _____

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

Metals or Minerals involved _____

Amount of loan and interest rate _____

Type of Loan (R.F.C. or Guaranteed Bank Loan) _____

Term of Loan _____

Purpose of Loan — Mine Equipment _____

Mill or Reduction Plant _____

Operating Funds _____

Other _____

Repayment and Rate _____

Comments on Contract: _____

_____

_____

_____

_____

Date sent to Legal Division: _____

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

Date Certification sent to R.F.C. by D.P.A. _____

Date Signed into Contract by R.F.C. _____

Additional Remarks: _____

_____

_____

_____

_____

Interior—Duplicating Section, Washington, D. C.

Signed _____

DOCKET COPY
Surname:

Selfridge

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

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

MAY 8 1956

Re: Docket No. DMEA-4268-mica
Murphy Mining Company
Murphy Mine
Mitchell County, North Carolina

Dear Mr. Laurence:

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

Copies of memoranda dated April 30 and May 3, 1956, by Mr. N. E. Nelson, USGS, and Mr. W. F. Dietrich, USBM, respectively, relating to the project are enclosed.

Please note that the lease covers a plot of only two acres which is much less than the area usually required for an exploration project. If a contract is recommended, please advise if the area is adequate.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (JHS)

JHopkins:ms 5/4/56
Copy to: Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Hopkins
Admr. R. File

Approved:

P. F. Yopes (JHS)
Member, Bureau of Mines

N. E. Nelson (JHS)
Member, Geological Survey

Enclosures: 4

DOCKET COPY
Surname:

Admin
Nelson
Yopes
Selfridge
Johnson

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

MAY 8 1956

Murphy Mining Company
c/o Lewis Aldridge
Spruce Pine, North Carolina

Re: Docket No. DMEA-4268-mica
Murphy Mining Company
Murphy Mine
Mitchell 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 (for)

Administrator

JHopkins:ms 5/7/56
Copy to: Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Hopkins
Admr. R. File
Field Team, Region V

R.C.L.

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

May 3, 1956

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

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

Subject: DMEA-4268 (mica)

Applicant: Murphy Mining Co., (F. G. Wilson)

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

Date Application Rec'd. by Br. of Ceramic & Fertilizer Materials: 4/30/56

Comments:

1. This application covers only two acres of land.

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

3. 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 and recommend that the applicant acquire additional land for exploration under the DMEA program. If so, the field team and applicant should agree on a definite plan of exploration on a unit-cost basis.

W. F. Dietrich

W. F. Dietrich

RECEIVED
MAY 3 - 1956

H

IN REPLY REFER TO:

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

April 30, 1956

Re: DMEA 4268 H
Murphy Mining Company
Murphy Mine
Mitchell Co., N. C.
$4,875.00 - Mica

Memorandum

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

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

Subject: Review of application.

The applicant requests assistance in exploring a pegmatite by reopening and extending an existing adit. The extension may be a drift, incline or shaft or a combination of the three. The mine is said to be in a good mica producing section but no mica is mentioned in connection with this pegmatite.

The work proposed consists of:--

Road repair	$ 60.00
Clearing adit	200.00
Buildings	115.00
100 feet drifting, incline or shaft	4,500.00
	$4,875.00

Referral of the application to the Field Team for appropriate action is recommended.

N. E. Nelson

N. E. Nelson

RECEIVED
MAY 1 - 1956

April 27, 1956

Murphy Mining Company
Spruce Pine, N. Carolina

Subject: DMEA - 4268
Re: Exploration Assistance

Dear Mr. Aldridge:

The receipt of your application dated April 18, 1956 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA 4268 and referred to the Non Metallics Minerals Division.

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

Sincerely yours,

Robert E. Adams, Chief
Operations Control and
Statistics Division

April 27, 1956

Memorandum

To: Executive Officer, DMEA Field Team, Region V.

From: Chief, Operation's Control and Statistics Division

Subject: Assignment of Docket Number

There is listed below the assigned docket number to an application recently received from Region V.

DMEA - 4268 Murphy Mining Company

Robert E. Adams
Chief, Operation's Control
and Statistics Division

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D.C.
ROOM 19 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

RECEIVED
APR 26 1956

April 24, 1956

Mr. Lewie Aldridge

Spruce Pine, North Carolina

Dear Mr. Aldridge:

The application of Murphy Mining Company has been forwarded to our Washington office for review, in accordance with established procedure.

Because the deposit is on Government land, it will be necessary to provide a third party guarantee of royalties, instead of the usual Consent to Lien. Our Washington office will contact you in regard to this.

Very truly yours,

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

RAL/mg
cc - Operating Committee (3)
Mr. V. J. Lynch
Files

145

245

Work Completed

Nine drill steels	$116.00		
Rock bottoms	180.00		
21 st. [illegible] @ 45.00	945.00		
	$1241.00	75%	$930.75

Remarks:

[illegible]

40' depth [illegible]

Remarks:

[illegible] 150# a few gold [illegible] and [illegible]

[illegible] approximately [illegible]

[illegible] not exceed 150#.

Inc. Forest Service [illegible] closed down operation [illegible]

1 week ??

[illegible]

No

trading in [illegible]